Word of Mouth as a Recruitment Source: An Integrative Model

Greet Van Hoye

Ghent University, Belgium

Correspondence concerning this paper should be addressed to Greet Van Hoye, Department of Business Administration and Public Administration, Ghent University, Henleykaai 84, 9000 Ghent, Belgium. E-mail: greet.vanhoye@ugent.be

Abstract

Despite the social realities of job seeking, few studies have addressed how and why employment information received by other people affects organizational attraction. This chapter first discusses the characteristics of word-of-mouth as a recruitment source and then provides a systematic review of its determinants and outcomes studied in previous research. An integrative model of word-of-mouth is developed that synthesizes prior research findings and highlights key directions for future research. This model proposes that characteristics of the recipient (e.g., personality), source (e.g., expertise), and organization (e.g., employer brand) can determine the use of word-of-mouth as a recruitment source as well as moderate its effects. The model further suggests that word-of-mouth affects both individual job search outcomes and organizational pre-hire and post-hire recruitment outcomes. The accessibility-diagnosticity model and the source credibility framework are discussed as theoretical perspectives explaining these effects. Finally, several strategies are discussed that organizations can implement for managing word-of-mouth.

Keywords: Recruitment, organizational attraction, recruitment source, word-of-mouth, employee referral, networking, credibility.

Introduction

Recruitment is a top priority for many organizations today as they struggle to cope with labor shortages. In fact, some organizations now face a greater challenge in attracting than in selecting employees (Ployhart, 2006). As a result, recruitment has become one of the most crucial human resource functions for organizational success and survival (Taylor & Collins, 2000). One of the key factors that determine organizational attraction is the source through which potential applicants receive employment information (Rynes & Cable, 2003). However, research has mainly focused on company-dependent recruitment sources such as advertising, which are directly controlled by the organization to communicate a positive message to job seekers (Breaugh, 2008). With respect to company-independent sources such as word-of-mouth, which are not under the direct control of the organization and can provide positive as well as negative information, research is scarce (Van Hoye & Lievens, 2009). Along these lines, Cable and Turban (2001) stated that:

> Any information source, ranging from company's brand advertisement to friends' word-of-mouth, has the potential to affect job seekers' employer knowledge. Unfortunately, several sources of organizational information suggested by the marketing literature have been relatively ignored in past recruitment research. (p. 132)

The dearth of research on word-of-mouth as a recruitment source is especially startling and out of sync with the realities of day-to-day job seeking. Even though potential applicants often consult family, friends, and other people about jobs, most studies have treated them as individual decision-makers in social isolation. A review of the recruitment literature even led Highhouse and Hoffman (2001) to conclude that "although it has been over 30 years since

Soelberg (1967, p. 23) referred to social influence as the 'single most promising direction' for job-choice research, very little attention has been given to this topic" (p.47).

In recent years, several studies have demonstrated that word-of-mouth can have a powerful impact on organizational attraction (Collins & Stevens, 2002; Van Hoye & Lievens, 2007b, 2009). However, much less is known about who is most likely to spread and receive word-of-mouth, what organizations can do to stimulate word-of-mouth, what mechanisms explain the effects of word-of-mouth, and the conditions under which word-of-mouth is less or more influential. In addition, despite its independent nature, only a few studies have considered negative word-of-mouth.

The present chapter aims to contribute to our understanding of word-of-mouth as a recruitment source by reviewing and integrating previous research findings as well as by identifying key gaps in our current knowledge and promising directions for future research. This effort has resulted in the development of an integrative research model of word-of-mouth that provides an overview of its determinants, outcomes, mediators, and moderators, as shown in Figure 1. In addition to synthesizing prior research, this model is hoped to ignite and inspire much needed future research in this area.

Word-of-Mouth in Marketing

Applying a marketing metaphor to recruitment research is based on the conceptual parallels between the two disciplines (Cable & Turban, 2001). In both marketing and recruitment, organizations compete to attract a restricted number of individuals. These individuals have only limited and often ambiguous information on possible alternatives, leaving room for organizations to influence their decisions. Communication and persuasion are therefore inherent in both processes. Hence, potential applicants and application decisions can be compared to consumers

and buying decisions (Maurer, Howe, & Lee, 1992). Along these lines, several recent studies have fruitfully applied marketing concepts to recruitment issues, demonstrating that a marketing metaphor can provide an innovative and theory-driven approach to understanding organizational attraction (e.g., Cable & Turban, 2003; Collins, 2007).

Whereas recruitment research on word-of-mouth is still in its infancy, the marketing literature has long recognized the importance of social influences on consumer attitudes and buying decisions (Dichter, 1966). Since the 1960s, a large body of research has documented the pervasive impact of word-of-mouth on consumer behavior, which typically exceeds the influence of marketing communication controlled by the organization (Bone, 1995; Buttle, 1998; Herr, Kardes, & Kim, 1991; Matos & Rossi, 2008; Wirtz & Chew, 2002). Given this extended research tradition, recruitment studies have much to learn from the field of marketing with respect to conceptualizations of word-of-mouth and theories on how it relates to determinants and outcomes. Accordingly, studies on word-of-mouth as a recruitment source have borrowed heavily from the marketing literature (e.g., accessibility-diagnosticity model; recipient-source framework), as will become evident throughout this chapter.

Word-of-Mouth in Recruitment

Word-of-mouth as a recruitment source is defined as an interpersonal communication, independent of the organization's recruitment activities, about an organization as an employer or about specific jobs (Van Hoye & Lievens, 2009). Examples include conversations with friends or advice from teachers. This definition highlights three key characteristics of word-of-mouth. First, word-of-mouth is clearly a social phenomenon as it occurs between people, in an *informal* manner (Cable, Aiman-Smith, Mulvey, & Edwards, 2000). Whereas formal sources of employment-related information involve the use of public intermediaries that exist primarily for

recruitment purposes such as employment agencies and job advertisements, informal sources involve either no intermediaries (e.g., walk-ins) or private intermediaries such as friends or relatives (Saks & Ashforth, 1997). Second, given that the focus is on transferring information, word-of-mouth represents a particular type of *informational social influence*. Informational social influences refer to accepting information provided by others as evidence about reality and are motivated by desires for problem-solving or coping with one's environment. This type of influence operates through internalization (Cohen & Golden, 1972). On the contrary, normative social influences result from a pressure to conform to certain expectations held by another person or group and are motivated by desires for self-maintenance or external rewards. The internal processes operating here are identification and compliance (Wooten & Reed, 1998). Finally, word-of-mouth is a *company-independent* source that is not under the direct control of the organization (Cable & Turban, 2001). Contrary to company-dependent sources such as advertising, word-of-mouth is generated by people who are perceived to have no commercial self-interest in promoting the organization (Buttle, 1998). Therefore, information from recruiters is not considered to be word-of-mouth (Fisher, Ilgen, & Hoyer, 1979). This further implies that organizations can only attempt to influence word-of-mouth indirectly through other recruitment activities such as campus recruitment, building relationships with key influentials and opinion leaders (e.g., career counselor or class president), employee referral programs (e.g., providing monetary bonuses for successful referrals), or internships.

In addition to these defining characteristics, word-of-mouth can vary across at least four other dimensions that are likely to influence its occurrence and effects. First, even though word-of-mouth is typically associated with face-to-face communication, it can be provided through all sorts of *media* such as the telephone or the internet (Herr et al., 1991). In particular, the

importance of web-based word-of-mouth (also referred to as "word-of-*mouse*") has increased

exponentially in recent years, as interpersonal company information is being spread by e-mails,

weblogs, chatrooms, electronic bulletin boards, and social networking websites (Dellarocas,

2003; Godes & Mayzlin, 2004; Kluemper & Rosen, 2009). Second, as long as they are operating

independently of the organization, everyone can be a *source* of job-related word-of-mouth

information including friends, family, acquaintances, and even complete strangers (Brown &

Reingen, 1987). Third, word-of-mouth can be based on *motives* of the source (e.g.,

dissatisfaction) as well as the recipient (e.g., uncertainty reduction), or can even occur

coincidentally (Mangold, Miller, & Brockway, 1999). This implies that even though word-of-

mouth is sometimes actively sought by potential applicants, it can also be received unsolicited.

Finally, as word-of-mouth is a company-independent source that does not have the explicit

purpose to promote the organization, it can contain both positive and negative information (Cable

& Turban, 2001). Therefore, it is important to take the *valence* of word-of-mouth into account

when measuring its effects (Van Hoye & Lievens, 2009).

These characteristics clarify how word-of-mouth relates to two other concepts that have

been used in prior recruitment research. In fact, employee referrals and networking represent

particular subtypes of the broader concept word-of-mouth. First, whereas all social actors can be

sources of word-of-mouth, *employee referrals* involve information provided by current

employees of the organization (Ullman, 1966). Moreover, with respect to valence, employee

referrals typically contain mostly positive information as the organization is recommended to

others. In addition, given that employee referrals imply that employees have already "referred"

others to the organization, the term has typically been used to describe new-hires and to a lesser

extent applicants (Zottoli & Wanous, 2000). On the contrary, the concept of word-of-mouth can

be applied in all phases of recruitment, including potential applicants (Barber, 1998). Second, *networking* has been defined as "individual actions directed toward contacting friends, acquaintances, and other people to whom the job seeker has been referred for the main purpose of getting information, leads, or advice on getting a job" (Wanberg, Kanfer, & Banas, 2000). While word-of-mouth in general can be initiated by the source as well as by the recipient and can be driven by various motives, networking consists only of word-of-mouth initiated by job seekers with the explicit motive to gather job-related information (Van Hoye, Van Hooft, & Lievens, 2009).

