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Impact of Employer Branding on Job-Seeking Behavior of MBA Students: A Study with Respect to Signaling Theory

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Abstract

In the present competitive job market, organizations need to attract talented and skilled employees to achieve long-term success. MBA students are considered an important group of potential employees because they possess managerial knowledge, analytical ability, and leadership skills. Therefore, many organizations focus on developing a strong employer brand to attract such candidates. Employer branding refers to the way an organization presents itself as an attractive workplace by highlighting its culture, reputation, work environment, and career opportunities. However, job seekers often have limited information about an organization before joining it. As a result, they rely on signals such as company reputation, social media presence, employee reviews, and career development opportunities while evaluating employers. This concept can be understood through Signaling Theory, which explains how organizations send signals to influence job seekers' perceptions. This study examines the impact of employer branding on the job-seeking behavior of MBA students. Primary data were collected from 100 MBA students using a structured questionnaire. The data were analyzed using descriptive statistics, correlation analysis, and regression analysis. The findings indicate that employer branding has a positive influence on students' job application intentions. Factors such as company reputation, career growth opportunities, and work–life balance significantly influence MBA students' perceptions of employers.

Keywords: Employer Branding, Job-Seeking Behavior, Signaling Theory, MBA Students, Talent Attraction.

Introduction

In today's competitive business environment, organizations face increasing challenges in attracting and retaining talented employees. Human resources are considered a key asset for organizational success, and companies need effective strategies to attract skilled individuals. One such strategy is employer branding, which refers to the process through which organizations promote themselves as attractive places to work by communicating their culture, values, and career opportunities to potential employees (Backhaus & Tikoo, 2004).

A strong employer brand helps organizations differentiate themselves from competitors and attract high-quality candidates. With the increasing use of digital platforms, job seekers can easily access information about organizations through company websites, social media platforms, and employee review portals, which influence their perceptions and job decisions (Berthon, Ewing, & Hah, 2005).

MBA students represent an important group of potential employees because they possess managerial knowledge and leadership potential. Organizations often recruit MBA graduates through campus placement programs. However, students usually evaluate factors such as company reputation, career growth opportunities, and work–life balance before applying for jobs.

According to Signaling Theory, organizations send signals such as reputation, communication, and employee experiences that help job seekers evaluate employers when complete information is not available (Spence, 1973).

Therefore, understanding how employer branding influences MBA students' job-seeking behavior is important for organizations aiming to attract talented managerial graduates.

Scope of the Study

The study focuses on examining the impact of employer branding on the job-seeking behavior of MBA students. It analyzes employer branding signals such as company reputation, social media presence, career growth opportunities, and work–life balance. The study is limited to MBA students studying in management institutes located in the Amravati region of Maharashtra.

Literature Review

Recent studies highlight the growing role of digital platforms in employer branding. Job seekers often gather information about organizations through company websites, social media platforms, and employee review portals. Such digital communication significantly influences job seekers' perceptions and job application intentions (Fadhila, Yafiz, & Qarni, 2025).

Previous research has also shown that employer branding improves recruitment outcomes. Organizations with strong employer brands are able to attract a larger pool of qualified applicants and improve the efficiency of recruitment processes (Tejaswini & Nanjundeswaraswamy, 2025).

Berthon, Ewing, and Hah (2005) identified several dimensions of employer attractiveness, including economic value, development value, social value, interest value, and application value. Their study found that job seekers are more likely to apply to organizations that offer career growth opportunities, supportive work environments, and meaningful work experiences.

Employer branding has gained significant importance in recent years as organizations compete to attract talented employees. Backhaus and Tikoo (2004) described employer branding as a strategy that combines marketing and human resource practices to create a positive image of an organization as an attractive employer. A strong employer brand helps organizations attract and retain skilled employees.

The influence of employer branding can also be explained through Signaling Theory, which suggests that organizations send signals that help job seekers evaluate potential employers when they have limited information about them (Spence, 1973). These signals may include company reputation, employee reviews, and recruitment communication.

The above studies highlight the growing importance of employer branding in influencing job seekers’ perceptions and recruitment outcomes.

