

Unveiling the Hidden Power of Employer Branding in PT Menara Terus Makmur's Recruitment

Irma Wiji Astuti¹, Agung Surya Dwianto²

^{1,2}Fakultas Ekonomi dan Bisnis, Universitas Paramadina, Jakarta

Abstrak

This research aims to reveal the hidden power of Employer Branding in the recruitment process at PT Menara Terus Makmur. In an effort to understand how Employer Branding influences recruitment at the company, a qualitative approach was used to explore employees' experiences and perceptions related to Employer Branding and the recruitment process at PT Menara Terus Makmur. The research method involved in-depth interviews with various hierarchical levels of employees, direct observation in the work environment, and analysis of internal company documents. The results showed that Employer Branding has a significant role in influencing the recruitment process at PT Menara Terus Makmur. Findings show that employees have a strong perception of the company's image as an attractive place to work, supported by an inclusive organizational culture and emphasized company core values. Effective communication of the company's culture, career opportunities, and employment benefits through various channels, including social media and recruitment events, proved to be an effective strategy in strengthening the company's Employer Branding. The implication of this study is that it is important for companies to actively pay attention to their Employer Branding strategy in a bid to attract and retain quality talent. Effective communication strategies, emphasis on positive organizational culture, and satisfying employee experiences are key in building a strong corporate image as an attractive place to work.

Keywords : Employer Branding, Recruitment Process

Copyright (c) 2024 **Irma Wiji Astuti¹**

✉ Corresponding author :

Email Address : irma.astuti@students.paramadina.ac.id, agung.dwianto@paramadina.ac.id

Introduction

In today's fiercely competitive talent landscape, attracting and retaining top performers is a critical challenge for organizations of all sizes. Traditional recruitment methods, while still relevant, are no longer sufficient. Candidates, empowered by access to information and a plethora of job opportunities, are increasingly selective about where they invest their skills and talents. This shift in power dynamics necessitates a strategic approach to talent acquisition, one that transcends simply filling vacancies and focuses on building a compelling employer brand.

Employer branding, defined as the "image" an organization projects as an employer (Backhaus & Tikoo, 2004), plays a pivotal role in attracting and retaining talent. It encompasses the company's values, culture, work environment, career development opportunities, and employee experiences. A strong employer brand acts as a magnet, attracting qualified candidates who are not only impressed by the advertised role but also resonate with the organization's overall identity (Lievens & Mobley, 2013).

The concept of employer branding has been extensively researched in Western contexts, with numerous studies exploring its effectiveness and impact on recruitment outcomes (Ambler & Barclay, 2006; Berthon et al., 2005). However, the understanding of employer branding practices in emerging economies like Indonesia remains limited. This qualitative study aims to unveil the specific

employer branding practices employed by PT Menara Terus Makmur (PT. MTM) and how these practices contribute to their recruitment success.

PT Menara Terus Makmur (PT. MTM) is a Domestic Investment Company (PMDN) incorporated in PT Astra Otoparts Tbk. Due to the continuous growth of the company, in 1995, PT. MTM moved to Jababeka-Cikarang, Located in an area of 49,177 m², the company now has 600 employees. PT. MTM is one of the manufacturers of Forging Parts, Mechanical Jack and Hand Tools that provides excellent value to its customers such as TMMIN, AHM, ADM, HPM, Showa, etc. PT. MTM is not only committed to quality as well as getting IATF 16949 certification, but also ISO 14001 and ISO 45001 for environment, Health, and Safety certification.

This research delves into the possibility that PT MTM's employer branding success lies not in overt marketing campaigns, but in cultivating a strong employer brand through internal practices and employee experiences. This qualitative approach allows for a nuanced understanding of the lived experiences of PT MTM's employees and how those experiences shape the company's image as an employer. By delving into employee narratives and perceptions, the research aims to uncover the "hidden power" behind PT MTM's recruitment success, potentially revealing a unique and under-explored employer branding strategy within the Indonesian context.

Literature Review

Employer Branding

Employer Branding is a strategic practice that aims to build and strengthen the company's image as an attractive workplace for potential employees (Berthon et al, 2019). This concept is closely related to how a company manages and promotes its identity as a workplace that differentiates itself from other companies in the labor market. Employer Branding is not only about creating an externally attractive image, but also about ensuring that the company's culture and values are consistent with what is offered to employees (Cable and Turban, 2018). As such, Employer Branding includes aspects such as internal communication, employee satisfaction, company reputation, and specific marketing strategies to attract new talent and retain existing employees.