Outcomes of Word of Mouth

Theoretical Perspectives

Although the effectiveness of recruitment sources is one of the most intensely studied aspects of recruitment, the focus has been on post-hire outcomes such as the satisfaction and performance of new employees (Breaugh, 2008). As a result, far less is known about how various sources of employment information affect pre-hire organizational attraction as a key recruitment outcome. Along these lines, Rynes (1991) stated that "the principal recommendation with respect to dependent variables would be to accord the immediate objective of recruitment – applicant attraction – higher priority in future research" (p. 435). Following this recommendation, research on word-of-mouth as a recruitment source has applied two main theoretical paradigms to explain its effects on organizational attraction, the accessibility-diagnosticity model and the source credibility framework.

First, the accessibility-diagnosticity model (Feldman & Lynch, 1988) posits that the likelihood that information is used to form an evaluation is determined by the accessibility or availability of that information in memory, the diagnosticity of that information, and by the

accessibility and diagnosticity of other information. Accessibility is high when the information is easily retrieved from memory (Herr et al., 1991). Diagnosticity is high when the information helps to discriminate between alternative hypotheses, interpretations, or categorizations (e.g., whether an organization has a good or bad image as an employer) (Feldman & Lynch, 1988). One of the predictions that can be derived from the accessibility-diagnosticity model is that word-of-mouth is likely to affect organizational attraction because it is highly accessible in memory due to its personal and vivid nature (Herr et al., 1991). In addition, the model can take into account that as a company-independent source word-of-mouth can be positive as well as negative. In this respect, the accessibility-diagnosticity model posits that negative information is more diagnostic and therefore more influential than positive or neutral information, especially in a marketing or recruitment environment that is predominantly positive (Herr et al., 1991).

An alternative theoretical explanation for the effects of word-of-mouth is provided by the source credibility framework, which postulates that more credible sources of information are more persuasive in both changing attitudes and gaining behavioral compliance (Eisend, 2004; Pornpitakpan, 2004). Perceived credibility is based on perceptions of truthfulness, trustworthiness, and believability of the information received from the source (Allen, Van Scotter, & Otondo, 2004). Applied to recruitment, this implies that recruitment sources vary in the degree to which job seekers perceive them as providing credible employment information, which in turn might explain their differential effects on recruitment outcomes (Breaugh, 2008; Cable & Turban, 2001; Fisher et al., 1979). Compared to company-dependent sources, company-independent sources such as word-of-mouth are likely to be perceived as providing more credible information because they are assumed to have no explicit self-interest in promoting the organization (Van Hoye & Lievens, 2007a). In addition, job seekers tend to perceive information

obtained through direct personal communication as more credible than indirect impersonal information (Allen et al., 2004; Cable & Turban, 2001).

Although the accessibility-diagnosticity model and the source credibility framework offer different explanations for its effects, they both predict that employment information provided through word-of-mouth will affect organizational attraction. Furthermore, word-of-mouth is expected to be more influential than various other recruitment sources that are respectively less accessible, diagnostic, or credible. Moreover, instead of treating them as competing models, it might be possible to integrate these theoretical perspectives, as the key variables seem to be related to each other. For instance, more accessible information might be perceived as more credible, whereas information provided by a more credible source could be seen as more diagnostic. Future research should investigate how these and other mediating variables might be best combined to most fully explain the effects of word-of-mouth.

Research on the Outcomes of Word-of-Mouth

Empirical support for the theoretical assumptions based on the accessibility-diagnosticity model and the source credibility framework is scarce, given that only a limited amount of studies have examined word-of-mouth as a recruitment source and just a few of those have investigated possible explanations for its effects. As one of the first to examine word-of-mouth in a recruitment context (and label it as such), Cable et al. (2000) observed that relying on word-of-mouth as a source of employment information was not related to the accuracy of applicants' beliefs about organizational image (which was operationalized as the correspondence between company executives' and applicants' perceptions of the organization's cultural values). Even though this finding suggests that word-of-mouth does not necessarily contain correct information, it might also reflect actual differences between organizations' internal and external image as an

employer (Lievens, 2007). Notwithstanding the accuracy of the provided information, Collins and Stevens (2002) found that positive word-of-mouth was positively related to graduating engineering students' perceptions of both the image and attractiveness of organizations as an employer. Moreover, word-of-mouth had a positive effect on application intentions as well as actual application decisions, which was mediated by its impact on organizational image and attractiveness. In terms of how these effects compare to those of other recruitment sources, recruitment advertising had a similar though slightly weaker impact on these attraction outcomes, whereas sponsorship and positive publicity were not or only weakly related.

Considering the valence of the information received through word-of-mouth, Van Hoye and Lievens (2009) investigated how both positive and negative word-of-mouth affected potential applicants' attraction to the military. Similar to Collins and Stevens' (2002) results, they found that positive word-of-mouth had a positive impact on organizational attractiveness and actual application decisions, but contrary to expectations, negative word-of-mouth was unrelated. In addition, word-of-mouth explained incremental variance in these attraction outcomes beyond potential applicants' exposure to other recruitment sources including recruitment advertising, the recruitment website, recruitment events, and positive and negative publicity. Moreover, the effect of positive word-of-mouth on attraction was larger than most of these other sources, except for recruitment advertising. In another setting (French graduating business school students), Jaidi, Van Hooft, and Arends (2011) obtained comparable results. Positive word-of-mouth was positively related to job pursuit attitude, job pursuit intention, and job pursuit behavior, whereas the effect of negative word-of-mouth was not significant. Recruitment advertising had a similar impact on these outcomes, while the effects of other sources (i.e., on-campus presence, positive and negative publicity) were smaller or not significant. Moreover, the relationship between

positive word-of-mouth and job pursuit behavior was mediated by job pursuit attitude and intention.

In the only field study to test the predictions of the source credibility framework more explicitly, Van Hoye (2012) observed that word-of-mouth had a strong positive impact on Belgian job-seeking nurses' perceptions of organizational attractiveness and accounted for more variance than all other recruitment sources together (i.e., recruitment advertising, recruitment events, and publicity). Given that recruitment advertising was not even a significant predictor in this study, it might be that these nurses who were in very high demand on the local labor market were more critical of recruitment advertising from organizations desperately trying to attract them and preferred to rely on more independent word-of-mouth information to evaluate potential employers. In line with this explanation, recruitment advertising was negatively related to the credibility of the received employment information, whereas word-of-mouth was positively related. Moreover, the effect of word-of-mouth on attractiveness was partially mediated by credibility, providing some support for the source credibility framework.

In addition to these field studies, some laboratory studies have been conducted to shed more light on the conditions that might affect the impact of word-of-mouth as a recruitment source. In a pioneering study (not yet using the term word-of-mouth), Fisher et al. (1979) observed that employment-related word-of-mouth information from a friend or a job incumbent was perceived as more credible than the same information provided by an interviewer. In addition, negative word-of-mouth was seen as more credible than positive word-of-mouth. Moreover, organizational attractiveness was higher when the information came from any of the word-of-mouth sources (instead of the interviewer) and when the provided information was positive (rather than negative). In another experimental study, Van Hoye and Lievens (2005)

found that positive word-of-mouth significantly improved organizational attractiveness after being exposed to negative publicity. Recruitment advertising had a similar effect but was perceived as a less credible source of employment information. Contrary to expectations, the effect of word-of-mouth was not greater for participants higher in self-monitoring, who were thought to be more susceptible to such social information (Kilduff, 1992). In a later study, Van Hoye and Lievens (2007b) observed that word-of-mouth had a strong impact on organizational attractiveness, which was partially mediated by credibility. In addition, word-of-mouth information provided by a friend was perceived as more credible and had a more positive effect on attractiveness than word-of-mouth from an acquaintance, suggesting that tie strength (i.e., the closeness of the social relationship between the source and recipient of word-of-mouth, Brown & Konrad, 2001) might moderate the effects of word-of-mouth. Opposite to the results of the field studies discussed above, the effect of negative word-of-mouth was greater than the effect of positive word-of-mouth. In a similar experiment, Kanar, Collins, and Bell (2010) also found that negative word-of-mouth had a greater impact on organizational attractiveness than positive word-of-mouth. In addition, recall of the favorability of the provided employment information was better for negative word-of-mouth, suggesting it was perceived as more salient and diagnostic, in line with the accessibility-diagnosticity model.

Focusing on word-of-mouth provided through one specific medium, Van Hoye and Lievens (2007a) demonstrated that online word-of-mouth was associated with greater credibility and organizational attractiveness than an employee testimonial posted on the organization's own website. It seems that the greater perceived organizational control of web-based testimonials caused them to be less credible and influential than independent word-of-mouth. In addition, potential applicants were more attracted when the word-of-mouth information focused on

describing the organization as an employer instead of individual employees, whereas the reverse was true for the web-based testimonials. For the testimonial, potential applicants were more likely to believe the information that individual employees provided about themselves than about the organization as a whole, suggesting that the ulterior recruitment motive of trying to promote the organization was less obvious in case of an individual message. With respect to word-of-mouth, information about individual employees provided outside of the organizational context was probably seen as less representative for all employees and thus less credible and relevant for potential applicants' organizational perceptions than general information about the organization as an employer. These results indicate that the content of word-of-mouth information can moderate its effect on organizational attraction. Moreover, as all these effects were mediated by credibility, more support is provided for the source credibility framework.