Research Gap

Although several studies have examined employer branding and recruitment outcomes, limited research has specifically examined the job-seeking behavior of MBA students, particularly in the Indian context. In addition, many studies analyze employer branding in general recruitment settings, while fewer studies examine employer branding from the perspective of Signaling Theory. Therefore, this study aims to address this gap by examining how employer branding signals influence the job-seeking behavior of MBA students with reference to Signaling Theory.

Conceptual Framework

This study is based on Signaling Theory, which explains how organizations communicate information to job seekers through different signals. According to Spence (1973), signals are used to reduce information asymmetry between employers and job seekers. In recruitment contexts, organizations send signals through their employer branding activities, such as reputation, communication, and employee experiences.

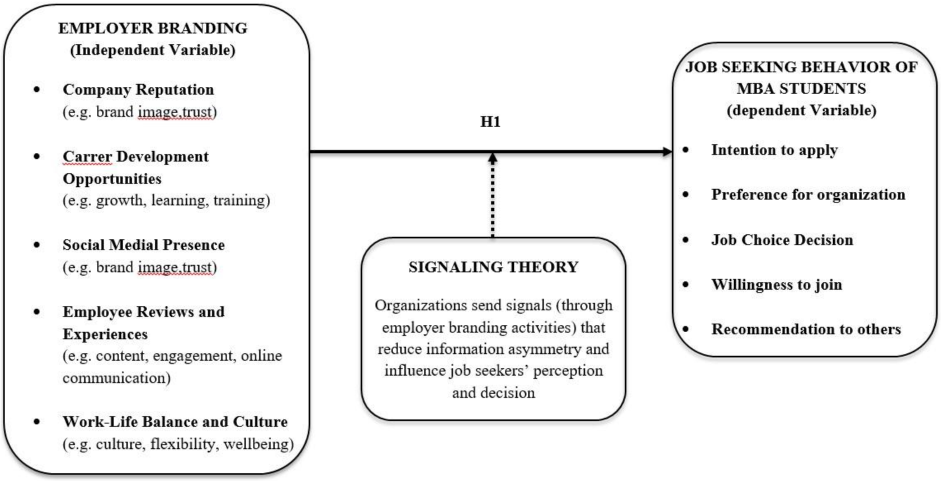

Figure 1: Conceptual Framework

Employer branding includes several factors that influence how job seekers perceive an organization as a potential employer. These factors may include company reputation, career development opportunities, social media presence, employee reviews, and work–life balance policies. Such signals help job seekers evaluate organizations when they have limited direct information about internal working conditions (Connelly, Certo, Ireland, & Reutzel, 2011).

For MBA students, employer branding signals play an important role in shaping their perceptions of employer attractiveness. Positive signals from organizations can increase students' intention to apply for jobs. Therefore, employer branding is considered the independent variable, while job-seeking behavior of MBA students is the dependent variable.

Research Methodology

Research methodology provides a systematic approach for collecting and analyzing data to address the research problem (Kothari, 2004). This study examines the impact of employer branding on the job-seeking behavior of MBA students with reference to Signaling Theory.

- **Research Problem**

In the current competitive job market, organizations increasingly rely on employer branding to attract talented candidates. MBA students represent a valuable source of managerial talent, and organizations use different branding activities to attract them. However, job seekers often have limited information about organizations before joining them. According to Signaling Theory, organizations send signals such as reputation, communication, and employee experiences that help job seekers evaluate potential employers (Spence, 1973). Therefore, this study examines how employer branding influences the job-seeking behavior of MBA students.

- **Research Objectives**

The study was conducted with the following objectives:

- To examine the impact of employer branding on the job-seeking behavior of MBA students.
- To identify key employer branding factors influencing MBA students' job preferences.
- To analyze how employer branding signals influence students' perceptions of potential employers.

- **Hypotheses**

Based on the research objectives, the following hypotheses were formulated:

H_0: Employer branding has no significant impact on the job-seeking behavior of MBA students.

H_1: Employer branding has a significant impact on the job-seeking behavior of MBA students.

