# Understanding Public Talent Referrals: The Effects of Job Application Methods on the Job Search Readiness of Passive Talent

Thesis submitted in accordance with the requirements of the University of Liverpool for the degree of Doctor of Business Administration

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With the majority of the workforce being passive talent, e.g., not actively searching for a new job, organizations have only limited access to the pool of potential candidates. The implication of this limitation is wide-reaching and ultimately results in the dilemma of organizations not being able to reliably access vast portions of the potential talent available in the market - leading to researchers and practitioners in the field of talent acquisition facing a pressing issue of finding effective solutions to include or activate passive talent in the recruitment process.

In this dissertation, I aim to understand public talent recruitment, specifically Public Talent Referrals (PTR), as a novel recruitment method via two empirical studies. Drawing on the theoretical framework of value co-creation, I compare PTR as a public referral method with the conventional Career Portal Application (CPA) in terms of their impact on the job search readiness of passive talent. Then, further building on regulatory focus theory, I checked whether potential gains (e.g., the chance of a candidate being successful in their job application by having their CV reviewed by the employer) strengthen the effect of application methods on job search readiness. Furthermore, I examine the effect of cost minimization through PTR on candidates' job search readiness. I conducted an experimental study featuring a two-by-two vignette design among 201 randomized participants to examine the hypotheses. The results showed that PTR leads to a higher job search readiness than CPA, that potential gains increase job search readiness, and that the difference between job search readiness in PTR and CPA is larger in the condition of low potential gains than in the condition of high potential gains.

I then conducted an action study of semi-structured interviews with eight individuals who experienced PTR as candidates to make sense of the results obtained through the experimental study. The action study showed that candidates experience PTR as a job application method that features a multitude of beneficial features that exceed 'just' potential gains and cost minimization, such as pre-qualification of their profile through the referrer, the referrer vouching for their relevance to the job, less competition through other applicants, an increased chance of receiving feedback through the involvement of the referrer, benefitting from the referrer's inside knowledge of the organization, and experiencing positive emotions when being referred.

This dissertation contributes to the body of knowledge regarding PTR, suggesting that 1) individuals are more encouraged to submit their job applications through PTR than CPA, rendering PTR to be a valid tool to attract passive talent, 2) that there now is a better understanding of the features of PTR from the perspective of a potential job applicant, and 3) that there now is a better understanding of PTR from the perspective of multiple theories.

All in all, the conduct and findings of this dissertation successfully fulfil the objective of a first cycle of action learning and provide valuable insights and actionable knowledge to scholars, practitioners, and scholar-practitioners.

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In accordance with the regulations of the University of Liverpool, I submit my thesis for the degree of Doctorate of Business Administration and declare that:

- 1. This thesis is the result of my own work, except where stated otherwise by reference or acknowledgment, and has been composed by myself.
- 2. This thesis has not been submitted, in whole or in part, in any previous application for an academic degree or professional qualification.

Signed,

**Clemens Mielke** 

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## 1. Introduction

This chapter contains an overview of the dissertation, its content, and its purpose. I start with information about the organizational challenge of attracting passive talent before elaborating on the goals and objectives of this dissertation. I then introduce the structure of the dissertation.

### 1.1 Problem Statement

The majority of the workforce consists of passive talent. Passive talent are individuals who are not actively looking for a job (DeKay, 2009) and are therefore not readily accessible by organizations that use conventional job advertisements, such as organizational career pages or job boards, to fill open positions. With passive talent constituting up to 75% of the global workforce (Carrillo-Tudela & Kaas, 2015) organizations are facing the considerable challenge of only being able to choose among applicants from a substantially limited pool of candidates. Especially when considering that talent is a competitive advantage (Borstorff, Marker & Bennett, 2007) and finding the right talent is regarded as one of the most severe threats to organizational success (Kane, Palmer, Phillips & Kiron, 2017), this lack of access to passive talent poses an issue that likely does not only affect organizational talent acquisition but organizational performance as a whole.

In this dissertation, I research and use a relatively novel job application method, Public Talent Referrals (PTR), in which a third party refers a candidate to an employer (rather than the candidate having to search for and to apply to the job themselves) to understand the impact of this application method on a candidate's job search readiness.

PTR is comparable to employee referral schemes (Schlachter & Pieper, 2019) in which employees of an organization can refer external individuals to job openings of the same organization, often for a monetary incentive (Marin, 2012; Stockman, Van Hoye &

Carpentier, 2017). However, PTR widens *who* can refer individuals to job openings to the general public, e.g., to individuals who are not necessarily employed with the organisation at the time that the referral takes place. As I will discuss in the literature review, research has shown that employee referral schemes have a variety of advantages and disadvantages for organisations, with one of the most considerable disadvantages being the limitation of referrals to be restricted to the immediate social network of those who refer, with those who can refer being limited to current employees (Obukhova & Lan, 2013). PTR attempts to rectify this disadvantage by enabling individuals *external* to the organisation to refer talent to job openings, which potentially results in a separate set of advantages and disadvantages that may coincide or separate from those of conventional employee referral schemes.

PTR, due to its novelty at the time of writing this dissertation, has neither been widely adopted into organizational practice nor been subject to in-depth academic research. Therefore, scientific knowledge and understanding of PTR and its possible effects on organizational talent acquisition of passive talent is, at best, only foundational in nature, and the nature of interaction between referrer, candidate, and organisation, as well as potential effects of the interaction has to be hypothesised at this point. While assumptions of its efficacy can be made based on existing research on employee referral schemes, job boards, and other recruitment methods, a detailed study that specifically concerns itself with PTR is required to establish a scientific and practical baseline that can then be utilized not only for understanding the impact of PTR but to enable future research. Apart from obtaining a fundamental academic understanding through research, this dissertation also aims to evaluate to what degree the theoretical promise of PTR to address the organizational inability of reliably attracting passive talent into the recruitment process into reality.

### 1.2 Research Goals

This dissertation has several research goals.

**First**, it aims to contribute to the body of scholarly knowledge about the impact of PTR on job search readiness in passive talent, specifically regarding its added value in comparison to conventional job application methods, and to evaluate PTR as a potential solution to the organizational problem of talent acquisition.

**Second**, it aims to explore the underlying dynamics of how PTR influences job search readiness in passive talent via an experimental and an interview study.

**Third,** it aims to enable critical action learning through action research, and my subsequent growth as a scholar-practitioner.

### 1.3 Research Questions

Given that PTR is a relatively novel job application method, this dissertation aims to answer questions that function as a foundation of its understanding from an academic and practical view:

First, what impact, if any, does PTR have on the job search readiness of passive talent?

**Second**, how can the established perspectives of risk and reward dynamics, along with regulatory focus, be used to explain PTR's impact on job search readiness?

**Third**, besides risk and reward dynamics and regulatory focus, what additional perspectives can be used to explain the effect of PTR on job search readiness?

**Fourth**, how can research findings about PTR inform practitioners in recruiting passive talent?

The goal of this dissertation is not only to attempt an answer to these questions but to build a functional understanding of the degree to which PTR could potentially affect the organisational issue of passive talent acquisition, but also to enable further learning and action learning cycles which build on these understandings. Finally, insights of this dissertation may provide orientation for future research of the topic.

### 1.4 My role and impact on this dissertation

As a scholar-practitioner, my role in this dissertation is twofold. As an academic, my goal is to hypothesise and understand the effect of PTR as a job application method on job search readiness. As a practitioner, my goal is to understand to what extent the implementation of PTR may benefit organisations in their struggle to attract passive talent, and what practical implications would have to be kept in mind, or result out of, such implementation.

To these purposes, I take into account the relevance gap (Huff & Huff, 2001) that exists between scholars and practitioners. In order to overcome the gap between scholars and practitioners, my aim in this dissertation is to create actionable knowledge. Because of that, I cannot *only* assume the role of either a scholar or of a practitioner. Producing research and insights that are valuable to both sides necessitates an involvement that is a balance between satisfying different, if not sometimes opposing, requirements without sacrificing academic rigor nor organizational relevance.

As such, my involvement is multifaceted. I focus on creating knowledge through practicing PTR, but conducting such practice in a way that is relevant and academically rigorous to apply to situations and organizations outside of the limited scope of this dissertation.

The topic of this dissertation, the inability of organizations to access passive talent, is an issue that I witness daily in my work as self-employed recruiter. The organizations I support, regardless of industry, size, or geography, are unable to attract passive talent through the conventional approach towards recruitment of utilizing their career page. Findings of this dissertation support these organizations in understanding whether utilizing PTR instead of CPA may have an impact on their ability to attract passive talent and how such an impact could be leveraged.

### 1.5 Structure

This dissertation is divided into six chapters:

- Chapter 2 Literature Review & Hypothesis Development. This chapter provides
  an overview of the body of scientific research and insights into passive talent, job
  application methods, and referral schemes. The chapter also examines relevant
  frameworks such as prospect theory, value co-creation theory, and regulatory focus
  and their academically understood impact on job-seeking behaviour. Finally, I
  introduce the hypotheses that are the basis of this dissertation in this chapter.
- Chapter 3 Research Methodology. In this chapter, I acquaint the reader with my
  ontology and epistemology before introducing mixed methodology and the design of
  the experimental and action studies. Finally, I examine the potential impact of action
  research on the dissertation.
- Chapter 4 Experimental Study. In this chapter, I elaborate on the design and conduct of the experimental study which features a two-by-two vignette design. I then present the results of the experimental study.
- Chapter 5 Action Study. In this chapter, I present the design and conduct of the
  action study which consists of semi-structured interviews of individuals who were
  referred to a job through PTR. I then present the results of the action study and how
  these results reframe the theoretical and practical perspective on PTR as a job
  application method.
- Chapter 6 Conclusion. I highlight the study's practical implications before detailing
  my learnings and journey as a scholar-practitioner throughout the dissertation.

# 2. Literature review & Hypothesis Development

In this chapter, I analyse and review academic literature to build a general framework to approach the organizational issue of passive talent. I start this chapter by reviewing literature about passive talent, job application methods, and job search readiness. I then introduce theories of risk/reward dynamics, self-regulation, and value co-creation to develop the research framework for this dissertation.

### 2.1 Search Strategy

The topic of passive talent acquisition is of relevance for organizations around the globe and encompasses a multitude of theories and practical considerations. This relatively wide field of coverage of the topic through already established research was daunting, specifically when navigating through which research areas and theories to focus on and which ones to forego as to not to overburden the scope of the dissertation. When I started sighting research for this literature review, which formed the foundation of my understanding of the subject, I had two focal points from which developed my search strategy: the term of 'passive talent' as well as a practitioner's understanding of talent acquisition on a broader level and PTR in specific.

My initial search centred on finding more information about the impact that passive talent has on organizational hiring as well as a quantification of the degree to which elements of the workforce are passive. Part of this search was also identifying common themes that were established in literature and could lead to more in-depth insights as to their impact on passive talent. Simultaneously, I sighted research which focussed on talent referrals and specifically how such referrals compared to conventional job board and career page applications. I discovered a lot of literature not only by direct search but mostly through

utilizing the bibliographies of peer-reviewed articles that I read and which often linked to other relevant pieces of research.

I quickly was able to find relevant research that examined passive talent, but, admittedly, it was difficult to pinpoint literature that examined the causes of talent being passive due to the large number of psychological and situational factors that inform such passiveness.

Eventually, the notion of risk and reward dynamics emerged and especially the work of Tversky and Kahneman (1979, 1982, 1986, 1992) enabled me to shape the experiences I made as a practitioner into a theoretical framework that made sense to me – job applications are a gamble to candidates, and those who are stable in their career have much to lose (e.g., their time and effort on unsuccessful job applications) with only a small chance of "winning". This explanation did not only conform to what I had experienced in my years as practitioner but described the situation I, as a passive candidate, am myself in.

While theorizing a framework of the interaction of risk and reward dynamics on job application behaviour, I continued sighting literature. Research on conventional job applications, specifically through an organization's career page, as well as employee referral programs, was relatively widespread. However, I was unable to identify relevant scholarly work on *public* referral programs, likely because the concept is somewhat novel. This caused a problem, as I was unable to rely on previous work as a foundation to build my research on. At the same time, it gave me the freedom to theorize a framework in a variety of ways without being restricted by arguments already made. Eventually, the connections I made between employee referral schemes and PTR were sufficient for me to develop a theoretical framework based on CPA, PTR, and risk/reward dynamics (represented both through the application method as well as potential gains).

The literature review section of this dissertation was an ever-developing chapter that required numerous revisits. This was especially true for the period following the analysis of data I gathered throughout the experimental study, as I required further findings of research in addition to risk and reward dynamics to make sense of the results. Over time, I narrowed

down the most relevant theories to be value co-creation and regulatory focus, both of which are informed by and intertwined with risk and reward theories (and vice versa).

For finding literature I utilized solely digital platforms, namely the online library of the University of Liverpool as well as Google Scholar. I used Boolean search terminology when searching for literature by either combining or excluding terms (e.g., "AND", "OR", "NOT") and kept an overview of identified literature, terminology, insights, and quotations in a digital spreadsheet.

### 2.2 Passive talent - scope & impact

The majority of the global workforce consists of passive talent – individuals who are already employed and are not actively searching for and applying for jobs (DeKay, 2009, Hanigan, 2015). Large-scale surveys carried out by LinkedIn indicate that, with a share of 64%, passive candidates constitute considerably more than half of the available pool of candidates (LinkedIn, 2016). Albeit there are regional differences as to the extent of the share of passive talent within the workforce, the ratio remains high as iterated by Carrillo-Tudela & Kaas (2015), who researched the job search behaviour of recent hires in the United States of America and found that more than 75% of the workforce to be passive.

While the detrimental impact of organizations being unable to reliably connect with and recruit passive talent through conventional recruitment tools is widely mentioned and acknowledged in literature (DeKay, 2009, Kershaw & Purcell, 2011, McDonald, Damarin, Lawhorne & Wilcox, 2019), there does not appear to be a conclusive body of research that evaluates how organizations could address and alleviate such passiveness and meaningfully incorporate passive talent into the recruitment process. In fact, passive candidates are often but a marginalia and side note in research concerned with labour market dynamics - which is especially noteworthy considering that the difficulties of organizations to reliably connect and engage with passive talent is arguably one of the most pronounced hurdles in contemporary

recruitment. As Bosswell & Gardner (2018) argue, "... job-to-job search ... is arguably the least researched context within the job-search literature..." (Page 401) - job-to-job search, in that context, refers to already employed individuals obtaining information about potentially novel employment prospects, a concept that specifically applies to passive talent due to them being employed.

Collegially, and across literature, passive talent is also referred to as 'passive candidates' and 'passive job seekers'. Literature often implies and considers the passiveness of candidates solely through the assumptions made in job search models, such as with individuals stopping the search for new jobs by the time they are employed (McFadyen & Thomas, 1997) or at the time they accept a job offer (Wang, Tang & Zhao, 2013).

Fundamentally, job search behaviour can be divided into three dimensions that describe the job search activity of individuals: job search intensity, e.g. the time and effort that is invested into the job search, job search content, e.g. the activities that take place during a job search (such as actively seeking out job postings, submitting applications, or asking for referrals), and job search persistence, e.g. the continuity of job search intensity and content (Kanfer, Wanberg & Kantrowitz, 2001, Kanfer & Bufton, 2015). Arguably, the activeness of passive talent on all three dimensions is non-existent to low. Furthermore, passiveness is arguably a somewhat persistent disposition of individuals - e.g., once a person ceases to actively look to apply to jobs, they tend to maintain that status.

In a more detailed approach to categorizing passive talent, Hanigan (2015) delves into the nature of passive talent and concludes that job search passiveness and activeness are two extremes on a spectrum rather than final in themselves. She argues that the talent pool can be divided into eight separate segments of varying degrees of passiveness, from "Locked" (e.g., not willing to consider job applications at all) to "Unstable" (e.g., changing jobs annually or even more frequently), highlighting that those candidates that are truly unwilling to consider a new position are a minority within the larger body of passive talent that would generally be willing to consider new opportunities. This argument is in line with LinkedIn

surveys, which not only confirm such willingness but its steady increase from a global average of 75% in 2014 to a global average of 90% in 2016 (LinkedIn, 2014, 2015, 2016). This conclusion is important, as it re-emphasizes that there are degrees of passiveness and influencing factors on the willingness of candidates to address their passiveness - if an individual was 'truly' and 'fully' passive, no organizational solution (such as the utilization of different job application methods) would be likely to alleviate such passiveness.

Given the general tendency of passive talent toward considering new opportunities, I believe it is the conventional job application method itself, that is inadequate to the predispositions of passive talent (e.g., their psychological state) toward job search rather than passive talent being inherently averse to the prospect of applying for a new job.

With the greater part of the workforce not actively applying to job postings, organizations are in a problematic situation: due to their passiveness, most of the workforce is effectively excluded from the recruitment process, ultimately severely limiting the candidate pool that organizations can access through conventional job application methods. Increasingly, organizations are realizing that talent is their most valuable asset (Borstorff, et al., 2007) and a growing emphasis on a competency-driven economy (Kane, et al., 2017), the impact of this problem is likely to worsen. Ultimately, finding and employing the right talent results in organizational competitive advantage (Borstorff, et al., 2007, Dutta, 2014). Considering the supply and demand dynamics of the labour market, and assuming that those individuals that work for an organization's direct competitor are potentially the most valuable candidates an organization could hire (for instance through relevant on-the-job knowledge or current connections within social industry-specific networks), talent acquisition is turning into a "war for talent" that is aiming to identify and hire the most in-demand candidates available before, or while employed at, an organization's competitor (McDonald, et al., 2019).