Examining a specific type of web-based word-of-mouth, Cable and Yu (2006) observed that job seekers perceived employment information presented on an electronic bulletin board (i.e., Vault.com) as less credible than information provided on the organization's website. Even though these findings seem to contradict those of Van Hoye and Lievens (2007a), it might be that the anonymity of the employee reviews posted on the electronic bulletin board significantly reduced their credibility. In addition, differences in the content of the investigated media might provide an alternative explanation for this finding, as employee reviews on electronic bulletin boards may be less likely to provide systematic information on important job and organizational characteristics than company websites. Together, these findings suggest that the specific medium, source, and content of word-of-mouth should be taken into account when examining its effects, as discussed earlier.

Conclusion. So what can we learn from these field and laboratory studies investigating the outcomes of word-of-mouth? First of all, these findings, especially of the field studies, strongly suggest that positive word-of-mouth has a significant impact on a wide variety of attraction outcomes, including organizational image, organizational attractiveness, and application decisions. As such, word-of-mouth seems to be an influential source of positive employment information in various stages of the recruitment process, whereby more immediate attraction outcomes mediate the effect on more distant outcomes. This effect of positive word-of-mouth appears to be robust and generalizable, as it has been observed across different samples, settings, jobs, organizations, and countries.

Second, with respect to negative word-of-mouth, the results are inconsistent and might even depend on the study's design and characteristics. Specifically, two field studies found that negative word-of-mouth did not affect organizational attraction, whereas positive word-of-mouth did (Jaidi et al., 2011; Van Hoye & Lievens, 2009). This contradicts predictions based on the accessibility-diagnosticity model that negative employment information should be more diagnostic and influential than positive information (Herr et al., 1991). It also counters the findings of two laboratory studies that negative word-of-mouth had a negative effect on organizational attractiveness, which was even greater than the effect of positive word-of-mouth (Kanar et al., 2010; Van Hoye & Lievens, 2007b). Besides methodological differences (e.g., sample of potential applicants who already indicated their interest in the organization in the field studies versus general student samples in the experimental studies; low frequency of negative word-of-mouth in the field studies; demand characteristics and low realism in the laboratory studies), brand equity theory (Keller, 1993) provides a possible explanation for these divergent findings. Previous marketing research has demonstrated that brand equity can act as a buffer

against the detrimental impact of negative word-of-mouth, such that negative word-of-mouth has a greater impact on consumers' evaluations of unfamiliar or unfavorable brands than of familiar or favorable brands (Laczniak, DeCarlo, & Ramaswami, 2001). Applied to a recruitment context, it is possible that organizations with a strong employer brand (such as those involved in the field studies) are less affected by negative word-of-mouth than organizations with a weak employer brand (such as the fictitious organizations in the experimental studies). Clearly, more research is needed to examine negative word-of-mouth and the specific conditions under which it is likely to affect organizational attraction or not.

Third, taking the effects of other recruitment sources such as recruitment advertising, web-based recruitment, recruitment events, publicity, and sponsorship into account, word-of-mouth seems to explain unique and incremental variance in organizational attraction. In addition, the effect of word-of-mouth appears to be larger than most of these other recruitment sources, with the possible exception of recruitment advertising.

Fourth, whereas the discussed studies have relied on both the accessibility-diagnosticity model and the source credibility framework to formulate their predictions, only a few have actually investigated credibility as a mediator of the effects of word-of-mouth, and, to the best of my knowledge, none have included measures of accessibility and diagnosticity. Results with respect to the source credibility framework are promising and suggest that the impact of word-of-mouth on organizational attraction is at least partly due to its credibility as an independent and personal source of employment information. Concerning the accessibility-diagnosticity model, empirical tests are lacking and the results for negative word-of-mouth are mixed, as noted above. Future research should include more direct mediation tests of accessibility and diagnosticity, as

well as explore other possible mediators such as media richness (Daft & Lengel, 1986) and realism (Breaugh, 2008).

Finally, there is some evidence suggesting that the impact of word-of-mouth on organizational attraction is moderated by the closeness of the relationship between its recipient and source (i.e., tie strength) and by its content. Specifically, word-of-mouth seems to be more influential coming from stronger ties (Van Hoye & Lievens, 2007b) and describing the organization instead of individual employees (Van Hoye & Lievens, 2007a). In addition, the findings discussed above suggest that it would be worthwhile to investigate other possible moderators of the impact of word-of-mouth such as labor market demand, medium, and employer brand equity. Moreover, whereas the role of self-monitoring as a moderator was not supported, other personality variables might affect the relationship between word-of-mouth and organizational attraction, such as extraversion or negative affectivity.

Research on the Outcomes of Employee Referrals and Networking

With respect to particular subtypes of word-of-mouth, considerably more studies have investigated the effects of employee referrals, but the focus has been on post-hire recruitment outcomes instead of attraction (Weller, Holtom, Matiaske, & Mellewigt, 2009). The main finding has been that employees recruited through informal sources such as employee referrals show higher job satisfaction, better job performance, and lower turnover than employees recruited through formal sources such as advertising (for a review, see Zottoli & Wanous, 2000). Two major theoretical explanations for these source differences have been investigated, both of which have received some empirical support (Griffeth, Hom, Fink, & Cohen, 1997; Saks, 1994; Williams, Labig, & Stone, 1993; Zottoli & Wanous, 2000). The realistic information hypothesis states that compared to formal recruitment sources, informal sources provide more accurate and

specific information about what the job entails, resulting in a more realistic job preview (Breaugh, 2008; Phillips, 1998). This allows job seekers to apply for jobs that better fit their interests and skills as well as to submit better-prepared applications, increasing the likelihood of positive recruitment outcomes. In addition, the more realistic information tempers applicants' expectations regarding the job, reducing disappointment upon hiring. The individual differences hypothesis proposes that informal sources might reach other types of applicants than formal sources (Williams et al., 1993). These pre-existing differences would then explain the later differences between new employees recruited through different sources. For instance, Kirnan, Farley, and Geisinger (1989) observed that job seekers applying through employee referrals had higher scores than applicants from formal sources on a biographical inventory used in the selection procedure to assess applicants' educational and work-related background. These results suggest that higher-quality applicants are more likely to rely on informal recruitment sources in their job search, implying that individual differences offer an alternative explanation for the effects of employee referrals on recruitment outcomes.

As another specific type of word-of-mouth, only a few studies have investigated the effects of networking and the focus has been on individual job search and employment outcomes (for a review, see Forret, in press). Specifically, job seekers' use of networking positively predicts the number of received job offers (Van Hoye et al., 2009) as well as finding employment (Wanberg et al., 2000). In addition, networking explains unique and incremental variance in job offers beyond other preparatory job search behaviors such as reading job advertisements, looking for jobs on the internet, and relying on employment agencies (Van Hoye et al., 2009). Moreover, the characteristics of job seekers' social network seem to moderate the effectiveness of networking. Along these lines, Van Hoye et al. (2009) found that job seekers who engaged in

networking were more likely to find employment when the educational and occupational status of the other people in their network was higher. In addition, networking was more positively related to post-hire job-organization fit when the ties making up job seekers' social network were weaker (e.g., vague acquaintances) rather than stronger (e.g., close friends). This is consistent with Granovetter's (1995) strength-of-weak ties hypothesis, which states that weak ties are more likely to move in different social circles and thus have access to unique and therefore more useful job information than strong ties.

In conclusion, research on employee referrals and networking provides further support for the beneficial effect of positive word-of-mouth on both pre-hire and post-hire recruitment outcomes, which exceeds the effect of most other recruitment sources.

Determinants of Word-of-Mouth

Given the sizable effects of word-of-mouth on key recruitment outcomes, it is important to understand the individual and situational variables that might determine its use as a recruitment source. However, within the scarce literature on word-of-mouth in a recruitment context, most studies have focused on its outcomes (as discussed in the previous section), largely ignoring its determinants (Shinnar, Young, & Meana, 2004). Whereas this research has led to the conclusion that organizations should try to stimulate positive word-of-mouth, little is known about how this might be achieved.

Along these lines, Van Hoye and Lievens (2009) applied the recipient-source framework from the marketing literature to identify and examine possible determinants of employment-related word-of-mouth. Given that word-of-mouth can be conceptualized as a dyadic communication between a source (i.e., sender) and a recipient (i.e., receiver) (Gilly, Graham, Wolfinbarger, & Yale, 1998), this framework postulates that its occurrence is determined by the

characteristics of the recipient, by the characteristics of the source, and by their mutual

relationship (Bansal & Voyer, 2000; Lau & Ng, 2001).

First, the recipient-source framework suggests that some people are more likely to receive

employment information through word-of-mouth than others, depending on their personality

traits and other characteristics. In support of this assumption, Van Hoye and Lievens (2009)

found that potential applicants for the military with higher levels of extraversion reported

receiving more positive word-of-mouth about the organization. In addition, more extraverted job

seekers have been found to engage in networking more frequently (Van Hoye et al., 2009;

Wanberg et al., 2000). Given that more extraverted people are more sociable, talkative, and active

(Goldberg, 1990), and interact more frequently with other people (Digman, 1990), they are more

likely to seek out and receive employment-related word-of-mouth. Van Hoye and Lievens (2009)

further observed that potential applicants higher in conscientiousness received more positive as

well as negative employment information through word-of-mouth. Similarly, Wanberg et al.