- **Research Design**

The study adopts a quantitative and descriptive research design**.** A quantitative approach is appropriate because the study aims to measure the relationship between employer branding signals and job-seeking behavior using statistical analysis (Creswell & Creswell, 2018). The descriptive design helps in understanding the perceptions and attitudes of MBA students regarding employer branding.

- **Population and Sample**

The target population of the study consists of MBA students studying in management institutes located in the Amravati region of Maharashtra**.** These students represent potential job seekers who actively participate in campus recruitment and placement activities.

A convenience sampling technique was used to collect data from respondents. This sampling method was chosen because it allows the researcher to gather responses from participants who are easily accessible and willing to participate in the study (Sekaran & Bougie, 2016). A total of 100 MBA students participated in the survey.

- **Data Collection**

The study uses both primary and secondary data sources. Primary data were collected through a structured questionnaire distributed to MBA students. The questionnaire consisted of several statements measuring employer branding signals and job-seeking behavior. Respondents were asked to indicate their level of agreement using a five-point Likert scale, ranging from strongly disagree to strongly agree (Joshi et al., 2015).

Secondary data were collected from academic journals, books, and online research articles related to employer branding, recruitment practices, and Signaling Theory.

- **Data Analysis Techniques**

The collected data were analyzed using statistical techniques such as descriptive statistics, correlation analysis, and regression analysis**.** Descriptive statistics were used to summarize the characteristics of the data, while correlation analysis helped examine the relationship between employer branding and job-seeking behavior. Regression analysis was used to determine the extent to which employer branding influences the job-seeking behavior of MBA students.

Data Analysis and Results

This section presents the analysis of the primary data collected from MBA students to examine the relationship between employer branding and job-seeking behavior. The collected data were analyzed using descriptive statistics, correlation analysis, regression analysis, and hypothesis testing. These statistical techniques help researchers identify relationships between variables and test research hypotheses (Creswell & Creswell, 2018).

- **Descriptive Statistics**

Descriptive statistics were used to summarize the perceptions of MBA students regarding different employer branding factors. The results show that several employer branding signals influence students when evaluating potential employers.

Table 1: Descriptive Statistics of Employer Branding Factors

Variable	Mean	Interpretation
Company Reputation	3.84	Moderate Influence
Social Media Presence	3.72	Moderate Influence
Employee Reviews	3.43	Moderate Influence
Career Growth & Development	4.01	High Influence
Work–Life Balance	3.94	High Influence

The results indicate that career growth opportunities and work–life balance are the most important factors influencing MBA students when selecting potential employers.

- **Correlation Analysis**

Correlation analysis was conducted to examine the relationship between employer branding and job-seeking behavior.

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Table 2: Correlation between Employer Branding and Job-Seeking Behavior

Variables	Employer Branding	Job-Seeking Behavior
Employer Branding	1.00	0.544
Job-Seeking Behavior	0.544	1.00

The correlation coefficient ($r = 0.544$) indicates a moderate positive relationship between employer branding and job-seeking behavior, based on standard interpretation guidelines (Evans, 1996). This suggests that stronger employer branding signals increase the likelihood that MBA students will apply for jobs in those organizations.Similar findings have been reported in previous studies on employer attractiveness (Backhaus & Tikoo, 2004). The strength of the correlation coefficient was interpreted using standard classification criteria (see Table A1 in Appendix A).

- **Regression Analysis**

Regression analysis was performed to determine the extent to which employer branding predicts job-seeking behavior among MBA students.

Table 3: Regression Analysis Results

Predictor	Beta (β)	t-value	Significance (p)
Employer Branding	0.518	6.424	0.00000000479

Model Summary

Statistic	Value
R	0.544
R^2	0.296
Adjusted R^2	0.289
F-value	41.27

The regression results show that employer branding has a positive and statistically significant effect on job-seeking behavior. The value of $R^2 = 0.296$ indicates that employer branding explains 29.6% of the variation in job-seeking behavior among MBA students.

- **Hypothesis Testing**

The study tested the following hypothesis:

H_0 **(Null Hypothesis):** Employer branding has no significant impact on the job-seeking behavior of MBA students.