Regardless of whether employed by a competitor, the employment status of individuals impacts the relevancy of their candidature - for instance, research such as by DellaVigna, Lindner, Reizer & Schmieder, (2017) finds that individuals who are unemployed for extended

periods are usually those who are less productive, as those individuals with higher performance tend to be employed for prolonged periods of time as they are more likely to secure long-term employment with their organization or find new opportunities quickly in case of being unemployed. Based on this, it is fair to assume that passive talent, due to their extended retention with employers (Doherty, 2010), is possibly consisting of individuals with higher performance, rendering them to be specifically sought after by organizations. In this regard, Hanigan (2015) concurs and argues that passive talent is widely regarded as best-inclass among potential candidates. Research on understanding the psychological dynamics of passive talent becomes essential to secure organizational competitive advantage and success.

Unfortunately, relevant research insights as to the reasoning behind job search dynamics and candidates turning passive are often of limited practical value to organizations and practitioners as they are often based on somewhat academic rather than realistic assumptions. Instances of such assumptions would be an infinite number of job offers (Wang, et al., 2013), 'guarantees' of periodically appearing job offers (van Huizen & Alessie, 2019), job offers that appear at random (Bloemen, 2005), jobs that last indefinitely (Della Vigna, et al., 2017), the argument that employees cease (and remain to cease) job search once employed (Wang, et al., 2013), or that decisions as to whether to consider a job are solely based on wage differentials (Mortensen, 1986 guoted by Bloemen, 2005). Some researchers (e.g., Phillips-Wren, Doran & Merill. 2016) associate passiveness with demographics and generational shifts, labelling millennials to be "...quintessential 'passive' job seekers..." (Page 457) due to what they argue to be the millennial generation's intimate knowledge and usage of technology. What speaks against such an argument is the fact that passive talent is not a novel phenomenon that only surfaced with millennials – in fact, the large percentage of passive talent in the global workforce shows that senior candidates are just as likely, if not to a higher degree, passive (McDonald, et al., 2019).

Arguably, there are a multitude of factors, varying from individual differences, career stages, availability within the labour market to application methods that render someone to be either active or passive in their job search. It is reasonable to assume that passiveness is the result of a mixture of psychological dispositions and dynamics (for instance an individual's regulatory focus or risk and reward interplays) and situational effects (for instance job application method and their associated values) rather than *just* one secluded effect (such as demographics), which renders the conduct of research that would result in practical implications a complex endeavour. Many authors openly state that further, and with that, more practical research, needs to be conducted on this topic (McFadyen & Thomas, 1997, van Huizen & Alessie, 2019).

### 2.3 Job search readiness

Given the multitude of factors that may inform an individual's passiveness, and specifically considering that passiveness is a spectrum rather than an extreme (Hanigan, 2015), it is of importance to establish a 'measurement' of the degree to which a passive candidate may decide to pursue a job application.

Finding the right terminology to describe such readiness or activity of passive talent in terms of actually applying to job is a complex endeavour: Schwab, Rynes & Aldag (1987) researched *job search intensity*, which they measured through factors such as the number of employers contacted or investment of hours per week on job search, which are not necessarily relevant for passive talent (as passive talent is, by definition, not actively applying to jobs). Meisenheimer II & Ilg (2000) use the concept of *active job-search* (or *job search activity*) as a metric by defining a variety of factors of direct interaction, such as contacting employers, sending out CVs, or filling out applications, which again are not as relevant for the job search behaviour of passive talent. The issue of passive talent being largely opportunistic in their job application behaviour and not actively looking for or applying

for jobs is not adequately captured in the majority of job search models or in the metrics used.

Bretz, Boudreau & Judge (1994) expand on this notion by concluding that job choice models often assume that the decision to look for and apply to a new job has already been made by the candidate, and therefore only inadequately inform the decision-making process *prior* to such decision. This dissertation, however, is concerned with the decision-making and psychological state of passive talent at the time they are *within* the period that precedes the decision to apply for a job. Specifically, it focuses on how situational factors such as the job application method and potential gains may influence and activate the job search readiness of passive talent.

Literature generally theorizes the job search of individuals into a classification to be based either on behavioural or attitudinal dimensions. This classification does not enable the consideration of job search to be, as in the case for passive talent, of largely opportunistic nature. At the time that passive talent is passive, the term of job search behaviour is not adequate due to the absence of such behaviour in the individual who is passive in their job search. Similarly, attitude-based concepts do not seem to cover the extend of the (lack of) job search of passive talent as is researched in this dissertation, as the research questions exceed the notion of an individual to either have an 'active' or 'inactive' attitude towards job search – ultimately, passive talent remains passive until there is both attitude (e.g. the commitment to apply to a given job, or the intent to take action) as well as the behaviour (e.g. the actual application to a given job, or taking action). Emphasis, at this point, again must be put on the consideration that the phenomenon researched in this dissertation spans whether passive talent can be activated for one given job, rather than a multitude of jobs, as passive talent who, at a given point in time, decides to consecutively apply to a multitude of jobs, is by definition not passive in their job search any longer. This focus on opportunistic job application again is difficult to describe using existing theories that only utilize attitude- or behaviour-based approaches towards job search. Therefore, existing research in regard to

job search behaviour and the attitude job search unfortunately does not seem to adequately consider the distinction of job search attitude and -behaviour for active and passive talent, and a new terminology had to be established for this dissertation.

Due to the lack of a more relevant or already established term to indicate an opportunistic increase in job search activity for passive talent, I have decided to use the term "Job Search Readiness" to depict the mindset of passive talent in relation to job search activity. I define Job Search Readiness as the degree to which passive talent is opportunistically committed to conducting a job search (e.g. the intention to take action) and applying to a job, such as by submitting their CV to an employer by following the requirements of a given job application method (e.g. taking action). Commitment, in that sense, encompasses not only the motivation to apply to a job, but to complete the individual steps of a job application required to indicate the intent and submission of required information and documentation to enable the hiring organization to review the candidature of the individual. The terminology of "Job Search Readiness" is suitable in this regard for two reasons: First, it revolves around an individual's willingness to commit to a job application. Second, it is adequately distinct from "Job Readiness" (which broadly refers to an individual's potential fit or capability toward a certain job (MacDermott & Ortiz, 2017)) or "Job Search Activity" (which would include steps beyond those of submitting a CV, such as the time and effort individuals invest into a continuous job search, the variety of activities carried out during a job search, and the continuity of job search intensity and content (Kanfer, Wanberg & Kantrowitz, 2001; Kanfer & Bufton, 2015) and would exceed the scope of this dissertation). Throughout this dissertation, I use the terminology of "candidate(s)" and "(job) applicant(s)" based on the job search readiness of individuals - candidate refers to the pool of individuals who may or may not apply to a role, e.g., their job search readiness may be insufficient to apply, whereas applicants are those individuals who made the decision to commit to a job application, e.g., their degree of job search readiness is sufficient to apply.

### 2.4 Job application methods

In this dissertation, I am interested in the influence of job application methods on passive talent's willingness to submit their CV to an employer (e.g., to become active talent). I compare the effect of two application methods, Career Portal Applications and Public Talent Referrals, on the job search readiness of passive candidates. Career Portal Applications (CPA) refer to individuals applying to job advertisements posted by an organization directly on the organization's career website (Pfieffelmann, Wagner & Libkuman, 2010). Public Talent Referrals (PTR) refer to job applications in which a candidate is referred to an organization through a third-party referrer – in a sense, they are comparable to employee referral schemes, albeit in PTR the referrer does not have to be an employee of the organization they refer talent to.

I start this section with a review on literature on CPA as a detailed understanding of its advantages and disadvantages is crucial when evaluating the effect on job search readiness that PTR potentially has. This is because CPA (and job advertisements in general) is, by far, the most utilised method for recruiting talent (Borstorff, et al., 2007), is likely to have been experienced the most by the general public, and therefore serves as a suitable reference point to understand job search readiness.

### 2.4.1 Career Portal Applications

The conventional theoretical approach towards organizational talent acquisition revolves around the labour market matching model, which refers to an organization publishing its requirements on different media, such as job boards, social media, newspapers, the company's website, and other publications to have interested candidates directly reaching out to the advertising organization to apply to the posted role (Cober, Brown & Levy, 2004). Due to the nature of this approach, only active candidates are attracted (McDonald, et al., 2019) – those who happen to look for a job at the same time as the company is looking for a candidate and who happen to utilize the same media the company is using to advertise their

position. This approach is primarily driven by a candidate's impulse (Kershaw & Purcell, 2011).

Posting job openings directly on their career page has several benefits for organizations, especially when compared to the organization utilizing external job boards for job postings. Cober, Brown, Douglas, Blumental, Doverspike & Levy (2000) argue multiple such advantages when an organization uses its career web page: a lower cost for candidates when compared to other job application methods, the opportunity to provide highly relevant and detailed information about the job and organization to candidates, the opportunity for organizations to create a positive first impression on candidates through individualized content on the career page, a way to facilitate candidates applying to the organization that conforms to the requirements of the company (for instance in terms of the required information about the candidate), and a streamlined way of assessing and selecting applicants. In further research, Cober, et al., (2004) also conclude that organizational career pages can facilitate individually targeted messages and information to different groups of applicants, and an overall simplified application process that reduces the overall time requirement of a job application. Further research argues that career pages also provide the opportunity to present candidates with detailed information about the job and organization, which results in a higher relevancy of the profiles of those individuals who apply (Pfieffelmann, et al., 2010) and can support attempts of employer branding.

However, results of research on the effect of CPA are often conflicting between studies. For instance, a study by Carrillo-Tudela & Kaas (2015), concludes that for passive talent, the majority of job-to-job transitions do not comply with labour market matching model theories. Digital job boards, which are the main tool of talent acquisition since the advent of the internet, and by extension also include organizational career pages, are specifically prone to only attract active job seekers (Nikolaou, 2014) and are effectively a tool that, partly due to a progressively candidate-centric approach (Phillips-Wren, et al., 2016), often result in increasingly irrelevant applications (Cairns, 2015). Aside from not enabling organizations to

include passive talent in the recruitment process, the fact that the majority of applications received through conventional job postings are of active job seekers whose profiles do not meet to the requirements of the position, adds further strain to organizational recruitment (Borstorff, et al., 2007). On-going developments, such as gearing towards an impulse-driven acquisition of candidates (Kershaw & Purcell, 2011) or the increasing usage of social media for recruitment (Doherty, 2010) offer little rectification to the issue as these attempts do not address the process of applying to a job itself. Practical research that actively included samples of recruitment and talent acquisition professionals, such as a study carried out by McDonald, et al., (2019) showed that direct applications through career pages do not only not adequately attract passive talent, that the resulting applications of active job seekers are often irrelevant and straining the internal resources of organizational HR departments, and that such applications would require a considerable time investment from candidates on the job application.

Talent acquisition through social media, which is considered by some researchers as an efficient tool of recruitment (Yokoyama, 2016), is perceived as one of the few suitable approaches towards passive talent acquisition through being centred on publicizing job advertisements to a wider segment of candidates with a hope of motivating passive talent to visit an organization's career page to apply. However, the extent to which social media recruitment offers a suitable solution for passive talent recruitment is questionable. It might be better suited to reach untapped segments of (potential) job seekers than conventional job application methods, but it is still unable to address the inherent reasons of passive talent being passive, or the issue of the candidate investing considerable time and effort at the time they do hand in their application even if they have learned about the job openings through social media (McDonald, et al., 2019).

The candidate investing time and effort is fundamental to every job application, as candidates must exercise a degree of labour in initiating and completing an application. In CPA, this 'price' of an application can be considerable given the widespread adoption of

applicant tracking systems ("ATS"), which centralize and screen all incoming applications and have a tangible impact on the time and effort required from candidates to prepare and send applications. Studies show that ATS-based applications require upward of 40 minutes per application and are increasingly adopted in the organizational hiring process (Holderman, 2014). The reality of the actual opportunity cost of searching and applying for jobs is in stark contrast to theoretical assumptions, which often predict a relatively low cost and losses in case of unsuccessful job applications (Cober, et al., 2004; van Huizen & Alessie, 2019). Especially when considering the additional time investment required to find a job *prior* to applying in the first place and the associated exertion of effort for the actual application, the investment requirements of candidates for job applications are significant.

Finally, CPA is a relatively established job application method that most individuals have had experience with. This previous experience, especially if it has been negative, informs a candidate's readiness to commit to a job application through CPA: Tversky & Kahneman (1992) argue that individuals usually reject propositions that offer equal chances of gain and loss. Berg, Furrer, Harman, Rani & Silberman (2018) concluded that decision-makers often follow a satisficing approach, which relates to decision-makers often striving not towards maximizing their respective gains but towards an adequate, 'good-enough' return on the effort they exercised. In that sense, decisions are made in an attempt to avoid larger losses, even if such avoidance would result in a possible limitation of gains. In the context of this paper, this might result in the complacency of passive talent to apply due to their current employment. Following this argument, not only statistical (e.g. quantified) but also representative (e.g., qualitative) likelihood (Kahneman & Tversky, 1982) is perceived to be detrimentally skewed by individuals who are considering applying to a position through CPA: apart from likely not being the only applicant to a job (with, statistically, the more individuals applying the lesser the chance of success for an individual applicant), negative experiences made in previous unsuccessful job applications through CPA are representing emotions and

experiences that candidates would associate with CPA (and would strive to avoid from being exposed to again).

This is also especially noteworthy considering the imperfect information potential candidates have about a job at the time they would consider an application, as the gain is somewhat intangible and unclear (because even if they receive a job offer, the candidate can only assume whether the new job is better than their current one), whereas the loss of the effort and time spent applying for a job is relatively tangible. In that sense, applying for and succeeding in getting a job could not only be a gain but equally be a loss, for instance through a bad cultural fit of the candidate to the organization, discontent with the organization's management, disappointment with career growth, or comparable negative impacts on an individual's perception that are not readily perceivable at the time of considering whether to apply to a job or not.

### 2.4.2 Referral Systems & Public Talent Referrals

One of the predominantly used tools for *pulling* passive job seekers into the recruitment process are organizational employee referral schemes, in which already existing employees of an organization are receiving incentives for referring individuals whom they know to job openings the company publishes (Schlachter & Pieper, 2019). The advantages and disadvantages of internal referral schemes have been widely researched. One of the most distinct advantages of referred candidates is intrinsic cultural fit to the organization (Hoffman, 2017) which leads to referred candidates being more likely to be hired (Pallais & Glassberg Sands, 2016) and to remain in the company for extended periods of time (Brown, Setren & Topa, 2016). Largely, this is attributed to existing employees understanding the intangible culture and qualities of an organization and to what extent the individual they refer would be able to fit in – ultimately, this is a solution to the mentioned dilemma of external parties being unable to evaluate an organization. Beaman & Magruder (2012) found that high-performing

employees are more likely to refer individuals who are also performing better than average, specifically if the rewards for referrals are performance-based (e.g., only successful referrals are being rewarded by the organization), resulting in a scenario in which the most valuable employees of an organization organically recruit and build equally high-performing teams. Sterling (2014) concluded that an organization can benefit from the assurance of the quality of a referred candidate through an already existing employee. As the majority of referral schemes utilize a performance-based approach, in which employees are only rewarded with a bonus when a referral is hired (Van Hoye, 2013), they are providing organizations with a comparatively cost-efficient way to tap into both active and passive talent, resulting in an approach that is may not be only efficient but also cost-efficient. Arbex, O'Dea & Wiczer (2019) theorize that referral schemes also have tangible benefits for candidates, as referred candidates are likely to experience an increased wage and decreased time of job search compared to conventional direct approaches. As referral schemes strongly decrease the time and effort that candidate spent on job applications, especially when compared with CPA, and thus reduce the potential risk of an unsuccessful candidacy as well as the associated sensation of loss, passive talent is likely more open to utilizing referral schemes rather than conventional job applications for job-to-job transitions.

However, research also points out the disadvantages that employee referral schemes have, which ultimately renders them as not suitable for enabling organizations to truly engage with passive talent on a larger and more reliable scale that extends beyond the immediate network of current employees.

First, the rewards that the referring employee can receive are often a point of contention: Stockman, Van Hoye & Carpentier (2017) found that candidates who are referred for, and aware of, monetary incentives to the referring employee perceive both the referrer and company to be less credible. Similarly, Marin (2012) extends this notion as she found that even employees who would be receiving such rewards often felt concerned about being perceived as being too eager on obtaining such compensation by their employer. This may

put, from an ethical point of view, the majority of referral schemes in a somewhat questionable light, as they are mostly reliant on monetary rewards. The necessity of such reliance may warrant further research. For example, Van Hoye, Weijters, Lievens & Stockman (2016) point out that the intrinsic job satisfaction of employees is often a more impactful motivator towards referrals rather than monetary incentives. However, in a previous study, Van Hoye (2013) concluded that those organizations that provide monetary incentives are much more likely to receive referrals from their employees.

**Second**, referrers who have had a negative experience with referrals, either by the referral not being hired or through the fear of a loss of one's reputation, are more reluctant to continue referring - this is another instance of the sensation of loss affecting organizational talent acquisition Marin (2012).

**Third**, only a fraction (27% Marin (2012)) of employees are willing to refer people they know to jobs. This hesitancy might also inform Hoffman's (2017) finding that the utilization of internal referral schemes can lead to a less diverse workforce because the number of individuals that may be referred are not only limited to be in the network of those who are open to refer but who are similar to the employee.

**Fourth** is the argument that employee referral schemes are mostly used for low-skill and junior positions (Brown, et al., 2016) and would therefore not be suitable for senior positions. Although it is likely easier to fill junior positions through referrals, there does not appear to be conclusive evidence as to hiring for senior positions not being suitable to be approached through this recruitment tool.