(2000) found that more conscientious people were more likely to rely on networking in their job

search. As individuals with higher levels of conscientiousness tend to be more motivated and

more persistent (Judge & Ilies, 2002), they might try harder to obtain company-independent

word-of-mouth information in addition to company-dependent recruitment sources such as

advertising, to get a more complete and balanced picture of the organization (Caldwell & Burger,

1998).

Research on networking and employee referrals provides some more support for the role

of recipient characteristics as determinants of word-of-mouth. First, job seekers with higher

networking comfort (i.e., positive attitude toward using networking as a job search method,

Wanberg et al., 2000) and job seekers who are more motivated by the objective to develop and

maintain a network of professional relationships (Van Hoye & Saks, 2008) have been found to make more use of networking as a source of employment information. In addition, the characteristics of individuals' social network seem to affect the extent to which they rely on networking in their job search, given that job seekers with a larger social network and with more strong ties in their network report spending more time on networking (Van Hoye et al., 2009). Second, the individual differences hypothesis supported in research on informal recruitment sources (including but not limited to employee referrals) also suggests that job seekers' characteristics determine their use of particular recruitment sources (Williams et al., 1993). For instance, job seekers with higher self-esteem (Ellis & Taylor, 1983) and higher job search self-efficacy beliefs (Saks & Ashforth, 2000) are more likely to rely on informal sources for identifying job opportunities.

As a second major component, the recipient-source framework proposes that some people will more often act as a source of employment information than others, depending on their personal characteristics (Gilly et al., 1998). Consistent with this reasoning, Van Hoye and Lievens (2009) found that the perceived expertise of the source (defined as the degree of knowledge and experience the source possesses with respect to the job or recruiting organization) was the strongest predictor of receiving both positive and negative word-of-mouth. This suggests that job seekers are more likely to request word-of-mouth information from more knowledgeable sources because they are perceived as being able to provide valuable and correct employment information (Fisher et al., 1979). In addition, people who have personal experiences with the recruiting organization such as current or former employees probably provide more unsolicited word-of-mouth because they have higher levels of involvement with the job or organization (Mangold et al., 1999).

Focusing on the actual sources of word-of-mouth, Van Hoye (2011) investigated employees' motives for spreading positive as well as negative word-of-mouth information about their employer to others. Findings suggest that the strongest motive for providing positive word-of-mouth was the prosocial desire to help other people find good fitting jobs, followed by employees' own job satisfaction, and to a lesser extent the desire to help the organization find good fitting employees, and extrinsic rewards. Negative word-of-mouth was mostly motivated by job dissatisfaction, but also by the desire to help job seekers avoid bad fitting jobs.

Furthermore, the recipient-source framework posits that word-of-mouth is not only determined by the characteristics of its recipient and its source, but also by their mutual relationship (Bansal & Voyer, 2000). As already noted, tie strength refers to the closeness of the social relationship between the recipient and the source of word-of-mouth information (Brown & Konrad, 2001). Close friends are an example of strong ties, whereas seldom-contacted acquaintances represent weak ties (Brown & Reingen, 1987). Stronger ties are typically more readily available and result in more frequent interaction through which word-of-mouth information can be requested or provided (Gilly et al., 1998). In line with this assumption, Van Hoye and Lievens (2009) observed that potential applicants were more likely to receive positive word-of-mouth from stronger ties.

Finally, in extension of the recipient-source framework, it is also important to consider how the characteristics and actions of a recruiting organization might affect the occurrence of word-of-mouth. Along these lines, Van Hoye (2008) found that healthcare organizations' employer brand (operationalized as the instrumental and symbolic dimensions of organizations' image as an employer, Lievens & Highhouse, 2003) significantly predicted nurses' intentions to spread positive word-of-mouth about their organization. Specifically, the more employees

perceived their organization as offering task diversity and the possibility to help people, and as being competent and prestigious, the more willing they were to recommend their employer to others.

Furthermore, research on applicant reactions has consistently found that applicants who hold a more positive view of the organization's selection procedures and decisions (e.g., in terms of justice) are more willing to recommend the organization as an employer to others (for a meta-analytic review, see Hausknecht, Day, & Thomas, 2004). Therefore, a transparent, consistent, and job-related selection system in which applicants are treated fairly is likely to increase positive word-of-mouth generated by applicants. In addition, Posthuma and Campion (2005) found that the more procedural justice nurses experienced at their workplace, the more they were willing to permit their employer to use their name in recruitment advertising to support "great place to work" statements. Specifically, higher levels of perceived right to appeal work schedules and adequate explanations for work assignments were associated with higher willingness to publicly endorse one's employer.

In addition, more and more organizations are applying employee referral programs that award incentives (mostly monetary bonuses) to current employees for recommending their employer to others (Shinnar et al., 2004). In support of the effectiveness of such programs, Van Hoye (2011) found that employees in an organization that provides monetary bonuses for making positive referrals reported spreading more positive and even less negative word-of-mouth about their employer than employees in a comparable organization without employee referral program. However, as already noted, other motives such as job satisfaction and the desire to help job seekers find good fitting jobs were more predictive of employees' word-of-mouth behavior than these extrinsic rewards.

Integrative Model and Directions for Future Research

In an effort to synthesize the discussed research findings, an integrative model of word-of-mouth as a recruitment source was developed. As shown in Figure 1, this model provides an overview of the determinants, outcomes, mediators, and moderators of employment-related word-of-mouth. As the literature review in this chapter has identified numerous gaps in our current knowledge of word-of-mouth as a recruitment source, the integrative model does not only show what we already know, but also, and perhaps most importantly, it highlights key directions for future research in this area. As such, the model does not claim to be exhaustive, but rather serves as a guiding framework that future research can test and expand upon.

First, the integrative model shows that the occurrence of word-of-mouth is not only determined by the characteristics of its recipient and source and by their mutual relationship, but also by the characteristics of the organization involved, extending the recipient-source framework applied in prior research (Van Hoye & Lievens, 2009). In terms of recipient characteristics, empirical findings so far suggest that job seekers higher in extraversion, conscientiousness, and networking comfort (Van Hoye & Lievens, 2009; Van Hoye et al., 2009; Wanberg et al., 2000); with higher self-evaluations and networking motives (Ellis & Taylor, 1983; Saks & Ashforth, 2000; Van Hoye & Saks, 2008); and with larger social networks containing more strong ties (Van Hoye et al., 2009), are more likely to receive employment information through word-of-mouth. Future research should look more closely at job seekers' motives for actively seeking word-of-mouth, as this would provide organizations with valuable information on how to stimulate the use of word-of-mouth as a recruitment source. Along these lines, marketing research has observed that most word-of-mouth conversations are triggered by the receiver's felt need for information

(Mangold et al., 1999). In addition, word-of-mouth that is more actively sought by the recipient has been found to affect purchase decisions to a greater extent (Bansal & Voyer, 2000).

With respect to source attributes, previous research indicates that people with higher expertise (e.g., current or former employees) and with stronger ties to job seekers (e.g., friends, family) more frequently provide word-of-mouth information (Van Hoye & Lievens, 2009). Furthermore, more satisfied employees and employees who are more motivated to help job seekers find jobs and to help the organization fill vacancies seem to spread more positive word-of-mouth about their employer to others (Van Hoye, 2011). On the contrary, employees who are more dissatisfied and who are more motivated to help job seekers avoid bad fitting jobs, more frequently provide negative word-of-mouth. In addition to expertise, tie strength, and motives, other personal characteristics are likely to affect the extent to which individuals provide employment-related word-of-mouth to others. For instance, marketing research has found support for self-confidence, sociability, and innovativeness as source characteristics positively predicting word-of-mouth (Lau & Ng, 2001; Mowen, Park, & Zablah, 2007). Future research should examine whether these and other individual difference variables are relevant for explaining people's tendency to spread word-of-mouth in a recruitment context.

Regarding characteristics of the recruiting organization, research has shown that a strong employer brand (Van Hoye, 2008), high organizational justice (Hausknecht et al., 2004; Posthuma & Campion, 2005), and a referral program awarding bonuses for positive referrals (Van Hoye, 2011) can increase applicants' and employees' willingness to spread positive word-of-mouth to others. Given that word-of-mouth is a company-independent source that can only be influenced indirectly through other recruitment practices, future research should examine the efficacy of various other strategies that organizations might apply to stimulate word-of-mouth

such as creative advertising, campus recruitment, relationship management, and internships. Along these lines, previous research has demonstrated that, as a high-involvement recruitment practice, "employee endorsements" were positively related to applicant attraction, especially when company awareness was already high (Collins, 2007; Collins & Han, 2004). These employee endorsements consisted of several related recruitment practices such as providing internships and co-ops for students and encouraging recent alumni and interns to share their experiences with students on campus. Even though word-of-mouth was not actually measured in these studies, it is likely that these practices resulted in more positive word-of-mouth received by students, which in turn positively affected their attraction to the organization. Future research should test these assumptions more directly by examining how recruitment practices impact both word-of-mouth and attraction.

Another promising direction for future research would be to investigate how characteristics of the recipient, source, and organization interact to determine the use of word-of-mouth as a recruitment source. For instance, although rewarding employees with bonuses seems to increase their extrinsic motivation for making referrals, this organizational practice might negatively affect their intrinsic motives for spreading word-of-mouth, given that previous motivation research has shown that extrinsic rewards can significantly decrease intrinsic motivation (Deci, Koestner, & Ryan, 1999). As another example, an organization's employer brand is likely to affect people's motives for requesting and providing word-of-mouth (Van Hoye, 2008).