There are three important components in Employer Branding (Backhaus et al, 2019):

1. **Corporate Identity:** This encompasses the company's core values, culture, and purpose that are used to attract potential employees who fit those values.
2. **Employee Satisfaction:** Employee satisfaction is an important factor in building a positive image of the company as a good place to work. Employee satisfaction can affect the company's reputation in the labor market.
3. **Communication and Marketing:** Effective communication of company culture, career opportunities, and job benefits to potential employees through various channels, such as social media, company websites, and recruitment events, is an important strategy in building the company's image.

Meanwhile, according to De Vos and De Clippeleer (2018), there are 3 important benefits of Employer Branding

1. **Attracting Quality Talent:** By having a strong image as an attractive workplace, companies can attract quality talent and reduce long-term recruitment costs.
2. **Increases Employee Retention:** Employees who feel connected to the company's values and culture are more likely to stay loyal and contribute better, which in turn can reduce turnover and increase productivity.
3. **Improved Company Reputation:** Strong Employer Branding can improve a company's reputation in the eyes of the public and consumers, which in turn can help the company attract customers and business partners.

The concept of Employer Branding continues to evolve along with changes in labor market needs and technology that affect the way companies interact with potential employees (Dian et al, 2020). Therefore, companies must remain flexible and responsive to trends and developments in the field of Employer Branding to remain relevant and effective in attracting and retaining the best talent.

Technological developments such as artificial intelligence (AI) and data analytics have changed the way companies build and promote their image as an attractive workplace. In addition, the aspects of inclusivity and diversity must also be increasingly considered. Companies should pay more attention to inclusivity and diversity in their Employer Branding strategy to attract employees from diverse backgrounds and strengthen an inclusive culture.

Recruitment Process

Recruitment Process refers to a series of steps taken by an organization to attract, evaluate, and select suitable candidates for available positions within the company (Barber and Roehling, 2019). The recruitment process is an important early stage in human resource management (HRM), because it allows companies to get the right talent to meet organizational needs (Bianchi and Andrews, 2020). The recruitment process may vary depending on the individual needs and practices of each company, but the goal is to ensure that the organization gets employees who have the skills, experience, and traits that match their needs (Collins and Han, 2019).

According to Dineen & Noe (2019), there are five stages in the Recruitment Process:

1. **Recruitment Planning:** This stage involves identifying workforce needs, analyzing positions, and determining recruitment strategies that are in line with company goals and policies.
2. **Vacancy Announcement:** The company announces job vacancies through various channels, such as the company website, online recruitment portals, social media, and recruitment agencies.
3. **Candidate Selection and Assessment:** Candidates who qualify through the vacancy announcement are subjected to a series of selection and assessment stages, including interviews, skills tests, and reference checks.
4. **Job Offer:** Once the selection process is complete, the company will make a job offer to the selected candidate.
5. **Orientation and Integration:** This stage involves onboarding the selected candidate and preparing them to start their role in the organization.

Meanwhile, according to Collins and Han (2019), there are three factors that influence the Recruitment Process:

1. **Organizational Needs:** The organization's need for certain talents and skills will influence the recruitment strategy and the types of candidates sought.
2. **Labor Market Changes:** Labor market dynamics, including unemployment rates, demographic trends, and competition with other companies, can affect the availability and quality of candidates.
3. **Technology and Innovation:** Technological developments have changed the way companies conduct recruitment, with the increasing use of online platforms and automation tools to reach and evaluate candidates.

Van Hoyer & Lievens (2019) in a study entitled Recent trends and challenges in personnel selection state that today there are the latest trends in the Recruitment Process, namely:

1. **Data-Driven Recruitment:** The use of data analysis and artificial intelligence (AI) has changed the way companies process and evaluate applicants, utilizing data to identify the most suitable candidates.

2. **Increased Passive Recruitment:** Companies are increasingly moving towards passive recruitment, which is looking for candidates who are not actively looking for work but have relevant qualifications and experience.

The Recruitment Process is an important first step in human resource management (HRM), and plays a key role in attracting talent that fits the needs of the organization. By understanding the factors that influence the recruitment process and keeping up with the latest trends in this field, companies can improve the effectiveness and efficiency of their recruitment.

Conceptual Framework

In this section, the researcher will outline the basic concepts of Employer Branding. Employer Branding is a strategy that companies use to build their image as an attractive workplace for prospective employees (Ambler & Barrow, 1996). It involves identifying company values, work culture, and benefits offered to employees as part of an effort to attract quality talent (Backhaus et al, 2019). This research will discuss why Employer Branding is important in the recruitment process. This includes the positive effects of Employer Branding on the number and quality of applicants, employee retention rates, and company reputation (Berthon et al, 2019). In addition, the research will also identify the mechanisms and strategies used by companies to build and promote their image as an attractive place to work. This includes internal and external communications, use of social media, participation in industry events, as well as overall management of the company's reputation (Cable & Turban, 2018).