**Finally**, Obukhova & Lan (2013) further emphasize the limitation of referral schemes being restricted to the immediate social network of candidates and found that the size of a potential candidate's network is not directly corresponding to its utilization by the candidate for job search. This has a twofold implication for conventional employee referral schemes, as there is a tangible likelihood of a connection gap between referrers and potential candidates. This

informs one, if not the, most prevalent disadvantages of internal referral schemes: participation in them as referrer is restricted to an organization's existing workforce.

Public Talent Referrals extend an organization's employee referral schemes to individuals external (e.g. not employed) to the organization, instead of restricting the opportunity to refer candidates only to individuals employed within the organization. At its core, PTR enables employers to engage with talent at the time it is passive through relying on referrals from any individual (e.g. "the public"), therefore broadening the number of passive talent that can be reached. Mostly online, PTR tools have different approaches to the process that is followed when candidates are referred. However, the process mostly relies on the individual who refers to register on the platform before providing the contact information of suitable candidates who then must approve the referral, mostly through automated emails (paraform.com, 2023; reflik.com, 2023; relode.com, 2023). While candidates referred by individuals who are not exposed to the organisation to the degree that current employees are do not necessarily have the same cultural and organizational fit as those that have been referred by existing employees (as the public will not necessarily be as acquainted with the organization or job as an existing employee), PTR is likely to offer organizations a way to find and hire passive talent in a cost-efficient, effective, and reliable way. As such, PTR balances some of the drawbacks of CPA and employee referral schemes by mitigating their associated limitations while forgoing some of their benefits. As of the writing of this dissertation, PTR does not appear to have been the subject of in-depth research, and there does not seem to exist a general definition of the concept as such nor of its characteristics, with considerations about the effect of PTR being based on its relatively comparable nature with employee referral schemes. This dissertation aims to provide a fundamental understanding of the organisational impact that PTR may have while considering its similarities to conventional employee referral schemes.

### 2.5 Understanding PTR from a Value Co-creation Perspective

Above I differentiate PTR from CPA and employee referral schemes in terms of their characteristics, benefits, and limitations. Below, I will explore the theoretical underpinnings of PTR and propose that it can be examined through three distinct theoretical perspectives: value co-creation, individual risk and reward dynamics, and regulatory focus.

Value co-creation refers to the process of the interaction between two or more parties that results in the creation of novel value that exceeds the transactional nature of such interaction (Galvagno & Dalli, 2014). As such, value co-creation encapsulates the aphorism of "the sum being greater than its parts", as the joint collaboration between parties would result in new (e.g., not only 'more of the same') value that benefits all of the involved stakeholders. Value co-creation theory mostly focuses on interactions in service science, specifically from a broader business-to-business perspective (Galvagno & Dalli, 2014), however, implications can be made for the recruitment process as well - specifically when considering the cocreation perspective of a third party, the referrer, taking part in the job application process and facilitating the interaction between the candidate and the employer. Such facilitations result not only in the candidate and the employer being no longer on dyadic opposing sides but instead interacting for the development of new opportunities (Galvagno & Dalli, 2014), with the inclusion of the third party referrer presenting added value in itself.

This added value can be quantified, as in PTR, the candidates' investment of time and effort is considerably lower than in CPA (as the referrer performs the act of referring, instead of the candidate performing the act of applying). The referrer's inclusion has the consequence of the candidate saving time and effort on the application, effectively reducing the "... up-front cost of entering ..." (Page 165) that Damgaard & Sydnor (2019) described as part of the conventional job application process, e.g. the time and effort that a candidate would have to exert in order to apply to a job is considerably reduced in PTR, which may result in higher job search readiness. In that sense, the referrer jointly collaborates with the candidate, which

may result in the assumed risk of loss in the application process (due to a lower investment that could potentially be lost) to be perceived as considerably lower.

### 2.6 Understanding PTR from a Risk & Reward Perspective

Damgaard & Sydnor (2019) recognize the conventional job search & application process to be akin to a gamble: "Applying for jobs resembles entering a lottery, where there is an upfront cost of entering and a large potential award gained with some probability." (Page 165). With the probability to 'win' in the gamble of applying for a job, there is also the chance of 'losing', a very real prospect that individuals often find, as Damgaard & Sydnor further argue, too risky to commit to: "The willingness to pay to apply for a job ... is significantly below the risk-neutral level." (Page 173). 'Pay', in that instance, refers to the investment of time and effort from the candidate into a job application. Due to the probability of gains and losses in job applications, theories regarding risk (e.g., potential losses) and reward (e.g., potential gains) dynamics shape the decision-making process of passive candidates. Kahneman & Tversky's (1979) prospect theory establishes that individuals are avoiding taking risks for potential gains of low probability. This low probability equates to the high risk that unsuccessfully applying to a job with a small rate of success has. Although in their study, participants were provided with non-job application related options that had clearly formulated percentages of likelihood, it is reasonable to assume that job applications, which do not display a likelihood of success, are somewhat well-known to have a relatively low chance of success to a given applicant, establishing the perception of a high assumable risk which the majority of potential applicants are likely to have. After all, job postings often attract a multitude of applicants, and when considering that most postings only require one candidate to be filled, most candidates would experience the sensation of having lost the time and effort spent in applying for the job before (or, at the very least, would reasonably imagine such loss). In that sense, the perceived prospect of successfully applying to a job is low, and specifically for passive talent, the notion of investing considerable amounts of time

and energy in an opportunity that may be not guaranteed (or even unlikely) to realize is likely to cause passivity rather than activity. Unsuccessful job applications are not only a loss of the time and energy a candidate spent but are also likely to result in emotional hardship.

Such emotional distress, or the mere anticipation of it, has such considerable impact that individuals not only strive to avoid it but, in an attempt of avoidance, are developing skewed biases in their perception of unfavourable probabilities. Kahneman & Tversky (1982) referred to this phenomenon as counterfactual experiences. These experiences might render the perceived probability of success in a job application to be detrimentally skewed against the applicant, and further repel individuals from partaking. In later research, Tversky & Kahneman (1986) found that individuals tend to overweight low probabilities and defined the pseudocertainty effect, which renders individuals to weigh the risk of uncertain events as if they were certain. Searching and applying for jobs is often an endeavour that is too risky for already employed candidates to pursue. Damgaard & Sydnor (2019) conclude that individuals perceive applying and switching to a new job as riskier than staying in their current one.

### 2.7 Understanding PTR from a Regulatory Focus Perspective

When considering Maslow's theory of human motivation (1943), human needs are categorized into a hierarchy of five distinct categories, one given attention after the previous one has been satisfied. The foundation of this hierarchy are physiological and safety needs fundamental categories which are covered through employment that provides adequate financial remuneration to enable individuals to, consciously or unconsciously, focus on the subsequent categories of needs. With this notion, individuals are likely not only considering applying to new opportunities when they are perceived to be extrinsically and intrinsically better than the individual's current role, but specifically when they perceive a need, or a requirement, to do so. Maslow's theory considers this through the 'deficit principle', which advocates that a satisfied need ceases to be a sufficient motivator for individuals to take

action, as motivations are centred around satisfying a current and existing need. With that in mind, an individual in gainful employment is probably not as, if at all, motivated to apply for a new job.

This perspective is further elaborated by regulatory focus theory, which argues that individuals establish 'end states' that they plan to obtain or avoid (Higgins, 1998). It is reasonable to assume that obtaining adequate compensation is one of the main caveats of a job (but, as Aiman-Smith, Bauer & Cable (2001) find, declines in importance once a certain threshold is reached), with such compensation fundamentally ensuring the survival of an individual and their dependents. From this perspective, not having a job or a job that is not adequately compensated, would not satisfy the foundational basic needs of an individual. Two scenarios then emerge: in the case of active and passive talent, those individuals who need to rectify their situation by obtaining a job adopt a promotion focus, e.g., obtaining a positive outcome. They turn into active job seekers for this sake. Those individuals who are able to satisfy their needs through their current employment adopt a prevention focus, e.g., they avoid negative outcomes (of losing their job, obtaining one that is worse, or investing time and effort on a potentially unsuccessful job application). Maslow argues that once a need has been fulfilled, a novel, more advanced need (e.g., a novel 'end state') emerges, that then is aimed to be fulfilled. Although it could be argued that this statement would necessitate that even passive talent would adopt a promotion focus to apply for jobs, the hierarchical nature of needs would largely relate to needs that extend beyond the physiological and safety needs that employment provides, e.g., the job is maintained (prevention focus) but the individual might pursue social or academic endeavours (promotion focus) while maintaining their current employment status. Similarly, candidates may turn active even when they have a job that is adequately compensated and stable, for instance, if there is the prospect of a job that would result in increased compensation (in addition to the compensation that satisfies basic needs) or because candidates define their needs through

their job - for instance by endeavouring a job that not only provides adequate compensation but social impact.

In an earlier publication, Higgins (1996) argues that the regulatory focus of individuals varies both chronically and momentarily, which encapsulated the opportunistic nature of passive talent: passive talent may turn active for one given job opportunity (e.g., their regulatory focus changes to a promotion focus for one application) but does not necessarily remain active (e.g., keeping a promotion focus) for applications beyond the singular one. This momentary regulation of focus was also highlighted by Boswell and Gardner (2018) who argue that even the term "job-to-job search" in research must consider the term to not imply a candidate actually changing jobs, but to obtain information in order to decide whether to apply to a new job, which bears further testament to the fickle nature of regulatory focus in passive talent. As Higgins (1998) argues, regulatory focus is quintessentially regulated by the individual him/herself instead of necessarily dependent on external factors. This argument complies with Hanigan's (2015) argument of passiveness being a spectrum, e.g., the majority of passive talent is not chronically but momentarily passive and can turn active if they are enticed to regulate to a promotion focus. Regulatory focus also informs the risk and reward dynamics of job applicants - as Shah and Higgins (1997) find, decisions made with a promotion focus are likely to strive for gain maximization. Kanfer & Bufton (2015) concur and argue that one stream of studies suggests contextualizing employment goals in terms of "... maximally satisfying future state ...". (Page 8).

In a sense, the impact of risk & reward theories and Maslow's theory of human motivation serve as a foundation to understand the reasoning behind the passive talent of talent. In order to 'activate' passive talent, their regulatory focus, which is adaptable and varies momentarily based on situational and individual factors, is likely to show its influence via potential gains that are associated with a given job application method.

### 2.8 Summary

This dissertation draws on the theories of value co-creation, risk & reward dynamics, and regulatory focus to examine the relationship between job application methods (in particular CPA and PTR) and the job search readiness of passive talent under different conditions of potential gains.

Specifically, gaps in existing research pertaining to the practical interaction between these theories and job search readiness are addressed - for instance, existing research pertaining to the correlation between risk and job search behaviour is limited in its practical application and is often subject to theoretical disagreements (Obukhova & Lan, 2013), with specifically the interaction of risk and the job search behaviour of passive talent not having been subject to widespread research. Furthermore, research that has been conducted on risk and job search behaviour is often based on theoretical frameworks and research methods that are not necessarily representative of job search readiness in passive talent (such as research utilizing lotteries as methodology or through the utilization of participants who are not representative of what could be argued to be typical passive candidates) and insufficiently generalizable in order to apply to organizational reality (Gee, 2019).

Similarly, research that focuses on the connection between an individual's regulatory focus and job search behaviour is mostly centred on a scholarly, rather than practical, understanding of a candidate's psychological motivations when perceiving job search as a self-regulatory process (Wanberg, Ali & Csillag, 2020). Although providing relevant academic insights pertaining to job search behaviour, such as the interaction of self-regulation and individual goals (Brodscholl, Kober & Higgins, 2007) or the impact of regulatory focus on an individual's bargaining behaviour (Galinsky, Leonardelli, Okhuysen & Mussweiler, 2005), research on regulatory focus is limited in practical applicability of actually attempting a solution to the organizational issue of passive talent, specifically as these theories have not been applied to PTR.

Research on value co-creation is also largely focused on business-to-business settings, or from a perspective of analysing the relationships between suppliers and customers (Galvagno & Dalli, 2014).

This dissertation attempts to rectify these research gaps, particularly in examining whether PTR poses a better solution to addressing the passiveness of talent when compared to other application methods, to understand the theoretical dynamics that shape the impact of PTR, and to what degree the three theoretical frameworks can adequately inform such impact. I utilized two individual studies in order to understand the interaction between the theoretical frameworks and their impact and will outline the methodology of these studies in the next chapter.

# 2.9 Hypotheses Development

A candidate's job search readiness can be influenced by a variety of factors that can be broadly categorized into being *applicant-related*, such as their current employment status (DellaVigna, et al., 2017), individual requirements, and characteristics of the candidate (Phillips-Wren, et al., 2016), how long a candidate has been searching for a job (Faberman & Kudlyak, 2019), or the candidate's family situation (Wang, et al., 2013), *job-related*, such as the recruitment process (Kershaw & Purcell, 2011), the candidate's on-the-job embeddedness (Porter, Posthuma, Maertz, Joplin, Ribgy, Gordon & Graves, 2019), or the match between candidates and their current job (DeLoach & Kurt, 2018), and *employer-related*, such as the employer brand (Collins & Stevens, 2002).

In this dissertation in relation to my research focus on Public Talent Referrals, I highlight two of the influencing factors: the application method that a potential candidate is subjected to - e.g., Public Talent Referrals versus conventional Career Portal Applications, and the potential gains of the job application.

Regarding the factor of application method, conventional job application methods (such as CPA) are dyadic and not including the social network of the candidate. They involve two stakeholders: the prospective employer and the candidate. The employer, either forecasting a requirement or actually facing one, posts a job on the organization's online career page. Candidates then have to navigate or come across the career page on which the job is posted to apply by registering a candidate account, uploading their CV, and filling in several information fields. The process is often facilitated through an automated applicant tracking system (ATS) that filters candidates, with an estimated 80% of organizations utilizing them (Holderman, 2014). For organizations aiming to attract passive talent, CPA has several disadvantages: First, it is opportunistic and impulse-driven: a candidate has to be actively looking for a job in order to come across the career page and then apply for the job, which largely excludes passive talent from the pool of potential candidates (Kershaw & Purcell, 2011, Koch, Gerber & de Klerk, 2018). Especially when considering that passive talent is the majority of the workforce, organizations will risk "losing out" as the candidates they can realistically hire are reduced to the small number of individuals actively looking for a job. This limitation also jeopardizes competitive advantage through a resulting lack of human talent and, ultimately, diminishes organizational success (Borstorff, et al., 2007). Second, it requires a large investment from the candidate in terms of time and effort to initiate and complete the job application, especially with ATS requiring upward of 40 minutes of time investment from the candidate (Holderman, 2014). Third, the chance of being successful in the job application is low for candidates and essentially akin to a lottery (Damgaard & Sydnor, 2019). Coupled with recruitment shifting from being traditionally organization-centric toward candidate-centric, with candidates having a higher degree of decision power in the recruitment process (Pfieffelmann, et al., 2010), conventional application methods like CPA are likely to result in an organizational disadvantage by attracting fewer candidates, and specifically, an inability to attract passive talent (Dutta, 2014).

In comparison, PTR introduces a third party, the referrer, to the recruitment process. The inclusion of the referrer provides the opportunity for value co-creation by third parties, which may exceed the conventional value proposition (the exchange of the candidate's time and money for the potential gain of having their CV reviewed by the employer) in conventional application methods. Value co-creation refers to the creation of 'novel' or mutual benefits through the interaction of stakeholders in a collaborative approach rather than being on opposite sides of the process (Galvagno & Dalli, 2014). The benefits of including a referrer can be understood from the perspective of employers, referred individuals, and candidates (see more details in the Literature Review of this dissertation). In relation to developing hypotheses on job search readiness, here I focus on the candidate's perspective to discuss how PTR co-creates value and influences job search readiness.

From the perspective of potential candidates, the cost of job applications, especially as in the investment of time and effort for finding and applying to jobs, is, to some extent, shifted to the referrer, resulting in the minimization of the candidate's risk of loss in case the job application is not successful. In this regard, PTR renders job application to be less of a "lottery" (Damgaard & Sydnor, 2019) to the candidate. Due to the success-based reward structure of PTR (e.g., a referrer only receives a monetary reward from the employer if a referred candidate is hired) candidates are unlikely to be approached by a referrer if they know that the candidate is not qualified for or interested in the job. Ultimately, this would increase the chance of a successful job application. In addition, through the referrer presenting the candidate with a job opportunity rather than the candidate having to actively search for it, PTR utilizes the benefits of social networks and is prone to appeal to passive talent (Beaman & Magruder, 2012). PTR in this way renders word-of-mouth as an effective and somewhat standardized recruitment method (Van Hoye, et al., 2016).

**H1**: Public Talent Referrals lead to a higher job search readiness of passive talent than Career Portal Applications.

Value co-creation can take many forms. As discussed above, the inclusion of a referrer in PTR reduces the risk of loss for candidates. In addition, the co-creation of value for the candidate may also mean potential gains for the candidate. Given that cost and gains are variables that are not fixed but fluctuate with each individual job search method, I hypothesize that candidates' job search readiness is not only based on the cost reduction they achieve through PTR job applications but that candidates also aspire to maximize their gains.

Based on the regulatory focus theory (Higgins, 1998), individuals are motivated to obtain pleasure and avoid pain. Regulatory focus argues that people establish end states that they plan to obtain, with the obtainment of such end states resulting in individuals regulating their approaches to either be promotion or prevention-focused. Promotion-focused regulation centres on achieving positive outcomes (e.g., finding a job, or having their application reviewed by the employer - potential gains), while prevention-focused regulation centres on avoiding negative outcomes (e.g. losing time and effort on an unsuccessful job application - the associated cost). Regulatory focus differs not only from person to person but also from situation to situation - it might be chronic or momentary and depending on the preferred end state (Galinsky, et al., 2005). All in all, a promotion focus regulation emphasizes maximizing goals (Higgins, 1998), whereas people who regulate to a prevention focus often try to minimize costs (Brodscholl, et al., 2007). It is noteworthy that job search is a self-regulatory process (Wanberg, et al., 2020).