In addition to their role as determinants, future research should also consider how recipient, source, and organizational characteristics might moderate the relationship between word-of-mouth and its outcomes. Along these lines, prior research has already found support for

tie strength as a moderator of the relationship between word-of-mouth and organizational attraction, with stronger ties being more influential (Van Hoye & Lievens, 2007b). In addition, as noted before, the organization's employer brand might buffer the impact of especially negative word-of-mouth on its attractiveness as an employer (Laczniak et al., 2001). Moreover, word-of-mouth provided by sources with higher expertise is likely to be perceived as more credible and thus more influential than word-of-mouth from less knowledgeable sources (Bansal & Voyer, 2000). As a final example, a possible side effect of employee referral programs might be that rewarding employees for spreading word-of-mouth could undermine its credibility and thus impact if job seekers would perceive employees as having a self-interest in promoting the organization (Godes et al., 2005).

Besides the attributes of the recipient, source, and organization, some other characteristics of word-of-mouth are likely to influence its effects. First, with respect to valence, research so far has consistently found that positive word-of-mouth has a beneficial impact on recruitment outcomes (e.g., Collins & Stevens, 2002). However, as noted earlier, far less studies have investigated negative word-of-mouth and the results are inconsistent (Jaidi et al., 2011; Kanar et al., 2010; Van Hoye & Lievens, 2007b, 2009). Therefore, future research should take the valence of word-of-mouth into account and pay particular attention to the conditions affecting the impact of negative word-of-mouth.

Second, given that some evidence suggests that the content of word-of-mouth matters (Cable et al., 2000; Van Hoye & Lievens, 2007a), a particularly interesting avenue for future research would be to examine the actual messages spread through word-of-mouth (e.g., content analysis) and how they relate to its impact. Whereas word-of-mouth about the organization instead of about individual employees seems to be more influential (Van Hoye & Lievens,

2007a), other content variables may be of importance as well. For instance, word-of-mouth probably has a greater impact if it provides information about job and organizational attributes that matter most to potential applicants, such as type of work, work environment, and organizational image (Chapman, Uggerslev, Carroll, Piasentin, & Jones, 2005). Furthermore, attribution theory suggests that word-of-mouth messages will be more persuasive if they are characterized by high consensus, high distinctiveness, and high consistency (Kelley & Michela, 1980; Laczniak et al., 2001).

Third, the specific medium through which word-of-mouth is provided, might also affect its outcomes (Allen et al., 2004). Along these lines, media richness theory postulates that "richer" media are more persuasive and thus more likely to affect organizational attraction (Daft & Lengel, 1986). Media richness is determined by the medium's capacity for immediate feedback, the number of cues and channels utilized, personalization, and language variety. Given the exponential growth of web-based word-of-mouth, future research should investigate how it compares to face-to-face word-of-mouth in terms of media richness and impact on attraction, as well as examine possible differences between various subtypes of web-based word-of-mouth such as e-mails, electronic bulletin boards, and social networking websites (Cable & Yu, 2006).

Next, the integrative model in Figure 1 shows how various process variables might help to explain the impact of word-of-mouth as a recruitment source. In line with the accessibility-diagnosticity model and the source credibility framework, the model proposes that the impact of word-of-mouth is determined by its own accessibility, diagnosticity, and credibility, as well as by those of other recruitment sources. Up until now, findings mainly suggest that the effects of word-of-mouth can be partly explained by its credibility as an independent and personal source of employment information (Fisher et al., 1979; Van Hoye, 2012; Van Hoye & Lievens, 2005,

2007a, 2007b). As noted before, future research should include measures of accessibility and diagnosticity to more directly test the predictions of the accessibility-diagnosticity model. In addition, the realistic information hypothesis supported in research on informal recruitment sources suggests that the realism of the provided information might also help to explain the effects of word-of-mouth (Breaugh, 2008).

Finally, the integrative model suggests that word-of-mouth as a source of employment information affects both individual job search outcomes and organizational pre-hire as well as post-hire recruitment outcomes. Most previous studies have focused on this part of the model and have found that (a) networking has a positive effect on job search outcomes such as job offers and finding employment (Forret, in press), (b) positive word-of-mouth positively affects pre-hire recruitment outcomes including organizational image, organizational attractiveness, and application decisions (e.g., Collins & Stevens, 2002; Van Hoye & Lievens, 2009); and (c) employee referrals have a positive impact on post-hire recruitment outcomes such as job satisfaction, job performance, and turnover (Zottoli & Wanous, 2000). Whereas these studies have typically focused on only one category of outcomes, future research should try to incorporate multiple outcomes and should examine whether the findings with respect to networking and employee referrals generalize to other types of word-of-mouth. In addition, it would be particularly interesting for research on word-of-mouth to focus not only on outcomes, but to also include determinants, mediators, and/or moderators, thus allowing to test the integrative model more completely. For instance, future research might gain a deeper understanding of the motives for seeking or providing employment-related word-of-mouth by examining how these motives relate to both the occurrence and outcomes of word-of-mouth, as suggested earlier.

Measurement of Word-of-Mouth

The very characteristics of word-of-mouth that are linked to its substantial impact on recruitment outcomes, namely its independent and personal nature, also represent significant challenges for researchers trying to measure word-of-mouth. There is no standard answer to questions such as how, when, and among whom word-of-mouth should be measured and ultimately such design decisions should be informed most by the study's specific research objectives (Godes et al., 2005). However, some guidelines can be offered that future research on word-of-mouth as a recruitment source should take into account.

A first important consideration to make is whether to examine word-of-mouth among its recipients or sources. Given that the recipients of word-of-mouth information are the most straightforward target group to define and reach, most previous research has relied on samples of job seekers receiving word-of-mouth (e.g., Collins & Stevens, 2002). Moreover, such a sampling decision is in line with these studies' typical focus on the relationship between word-of-mouth and organizational attraction. However, it can also be interesting to study word-of-mouth among its sources, especially when the aim is to investigate source- and organization-related determinants. In addition, marketing research indicates that recipients' and sources' evaluation of the same word-of-mouth message can be significantly different (Christiansen & Tax, 2000). Compared to recipients, it might be more difficult to identify and reach relevant sources of employment-related word-of-mouth. In line with the finding that job seekers receive more word-of-mouth from sources with higher expertise (Van Hoye & Lievens, 2009), the majority of studies taking a source perspective has included samples of applicants or employees (e.g., Van Hoye, 2008). Given that job seekers are also likely to receive more word-of-mouth from people to whom they are more strongly tied (Van Hoye & Lievens, 2009), future research should

additionally investigate word-of-mouth among job seekers' family and friends. Ideally, both recipients and sources would be included, reflecting the dyadic nature of word-of-mouth (Gilly et al., 1998). For instance, Van Hoye and Saks (2011) relied on a sample of pairs of job seekers and the person accompanying them to a job fair (mostly parents and friends). Even though word-of-mouth was not explicitly measured in this study, it was found that companions' ratings of the organization's image and attractiveness as an employer significantly predicted job seekers' own evaluations of image and attractiveness.

Second, the timing of measurement should also be carefully considered, as word-of-mouth might play a different part in the various phases of the recruitment process. For instance, both the frequency and impact of negative word-of-mouth are likely to be higher in the earliest stages of recruitment, given that job seekers who receive negative word-of-mouth information about the organization early on might decide not to seek additional information or not to apply, thus never even becoming (potential) applicants (Van Hoye & Lievens, 2009). In addition, marketing research has found that as more time passes between the occurrence and measurement of word-of-mouth messages, evaluations of both positive and negative word-of-mouth tend to regress towards the scale mean (Christiansen & Tax, 2000). This might happen because people forget (part of) the messages, selectively recall the most salient aspects, or supplement them with other information such as personal experience or advertising. This finding implies that the measurement of word-of-mouth should follow closely to the time period of conceptual interest and that longitudinal measures are likely to be useful. A particularly interesting avenue for future research would be to apply a daily or weekly diary design to more fully grasp the dynamics of job seekers' exposure to word-of-mouth and other recruitment sources in relation to their attraction to the organization as they move through the recruitment process.

Third, another key design decision is whether to study word-of-mouth in a laboratory setting or in the field. Both approaches represent unique advantages as well as challenges. Whereas an experimental design allows systematic control of the varying characteristics of word-of-mouth that are likely to affect its occurrence and impact (e.g., medium, content), the vivid and personal nature of word-of-mouth is difficult to simulate and experimental manipulations of word-of-mouth thus often lack realism. Typically, previous experimental research has applied a scenario design in which participants are instructed to imagine that they have received certain information from someone they know. This word-of-mouth information has been presented in a written (e.g., Fisher et al., 1979), video (e.g., Van Hoye & Lievens, 2005), or online format (e.g., Van Hoye & Lievens, 2007a). It would be interesting for future laboratory studies to try to apply more realistic manipulations of word-of-mouth, for instance by using confederates to create "actual" word-of-mouth (for an example in a marketing context, see Bone, 1995). Conversely, field studies allow to investigate how real-life word-of-mouth occurs and affects genuine recruitment outcomes, but it is much more difficult to control the circumstances in which this takes place. Therefore, it is recommended to measure as many of the variables as possible from the integrative model of word-of-mouth (see Figure 1) that might affect its use and impact as a recruitment source.