H_1 **(Alternative Hypothesis):** Employer branding has a significant impact on the job-seeking behavior of MBA students.

The regression analysis results show that the significance value ($p < 0.05$) indicates a statistically significant relationship between employer branding and job-seeking behavior.

Table 4: Hypothesis Testing Result

Hypothesis	Statement	Result
H_0	Employer branding has no significant impact on job-seeking behaviour	Rejected
H_1	Employer branding has significant impact on job-seeking behaviour	Accepted

Therefore, the null hypothesis is rejected and the alternative hypothesis is accepted, confirming that employer branding significantly influences the job-seeking behavior of MBA students.

These findings support the assumptions of Signaling Theory, which explains that job seekers rely on organizational signals such as reputation, communication, and employee experiences when evaluating employment opportunities (Spence, 1973).

Discussion of Findings

The findings of the study indicate that employer branding plays a significant role in shaping the job-seeking behavior of MBA students. Key employer branding factors such as career growth opportunities, work–life balance, company reputation, and digital communication and online presence influence students' perceptions of potential employers. These results suggest that MBA students actively evaluate employer signals before making employment decisions.

Table 1: Summary of Key Findings and Interpretation

Employer Branding Factor	Key Finding	Interpretation
Career Growth & Development	Highest mean score among factors	MBA students prefer organizations offering learning and promotion opportunities
Work–Life Balance	Highly valued by respondents	Students prefer organizations that support employee well-being
Company Reputation	Strong influence on job application intention	Well-known companies attract more applicants
Social Media Presence	Influences perception of employers	Digital communication helps students understand workplace culture
Employee Reviews	Affects trust in employer information	Peer feedback increases credibility of employer signals

The results indicate that career development opportunities and work–life balance policies are among the most influential employer branding factors affecting MBA students. This finding supports the work of Berthon et al. (2005), who identified development value as a key determinant of employer attractiveness.

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The study also found that organizational reputation plays an important role in influencing job seekers' perceptions. Companies with strong reputations are more likely to attract qualified applicants, which aligns with the findings of Backhaus and Tikoo (2004).

Another important finding is the role of digital platforms and online communication in shaping employer perceptions. MBA students often gather information about organizations through social media platforms and employee review websites before applying for jobs. This supports recent research highlighting the importance of digital employer branding in influencing job seekers' decisions (Fadhila et al., 2025).

Overall, the findings support the principles of Signaling Theory, which explains that job seekers rely on available signals such as company reputation, recruitment communication, and employee experiences to evaluate potential employers (Spence, 1973).

Conclusion

This study examined the impact of employer branding on the job-seeking behavior of MBA students with reference to Signaling Theory. In today's competitive job market, organizations must adopt effective strategies to attract talented graduates. Employer branding has emerged as an important approach through which organizations communicate their values, work environment, and career opportunities to potential employees.

The findings of the study indicate that employer branding plays a significant role in shaping MBA students' perceptions of potential employers. Factors such as company reputation, career development opportunities, work–life balance, and digital communication influence students' intentions to apply for jobs. These results are consistent with previous research showing that a strong employer brand helps organizations attract talented candidates and improve recruitment outcomes (Backhaus & Tikoo, 2004; Berthon, Ewing, & Hah, 2005).

The study also supports the principles of Signaling Theory, which explain that job seekers rely on signals provided by organizations when evaluating employment opportunities under conditions of limited information (Spence, 1973). Employer branding signals help MBA students form perceptions about employer attractiveness and credibility.

Overall, the study highlights the importance of developing strong employer branding strategies to attract talented MBA graduates. Organizations that effectively communicate positive signals about career growth, workplace culture, and employee well-being are more likely to attract skilled managerial talent.

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Appendix A

Table A1

Interpretation of Correlation Coefficient (r)

r Value Range	Strength of Relationship
0.00 – 0.19	Very weak
0.20 – 0.39	Weak
0.40 – 0.59	Moderate
0.60 – 0.79	Strong
0.80 – 1.00	Very strong