In job applications, candidates need to estimate potential gains and losses. Ultimately, the goal of a candidate's job application is to be offered the job that they apply to - however, this ultimate gain can be broken down into individual subsequent 'milestones' in the job application that correspond to the single steps of the job application process. For instance, a potential gain in the application stage could be the candidate having their CV reviewed by the employer, being invited for an interview, to partake in assessments, and so on. Potential

losses refer to the candidate investing time and effort (both tangible, e.g., creating a candidate profile and submitting their CV, and intangible, e.g., experiencing negative emotions) into an unsuccessful job application. Such potential losses are specifically affecting passive talent, which is arguably in this maintenance focus - they are not actively looking for a job as they already have one (which must be maintained, as they otherwise would likely be active job seekers). The notion of potentially losing time and resources on an unsuccessful job application in this maintenance condition leads to a prevention focus, as the potential loss is not justified and therefore must be prevented. However, the inherent characteristics of the PTR condition, (for instance potential losses are shifted to the referrer), consequently shift people towards a focus on attainment and promotion - a self-regulation that is concerned with maximizing gains.

This argument corresponds with Tversky & Kahneman's (1992) finding that individuals care more about gain than the ultimate end result and prospect theory (Tversky & Kahneman, 1986) in which they ultimately conclude "...choice [to be a] maximization process." (Page 251). This argument holds true for PTR: an inherently higher job search readiness of candidates due to the job application method will be increased even further if there is a higher potential gain as the candidate strives for value maximization. Candidates are not only seeking to minimize the cost they have when applying for a job but specifically, to maximize the gain they would get from the application. The case of PTR results in inherent circumstances in which there is a higher perceived probability of potential gain, arguably leading to more growth of the positive effect that PTR has on the job search readiness of candidates due to their strive for maximization of potential gains. Therefore:

**H2:** Potential gains adjust the influence of application methods on job search readiness, whereas the difference between the effect of PTR and CPA on a candidate's job search readiness will be even larger in the higher potential gains condition than in the lower potential gains condition.

# 3. Methodology

This chapter describes the overall design and conduct of the presented study. I start this chapter by discussing the epistemology and ontology which influence my approach as a researcher before elaborating on the impact of positivism and social constructionism on the researched topic. I then provide details and reasoning on why a mixed methodology design has been chosen before outlining an experimental study and a semi-structured interview used in my research. Finally, I link gained insights and realization of the concept with action research.

# 3.1 Epistemology & Ontology

A researcher's ontology and epistemology, defined by Easterby-Smith, Thorpe & Jackson (2012) as an individual's assumptions about the nature of reality and about inquiring into such reality respectively, have a considerable impact on the conduct of research and, ultimately, the creation of knowledge. An individual's ontology is akin to a scale with two extremes - while the 'realist' assumption as one extreme argues that reality exists independent of an individual's understanding (and therefore shaping) of it, while the 'relativist' assumption, on the other hand, argues that reality is an outcome of human sensemaking (Johnson & Duberley, 2003). In a similar vein, epistemology is subject to the two extremes of positivism, which refers to knowledge and insights that have been derived under a classification of a posteriori knowledge, and that is based on empirical insights and on experience coupled with knowledge rather than sole reliance on reason (however, without foregoing reason) (Macionis & Gerber, 2010) on one hand, and social constructionism, which advocates that meaning and insights are derived through collaborative social interactions that create shared ways of perceiving reality (Easterby-Smith, et al., 2012) on the other. Both ontology and epistemology are furthermore informed by a researcher's axiology, or their judgment of value (Hart, 1971). The extent to which a given researcher is

aware of not only the relationship between him- or herself and the research (and researched object) they conduct but also their awareness about the impact of their individual ontology, epistemology, and axiology is then termed as reflexivity (Salzman, 2002).

Both ontology and epistemology have tangible, yet often unconscious, influences on research, especially towards the interpretation and sensemaking of obtained data and insights. This is specifically true for non-traditional scientific disciplines and topics, such as the subject of this dissertation, as research results (and the way they are interpreted and presented) are more prone to be influenced by collaborative and individual (especially of the researcher) biases and assumptions than traditional scientific disciplines (such as physics, mathematics, or chemistry), which are more likely to conform to a purely empirical standpoint due to their somewhat general applicability and lack of influential factors that could intensify potential research biases. In a nutshell, traditional scientific disciplines are largely independent of collaborative understanding as they are applicable regardless of social interactions. For example, an apple falling to the ground from an apple tree due to gravity does so regardless of social understanding, or a lack thereof, all around the world. However, in relation to social sciences, individual and collaborative sensemaking of reality differs from person to person. One individual's understanding of readiness (or actual willingness) to apply for a job and the probability of being successful in doing so is likely to vary considerably from the understanding of another. The intensity of the feeling of success or failure of an application is also likely not to be shaped only by the individual who is subject to it but also by others who have made similar experiences - resulting in the shaping of a shared feeling of potential candidates toward job applications. For example, due to the majority of individuals being unsuccessful in job applications - after all, only one of several candidates will be selected - a general feeling of aversion toward the job application process, even for jobs that appear attractive has been proven (McFadyen & Thomas, 1997) and has also been confirmed through the qualitative and actionable component of this dissertation.

However, thinking in such scholarly extremes is likely to be one of the main contributors that inform the relevance gap (Huff & Huff, 2001), which is also termed the scholar-practitioner gap (Muchinsky, 2004), and which refers to the production of research through scholars that, albeit meeting academic requirements, bears little to no relevance to address organizational problems faced by practitioners and vice versa. In that sense, the distinctive advantage of positivism, which is the accumulation of knowledge without bias through the complete removal of ideology, individual experiences, and environmental factors, is also its most pronounced drawback for non-traditional sciences.

Taking the topic of this dissertation as an example, the purely positivist approach that is arguably ideal for traditional sciences may not fully capture the collaborative and social constructionist notion of the research at hand and potentially render results lacking applicability to practitioners. For instance, it can be argued that an over-reliance on positivism might lead to an overgeneralization of derived findings. This is especially true in the corporate world, as many will argue that an academic approach to organizational problems is too rigid to lead to practical insights - Easterby-Smith, et. al., (2012), for example, have highlighted similar concerns of a positivist approach toward researching non-traditional sciences to be potentially rendering research to be inconsiderate of the uniqueness of individual companies (or, in the case of this dissertation, potential job applicants). This is due to positivism removing the distinctive situational, stake-holding and influencing factors inherently rendering each organization, group of individuals, and individual to be different from one another.

A positivist approach, that by default aims for universality, then must rely on an attempt to dilute such unique factors to a degree that would render the researched situation to be somewhat applicable to the majority of companies and individuals, yet such an attempt of stripping away situational factors might very well lead to the situation as a whole to be inapplicable even to the organization of origin due to its unique situational and defining

factors being completely removed from the research and consequent findings. The limitation sections of the following chapters of this dissertation highlight this and other components of my research that might render the applicability of my research to be diminished, however, even under consideration of such limitations, I believe it is faulty to assume that true universal applicability can be achieved in the corporate world in the first place - no matter to what degree the utilized research deploys positivist approaches and ignoring unique factors of researched entities. Especially for topics such as the one this dissertation is focusing on, there is a reliance on individual notions of but a small segment of the general population that cannot be assumed to be generally applicable to everyone and to be by default true and reproducible as other concepts, such as physical or chemical laws of nature, could be. However, there are strong indications that a positivist approach is highly advantageous for producing scientific insights that are academically rigorous, and, if unique factors are sufficiently incorporated, relevant to both the scholarly and practical realms - not for an attempt to achieve general applicability, but for achieving sufficient applicability under consideration of factors that are likely to be present in a vast majority of organizations and segments of the public.

Therefore, and in consideration of Willmott's (1993) argument that a researcher's paradigms and epistemology are neither clearly distinguishable nor mutually exclusive, the methodology of the present research combines a topic that is heavily dependent on positivism with a social constructionism approach to obtaining and interpreting data. This positivist perspective is important as applicability for practitioners for the insights gained through this study is only given if there is a degree of standardization of the resulting knowledge.

Standardization has been achieved through an experimental study in which a vignette-based stimulus is presented to participants to obtain responses that are not reliant on their personal situation or previous experiences made. The resulting, and as before mentioned, *sufficient* applicability is also given when considering the insights of other researchers - for example, Siggelkow (2007) argues that the universality (and with that applicability) of research

sample size, as well as the statistical analyses of responses in this dissertation, I believe that the results will generally hold true across varying segments of the population. Although every (potential) candidate for a job application is likely to have independent beliefs, biases, experiences, and emotions, an empirical generalization of findings and dilution of such individually dependent influences is required to bridge the relevance gap between scholars and practitioners when utilizing positivist approaches towards research. The individual notions of candidates were then considered through semi-structured interviews that form the qualitative research component of this dissertation. Ultimately, the concerns of my ontology and epistemology led to the decision to utilize a mixed methodology research design.

To what extent my individual ontology and epistemology are truly a combination of positivism and social constructionism is a challenging philosophical question. Is the researcher absolutely rigid in their philosophical foundations? Would a researcher preferring quantitative methodology be, by default, inclined towards a positivist, and a researcher preferring qualitative research towards a social constructionist epistemology? Are the findings of this dissertation universally true and applicable (at least in terms of it being contained in itself), or subject to relative situational or environmental factors or changes? Is there actual scholarly and/or practical value in conducted research, or are there only the researcher's assumption of their research being valuable due to their individual axiology making them believe that there is value in the insights they have gathered? Are these factors 'fixed' for a given researcher, or do they fluctuate from research to research or over time? I believe that there are no absolute answers to these questions. In this dissertation, my goal is to develop value for scholars and for practitioners. I believe that such value is relative yet based on my impression on 'how the world works' in terms of talent acquisition and passive talent (at least at the moment) and derives its value through being founded in such functionality. I am of the opinion that the value I endeavour to achieve can only be derived for both scholars and practitioners if it complies to an approach that incorporates both positivism (e.g., non-biased

generalizability) as well as social constructionism (e.g., situational relevance). Therefore, I believe that my assumption of this epistemology and ontology is based on my axiology at the time I conducted this research – it is purpose-driven and compliant to the value proposition that I have formulated at the time of conducting it.

# 3.2 Mixed Methodology

Choosing the right research method is crucial to achieving both academic rigor and practical applicability. Identifying and utilizing the most appropriate research methodology forms the very foundational essence of any scholarly work, to ensure academic rigor. Furthermore, driven by the requirements of action learning, I needed to ensure the relevance and practicality of research results while measuring their impact on organizational practice. Therefore, a mixed-method approach was chosen to comprise and satisfy these requirements.

I started my research by devising a quantitative study that relied on an experimental design under the incorporation of vignettes (the scholarly component) before consolidating data through a qualitative study (the practical component). The choice of data collection through a quantitative vignette methodology as a first step was made due to the novelty of Public Talent Referrals as the topic that the presented hypotheses are based on: although employee referral schemes are relatively established among a variety of organizations, Public Talent Referrals through online platforms which do not restrict the referrer to be employed or affiliated with the organization they refer a candidate to is a somewhat novel recruitment method and therefore not as established to the public as conventional job portals, corporate career pages, or employee referral schemes which are arguably recruitment tools that a vast majority of the public has been exposed to. Due to the considerable difference in familiarity with these recruitment methods, biases and previous exposures of participants in addition to the insights that research would provide had to be

taken into account. Aside from aiding the formation of a foundational understanding of the effect of PTR and CPA on job search readiness as a dependent variable, an experimental approach would establish a clear cause-and-effect relationship between job search method and job search readiness. Establishing this initial cause-and-effect relationship was essential in addressing the first research goal and research questions and informed the research approach towards the remaining research questions. As such, the experimental study functions to establish whether and to what degree there is a cause-and-effect relationship between job application method and job search readiness, but it is not primarily aimed at further investigating the relationship, i.e., why this relationship exists or what may be causing it. An experimental study appeared to be most relevant to identify such a relationship based on the high internal validity of its result, and with that a clear indication of what is being measured.

While I initially planned to only conduct the experimental study to measure the effects of PTR on job search readiness, the results of the initial study confirmed one of the hypotheses but rendered the other one to be false, which required shifting the conduct of this dissertation to utilize a mixed-method research approach by deploying an additional qualitative study in order to better understand the characteristics of PTR and clarify the discrepancy. The qualitative study used semi-structured interviews of candidates who have experienced the process of being referred through a Public Talent Referrals portal to enable participants to elaborate on their thought process while accepting a referral, an option that was not given to participants of the quantitative experimental study.

The chosen systemic and sequential approach to the researched questions through the combination of two research methodologies promised to be the most effective way both from a standpoint of academic rigor and practical applicability and by translating theory into practice and vice versa. Finally, the multi-layered approach of mixed methodology research complies with action research and enables double-loop learning (Argyris, 1991) through inquiring and observing a multitude of different stakeholding influences towards the research

issue, ultimately deriving actionable insights that benefit both the scholarly and corporate realm.

A mixed-method research approach can benefit research in a variety of ways. Greene, Speizer & Wiitala (2008) argue that a combination of different research methods is more efficient than relying on only a single one as different perceptions help form a more complete picture of a given research subject. Especially for scholar-practitioners, the benefits of applicability through a mixed methodology approach are specifically useful as the increasing content and complexity of research renders either only quantitative or only qualitative research to be increasingly insufficient in addressing research goals (Johnson & Onwuegbuzie, 2004). In that sense, mixed methodology research enables providing a solution to a problem, rather than just theorizing about the problem itself. Other researchers highlight even further potential benefits that are inherent to mixed methodology research: Vispoel, Morris & Kilinc (2018) find that combining quantitative and qualitative methods renders results to be more generalizable, mostly due to an argued decrease in possible biases that would affect both research and result - ultimately leading to findings of mixed methodology research to be more rigorous. Smith (2018) concurs by arguing that the generalizability of research is achieved by conclusions being applicable to similar situations as the one that has been researched, which will further benefit the organizational applicability of this dissertation's findings. Mixed-method action research is therefore not only prone to be academically rigorous but also to derive valuable practical considerations, ultimately addressing the relevance gap that exists between scholars and practitioners (Huff & Huff, 2001) by supporting researchers to exceed the conventional 'knowing what' by transcending into 'knowing how' (Tranfield & Starkey, 1998). This practical applicability, as positive as it may be, is however often overshadowed by debates about the academic rigor of action research, particularly due to the assumed biases that the researcher conducting the research might have (Coghlan, 2001 and Brannick & Coghlan, 2007). Action research is, by default, inside research and requires a certain involvement of the researcher that might

render research to be not rigorous under a strict positivist paradigm yet is especially suitable for non-traditional sciences that are reliant on an epistemology of social constructionism.

Particularly in the context of this dissertation, the mixed methodology approach was required to arrive at a relevant conclusion of the research questions. While the initial experimental study confirmed one hypothesis, it negated the other, and would have been insufficient on its own to arrive at a satisfactory deduction. Similarly, only the qualitative study would have been equally insufficient in answering the research questions. Ultimately, it was the combination of both studies, and with that a mixed methodology, that enabled insights that are not only academically sound but practically relevant, as the experimental study was purposefully not allowing participants to elaborate on their decisions in order to establish a fundamental understanding, while the qualitative study was purposefully enabling elaboration by selected participants to refine such foundation. In that sense, each method served a separate required purpose, as both purposes could not have been covered through one study alone.

# 3.3 Experimental methods using vignettes as stimulus

The main purpose of the quantitative study is to better understand the feature or characteristics of Public Talent Referrals and test the effect of those features in an accurate and systematic way. A quantitative study can take many forms, such as descriptive, correlational, causal-comparative, and experimental. In correspondence to my research questions, I decided to use the experimental vignette method for the quantitative research study. This promised to be the most relevant experimental methodology due to its establishment of cause-and-effect relationships between selected variables in a controlled environment while using vignettes as stimuli for participants (Yang & Dickinson, 2014). In each of the four utilized vignettes, a self-contained scenario was thoroughly explained to the participant. Each participant was then randomly assigned one of the vignettes. Combined

with a sufficiently large and randomized sample size, the experimental study enabled positivist insights despite the rather constructionist research topic.

The utilization of vignettes as stimuli helped gaining a better understanding of the characteristics of Public Talent Referrals and their effects on the job search readiness of candidates. Vignettes, which present a self-contained scenario to participants, allow slight variation to variables within a controlled environment and therefore enable measuring the impact that such variables have on the behaviour of participants due to such variations, in turn allowing for a comparative approach towards mediating and moderating effects of the established independent variables. Each vignette describes a real-life situation in order to entice participants to reflect on their answers by enabling easy identification with a situation that is realistic and sufficiently comprehensible to allow a given participant to put themselves into the described scenario - a notion that is especially likely to contribute to the organizational applicability of findings due to the non-theoretical nature at hand. Within each event, the phrasing of the described vignette remained unchanged, with the only alterations being slight variations of the wording of independent variables. As already mentioned in the previous section of this dissertation, the main intent of the experimental study is the identification of a potential cause-and-effect relationship between job application methods and job search readiness in the hope of addressing the first research question of this dissertation, specifically regarding the effect on risk and reward dynamics as well as regulatory focus on the job search readiness in PTR.