A final key methodological consideration is which scale(s) to use for measuring word-of-mouth. Given that job seekers/sources are likely to vary in the extent to which they receive/provide employment-related word-of-mouth, a Likert-type scale assessing the intensity of receiving/providing word-of-mouth is more appropriate than a simple yes/no response scale measuring whether or not any word-of-mouth information was received/provided (Zottoli & Wanous, 2000). Moreover, the use of a multidimensional measure of word-of-mouth is

recommended, as both the amount and the valence of word-of-mouth should be taken into account (Goyette, Ricard, Bergeron, & Marticotte, 2010). For instance, a job seeker might be exposed to no word-of-mouth at all, to both positive and negative word-of-mouth (in varying levels), or to only positive or negative word-of-mouth, whereas an adequate measure should be able to accurately capture and reflect all these variations. One possibility is to develop separate measures for assessing the intensity of positive and negative word-of-mouth. Along these lines, Van Hoye and Lievens (2009) measured how much time job seekers spent on receiving either positive or negative employment information from other people. The multidimensionality of this measure was supported by confirmatory factor analysis and by differing relationships of positive and negative word-of-mouth with determinants and outcomes. Another option would be to use one scale for measuring the intensity of word-of-mouth and another one for its valence (Harrison-Walker, 2001). Whereas both these approaches rely on self-report measures that require participants to judge whether word-of-mouth is positive or negative, yet another method might be to have recipients/sources describe the content of the received/provided word-of-mouth information and use independent coders to have a more objective measure of valence.

Practical Implications

This literature review strongly suggests that positive word-of-mouth is a highly influential source of employment information affecting key outcomes throughout the recruitment process. This appears to be the case for all sorts of job seekers, jobs, organizations, and countries, and even more so when labor market demand is high. Therefore, organizations should recognize the power of word-of-mouth as an independent and personal recruitment source and should look for ways to successfully use and affect word-of-mouth through strategic recruitment decisions and actions. In a marketing context, Godes et al. (2005) developed a framework that represents four

types of strategies that organizations might implement for managing word-of-mouth. In these strategies, which might also be applied in a recruitment context, organizations can take on the role of observer, moderator, mediator, or participant.

First, as an *observer*, organizations passively collect information on word-of-mouth that is being spread about them as an employer (Godes et al., 2005). It is very useful for organizations to know for instance what is being said about them, by whom, to whom, and through which media. It would also be worthwhile to observe word-of-mouth about direct competitors on the labor market. Such observations provide a valuable input for making better informed recruitment and employer branding decisions (Lievens, 2007). In other words, before attempting to stimulate word-of-mouth, organizations should first get an idea of the word-of-mouth that is already "out there" and its characteristics. To this end, organizations might administer surveys to key target groups (e.g., applicants, employees) or monitor online word-of-mouth (e.g., social networking sites, employee weblogs).

Second, organizations can assume the role of *moderator* and more actively stimulate the use of word-of-mouth as a recruitment source (Godes et al., 2005). However, in doing so, the independent nature of word-of-mouth is respected and organizations have no direct control of the frequency or content of word-of-mouth (as opposed to the more "aggressive" roles of mediator and participant discussed later). Given that its credibility as an independent source of employment information is one of the main drivers of the impact of word-of-mouth (Van Hoye, 2012), the moderator strategy seems to be the most appropriate way for successfully managing word-of-mouth. In trying to indirectly influence word-of-mouth, organizations can make use of the recipient, source, and organizational characteristics identified in the integrative model in Figure 1. With respect to recipient characteristics, organizations might appeal to recipients'

motives for actively seeking word-of-mouth. For instance, in recruitment communication (e.g., job advertisement, job site), job seekers can be encouraged to ask any question they might have about the job or organization by talking to employees at social events or connecting with them on social networking sites.

Regarding source characteristics, research has demonstrated that most word-of-mouth is provided by sources with high expertise, such as the organization's current employees (Van Hoye & Lievens, 2009). Therefore, organizations should actively involve their employees in the recruitment of new personnel. At the very least, all employees should have easy access to accurate and complete information about the organization and vacant positions. Moreover, there should be ample opportunity for informal contacts with employees throughout the recruitment process, for instance at sponsored events or during site visits. Organizations can also appeal to employees' motives for spreading word-of-mouth about their employer to others. Given that the desire to help other people find good fitting jobs has been found to be the strongest motive for providing word-of-mouth (Van Hoye, 2011), addressing this prosocial motive might be an especially effective way to stimulate positive word-of-mouth. For instance, organizations might communicate current and future vacancies to employees and urge them "to help friends and relatives find the job of their life". In terms of other motives, employees might also be encouraged to share their job satisfaction with others or to help the organization fill its vacancies with qualified people.

In addition, research findings suggest that the relationship between the recipient and source of word-of-mouth matters, with most word-of-mouth information coming from strong ties such as family and friends (Van Hoye & Lievens, 2009). In addition, word-of-mouth provided by strong ties has been found to be more influential (Van Hoye & Lievens, 2007b). Therefore, to

stimulate word-of-mouth, organizations should broaden the target group of their recruitment activities to include potential applicants' friends and family. For instance, "Refer a Friend" programs on recruitment websites can encourage job seekers to forward relevant vacancies to their friends. In addition, organizing family fairs or open house events may increase the involvement of potential applicants' family.

With respect to organizational characteristics, organizations might consider rewarding their employees for making positive referrals. Whereas some evidence suggests that these employee referral programs might be effective, other intrinsic and prosocial motives appear to be stronger predictors of employees' word-of-mouth behavior, as discussed above (Van Hoye, 2011). Together with the possible side effects of extrinsic rewards (e.g., decreased intrinsic motivation, reduced credibility), it seems that intrinsically motivating employees might be a better strategy for stimulating positive word-of-mouth. Along these lines, a strong employer brand has been found to increase employees' willingness to recommend their employer to others (Van Hoye, 2008). This illustrates the importance of internal employer branding in addition to external branding, as organizations need to be an attractive employer not only for potential applicants, but also for their own employees (Edwards, 2010).

Third, as a *mediator*, organizations take control of the word-of-mouth information and decide on how and to whom it is disseminated themselves. For instance, positive results of job seeker and employee surveys (collected as an observer) might be included in job advertisements or on the organization's recruitment website. Examples might be statements such as "recommended by over 80% of our employees" or "70% of the job seekers in the region are attracted to our pleasant work atmosphere". In addition, organizations can ask their employees to testify about their work experiences in recruitment materials. Along these lines, research has

found that web-based testimonials are less credible and influential than web-based word-of-mouth, suggesting that employee testimonials may not fully succeed in imitating word-of-mouth as an interpersonal source of employment information (Van Hoye & Lievens, 2007a). However, the credibility and impact of testimonials can be increased by letting employees talk about themselves and their own experiences instead of promoting the organization as a whole. In addition, presenting the employee testimonials through a richer medium (e.g., video and audio) seems to increase their credibility and attractiveness (Walker, Feild, Giles, Armenakis, & Bernerth, 2009).

Finally, organizations can take on the role of *participant* and "create" their own word-of-mouth (Godes et al., 2005). As such, recruiters or other people hired by the organization actively participate in social interactions and thus directly affect the frequency and content of word-of-mouth. For instance, this might involve talking to potential applicants at events, posting on online forums, or connecting with potential applicants on social network sites (Kluemper & Rosen, 2009). One important consideration, especially in an online environment, is whether recruiters reveal their identity while doing so. In addition to ethical considerations, evidence from the marketing literature suggests that recruiters might better identify themselves straightforwardly, given the devastating effects on credibility and attractiveness when an undisclosed affiliation is discovered later on (Godes et al., 2005).

Conclusion

The literature reviewed in this chapter suggests that word-of-mouth is a powerful recruitment source affecting key outcomes throughout the recruitment process. These effects are at least partly due to its credibility as an independent and personal source of employment information. Characteristics of the recipient, source, and organization determine the occurrence

of word-of-mouth and can moderate its effects. The integrative model of word-of-mouth

developed in this chapter gives an overview of its determinants, moderators, mediators, and

outcomes, and offers key implications for future research as well as for recruiting organizations.

References

Allen, D. G., Van Scotter, J. R., & Otondo, R. F. (2004). Recruitment communication media: Impact on prehire outcomes. *Personnel Psychology, 57,* 143-171.

Bansal, H. S., & Voyer, P. A. (2000). Word-of-mouth processes within a services purchase decision context. *Journal of Service Research, 3,* 166-177.

Barber, A. E. (1998). *Recruiting employees: Individual and organizational perspectives.* Thousand Oaks, CA: Sage.

Bone, P. F. (1995). Word-of-mouth effects on short-term and long-term product judgments. *Journal of Business Research, 32,* 213-223.

Breaugh, J. A. (2008). Employee recruitment: Current knowledge and important areas for future research. *Human Resource Management Review, 18,* 103-118.

Brown, D. W., & Konrad, A. M. (2001). Granovetter was right: The importance of weak ties to a contemporary job search. *Group & Organization Management, 26,* 434-462.

Brown, J. J., & Reingen, P. H. (1987). Social ties and word-of-mouth referral behavior. *Journal of Consumer Research, 14,* 350-362.

Buttle, F. A. (1998). Word of mouth: Understanding and managing referral marketing. *Journal of Strategic Marketing, 6,* 241-254.

Cable, D. M., Aiman-Smith, L., Mulvey, P. W., & Edwards, J. R. (2000). The sources and accuracy of job applicants' beliefs about organizational culture. *Academy of Management Journal, 43,* 1076-1085.

Cable, D. M., & Turban, D. B. (2001). Establishing the dimensions, sources and value of job

seekers' employer knowledge during recruitment. In G. R. Ferris (Ed.), *Research in*

Personnel and Human Resources Management, Volume 20 (pp. 115-163). New York:

Elsevier Science.