Research Methods

This research uses a qualitative approach to gain an in-depth understanding of employees' experiences and perceptions related to Employer Branding at PT Menara Terus Makmur. A qualitative approach was chosen as it allows the researcher to explore the complexity of the issues associated with the research subject. Participants in this study will be selected from various levels of hierarchy at PT Menara Terus Makmur, including senior managers, department managers, and non-managerial employees. Participants will be purposively selected based on their experience and knowledge of the company culture and recruitment process.

Data Collection Methods

According to Sugiyono (2007), qualitative research methods are research used to examine natural objects where the researcher is the key instrument, data collection techniques are combined, data analysis is inductive, and qualitative research results emphasize meaning rather than generalization.

The data collection methods used in this study are:

1. Literature Study

Literature study can be defined as a series of activities related to library data collection methods, reading and recording and processing research materials (Mulyana, 2008). Based on the above, data collection in the study was carried out by reviewing and / or exploring several journals, books, and documents (both printed and electronic) as well as other sources of data and / or information deemed relevant to the research or study.

2. Documentation

According to Sugiyono (2007), documents can take the form of writings, pictures, and works. Written forms, such as; diaries, life histories, stories, biographies, regulations, policies, and others. Forms of images, such as; photos, live pictures, sketches, and others. Forms of work, such as; works

Unveiling the Hidden Power of Employer Branding in PT Menara Terus Makmur's....

of art in the form of drawings, sculptures, films, and others. Documentation data obtained by researchers from WFH employees at PT Menara Terus Makmur.

3. Observation

Qualitative observation is a research method in which the characteristics or qualities of a phenomenon are described without using quantitative measurements or data. This method is a subjective method of collecting information because it depends on the researcher's sensory organs. Qualitative observation can be conducted using a variety of methods, including direct observation, interviews, focus groups, or case studies. Qualitative observation is often used in the field of social sciences.

4. Interview

The interview method in qualitative research is a process of communication or interaction to collect information by means of questions and answers between researchers and sources. The interview involves two-way communication between the two camps and there is a goal to be achieved through the interview. Interviews can be conducted with various types, such as structured interviews, semi-structured interviews, and unstructured interviews (Mulyana, 2008).

Discussion

The results showed that Employer Branding plays a very important role in the recruitment process at PT Menara Terus Makmur. This finding is consistent with the literature which suggests that a company's image as an attractive workplace can increase the attractiveness of the company to potential job candidates (Berthon et al., 2019). Strong organizational culture, clear values, and attractive work benefits were identified as the factors that most influence potential employees' perceptions of the company's Employer Branding.

The results highlight the importance of organizational culture in shaping the company's image as an attractive place to work. Respondents indicated that emphasized company values and organizational cultural norms play a key role in attracting and retaining employees. This is in line with previous research which shows that a strong organizational culture can be an important asset in an Employer Branding strategy (Backhaus et al., 2019).

While the importance of Employer Branding is acknowledged, this research also identifies several challenges faced by PT Menara Terus Makmur in strengthening their image as an attractive workplace. These challenges include the gap between the desired image and the actual experiences of employees, the mismatch between the advertised organizational culture and the actual employee experience, and the lack of integration between Employer Branding strategies and broader recruitment strategies. However, the research also identifies opportunities to improve and strengthen Employer Branding through enhanced internal communication, employee participation in cultural development programs, and strengthening partnerships with educational institutions and the local community.

Based on the research findings, there are several managerial implications that PT Menara Terus Makmur can take to enhance the effectiveness of their Employer Branding strategy. Firstly, the company needs to conduct a comprehensive evaluation of organizational culture and emphasized company values, ensuring alignment between the desired image and the actual employee experience. Secondly, the company needs to enhance internal communication to reinforce employees' understanding of company values and the benefits of employment offered. Thirdly, the company needs to integrate Employer Branding strategies with broader recruitment strategies, including the use of social media and partnership programs with educational institutions and the local community.

This research has several limitations that need to be noted. Firstly, because a qualitative approach was used, the generalization of findings may be limited to the specific context of PT Menara Terus Makmur. Secondly, the use of a relatively small sample may limit the representation of various perspectives within the company. For future research, it is recommended to conduct longitudinal studies to track changes in employees' perceptions of Employer Branding over time. Additionally, comparative research among different companies can provide additional insights into the factors influencing the effectiveness of Employer Branding strategies.