There are three major advantages that led to the utilization of a vignette-based experimental design methodology in this dissertation:

**First**, vignettes standardize the background information that each respective participant has access to - with that, the answers that a participant provides are explicitly not based on the participant's previous experience but solely on the information that has been provided, which, due to being the same for each participant, enables a comparative approach towards

data analyzation (Aguinis & Bradley, 2014). The present vignettes were formulated to exclude extraneous factors (those which could potentially affect the dependent variable and therefore would render the independent variable to not be the exclusive manipulator) and confounding factors (those which could potentially affect both the independent and dependent variables). In all four vignettes, the described scenario rendered the participant to be not actively looking for a job. This condition to each vignette is especially important as one of the most threatening extraneous factors is the existing job search readiness of participants - for instance, a participant that is currently out of work and urgently requires to re-enter the workforce (and vice versa) would have resulted in their resulting job search readiness to be severely manipulated by their current status. The theoretical nature of vignettes allowed for an equalized foundation from which participants' answers could be measured both through the instructional manipulation of independent variables as well as event manipulation (Yang & Dickinson, 2014) through the study's 2-by-2 model.

Second, vignette-based experimental design systematically manipulates the independent variables. Due to only the variables being slightly altered and the remainder of the vignette remaining unmanipulated, any variation in the participant's responses is solely due to the manipulation of the independent variables, ensuring the validity and causality of the derived findings (Podsakoff & Podsakoff, 2019). This contrastive approach to vignette studies is especially suitable in the present research due to the manipulation of variables being minimal, resulting in outcomes not only solely depending on independent variables but also being measurable as to the degree of manipulation influencing results. This systematic approach to altering variables (Alexander & Becker, 1978) ensures standardization and comparability across the study while maintaining academic rigor through a focus on the validity of results.

**Finally**, vignette-based experimental methodology establishes a tangible cause-effect relationship between independent and dependent variables rather than just revealing a connection across variables while maintaining a high internal validity of the conducted

research (Christensen, 2007). Internal validity of the study was given through randomization - not only were participants randomly assigned one of the four vignettes but participants themselves were randomized to minimize any demographic influences on the study.

Furthermore, validity was ensured through the standardized approach of each vignette - each participant was presented with the same vignette that contained all the complete information available to the participant. This achieved internal validity also results in high external validity - there is no reservation towards the generalization of the applicability of findings even outside of the confined setting each vignette described (and) to groups of people who have not participated in the study. Across all vignettes, manipulation checks were in place to verify that the manipulated variables, as well as the scenario described in each vignette, reflect what they are believed to measure and the understanding of participants of the described scenario (Byman, 1989). Passing these manipulation checks was crucial for a participant's responses to be included in the subsequent analysis of results. Individuals were invited online to participate in the study, with about 200 participants taking part in the study.

This experimental design was also specifically fruitful as the different variables measured and their respective quantification was especially suitable for the selected approach - apart from clearly establishing the relationships between the dependent and independent variables, the experimental design also accomplished to further the understanding of the effect that the chosen moderator and mediators have on the relationships of the incorporated variables (Harland, 2011). Furthermore, due to the variables being measured in a controlled environment, high external and internal validity, as well as general applicability of findings, can be assumed - a fact that would not necessarily be true for other design methods. Apart from high validity due to sample size, randomization of participants, random assignment of vignettes, as well as through the realism of the described scenarios, findings are sufficiently applicable to allow sensemaking for the behaviour that would be displayed even of individuals who have not participated in this research.

With the choice of conducting the quantitative study as a structured online questionnaire, several considerations had to be made regarding participants and conduct. For instance, Hoonakker & Carayon (2009) argue that participants of online surveys are not necessarily representative of the general populace as they are largely white, male, and educated notions that are especially true for the United States of America. However, this statement has neither been proven through the completely randomized sample taken for the quantitative study - although race was not one of the characteristics measured. The arguably quite diverse demographic that participated ultimately might be due to the "digital divide" that Lewis, Watson & White (2009) researched - basically, through the increasingly active adoption of online technology among diversified populations, samples sizes of modern online surveys are often more diverse than the sample sizes utilized in conventional research methods. Lewis, et al., (2009), conclude that internet-based surveying techniques are indicated to be not only as valid but of at least similar scholarly quality as traditional survey methods. Furthermore, by utilizing an online survey, it was possible to accommodate a much larger sample size than what could have been achieved through conventional surveying methods by a single researcher. In fact, more than two hundred participants ultimately participated in the quantitative survey. Especially when considering Colombo, Bucher & Sprenger's (2017) argument of the importance of adequate sample sizes, the present research does not only achieve universal applicability in a positivist sense but is likely to also increase the applicability of gained insights toward other demographics and the general populace.

# 3.4 Action Study

The experimental vignette study was followed by semi-structured interviews of individuals who have been referred to jobs through a Public Talent Referrals tool for the purpose of aiding further sensemaking of the research findings and supporting the consolidation and complementing of the findings from the experimental study. Also, this qualitative study

represents translating the hypotheses and theoretical vignettes that centred on Public Talent Referrals into reality (and with that, action research), as it adds further context to understand the findings.

Participating individuals were part of a semi-structured interview that provided a general set of questions centred around their experience of being referred and how such experiences differed from the ones they had made while applying through conventional career pages. Apart from revealing novel insights that were not necessarily obvious through the quantitative study, the qualitative study also serves as an action research component due to the knowledge derived in the quantitative study being applied and ultimately leading to new learning and insights, indications towards refining current and future research, double-loop learning (Argyris, 1991), and a completed first cycle of action learning.

A semi-structured, instead of a structured or unstructured, interview was the medium of choice to enable receiving answers to relevant questions and obtaining applicable insights while also enabling a free flow of thoughts and impressions of participants. This was especially important due to the preceding experimental study being structured to force a large number of participants into only providing relevant answers through a narrow framework for the sake of standardization and validity - participants' individual notions that may have further contributed to insights, therefore, were not possible as part of the quantitative study. Following the structured quantitative study with structured interviews would likely have had the same effect, whereas unstructured interviews would likely have resulted in an array of irrelevant insights that would not have directly contributed to the research goal. Unlike the quantitative study, the qualitative study is not about manipulating independent variables but about discussing and consolidating its manifested variations across different instances of manipulation, and it is those instances that require further insights and consolidation. In fact, the qualitative study, in the sense of Coghlan & Brannick's (2014) argument does not have the purpose of confirming the hypotheses whatsoever.

Instead, the support and insight it grants as a tool of action research do not have the purpose of building scholarly knowledge OF knowledge (Roth, Shani & Leary, 2007) but to attain organizational and practical applicability by translating theory into practice.

This sensemaking has then been further emphasized through the semi-structured interviews which complement and consolidate the data gained through the experimental vignette study by broadening the insights that were derived from the research, resulting in findings that are both academically rigorous as well as applicable to practitioners. Furthermore, the interviews increased external validity, as they not only concluded new insights but through ensuring that the results obtained through the experimental study were not contradicted by the experiences individuals shared in the interviews. Ultimately, the action study leads to actionable insights that further detail the findings of the experimental study and support relevant stakeholders in deriving practical implications on whether and how PTR could be utilized in organizational talent acquisition.

## 3.5 Action Research

This dissertation is not only intended to, both theoretically and practically, present a possible approach toward a solution (or at least an attempt at one) of organizations attracting passive talent but to enable critical action learning (CAL) for scholar-practitioners. While PTR does provide a noteworthy option for organizations to somewhat alleviate the issue of passive talent acquisition, this dissertation's focus is equally set on the critical action learning (CAL) that resulted from the research on the effect of public referrals on job search readiness and the generation of practical and theoretical insights that enable further sensemaking in future research. CAL is a suitable approach to researching the impact of PTR as it generates new knowledge, enables learning through researching an actual organizational problem, and incorporates direct experiences of relevant stakeholders to fully address the organizational issue at hand. Furthermore, through CAL's cyclical approach, several iterations of future inquiries can be utilized to further research and refine the topic at hand.

The concept of critical action learning revolves around the formula of Learning = Programmed Knowledge + Questioning (Pedler, 2008). Arguably, questioning is the very core concept of action learning, as insights can only be derived if they are sought out by actively and critically questioning the foundations that cause organizational issues. CAL is specifically useful for organizational problems (Rigg & Trehan, 2008), as it evaluates such problems as part of a wider environment and considers the relationships and interactions of its individual stakeholders - an important notion that takes into account the multi-stakeholder nature of organizational problems. Coghlan & Brannick (2014) further emphasize this notion as they argue that action research focuses on creating applicable knowledge that can be utilized to solve actual problems rather than merely testing theories outside of the realm of practice. As such, action research differs from conventional organizational practice by attempting to generate generalizable knowledge rather than solving a singular organizational issue (which would be, for instance, organizational stakeholders of an individual organization addressing a specific issue in their particular organizational situation through finding and implementing a solution without minding generalizability of the solution to enable other organizations to solve similar issues). The concept of CAL revolves around combining application and research concurrently through such application (and vice versa).

Action research is specifically beneficial for organizational issues that are complex due to a variety of influencing factors and stakeholders. The organizational issue of low job search readiness of passive talent that I have focused on in this dissertation is such a highly complex problem. To make the problem more researchable, I decided to remove factors that could be potential influences (Churchman, 1967) and focused on the two key factors that I perceive to have the most influence: the job application method and the potential gains of the candidate. As Churchman argues, this "carving off" of components results in the very core of the problem being visible, researchable, and ultimately solvable. Factors that may have an impact on job search readiness but which I have not further considered in the

experimental study would be, among others, considerations such as the health of the overall economy an individual lives in, the future projections of the sustainability and profitability of the job or organisation they work in, or whether an individual's living or family situation may require an increase in dispensable income (for instance through an imminent increase in rent or addition of a new family member). There are several reasons of why I did not focus on these and other potential factors: First, due to their subjectiveness and varying degree of impact from person to person, considerations of these factors would likely have had a detrimental impact on the validity of the study. Second, the presence of these factors to a measurable degree would likely lead to the participant's (self-perceived) inability to retain one's living standard and by default render a participant to actively apply to jobs in order to circumvent them. Third, they are largely out of the control of both the organisation and of the participant, and therefore pose limited practical value to this dissertation. Finally, the theoretical understanding about the effects of PTR on job search readiness I derived from the literature review were shaped by the theories of risk and reward as well as regulatory focus, so I prioritized factors that would most likely affect behaviours and attitudes under the scope of these perspectives. The remaining factors were utilized to ensure validity of the studies, with research about PTR originating from different perspective may prioritize different factors.

Ultimately, this dissertation is concerned with whether passiveness of candidates can be addressed, rather than mitigating reasons of why an individual might not actively look for a job. This was incorporated through the standardization of the experimental study, with the participant explicitly not actively looking for a job in each presented vignette – therefore, the reason of *why* the participant is passive talent is secondary to understanding *whether* the presented scenario would result in a tangible shift in job search readiness. This also justifies the utilization of job application method and potential gains as factors in the study, as it is job application method and potential gains which best represent organizational reality of

attempting to gain access to talent at the time it is passive as these factors can actively be influenced by an organization.

Ultimately, critical action learning (CAL) through action research is a valid strategy to produce insights that are both academically sound but also bear organizational relevance. Action research is especially suitable to mend the relevance gap (Huff & Huff, 2001) between scholarly insights and practical applicability. In the action research framework that this dissertation follows, scholarly insights derived from the quantitative vignette-based experimental study are translated into practice and then complemented and detailed through further insights obtained from relevant participants who took part in a qualitative study featuring semi-structured interviews. Only the combination of both studies led to actionable insights that not only provided theoretical knowledge about job search readiness in passive talent but practical and implementable know-how for organizations.

Anderson, Herriot & Hodgkinson (2001) elaborate on the relevance gap between scholars and practitioners by classifying four types of science, with two of them being comparatively more easily identified: *pedantic science*, which refers to research that is overly rigorous and 'scholarly' but with a lack of practical applicability, and *popularist science*, which refers to research that is focused on practical applicability but lacks academic rigor. They also highlight the threat of researchers producing *puerile science*, which refers to insights that are neither boasting applicability nor rigor. The preferable (and fourth) type of science is argued to lead to *pragmatic science*: research that combines high academic rigor with a large degree of practical applicability. In that sense, researching the topic of job search readiness is a theme that is heavily influenced by social collaboration and sensemaking, but a positivist approach to researching it is required to fulfil the criteria to be not only applicable to practitioners but also, and specifically, to be sound from a viewpoint of academic rigor.

Therefore, a balance between rigor and applicability had to be found, and such duality is given in the present research as qualitative insights gained through semi-structured interviews of participants who experienced the process of being referred through a Public Talent Referrals portal are complementing and consolidating quantitative insights gained through an experimental vignette study rather than replacing them. Unlike in traditional sciences, such balance also extends to the epistemological beliefs of the researcher, as content and context have to be taken into account for the sake of organizational applicability due to the researcher being part of the research, and therefore part of *creating* truth - ultimately, studying human behaviour cannot be independent and removed from humans, more so as we, as researchers, are human. When arguing that ontology is about finding the truth, then it is important to note that in social sciences, the truth is arguably *within* the researcher, as the researcher is part of the researched subject.

When considering literature, questions as to how the Positivist nature of my research could be mended with an action research approach must be raised. Coghlan & Brannick (2014), for instance, argue that action research generates data rather than collecting it, a notion that is likely to conflict with conventional positivist paradigms as the act of generation is arguably more biased than the act of mere collection. Other researchers argue that Action research differs from a positivist approach to research as it focuses on changing and addressing issues (Barton, Stephens & Haslett, 2009, Greenwood & Levin, 2007) which is a goal that is not shared with positivism, which arguably centres on the discovery and analyzation of researched subjects. The active involvement of the researcher with the research subject, as well as the cyclical nature of action research, furthermore, clearly differentiates a paradigm and a method that, on a surface level, seem to be irreconcilable with positivism. However, thinking in such extremes is detrimental to closing, or at least narrowing, the scholar-practitioner gap, and there is likely a solution towards combining the benefits of positivism

and action research akin to potentially changing the narrative of how researched insights are communicated to practitioners.

It can be argued that research and taking action do not have to be mandatorily simultaneously but could be sequential. Insights could be gathered, as was done in this dissertation, with a positivist paradigm to establish a somewhat universal truth that is applicable to the majority of the populace in order to then derive ways to change, address, and measure actionable approaches that would be universally applicable to the identified truth, with the involvement of the researcher and other participants. These insights can then be utilized to support practitioners by recommending and amending corporate practice to consider and include such insights. As Coghlan & Brannick (2014) conclude: action research focuses on creating applicable knowledge that can be utilized to solve actual problems rather than merely testing theories outside of the realm of practice. As such, it differs from conventional organizational practice by attempting to generate more or less generalizable knowledge rather than solving a singular organizational issue in an individual organization. However, the concept of action research to apply and concurrently research the application of knowledge is not necessary, especially when on a larger scale and by laymen, entirely possible. A sequential approach as followed in this dissertation, in a sense of obtaining quantitative insights and translating those into qualitative know-how, is more likely to increase scholarly rigor but also applicability by practitioners on a larger organizational scale.

Greenwood & Levin (2007) also argue that Action Research is both quantitative and qualitative in nature (and thereby produces generalizable knowledge (Sykes, Verma & Hancock, 2018)) and requires the involvement of both inside and outside stakeholders in a given problem. As such, action research is a democratic approach to research, as it tackles the implied superiority of the researcher in conventional research (Coghlan & Brannick, 2014) through the inclusion of those stakeholders that are likely both cause and effect of the researched problem. Especially in social sciences, the researcher is often one of these

stakeholders, leading to potential biases. These biases are more likely to be overcome, and academic rigor achieved if research and derived findings are being sufficiently generalized to apply to populations and situations outside of the confinement of participating stakeholders - in a sense, applicability to organizational issues external to the research participants ensures validity to the researched issue. Action research is cyclical even if considered as an individual project (Coghlan & Brannick, 2014) as it employs a cycle of planning, acting, observing, and returning to the planning stage with novel insights and derived knowledge. This cycle has been achieved in the present dissertation by identifying an organizational problem, planning the obtainment of data through an experimental study, acting by obtaining insights from individuals who went through the planned stage, and observing findings. With these novel insights, both practical know-how to organizational practitioners, as well as indications of future research, will lead to a new planning stage.

The next chapter outlines the planning and conduct of the experimental study which shaped my foundational findings about the impact that PTR and CPA have on job search readiness.

# 4. Experimental Study

This chapter describes the conduct and data analysis of the vignette-based experimental study. I elaborate on study design, including developing vignettes, relevant measures, and formulating manipulation checks before presenting the findings of the experimental study and discuss their implications for Public Talent Referrals.

# 4.1 Methodology

## 4.1.1 Data collection procedure

The participants of this study were recruited via Amazon Mechanical Turk (MTurk). MTurk is a platform on which a variety of unautomated tasks (referred to as Human Intelligence Task, "HIT") that require human intervention are posted for individuals to complete for monetary compensation (Amazon Mechanical Turk, Inc., 2005-2018). During the task posting process, the poster describes the task and provides all information required to complete it. Optional filters can be used to limit the demographics of potential participants. Participants are anonymous and cannot be identified by the poster of the task, but in order to participate on MTurk, their identity has been checked and confirmed by Amazon. Although a relatively novel concept to recruit participants for academic studies, Amazon MTurk is increasingly utilized in academia with several papers highlighting that the validity of its samples may even exceed the validity of traditional lab-based samples (Thomas & Clifford, 2017). Participants were offered compensation of \$1 to \$2 for taking part in this study. As MTurk works as a general platform on which tasks are posted (rather than the originator of the task individually inviting people to take part), MTurk facilitates no data on the response rate of participants.