Cable, D. M., & Turban, D. B. (2003). The value of organizational reputation in the recruitment

context: A brand-equity perspective. *Journal of Applied Social Psychology, 33,* 2244-

2266.

Cable, D. M., & Yu, K. Y. T. (2006). Managing job seekers' organizational image beliefs: The

role of media richness and media credibility. *Journal of Applied Psychology, 91*, 828-840.

Caldwell, D. F., & Burger, J. M. (1998). Personality characteristics of job applicants and success

in screening interviews. *Personnel Psychology, 51,* 119-136.

Chapman, D. S., Uggerslev, K. L., Carroll, S. A., Piasentin, K. A., & Jones, D. A. (2005).

Applicant attraction to organizations and job choice: A meta-analytic review of the

correlates of recruiting outcomes. *Journal of Applied Psychology, 90,* 928-944.

Christiansen, T., & Tax, S. S. (2000). Measuring word of mouth: The questions of who and

when? *Journal of Marketing Communications, 6,* 185-199.

Cohen, J. B., & Golden, E. (1972). Informational social influence and product evaluation.

Journal of Applied Psychology, 56, 54-59.

Collins, C. J. (2007). The interactive effects of recruitment practices and product awareness on

job seekers' employer knowledge and application behaviors. *Journal of Applied*

Psychology, 92, 180-190.

Collins, C. J., & Han, J. (2004). Exploring applicant pool quantity and quality: The effects of early recruitment practice strategies, corporate advertising, and firm reputation. *Personnel Psychology, 57,* 685-717.

Collins, C. J., & Stevens, C. K. (2002). The relationship between early recruitment-related activities and the application decisions of new labor-market entrants: A brand equity approach to recruitment. *Journal of Applied Psychology, 87,* 1121-1133.

Daft, R. L., & Lengel, R. H. (1986). Organizational information requirements, media richness and structural design. *Management Science, 32,* 554-571.

Deci, E. L., Koestner, R., & Ryan, R. M. (1999). A meta-analytic review of experiments examining the effects of extrinsic rewards on intrinsic motivation. *Psychological Bulletin, 125,* 627-668.

Dellarocas, C. (2003). The digitization of word of mouth: Promise and challenges of online feedback mechanisms. *Management Science, 49,* 1407-1424.

Dichter, E. (1966). How word-of-mouth advertising works. *Harvard Business Review, 44,* 147-166.

Digman, J. M. (1990). Personality structure: Emergence of the five-factor model. *Annual Review of Psychology, 41,* 417-440.

Edwards, M. R. (2010). An integrative review of employer branding and OB theory. *Personnel Review, 39,* 5-23.

Eisend, M. (2004). Is it still worth to be credible? A meta-analysis of temporal patterns of source credibility effects in marketing. *Advances in Consumer Research, 31,* 352-357.

Ellis, R. A., & Taylor, M. S. (1983). Role of self-esteem within the job search process. *Journal of Applied Psychology, 68,* 632-640.

Feldman, J. M., & Lynch, J. G., Jr. (1988). Self-generated validity and other effects of measurement on belief, attitude, intention, and behavior. *Journal of Applied Psychology, 73,* 421-435.

Fisher, C. D., Ilgen, D. R., & Hoyer, W. D. (1979). Source credibility, information favorability, and job offer acceptance. *Academy of Management Journal, 22,* 94-103.

Forret, M. L. (in press). Networking as a job search behavior. In U. C. Klehe & E. A. J. van Hooft (Eds.), *Handbook of Job Loss and Job Search*. New York: Oxford University Press.

Gilly, M. C., Graham, J. L., Wolfinbarger, M. F., & Yale, L. J. (1998). A dyadic study of interpersonal information search. *Journal of the Academy of Marketing Science, 26,* 83-100.

Godes, D. & Mayzlin, D. (2004). Using online conversations to study word-of-mouth communication. *Marketing Science, 23,* 545-560.

Godes, D., Mayzlin, D., Chen, Y., Das, S., Dellarocas, C., Pfeiffer, B., Libai, B., Sen, S., Shi, M., & Verlegh, P. (2005). The firm's management of social interactions. *Marketing Letters, 16,* 415-428.

Goldberg, L. R. (1990). An alternative "description of personality": The Big-Five factor structure. *Journal of Personality and Social Psychology, 59,* 1216-1229.

Goyette, I., Ricard, L., Bergeron, J., & Marticotte, F. (2010). E-WOM scale: Word-of-mouth measurement scale for e-services context. *Canadian Journal of Administrative Sciences, 27,* 5-23.

Granovetter, M. S. (1995). *Getting a job: A study of contacts and careers* (2nd ed.). Chicago: University of Chicago Press.

Griffeth, R. W., Hom, P. W., Fink, L. S., & Cohen, D. J. (1997). Comparative tests of

     multivariate models of recruiting sources effects. *Journal of Management, 23,* 19-36.

Harrison-Walker, L. J. (2001). The measurement of word-of-mouth communication and an

     investigation of service quality and customer commitment as potential antecedents.

     Journal of Service Research, 4, 60-75.

Hausknecht, J. P., Day, D.V., & Thomas, S. C. (2004). Applicant reactions to selection

     procedures: An updated model and meta-analysis. *Personnel Psychology, 57,* 639-683.

Herr, P. M., Kardes, F. R., & Kim, J. (1991). Effects of word-of-mouth and product-attribute

     information on persuasion: An accessibility-diagnosticity perspective. *Journal of*

     Consumer Research, 17, 454-462.

Highhouse, S., & Hoffman, J. R. (2001). Organizational attraction and job choice. In C. L.

     Cooper & I. T. Robertson (Eds.), *International Review of Industrial and Organizational*

     Psychology, Volume 16 (pp. 37-64). Chichester, England: Wiley.

Jaidi, Y., Van Hooft, E. A. J., & Arends, L. R. (2011). Recruiting highly educated graduates: A

     study on the relationship between recruitment information sources, the theory of planned

     behavior, and actual job pursuit. *Human Performance, 24,* 135-157.

Judge, T. A., & Ilies, R. (2002). Relationship of personality to performance motivation: A meta-

     analytic review. *Journal of Applied Psychology, 87,* 797-807.

Kanar, A. M., Collins, C. J., & Bell, B. S. (2010). A comparison of the effects of positive and

     negative information on job seekers' organizational attraction and attribute recall. *Human*

     Performance, 23, 193-212.

Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity.

     Journal of Marketing, 57, 1-22.

Kelley, H. H., & Michela, J. L. (1980). Attribution theory and research. *Annual Review of Psychology, 31,* 457-501.

Kilduff, M. (1992). The friendship network as a decision-making resource: Dispositional moderators of social influences on organizational choice. *Journal of Personality and Social Psychology, 62,* 168-180.

Kirnan, J. P., Farley, J. A., & Geisinger, K. F. (1989). The relationship between recruiting source, applicant quality, and hire performance: An analysis by sex, ethnicity, and age. *Personnel Psychology, 42,* 293-308.

Kluemper, D. H., & Rosen, P. A. (2009). Future employment selection methods: Evaluating social networking web sites. *Journal of Managerial Psychology, 24,* 567-580.

Laczniak, R. N., DeCarlo, T. E., & Ramaswami, S. N. (2001). Consumers' responses to negative word-of-mouth communication: An attribution theory perspective. *Journal of Consumer Psychology, 11*, 57-73.

Lau, G. T., & Ng, S. (2001). Individual and situational factors influencing negative word-of-mouth behaviour. *Canadian Journal of Administrative Sciences, 18*(3), 163-178.

Lievens, F. (2007). Employer branding in the Belgian Army: The importance of instrumental and symbolic beliefs for potential applicants, actual applicants, and military employees. *Human Resource Management, 46,* 51-69.

Lievens, F., & Highhouse, S. (2003). The relation of instrumental and symbolic attributes to a company's attractiveness as an employer. *Personnel Psychology, 56*, 75-102.

Mangold, W. G., Miller, F., & Brockway, G. R. (1999). Word-of-mouth communication in the service marketplace. *Journal of Services Marketing, 13,* 73-89.

Matos, C. A., & Rossi, C. A. V. (2008). Word-of-mouth communications in marketing: A meta-analytic review of the antecedents and moderators. *Journal of the Academy of Marketing Science, 36,* 578-596.

Maurer, S. D., Howe, V., & Lee, T. W. (1992). Organizational recruiting as marketing management: An interdisciplinary study of engineering graduates. *Personnel Psychology, 45,* 807-833.

Mowen, J. C., Park, S., & Zablah, A. (2007). Toward a theory of motivation and personality with application to word-of-mouth communications. *Journal of Business Research, 60,* 590-596.

Phillips, J. M. (1998). Effects of realistic job previews on multiple organizational outcomes: A meta-analysis. *Academy of Management Journal, 41,* 673-690.

Ployhart, R. E. (2006). Staffing in the 21st century: New challenges and strategic opportunities. *Journal of Management, 32,* 868-897.

Pornpitakpan, C. (2004). The persuasiveness of source credibility: A critical review of five decades' evidence. *Journal of Applied Social Psychology, 34,* 243-281.

Posthuma, R. A., & Campion, M. A. (2005). When do multiple dimensions of procedural justice predict agreement to publicly endorse your employer in recruitment advertisements. *Journal of Occupational and Organizational Psychology, 78,* 431-452.

Rynes, S. L. (1991). Recruitment, job choice, and post-hire consequences: A call for new research directions. In M. D. Dunnette & L. M. Hough (Eds.), *Handbook of Industrial and Organizational Psychology* (pp. 399-444). Palo Alto, CA: Consulting Psychologists Press.