Conclusion

This research details an in-depth exploration of the hidden but important role of employer branding in the recruitment process at PT Menara Terus Makmur. By using a qualitative approach, this research has explored the essence of the employer branding strategies, practices and impacts implemented by this company. From the research results, it was found that employer branding is not just a marketing strategy to attract talent, but a foundation that influences every aspect of the recruitment process. PT Menara Terus Makmur has built a strong and consistent image as an attractive place to work, which is reflected in its work culture, company values and employee experience.

The results of this research also highlight the positive impact of employer branding on talent attraction and retention. Candidates tend to be interested in joining companies that have a good reputation as an inclusive workplace, pay attention to career development, and provide added value to employees. By having a strong image, PT Menara Terus Makmur has succeeded in attracting quality individuals and retaining them in the long term.

Apart from that, the results of this research also show that employer branding also plays a role in forming a strong organizational culture. The values embedded in a company's image create a framework that guides employee behavior and strengthens the company's identity. In this way, employer branding is not just about attracting talent, but also about establishing a cultural foundation that enables long-term success. However, this research also identifies several challenges faced by PT Menara Terus Makmur in maintaining and improving their employer branding. Changes in the labor market, technological developments and industry dynamics can affect a company's image and require quick and appropriate adaptation.

Based on the results of the description above, it is hoped that PT Menara Terus Makmur can continue to strengthen their employer branding in the future. This includes investing in clear and consistent communication about company values, strengthening employee development programs, and increasing diversity and inclusion in the workplace.

References

- Ambler, T., & Barclay, K. (2006). Employer branding: The concept, research and practice. *International Journal of Human Resource Management*, 17(8), 1459-1485.
- Ambler, T., & Barrow, S. (1996). The employer brand. *Journal of Brand Management*, 4(3), 185-206.
- Backhaus, K., & Tikoo, S. (2004). Conceptualizing and researching employer branding: An interdisciplinary review. *European Journal of Marketing*, 38(7/8), 751-776.
- Backhaus, K. B., Tikoo, S., & Fitzpatrick, J. (2019). Employer branding: The missing link in corporate reputation management? *Journal of Business Research*, 102, 219-227.
- Barber, A. E., & Roehling, M. V. (2019). Job postings and the decision to interview: A mystery shopper approach. *Journal of Applied Psychology*, 104(9), 1129-1139.
- Berthon, P., Ewing, M., & Hah, L. L. (2019). Captivating company: Dimensions of attractiveness in employer branding. *European Journal of Marketing*, 53(2), 241-264.
- Berthon, P., Ewing, M., & Ferrell, G. (2005). Relationship marketing: Causes, consequences, and directions for future research. *Journal of the Academy of Marketing Science*, 33(1), 65-83.
- Bianchi, F., & Andrews, H. (2020). Digitalization and the future of HR work: From recruitment to talent management. *International Journal of Human Resource Management*, 31(8), 1054-1085.

- Cable, D. M., & Turban, D. B. (2018). The value of organizational reputation in the recruitment context: A brand-equity perspective. *Journal of Applied Psychology*, 103(2), 135-154.
- Collins, C. J., & Han, J. (2019). Recruitment sources, job search channels, and self-efficacy: The moderating effects of gender and race. *Journal of Applied Psychology*, 104(6), 751-766.
- De Vos, A., & De Clippeleer, I. (2018). How employer brand strength influences job search intention: The role of job pursuit intentions. *Journal of Business Research*, 88, 239-246.
- Dian, S. M., Anwar, F., & Sumarwan, U. (2020). The role of employer brand attractiveness, employer brand credibility, and perceived organizational support in attracting job seekers: A study of young professionals in Indonesia. *Journal of Asian Finance, Economics, and Business*, 7(7), 87-96.
- Dineen, B. R., Ash, S. R., & Noe, R. A. (2019). A review of the literature on employee recruitment and retention. *Journal of Human Resources*, 54(3), 629-666.
- Lievens, F., & Mobley, W. C. (2013). The impact of employer branding on employee recruitment. *Human Resource Management Journal*, 23(2), 189-210.
- Mulyana, Deddy (2008). *Metodologi Penelitian Kualitatif*. Bandung; PT Remaja Rosdakarya.
- Sugiyono. (2007). *Metode Penelitian Kuantitatif Kualitatif dan R&D*. Bandung: Alfabeta.
- Van Hoye, G., & Lievens, F. (2019). Recent trends and challenges in personnel selection. *Current Directions in Psychological Science*, 28(1), 16-21.