Apart from the requirement that participants had to be current residents of the United States of America, no further limitations were put on the demographics of participants as prerequisites to take part. I have chosen to limit participants to US residents to simplify

geographical and language influence on the experimental study. Through screening the participant's IP addresses, I ensured that each participant only participated once. The recruitment of participants was intentionally kept broad in order to allow a wide variety of the public to participate in the study. This randomization not only supports the validity of the study due to the exclusion of confounding and extraneous factors but also ensures, due to the sample being unrestricted by demographic characteristics such as race, gender, or age, to closely resemble the organizational reality of the diversity among job applicants while maintaining generalizability of the sample of this study towards other samples (Tsang & Williams, 2012).

An important consideration in selecting the channel through which participants are to be acquired is the nature of the channel and its effects on demographics of participants. In the context of this dissertation, these effects are specifically regarding the diversity and job search readiness of the pool of participants. Certain channels, for instance social media sites such as LinkedIn, may have resulted in a comparatively diverse pool of participants who, however, may be more likely to be actively looking for a job and therefore have a higher job search readiness than what would be considered average (DeKay, 2009) due to the nature of LinkedIn as a professional career network with job search functionality. MTurk, as a channel, allowed the access to participants who were not only from a diverse range of demographics but who were representative of the scale of passiveness that Hanigan (2015) elaborated on, likely due to the lack of decided job search functionality on MTurk: while individuals who are active on MTurk do need to actively search for and engage with posted HITs, the platform is sufficiently differentiated from the process of actively applying for corporate jobs, and HITs differentiated from corporate jobs, to not render participants acquired through MTurk to have a default higher (or lower) job search readiness than what can be considered average for organisational and practical reality. In fact, as analysed in the following section, the majority of participants were employed at the time that they participated in the experimental study, and therefore were representative of passive talent in

the context of this study. Nevertheless, I acknowledge the limitations associated with using MTurk for data collection (Aguinis, et al., 2021) and therefore, in the qualitative interviews, asked participants to discuss the influence of the two factors examined in the experimental study. This approach aimed to gather more meaningful data to validate the research findings of the experimental study.

#### 4.1.2 Participants

A total of 201 individuals participated and completed the experimental study. Among all participants, 110 were male (54.7%), with 2 participants (0.9%) not wishing to disclose their gender. The majority of participants were in the age range of 35 to 45 years old (82 participants, or 40.8%), with 1 participant (0.5%) below 25 and 28 (13.9%) above 55 years of age. A total of 108 participants (53.7%) held an undergraduate degree as their highest-achieved education.

Part of the demographic section also included questions about the work-related situations of participants, with 182 participants (90.5%) indicating that they were currently employed, while 39 (19.4%) were self-employed. The majority of participants (74 - 36.8%) were non-managerial employees; followed by 60 (29.8%) juniors. Most participants (167 individuals - 83%) indicated that they had more than 10 years of work experience. In terms of family responsibility, slightly more than half of participants (113 - 56.2%) indicated that they earned a salary and have no dependents that rely on their income, with 50 participants (24.9%) stating that they had dependents that relied on their income but were not the sole provider, 25 (12.4%) stating that they had dependents relying on their income with the participant being the sole provider, and 13 (6.5%) participants stating that they were not earning any income.

#### 4.1.3 Experimental materials and manipulation

Each participant was presented with a questionnaire consisting of a randomly assigned vignette that described a case of a job application and a set of questions for manipulation checks and job search readiness. Participants were assured of the confidentiality of the study and participated anonymously. Prior to commencing the study, its conduct was reviewed and approved by the ethics committee of the University of Liverpool.

A two-by-two research design with vignettes as an experimental stimulus was utilized to test the research hypotheses. A general definition of vignettes, how they are used in research, and their respective advantages and disadvantages were discussed in the previous chapter of this dissertation. Here I only provide further details about how I standardized background information and operationalized two constructs as outlined in Figure 1. The first factor is *job application method*, which has two levels: PTR and CPA. The second factor is potential gains, with two levels as well: high versus low. These two factors were crossed over and formed four experimental conditions in which participants were asked to indicate their job search readiness. The participants were randomly assigned to one of the four vignettes and were asked to indicate their willingness to apply to the described job. Figure 1 presents the research design used in this study.

Figure 1
Research design

		Factor 2 Potential gains	
		Factor 2, Level 1 High potential gains	Factor 2, Level 2  Low potential gains
Factor 1 Application Method	Factor 1, Level 1  Public Talent Referrals (PTR)	Vignette 1 (Third party referral, 2 minutes, low effort, 80% review chance)	Vignette 2 (Third party referral, 2 minutes, low effort, 10% review chance)
	Factor 1, Level 2  Career Portal Applications (CPA)	Vignette 3 (Self-application, 40 minutes, high effort, 80% review chance)	Vignette 4 (Self-application, 40 minutes, high effort, 10% review chance)

To standardize background information and emphasize on job application readiness of passive talent, all four vignettes presented a case of a job application in which the participant was a passive candidate who was not *actively* looking for a job but would be interested in possible opportunities in the job market. In order to achieve this standardization, all vignettes opened with the sentence "*Imagine that, while you are currently employed and not actively looking for a new job* (...)". In addition, the term "appealing" was used to describe the job in all four vignettes to standardize the attractiveness of the job, as it can be assumed that participants may display a higher (or lower) job search readiness based on how (un)attractive they regard the job that they are potentially applying to. As I have previously outlined in the literature review chapter, passive talent are individuals who are not actively searching for and applying to job openings.

Two conditions were manipulated to operationalize the factor of application method. For the condition of PTR, a case was described in which the participant was contacted by a friend about a job that the friend would like to refer the participant for. For the condition of CPA, the case described that participants came across a job posted on a corporate career portal to which they could apply directly. Both application methods are inherently different and therefore encompass contrasting characteristics. In PTR, the candidate does not apply to the job themselves but is instead referred through a third party, resulting in less time and effort being invested by the candidate in the process. For CPA, on the other hand, the candidate has to apply for the job by themselves and therefore has a higher investment of time and effort into the process.

The factor of potential gains was manipulated by describing the chance of the applicant's CV being reviewed by the potential employer. Two levels (high versus low) were created to correspond to the two conditions of potential gain. In the high level of potential gains, the scenario is featuring an 80% chance of the potential employer reviewing the participant's CV. In the low level of potential gain, the case is featuring a 10% chance. To ensure that both high and low levels work well, I provided a reference for the potential gain ("... which is a higher-than-average/lower-than-average chance to have your CV reviewed.").

A further reference point was provided to candidates as to the inherent requirement of the investment of time into either application method ("...in comparison, studies have shown that, on average, applying to jobs through a conventional career page would take about 40 minutes." for PTR, and "...which, as studies have shown, is the average time required to apply to a job through career pages." for CPA). If there is a low chance for potential gains, it is sensible to hypothesize that the cost levels of the job application methods are less likely to justify the candidate's investment into the application method and therefore reduce job search readiness, especially for the more cost-intensive CPA. Both job application methods have inherent static characteristics and variables, such as how much time and effort they require of a candidate. Equally, the desired outcome of a candidate committing to an

application method is static, and a variety of potential gains should therefore affect job search readiness. For the topic of this dissertation, and regardless of the application method, the potential gain of having their CV reviewed can be hypothesized to be the paramount consideration in the candidate's decision of whether or not to pursue a job application through either of the given methods (gain maximization), whereas potential gains will moderate the decision.

By crossing over the two factors, I developed four vignettes that represent the four experimental conditions: PTR with high potential gains, PTR with low potential gains, CPA with high potential gains, and CPA with low potential gains. The two-by-two between-group design resulting from this setup enables me to examine the effects presented in my hypotheses.

The four vignettes used in the experimental study can be found in the Appendix.

#### 4.1.4 Questions for manipulation checks

Manipulation checks were utilized to ensure that participants fully understood the meaning and operationalizations of the concepts used in the vignettes. A total of five questions were used for manipulation checks, out of which two questions each checked whether participants understood the application method. For PTR, the questions checked the participants' understanding of the involvement of the third party and were: "To what extent do you require your friend's involvement to be referred?" (1 = Definitely not to 5 = Definitely), and "To what extent can you initiate and complete the process without the referral from your friend?" (1 = Definitely not to 5 = Definitely) (Cronbach alpha = .73). For CPA, the questions were: "To what extent do you agree that registering on the career website is a pre-requisite to apply for the job?" (1 = Strongly Disagree to 5 = Strongly agree), and "To what extent do you agree that filling in the information fields after uploading your CV is mandatory to complete the job application?" (1 = Strongly Disagree to 5 = Strongly agree) (Cronbach alpha = .65).

Another two questions each checked the participant's understanding of the cost associated with each application method. One question asked about the candidate's understanding of the time they would spend: "How much of your time does [this application method] take?" (1 = Very little to 5 = A lot). The other question was about the candidate's understanding of the effort they would spend: "How much of your effort does [this application method] take?" (1 = Very little to 5 = A lot) (Cronbach alpha = .95).

Finally, the participant's understanding of the potential gain was measured through the following question: "In your opinion, how likely is it that your CV will be reviewed by the employer in the described scenario?" (1 = Definitely not to 5 = Definitely).

### 4.1.5 Dependent variables

After reading their respective vignette, participants were asked to indicate their job search readiness on two questions for each condition. One set of questions centred around the candidate fulfilling the pre-requisite of committing to the condition ("How likely is it that you will upload your CV to the portal to proceed with the referral?" for PTR / "How likely is that you will register on the career website?" for CPA (1 = Very low to 5 = Very high), whereas the second set of questions centred around the candidate ultimately committing to the condition ("How likely is it that you will accept the referral?" for PTR / "How likely is it that you will apply for the job through the career website?" for CPA (1 = Very low to 5 = Very high). The Cronbach Alpha for the dependent variable of job search readiness was .96. The questions had to be slightly modified to fit their respective condition (which are inherently different from one another) but are sufficiently similar to measure the job search readiness of candidates.

#### 4.1.6 Control variables

I utilized a set of demographic questions as control variables. I controlled the participants' age, gender, and education. Furthermore, I included control variables that are likely to impact the inherent job search readiness of participants based on their individual situations as these could have an unconscious effect on job search readiness. These effects could impact job search readiness even when the experimental condition mandates that participants are to assume the stance of passive talent, and therefore had to be controlled for to ensure the validity of collected data. I controlled for family responsibility: "Which best describes your current situation?", their current employment status, their years of work experience, as well as variables such as the participant's career level, current employment status (DellaVigna, et al., 2017), family situation (Wang, 2019), and individual requirements and characteristics of the participants (Phillips-Wren, et al., 2019).

### 4.1.7 Analytic techniques

I used ANOVA to test my hypotheses. Independent variables were application method and potential gains. I started my analysis by checking manipulation checks before conducting a descriptive analysis by comparing means. Finally, I tested the hypotheses.

## 4.2 Results

#### 4.2.1 Manipulation checks

I calculated means and standard deviation (SD) and then I performed mean comparisons to check whether participants understood the experimental conditions they were assigned to in their respective vignettes.

Two sets of questions were asked to check whether participants understood the characteristics of application methods. First, I checked the participants' understanding of the third party's involvement in PTR, with a result of a mean score of 3.96 (SD = 1.00). Participants' understanding of direct application (without the third party's involvement) in CPA resulted in a mean score of 4.27 (SD = .77). As both the mean scores were in the range of 4 on the 5-point Likert scale, I conclude that participants on average understood the characteristics of the third party's involvement related to the conditions of PTR and CPA quite well.

Then, to check whether participants understood the associated costs with PTR and CPA, I performed an independent-mean-samples-test on two questions. For the PTR condition, the mean was 1.52 (SD = .72). For the CPA condition, the mean was 3.40 (SD = .88). The T-test results show that there were significant differences between the two conditions (t = -16.52, p < .05). These results demonstrate that participants understood that there were fewer costs in the PTR condition than in the CPA condition. In summary, participants understood the characteristics of the application methods of PTR and CPA in terms of the third party's involvement and the associated costs well.

To check whether participants understood the experimental manipulation of potential gains, I performed another independent-samples test on the two questions measuring potential gains. For the condition of high potential gain (Vignettes 1 and 3), the mean was 3.80 (SD = .58). For the condition of low potential gain (Vignettes 2 and 4), the mean was 2.46 (SD =

.72). The T-test results show that there were significant differences between the two conditions (t = -14.57, p < .05). These results demonstrate that participants understood the experimental manipulation related to potential gains.

Overall, the results of the manipulation checks show that participants' understanding of the vignettes (e.g., experimental conditions) is in line with experimental manipulation. In other words, the experimental manipulation works as intended.

### 4.2.2 Testing hypotheses

I conducted two-way independent ANCOVA to test the interaction between application methods and potential gains on the dependent variable of job search readiness (see Table 1). First, there was a significant main effect of job application method on job search readiness, F(1, 190) = 54.08, p < .001. The PTR condition resulted in a higher job search readiness (M = 3.93; SD = .86 than the CPA condition did (M = 2.96; SD = 1.12). Hypothesis 1 is thus confirmed.

Second, there was a significant main effect of potential gains on job search readiness, F (1, 190) = 13.11, p < .001. High potential gains resulted in a higher job search readiness (M = 3.69; SD = .99) than low potential gains did (M = 3.15; SD = 1.16).

Moreover, there was a significant interaction between job application method and potential gain, F(1, 190) = 12.03, p < .001. A depiction of this interaction effect (see Figure 2) shows that in the condition of high potential gains, PTR (M = 3.96; SD = .88) had a higher job search readiness than CPA did (M = 3.41; SD = 1.04), t = 2.81; p < .01. This difference was .54 (se = .19). In the condition of low potential gains, PTR again showed a higher job search readiness (M = 3.89; SD = .84) than CPA did (M = 2.52; SD = 1.02). The difference this time was 1.37 (se = .19). When comparing these two differences, the results showed that the

difference under the condition of low potential gains was actually much larger than the difference under the high potential gains (t = 3.11; p < .01). These results are opposite to Hypothesis 2.

I also included the control variables of age, gender, education, family responsibilities, employment status, years of experience, and career level as covariances in ANCOVA. The results showed that none of them had a significant effect on job search readiness.

**Table 1**Overview of ANCOVA results

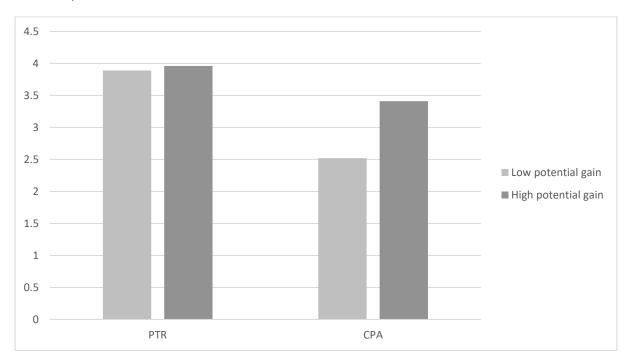
Source of Variation	SS	df	MS	F	p-value
Application Method	48.35	1	48.35	54.09	<.001
Potential Gain	11.72	1	11.72	13.11	<.001
Interaction	10.75	1	10.75	12.03	<.001
Age	1.82	1	1.82	2.03	.16
Gender	2.19	1	2.19	2.45	.12
Education	.34	1	.33	.37	.54
Family responsibilities	1.59	1	1.59	1.78	.18
Employment status	2.86	1	2.86	3.20	.08
Years of experience	2.38	1	2.38	2.66	.11
Career level	1.26	1	1.26	1.41	.24
Within	178.72	190	.89		
Total	247.558	200			

**Table 2** *Means and standard deviation* 

		Potential gains			
		Lo	W	Hig	gh
		Mean	SD	Mean	SD
Application Mathed	PTR	3.89	.84	3.96	.88
Application Method	CPA	2.52	1.02	3.41	1.04

Figure 2

Visual representation of means



# 4.3 Discussion

Three findings are revealed through the experimental study. First, PTR leads to a higher job search readiness than CPA, which confirms Hypothesis 1. Second, potential gains increase job search readiness of candidates. Third, application method and potential gains have an interaction effect on job search readiness: the difference between PTR and CPA on job search readiness is larger in the condition of low potential gains than in the condition of high potential gains, which is opposite to Hypothesis 2.

The increase in job search readiness in PTR stems from the involvement of a third party, the referrer, which results in value co-creation during the job application process. In my project, the benefits of value co-creation are specifically impactful for the candidate. The third party's involvement moves the application costs from the candidate to the referrer, resulting in cost minimization for the candidate and negating the "lottery" aspect of an up-front cost to access a potential gain (Damgaard & Sydnor, 2019) of conventional job applications. The third party's involvement transforms the job application process from being an exchange of value between employer and candidate to a process that creates additional mutual value through the three-way interaction between the involved parties (Echeverri & Skålén, 2011). When further considering Daamgard & Sydnor's (2019) statement "The willingness to pay to apply for the job or enter the lottery is significantly below the risk neutral level." (Page 173), which regards a candidate's risk of potential losses to be much larger than the chance of potential gains, PTR shifts this risk-neutral level to an extent that the willingness (e.g., job search readiness) of a candidate increases significantly when compared to conventional job application methods.

In the experimental study, I only manipulated the candidate's cost (e.g., time and effort) in a simplistic form in the CPA condition. In real job applications, the associated costs for candidates through conventional job application methods are often substantial (Holderman,

2014). In this sense, the candidate's investment into PTR is highly likely as it reduces quantifiable potential loss in case of an unsuccessful application. Arguably, cost minimization is one of, if not the major, influences on passive candidates' job search readiness. This finding provides a significant implication for the organizational problem of hiring passive talent - one of the ways to tackle the passiveness of talent can be through utilizing job application methods that centre on the cost minimization of candidates such as employee or public referral systems.