Rynes, S. L., & Cable, D. M. (2003). Recruitment research in the twenty-first century. In W. C. Borman, D. R. ILgen, & R. J. Klimoski (Eds.), *Handbook of Psychology, Volume 12, Industrial and Organizational Psychology* (pp. 55-76). Hoboken, NJ: John Wiley & Sons.

Saks, A. M. (1994). A psychological process investigation for the effects of recruitment source and organization information on job survival. *Journal of Organizational Behavior, 15,* 225-244.

Saks, A. M., & Ashforth, B. E. (1997). A longitudinal investigation of the relationships between job information sources, applicant perceptions of fit, and work outcomes. *Personnel Psychology, 50,* 395-426.

Saks, A. M., & Ashforth, B. E. (2000). Change in job search behaviors and employment outcomes. *Journal of Vocational Behavior, 56,* 277-287.

Shinnar, R. S., Young, C. A., & Meana, M. (2004). The motivations for and outcomes of employee referrals. *Journal of Business and Psychology, 19,* 271-283.

Taylor, M. S., & Collins, C. J. (2000). Organizational recruitment: Enhancing the intersection of research and practice. In C. L. Cooper & E. A. Locke (Eds.), *Industrial and Organizational Psychology: Linking Theory with Practice* (pp. 304-334). Oxford, UK: Blackwell.

Ullman, J. C. (1966). Employee referrals: Prime tool for recruiting workers. *Personnel, 43,* 30-35.

Van Hoye, G. (2008). Nursing recruitment: Relationship between perceived employer image and nursing employees' recommendations. *Journal of Advanced Nursing, 63,* 366-375.

Van Hoye, G. (2011, April). *Determinants of employee referrals: A motivational framework.* Poster session presented at the 26th Annual Conference of the Society for Industrial and Organizational Psychology, Chicago, IL.

Van Hoye, G. (2012). Recruitment sources and organizational attraction: A field study of Belgian nurses. *European Journal of Work and Organizational Psychology, 21,* 376-391.

Van Hoye, G., & Lievens, F. (2005). Recruitment-related information sources and organizational attractiveness: Can something be done about negative publicity? *International Journal of Selection and Assessment, 13,* 179-187.

Van Hoye, G., & Lievens, F. (2007a). Investigating web-based recruitment sources: Employee testimonials versus word-of-mouse. *International Journal of Selection and Assessment, 15,* 372-382.

Van Hoye, G., & Lievens, F. (2007b). Social influences on organizational attractiveness: Investigating if and when word-of-mouth matters. *Journal of Applied Social Psychology, 37,* 2024-2047.

Van Hoye, G., & Lievens, F. (2009). Tapping the grapevine: A closer look at word-of-mouth as a recruitment source. *Journal of Applied Psychology, 94,* 341-352.

Van Hoye, G., & Saks, A. M. (2008). Job search as goal-directed behavior: Objectives and methods. *Journal of Vocational Behavior, 73,* 358-367.

Van Hoye, G., & Saks, A. M. (2011). The instrumental-symbolic framework: Organisational image and attractiveness of potential applicants and their companions at a job fair. *Applied Psychology: An International Review, 60,* 311-335.

Van Hoye, G., Van Hooft, E. A. J., & Lievens, F. (2009). Networking as a job search behaviour: A social network perspective. *Journal of Occupational and Organizational Psychology, 82,* 661-682.

Walker, H. J., Feild, H. S., Giles, W. F., Armenakis, A. A., & Bernerth, J. B. (2009). Displaying employee testimonials on recruitment web sites: Effects of communication media, employee race, and job seeker race on organizational attraction and information credibility. *Journal of Applied Psychology, 94,* 1354-1364.

Wanberg, C. R., Kanfer, R., & Banas, J. T. (2000). Predictors and outcomes of networking intensity among unemployed job seekers. *Journal of Applied Psychology, 85,* 491-503.

Weller, I., Holtom, B. C., Matiaske, W., & Mellewigt, T. (2009). Level and time effects of recruitment sources on early voluntary turnover. *Journal of Applied Psychology, 94,* 1146-1162.

Williams, C. R., Labig, C. E., Jr., & Stone, T. H. (1993). Recruitment sources and posthire outcomes for job applicants and new hires: A test of two hypotheses. *Journal of Applied Psychology, 78,* 163-172.

Wirtz, J., & Chew, P. (2002). The effects of incentives, deal proneness, satisfaction and tie strength on word-of-mouth behaviour. *International Journal of Service Industry Management, 13,* 141-162.

Wooten, D. B., & Reed, A., II (1998). Informational influence and the ambiguity of product experience: Order effects on the weighting of evidence. *Journal of Consumer Psychology, 7,* 79-99.

Zottoli, M. A., & Wanous, J. P. (2000). Recruitment source research: Current status and future directions. *Human Resource Management Review, 10,* 353-382.
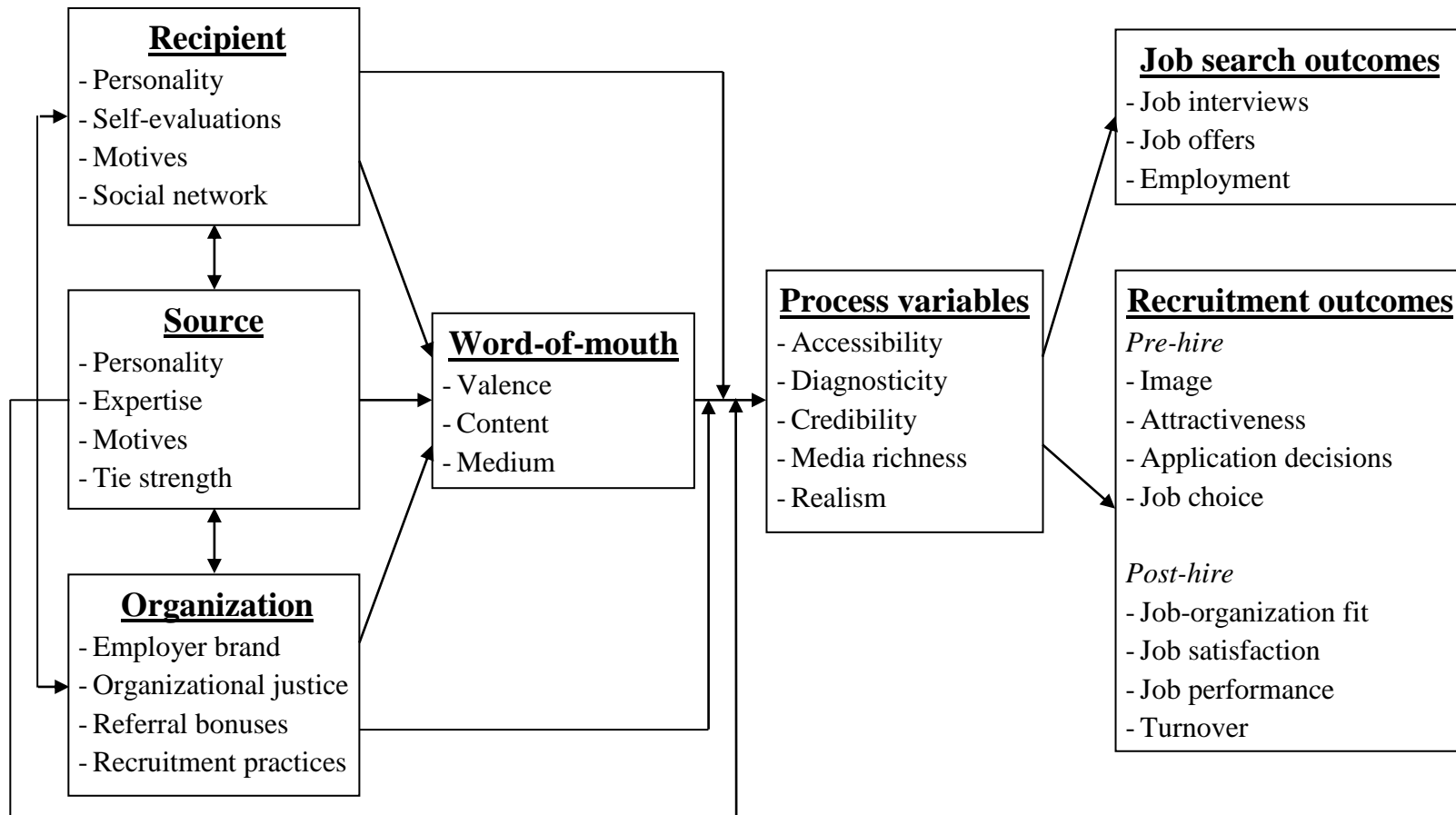
Recipient
- Personality
- Self-evaluations
- Motives
- Social network

Source
- Personality
- Expertise
- Motives
- Tie strength

Organization
- Employer brand
- Organizational justice
- Referral bonuses
- Recruitment practices

Word-of-mouth
- Valence
- Content
- Medium

Process variables
- Accessibility
- Diagnosticity
- Credibility
- Media richness
- Realism

Job search outcomes
- Job interviews
- Job offers
- Employment

Recruitment outcomes
Pre-hire
- Image
- Attractiveness
- Application decisions
- Job choice

Post-hire
- Job-organization fit
- Job satisfaction
- Job performance
- Turnover

Figure 1. Integrative model of word-of-mouth as a recruitment source.