In the past, job search readiness has mainly been evaluated from demographic and organizational perspectives, with existing research about candidate referrals specifically focussing on internal employee referral schemes, a method which is limited to referrals of candidates to an organization in which the referrer is currently employed with the associated benefits and disadvantages that I have discussed in the literature review of this dissertation. PTR differs from other application methods due to the referring third party not being employed by the organization they refer the candidate to, which has its own set of advantages and disadvantages that are intrinsic to its characteristics as an application method. While cost minimization strongly influences job search readiness in the PTR condition, it is arguably the value co-creation through the referrer that renders PTR to result in higher job search readiness even when featuring low potential gains. This interaction effect between PTR and potential gains has been established through the experimental study of this dissertation.

The main effect of potential gains on job search readiness suggests that candidates are not only motivated by minimizing their costs but also by maximizing their gains. This finding is in line with Tversky & Kahneman's (1986) argument of "... choice [to be a] maximization process." (Page 251) and is reasonable logical behaviour: the higher the chance for success (in the experimental study, this was the chance of the candidate's CV being reviewed by the employer), the more likely is the candidate to commit to the job application. This finding also

supports the theory of regulatory focus (Higgins, 1998), suggesting that candidates use both the promotion focus to maximize the gains and the prevention focus to minimize the cost in the application process. This theory has been further built on by Kanfer, et al., (2001) and Kanfer & Bufton (2015), who classify the self-regulation framework of a job seeker into three dimensions: job search intensity, content, and persistence. In this dissertation, I simplify these three dimensions by assuming a promotion focus if they are high (e.g., a passive candidate decides to apply) or low (e.g., a passive candidate remains passive). It is noteworthy that the findings not only confirm that the passiveness of talent is somewhat fluctuating (Hanigan, 2015) but that this fluctuation is influenced by regulatory focus. From an organizational perspective, this means that job application methods, in order to attract passive talent, should not only focus on minimizing cost but equally on maximizing potential gains. Following the dimensions of promotion focus for job seekers, PTR leads to an increase in job search intensity (as in, more effort is put into job search) and content (as in the activities of job search). These increases, however, are likely to be only momentarily and will not turn passive talent active beyond the PTR application, as passive talent is in a maintenance condition (e.g. preserving their current status) rather than in an attainment condition (e.g. actively pursuing a new job) (Brodscholl, et al., 2007). Therefore, in the case of job applications in both the PTR and CPA conditions, Tversky & Kahneman's (1986) argument of "... choice [to be a] maximization process." (Page 251) is situational on the condition presented to candidates, as even lower potential gains can lead to a shift in regulatory focus.

Findings also show an interaction effect of potential gains and application method; however, the direction of this interaction is against what I expected. They revealed that the difference between PTR and CPA on job search readiness is less pronounced in the condition of high potential gains than in the condition of low potential gains. Although PTR leads to higher job search readiness than CPA in the condition of high potential gains, this difference is just moderate. In the condition of low potential gains, PTR again leads to a higher job search

readiness. In addition, when compared to CPA, the difference this time is substantial. In other words, the gap in job search readiness between PTR and CPA is enlarged by low potential gains rather than high potential gains. There are two reasons to explain this unexpected result: First, in the high potential gains condition, the chance of the candidate's CV being reviewed was indicated to be 80%, which likely far exceeds participants' expectations regarding their CV to be reviewed when applying via a conventional career website or job portal. To support this explanation, the additional question, "In your opinion, what is the usual probability of an employer reviewing your CV when applying through a conventional career website or job portal?" resulted in the majority of participants (69.7%) indicating a probability of less than 50%. Against this background, an 80% chance of their CV being reviewed may indicate a lucrative benefit that may justify the time and effort that candidates need to spend in the CPA condition. As a result, respondents reported a much higher than expected job search readiness in the CPA condition with high potential gains, ultimately leading to the difference between CPA and PTR in the high potential gains condition to be modest. Second, it is also possible that there might be some unaddressed benefits apart from minimizing costs and maximizing gains that I explicitly manipulated in the experimental vignettes. As the means in both PTR conditions reach a ceiling (M = 3.96; SD = .88 in the high level of potential gains; M = 3.89; SD = .84 in the low level of potential gains; both therefore around 4 out of 5-point scale), it is very likely that additional benefits embedded in PTR may compensate the low potential gains, which in turn leads to higherlevel job search readiness. As a result, the difference between PTR and CPA on job search readiness in the condition of low potential gains becomes substantial.

As I have already argued in the literature review of this dissertation, an inherent issue of choice theory in current research is the utilization of lottery and gambling scenarios that present binary and clearly quantified choices to individuals - however, in the case of job applications, researchers such as Marin (2012) noted that candidates have imperfect information at the time of deciding whether to apply to a job. Gee (2019) further emphasizes

this point, arguing that the majority of theoretical models about job search behaviour assume candidates to have knowledge that they would not have in reality. This imperfect knowledge and the variety of factors that inform a candidate's job search readiness are likely to also contribute to the interaction effect of potential gains on PTR. Although research on PTR is limited, research on employee referral schemes (e.g., referrals of a candidate by an employee of an organization to that organization) provides transferable insights that may also inform PTR: Brown, et al. (2016) found that the referrer and referred candidate of such schemes are similar, which constitutes a relationship of trust and familiarity between referrer and referral. Pallais & Glassberg Sands (2016) argue that referrals enable organizations to get a detailed understanding of the referral's performance and characteristics through assurances provided by the referrer. Barr, Bojilov & Munasinghe (2019) found that referred candidates exhibit better performance and assume such increased performance to the referring employee estimating the fit of the candidate and organization. Van Hoye, et al., (2016) concluded that referrals are more inclined to accept the referral if they assume the referring employee has inside knowledge of the organization. The experimental study used the term 'friend' to describe the referrer in the PTR vignettes, which is likely to have been interpreted by participants to be an individual who would add potential gains akin to the one research has identified for employee referral schemes.

However, as the standardized nature of the experimental study did not enable participants to elaborate on their choices or provide more context, I decided to conduct an action study that featured semi-structured interviews of individuals who experienced PTR as candidates to provide actionable details, consolidate the obtained data, and enable learning. The next chapter of this dissertation presents the findings of the action study.

#### 4.3.1 Limitations

I quantified the potential gains (80% for high potential gains) in the experimental study. This was due to the subjectivity of the terminology of "low" and "high" and the likely distortion of results based on such subjectivity. This quantification for high potential gains may have been too strong as its probability would exceed the cost of any application method and therefore did not show a substantial difference between PTR and CPA in the high potential gains condition.

This limitation becomes specifically noteworthy when considering that in real job applications, candidates are not presented with a quantified likelihood of potential gains at the time that they decide on whether to commit to a job application method or not, resulting in a choice that is characterized by qualitative factors that could not adequately be captured in this experimental study.

Due to a lack of contextual information for participants, manipulation check questions for PTR vignettes and CPA vignettes were different and therefore cannot be directly compared. This difference in manipulation checks centred around the participants' understanding of their allocated job application method and was unavoidable due to the differing conduct and nature of the two job application methods they represented (such as a third-party referrer being a mandatory component in PTR vignettes but not in CPA vignettes and vice versa). Furthermore, I standardized the passiveness of participants ("Imagine that, while you are currently employed and not actively looking for a new job, (...)"). However, the study did not feature a manipulation check to measure the outcome of this standardization, e.g., whether the participant actually assumed the role of someone who is not actively looking for a job. Similarly, the standardization of how interested participants were in the presented job ("(...) appealing to you.") did not feature a manipulation check. Manipulation checks for these standardizations were not utilized as the used statements are of a relatively objective nature

and allow little room for a participant's subjectivity to impact the outcome, however, these manipulation checks can be improved in future studies.

Finally, to simplify geographical and language influence on the experimental study, the experimental study was limited to current residents of the United States of America. While this limitation might have impacted the generalizability of the study, it is unlikely that individuals in other geographies or speaking other languages would have impacted the results of the experimental study.

# 5. Action Study

This chapter describes the conduct and analysis of semi-structured interviews that I conducted with participants who were referred to a job through a PTR portal. Since the experimental study was not open-ended, with participants having minimal leeway to provide additional information or insights, the semi-structured format enables further sensemaking of interviewees' behaviour and understanding of the context in which their action takes place by directly talking to participants. This is the case especially in this dissertation as the chosen participants experienced the PTR process as candidates. Furthermore, I utilized the action study to make sense of and add details on how the interaction of PTR and potential gains affect candidates' job search readiness.

The purpose of these interviews was twofold: first, to verify the findings of the experimental study and provide more contextual-related information about PTR. Second, the interviews served as an actionable component in my research to facilitate learning and organizational advancement through creating actionable knowledge (Coghlan & Brannick, 2014). I start this chapter by introducing how the semi-structured interviews were conducted before presenting relevant findings from candidates. Finally, I discuss the implications of theories and practices related to the PTR framework.

# 5.1 Methodology

The participants of the semi-structured interview consisted of eight individuals who were previously referred through a third-party PTR portal. As my research focuses on job search readiness of candidates in PTR, I only recruited participants who experienced PTR by having been referred to a job on a PTR portal. The jobs that participants were referred to cover a variety of organizational functions such as compliance, human resources, information technology, and finance. Participants were contacted through the email address

they used at the PTR portal at the time they were referred. A total of ten individuals were contacted with an invitation to participate in this study. One individual did not reply and another one rejected the invitation. Eight participants took part in the interview. Due to the geographic specialization of the utilized PTR portal, all participants were based in the United Arab Emirates (as were the jobs they were referred to). The semi-structured interviews were held in English, which is the language used in the corporate setting of all the participating individuals. All interviews were conducted by me.

#### 5.1.1 Participants

A total of eight participants took part and completed the semi-structured interviews. Of these eight participants, four (50%) were male. Four participants were in the age range of 25 to 35, and another four participants were in the age range of 35 to 45. A total of six participants (75%) held a postgraduate degree.

All of the participants were currently employed. A total of six individuals (75%) identified their job role to be in a managerial function, and the remaining two (25%) reported that their job role was that of non-managerial employees in their organization. Seven participants (87.5%) indicated that they had one or more dependents that relied on their salary, but they were not the sole provider of income. The remaining participant (12.5%) indicated that they had no dependents that relied on their income. More detailed information about participants can be found in Table 3.

#### 5.1.2 Interview procedures

To take part in the interviews, participants needed to have been referred on the PTR portal within the last four years. The background of two participants must be highlighted as they provided perspectives beyond those of the other six candidates: Participant 5 is an HR Manager who was hired by an employer for a job that covers talent acquisition through the portal and is now utilizing the portal to hire candidates for the same employer. His case

could therefore provide perspectives from both sides (candidate and employer) of PTR. These insights were utilized to further the sensemaking regarding the validity of the assumptions that candidates make about employers using PTR as will be highlighted later on. Additionally, Participant 7 has not only been referred on the portal but comes from a recruitment background and frequently referred candidates on the portal. Her case was, therefore, able to provide a perspective of PTR from a referrer's point of view. The additional insights derived from Participants 5 and 7 are coincidental yet valuable. However, as the focus of this dissertation is on the job search readiness of candidates, I have decided to not pursue other employers or referrers to participate in the interviews.

Table 3

Participant Details

#	Gender	Age Group	Family Responsibility	Job Function	Hired through the portal	Referral date (MM/YY)	Referred by
1	F	35 to 45	Dependents, not sole provider	Managerial	No	04/19	Former Colleague
2	M	35 to 45	Dependents, not sole provider	Managerial	Yes	04/19	Friend
3	F	25 to 35	Dependents, not sole provider	Managerial	No	01/22	Did not specify
4	М	35 to 45	Dependents, not sole provider	Managerial	Yes	03/19	Did not specify
5	М	35 to 45	Dependents, not sole provider	Managerial	Yes	04/19	Did not specify
6	F	25 to 35	Dependents, not sole provider	Contributor	Yes	01/19	Former Colleague
7	F	25 to 35	No dependents	Contributor	No	10/21	Did not specify
8	M	25 to 35	Dependents, not sole provider	Managerial	No	05/20	Former Colleague

Seven participants (87.5%) were able to recall the referral process from their point of view.

One participant (Participant 3) initially recalled the referral but later stated that she ultimately

was confused about the process. Due to this, I have removed Participant 3's interview from the following codes. A total sample of seven participants appears sufficient for the action study as, between the participants, there was no conflicting statements or diverging opinions about their experience with PTR. Although a larger sample overall might have strengthened the credibility of the action study, it is justifiable to argue that more participants would not have led to significant insights that would have impacted the study to the extent that the given seven participants have impacted it, and an increase of participants would have exceeded the scope of this dissertation.

Four participants (50%) were able to clearly recall the person who referred them from their personal network, including one (12.5%) who was referred by a friend, and three (37.5%) who were referred by a former colleague of theirs. The remaining three participants accepted the referral although they were unsure who ultimately referred them or were assuming they were referred by someone associated with the portal instead of someone from their personal network.

#### 5.1.3 Research context

The PTR portal through which interviewees were referred is based in the United Arab Emirates. On the portal, employers post their jobs while indicating a reward, and anyone from the general public can earn the reward by referring candidates by submitting the candidate's name, email address, and CV to the portal. The candidate receives an automated email from the portal, at which time they are provided with the name of the person who referred them, as well as more information about the job and employer they have been referred for. The candidate then has to confirm their acceptance of the referral within 72 hours. Once confirmed, the employer continues with their individual assessment of the candidate and pays the portal the previously indicated reward when a referred candidate is hired. The portal provides employers a placement guarantee of three months, after which the referrer of the hired candidate is paid a portion of the reward by the portal. The fact that

the referrer is paid a reward for a successful referral is not explicitly mentioned to candidates throughout the referral process, but the fact that rewards are paid (and the individual reward for each position) is readily available to the public on the portal.

#### 5.1.4 Semi-structured interviews

Interviewees were invited for the interviews by email and interviewed via a Zoom audio call. The average interview time was about 22 minutes, ranging from 19 minutes to 27 minutes. Interviews were then transcribed through Otter.ai, a third-party application, before being manually anonymized and edited. Audio tracks were deleted after transcriptions to ensure the anonymity of participants. All participating Interviewees were asked a set of eleven semi-open-ended questions in the same order. Questions were broadly structured in three groups (PTR as an application method, comparison of CPA and PTR, and job applications as a whole) and included the interviewees recalling the referral process, who their referrer was, and what the motivation of the referrer might have been. Further questions revolved around the Interviewees' opinions regarding the benefits and disadvantages of PTR, the interviewees identifying similarities and differences between PTR and CPA as well as their motivation as to the main purpose of accepting a referral and applying to a job through CPA. The eleven questions used in the interviews can be found in the Appendix.

The interviewees were assured of the confidentiality of the study and participated anonymously. Prior to commencing the interviews, their content and procedure were reviewed and approved by the ethics committee of the University of Liverpool. During the interviews, I addressed the PTR portal by its name ("referbility") rather than using more neutral terminology such as "(the) PTR portal" as interviewees were familiar with and experienced being referred through the portal rather than the concept (or terminology) of PTR as a whole.

# 5.2 Coding the Transcripts

After transcribing the interviews, I read through the codes and formed descriptive summative statements for each individual interviewee, akin to Huberman & Miles' (1994) assignment of "units of meaning" to individual statements. These descriptive summaries were mostly based on direct quotes from the statements of interviewees. After reviewing the summative statements, I identified emerging reoccurring patterns across the individual interviews (Braun & Clarke, 2006), specifically in regard to such patterns confirming and contradicting the theoretical framework that I have utilized to add contextual details and make sense of the results of the experimental study. This step proved to be essential as the perspectives of interviewees revealed a general shift of understanding and interpreting potential gains and job search readiness in PTR which I will elaborate on in this chapter and which resulted in actionable insights. The step of formulating patterns was not in itself conclusive but cyclical and took place through several iterations and, combined with the initial in-vivo coding, is akin to Saldaña's (2009) repeated two-cycle coding of qualitative data. The perspective of the interviewees enabled sensemaking through a multitude of interviews touching upon topics of interviewees comparing their experience (and resulting job search readiness) as candidates in both CPA and PTR conditions.

I tracked codes via a Microsoft Excel spreadsheet which featured categorisation of patterns. Codes that conformed to a pattern were added under the same categorization, and I formed new categorisations for novel patterns as required. Finally, I counted the number of times that individual interviewees made statements that fit within respective categories and narrowed down categorisations for further evaluation to those who contained statements which were made by at least half of the interviewees to achieve a manageable number of codes that are representative of general consensus. It is noteworthy that, despite the relatively open-ended nature of the questions asked and even before narrowing down categories to themes that at least half of the interviewees mentioned, there were no

contradictions or conflicts within the statements of interviewees – on the contrary, the independently held interviews led to the identification of themes that supported and built on one another.

# 5.3 Findings of the Action Study

I identified three trends that were reiterated by interviewees during the interviews: First, interviewees confirmed the findings of the experimental study, specifically in regard to cost reduction and gain maximization through PTR, which results in higher job search readiness. Second, interviewees provided more details and context-related information to understand the findings of the experimental study. Third, interviewees highlighted the value co-creation caused by the referrer's involvement in PTR. This value co-creation explanation may add a different perspective to understanding the interaction effect of potential gains found in the PTR condition in the experimental study. The identified trends provided additional insights that enable a deeper understanding of the characteristics of PTR and its impacts on a candidate's job search readiness, specifically when considering an underlying value co-creation framework that informs job search readiness.

In addition, the experimental study suggested an interaction effect between potential gains and job search readiness. However, in the PTR condition, the interaction is contrary to what I expected, as the effect is more pronounced in the low potential gains condition than it is in the high potential gains condition. In order to understand and further make sense of this interaction effect in the PTR condition and how it compares to the CPA condition, candidates' contextual perspectives of both application methods have to be considered and compared. For this reason, I have asked interviewees to elaborate on the similarities and differences they perceive between the two methods.

#### 5.3.1 Tangible values

I identified five instances of *tangible* value that were co-created for interviewees in the PTR condition. Among those are the cost minimization for the candidate, the pre-qualification of the candidate's profile through the referrer, the referrer vouching for the candidate, less competition through other candidates, and a higher chance to receive feedback on their application through the referrer. In this section, I will detail these values and how they are affecting interviewees' job search readiness in PTR.

#### Cost minimization

Interviewees were asked a set of questions regarding potential benefits and disadvantages of PTR vs. CPA ("Do you see any benefits/disadvantages in being referred rather than applying through a career page? What are they?") as well as a set of questions to compare both methods ("Where do you see similarities/differences between being referred and conventional application?") to understand the interviewees' perceived comparisons of PTR versus CPA.

In the experimental study, cost reduction in PTR was operationalized in terms of less time and effort consumption for job applications. It seems that this characteristic is one of the reasons why PTR leads to higher job search readiness. In the semi-structured interviews, when the participants were asked about how they perceived the cost minimization of PTR in direct comparison with CPA, their answers confirmed that PTR costs less time and effort in the application process. All interviewees state that PTR requires less of their time and that PTR requires less of their effort. When describing their experiences with PTR, participants highlighted the reduction of the cost they experienced:

"I would say that the time and effort that I would spend on accepting [the] referral is probably a lot faster, and a lot more straightforward."

Participant 1

"So, in that sense, a lot of time is saved for the candidate." [In general, interviewees often recalled their experience being referred from using third-party terminology, although questions were directed towards them and their individual experience.]

Participant 4

"Like I mentioned earlier, the process is more efficient, less time-consuming, right?"

Participant 7

Apart from elaborating on his direct experience with PTR, Participant 8 made a comparison between PTR and CPA regarding the investment of time and resources:

"So, I think the key difference is the ease of the process as in, you literally just [...] get an email."

Participant 8

All interviewees confirmed the findings of the experimental study regarding the inherent reduction of cost (e.g., invested time and effort in the job application) in the PTR condition. This reduction in cost reduces the candidates' potential loss in the application process, which in turn led to an increased job search readiness.

Apart from the reduction of the invested time and effort in the job application, interviewees also reported other features related to the effectiveness of PTR that informed their reasoning and perspectives.

#### Potential gains

Interviewees further elaborated on their perceptions regarding potential gains in PTR. These insights are specifically valuable as they are not constrained to a theoretical experiment but represent perspectives of individuals who experienced the referral process without being communicated quantified potential gains. Overall, the interviews provided a deeper understanding of the perceptions of job applicants in regard to higher potential gains through value co-creation due to the involvement of the referrer, ultimately resulting in increased candidate job search readiness.

### **Pre-qualification**

In the context of PTR, interviewees described the 'pre-qualification' of their profile through the referrer. From the perspective of the interviewee, pre-qualification means that the referrer ensures the potential fit of the candidate to a job and/or the hiring organization prior to the job application. In CPA, the candidate would have to invest time and effort into estimating whether their profile would be considered to be a potential fit by the employer. Participant 1 describes her experience with pre-qualification as follows:

"As an end user, I would say that the difference is the fact that [with PTR] when I see my friend's name popping up, say that I've been referred by my friend or an ex-colleague or a current colleague, it would mean that they've actually read the job description, and the title beforehand so that when they actually did the referral, they probably thought it through [...] who could be a good potential candidate. [...] So the benefit that I see out of getting a potential job opportunity through [PTR] versus a job board would essentially be the fact that I am probably part of a more relevant pool of candidates."

Participant 1

This "pre-qualification" through the referrer is seen by interviewees from two tangible perspectives: First, they assume that the referrer ensures that there is a technical fit of the candidate to the job openings. Second, the pre-qualification reduces the time spent on an application (e.g., the time and effort the candidate would have spent on gathering information as to the potential fit of the position and employing organization to their profile).

#### Vouching

After the initial "pre-qualification" through the referrer, and the process of having been referred, interviewees assume that the referrer essentially "vouches" for the candidature. From the perspective of interviewees, vouching means that the referrer shares information about the candidate with the employer, and acts as a reference.

"But I think the main benefit [of PTR] is that if you are applying to a job on a career page, [...]

you're on your own, you don't have anyone there with you [...] who can vouch for you."

Participant 8

As Participant 8 stated, the referrer acts like a "social link" between the candidate and employer who don't know each other at the time of the job application and therefore are unable to assess and evaluate their prospected performance (from the view of the employer) and organizational fit (from the view of the candidate). In a sense, the referrer assumes the role of 'guaranteeing' that the expectations of both parties towards each other are likely to be met, specifically in regard to sharing implicit and explicit information about the candidate with the employer. As Participant 8 explained, the involvement of the referrer also supports candidates by rendering them not to be "on their own", which describes overcoming the dyadic dynamic of CPA in which, traditionally, the employer is the primary decision maker (Phillips-Wren, et al., 2016).

Participants also acknowledged that the referrer "vouching" for them adds novel value due to the candidate standing out among other applicants in comparison to applying through CPA. In a conventional job application, employers are unable to readily recognize the competency and fit of a candidate, an effect which is arguably intensified by large numbers of direct applications of being of little relevance (Cairns, 2015). The value co-created by the referrer in the process is highlighting individual referrals among a large number of applications (for the employer) while strengthening the individual candidature of the job applicant, essentially acting like a reference:

"Whereas [in CPA], it's open to everyone [to apply] and the [employer] who is recruiting you is not aware of your key strengths [but in PTR] since somebody is referring you, there is a confidence at the recruiter level that this person is good [as (s)he will have the] strengths that this particular position [requires]. [In that way], the candidate is getting [confident] right from the beginning that someone is referring you and someone has seen your strengths [...] so, in that sense [the referral] is of great advantage."

### Participant 4

"I think that maybe these [referred] candidates will certainly be more qualified than what you would have from the portal or like from some kind of a tool where everyone can apply [to a job] based on what they believe their [suitability] would be."

#### Participant 8

Interviewees also assumed the perspective of being a potential referrer and reiterated that the quality of candidates that they would refer through PTR to be higher. Therefore, the interviewees actually being referred leads to the assumption that it increases their potential gains:

"Let's say if I saw a job posting on [a PTR portal] and I knew a friend who was a potential, let's say, paediatrician, and I knew that my friend was a good paediatrician, what I would do is actually refer a better quality of a candidate that way."

#### Participant 1

This statement of Participant 1 is especially noteworthy as they, possibly unconsciously, stated that their friend would have to be a "good" paediatrician instead of "just" a paediatrician in order to be referred. This thought process towards referrals confirms the notion of participants that referrals are of high quality and relevance to the job and employer and complies with former research findings (Hanigan, 2015; Brown, et al., 2016, Pallais & Glassberg Sands, 2016) as well as arguments towards the indication that only high-performing referrers are likely to refer candidates of either equal or higher performance of themselves (Beaman & Magruder, 2012).

# Decreased competition of other applicants through PTR

All participants except for one (87.5%) stated that in terms of the absolute number of candidates for the job, PTR will have fewer candidates than CPA (as in PTR, a third party is required to initiate and complete the job application, but arguably also due to the performance-based reward model of the PTR portal in question), ultimately reducing the number of candidates that they would have to compete against and therefore increasing their potential gain of having their CV reviewed by the employer. These viewpoints capture a broader perspective of potential gains that candidates consider when estimating their potential gains through a given job application method.

Interviewees perceived the comparable lower number of applicants in PTR as advantageous for their own potential gain. The thought of competing with an increasing number of applicants on CPA-based job applications has been voiced by several interviewees and is likely to inform the higher job search readiness of PTR methods due to an assumed overall lower number of candidates and an associated higher potential gain through less competition. Ultimately, participants seem to recognize that more competition from other candidates is intrinsically reducing their individual chance for potential gain, leading to a lower job search readiness.

"I think that it's probably because if you apply for a job [through CPA], you're competing with so many different people whereas [with] a referral I think there [are] not that many people who are being referred. So you actually have a much better chance in getting the job because there's [....] less candidates that would be [...] competing for the position with you. I mean [in the] end, only one, maybe two, people can get hired."

Participant 8

"Your chance [and CV's] visibility is more [when being referred] than [...] on a career page where there are millions of people sending resumes on a daily basis."

Participant 6

"[When] applying to a company career page, the basic difference is that you really do not know where you stand when you're applying for a company. It's a huge pool [of applicants], right?"

Participant 7

Increased chance of receiving feedback on one's application

Another noteworthy point that the majority of interviewees made is the negative experiences of a failed job application through the employer "not coming back" to them - confirming Tversky & Kahneman's (1992) argument that individuals are more concerned about gains or losses rather than the ultimate result of their endeavour. Regardless of what the potential gain of a job application is defined as, arguably not receiving any feedback, whether positive or negative, from the employer deprives the candidate not only of potential gains but also the ultimate result of definitely knowing that there are no gains.

"So, [in] that way, [being] refer[red] is much, much better than [...] just [applying through CPA and] dumping [...] out [applications, because] the thing is, without getting a response or without any knowledge of why [the application is unsuccessful], [,,,] sometimes you are not even aware [as to] where [your application] is lacking [and] what is the reason [for it being unanswered]."

#### Participant 2

"Most of these employers' websites which have the career section, I've not been comfortable with. First of all, [applying there is] being tedious. Second, most of them do not respond unless it's a big outlier like Standard Chartered or Aramex - [but even] they [only] come back and say that you've not been selected [without stating the reason], so I find it tedious."

#### Participant 6

"Because similarly, [...] we were discussing about applying to job posts as a candidate, and we all know how frustrating that can get, [...], especially with the big firms, they don't even come back."

#### Participant 7

"But I do remember when I started off in my career, I had [...] quite some issues finding a job. You know, I sent a lot of applications, but I didn't hear back from most of the employers.

So [...] if you go to a regular career page, very often, you have to create an account and upload a lot of information and fill in information fields, and it just takes a lot of time. And it's also a lot of effort. And, [...] very often I wouldn't hear back from the employer."

#### Participant 8

This perspective provides a significant organizational indication: communicating with a candidate even (and especially) in the case of an unsuccessful job application (which, in turn, also builds an employer brand that will support future talent acquisition - Collins & Steven (2002), Doherty (2010), Carpentier, Van Hoye & Weijters (2019)). When I probed

interviewees on their perception of differences between PTR and CPA, they revealed that they had made negative experiences with CPA due to employers not coming back to them after they applied, resulting in them not only being unsuccessful with their application but without a clear confirmation of the matter or an explanation. Arguably, the inclusion of the referrer in PTR somewhat alleviates this matter as candidates have a direct connection with the referrer and could obtain feedback, even if negative, more easily than through a conventional CPA application in which they often do not have direct communication with the employer. In a sense, the referrer acts like an agent that facilitates communication between employer and candidate.

#### 5.3.2 Intangible values

Interviewees also elaborated on *intangible* value that was created through the referrer's involvement. *Intangible* in that sense means that the value interviewees derived was not readily quantifiable but often implicit and subtler. Even though largely subjective in nature, these intangible values arguably led to higher job search readiness. The two major *intangible* values that I identified were the interviewees' assumptions regarding the referrer having insider knowledge (and therefore acting as an authenticator of the employing organization to the candidate) and a generally positive feeling of being referred. I will detail these values in this section.

#### Insider knowledge

Interviewees assumed that the referrer may have inside information about the job or hiring organization that a candidate usually does not have access to. This perspective specifically applies to the authenticity of information about the job and potential employer conveyed to the candidate by the referrer. Following Pissarides' (1974) finding that the qualities of a job (and employing organization) are unknown to the (external) candidate throughout the application process, this assumption of the referrer possessing insider knowledge results in

a higher job search readiness - a notion that becomes especially important when considering Breaugh's (2008) finding about potential job applicants mostly being enticed by a role's characteristics, which aren't graspable at the time of a job application. In that sense, the referrer advocates the employer's brand (Collin & Steven, 2002) towards the candidate:

"The information which is coming through [the referrer] is more authentic, because the [referrer has] inside information. [The referral is] a genuine thing because [compared to] the job portal sites, [for] referral[s] the authenticity [is] more."

Participant 2

"And, you know, [the referrer] knows you as well. Like, sometimes you look at the different jobs that are there, and you're thinking "Would this be a good opportunity for me or not?". So you're not working there [at the hiring organization] right now, you can't really tell but your friend, or your colleague, might be able to see it for what it is. And they might have more information [about the hiring organization] and they might [...], based on what they know about you, say it's a good thing [for you] to reach out there."

Participant 8

The insider knowledge that candidates assume the referrer to possess ultimately translates into information that candidates perceive to be genuine and authentic as well as providing more context to both the job and hiring organization. This information, which is not readily available publicly, positively impacts the job search readiness of candidates. Van Hoye (2013) has found that existing employees of an organization can impact the image of the organization to potential candidates by speaking either positively or negatively about the organization. Arguably, this 'employer brand' is therefore not only publicly communicated by the organization, but also shaped by individuals with insider knowledge sharing such knowledge through private channels. As Suen (2018) argues, engaging with passive talent requires the employer to be aware of the organization's image, and the image that

individuals have about an employer is likely to be shaped through the insider knowledge of third parties like referrers.

Positive emotions through the referral

Apart from a competitive advantage in comparison to other application methods and the involvement of the referrer, several interviewees also reported that PTR resulted in positive experiences of them feeling confident, recognized, and satisfied when being referred for a job:

"Overall, a candidate would always be happy being referred by another person".

Participant 4

"It feels nice when somebody refers you for a position and I think employers are also comfortable when they know that some [one referred a candidate]. I don't know if it's for monetary purposes, but there are reasons why somebody [would] refer you, [probably] because they think you're good for the job. [And] I think employers prefer it that way [as well]."

Participant 6

Although largely implicit and not consciously involved in the decision of whether to ultimately accept a referral or not, positive emotions have an impact on regulatory focus. As Higgins (1998) argues, regulatory focus, and especially the promotion-focus that passive talent is required to adopt in order to turn active, is concerned with hopes and aspirations. Galinsky, et al., (2005) argue that promotion-focused individuals are directed toward the accomplishment of positive ideals. It is reasonable, then, to argue that positive emotions constitute such ideals, and although they might not be the ideal-to-be-achieved, they will support the individual in regulating their focus to a degree that would support further regulation toward a promotion-focus that ultimately turns passive talent active.

# 5.4 Discussion

Three findings have been revealed by the action study. First, interviewees confirmed the findings of the experimental study, specifically in regard to cost reduction and gain maximization through PTR, which results in higher job search readiness. Second, interviewees provided more details and context-related information to understand the findings of the experimental study. Third, interviewees highlighted the process of value cocreation induced by the referrer's involvement in PTR.

# 5.4.1 Summary of main findings

Interviewees reported the benefits shown in Table 4 to have an effect on their reasoning of pursuing a job application with PTR and their consequently higher job search readiness:

**Table 4**Main findings of the action study

Nature	Sub-category	Definition	Examples	
Tangible	Cost minimization	PTR requires considerably less time and effort from the candidate than CPA.	"I would say that the time and effort that I would spend on accepting [the] referral is probably a lot faster, and a lot more straightforward."  Participant 1	
Tangible	Pre-qualification	The referrer ensures that the job and hiring organization are a potential fit for the candidate.	"The benefit that I see out of getting a potential job opportunity through [PTR] versus a job board would essentially be the fact that I am probably part of a more relevant pool of candidates."  Participant 1	
Tangible	Vouching	The referrer shares information about the candidate with the hiring organization and acts as a reference.	"But I think the main benefit <b>[of PTR]</b> is that if you are applying to a job on a career page, you're on your own, you don't have anyone there with you who can vouch for you."  Participant 8	
Tangible	Less competition through other applicants	As PTR only facilitates referrals, there are no direct applications and therefore a total lower number of applicants overall.	"Your chance [and CV's] visibility is more [when being referred] than on a career page where there are millions of people sending resumes on a daily basis."  Participant 6	
Tangible	Increased chance of receiving feedback	The referrer acts as an agent that facilitates communication between the candidate and the hiring organization.	"Most of these employers' websites which have the career section do not respond unless it's a big outlier [] - [but even] they [only] come back and say that you've not been selected [without stating the reason], so I find it tedious."	
			Participant 6	
Intangible	Insider knowledge of the referrer	The referrer may have specific knowledge about the job or hiring organization that is not known to the general	"The information which is coming through [the referrer] is more authentic, because the [referrer has] inside information."	
	uic iciciici	public.	Participant 2	
Intangible	Positive emotions through the referral	Being considered for a referral results in the candidate experiencing positive emotions such as happiness and pride.	"Overall, a candidate would always be happy being referred by another person". Participant 4	

#### 5.4.2 Theoretical Implications

#### A multi-theoretical perspective on understanding PTR

Although both CPA and PTR are digital job application methods, the action study revealed that the features and dynamics that result in PTR leading to higher job search readiness are due to the value co-creation induced by the referrer's involvement and are therefore different from CPA. Regarding potential gains in PTR, they apply to the involvement of the referrer and the consequential value co-creation that the candidate experiences through such involvement AND the candidate's chance of having their CV reviewed. In contrast, for CPA, potential gains apply to the chance to have their CV reviewed, with the job application being a transaction between two parties. By inviting the referrer to the application process, PTR creates a chance for value co-creation and results in the total outcome of the application method being "larger than the sum of its parts", which leads to an increased job search readiness.

In terms of the cost minimization for candidates, interviewees further revealed that, in PTR, value is not only created through the referrer assuming the cost and effort of the job application on behalf of the candidate but by creating novel strands of value that impact job search readiness just as much as (and if not more than) cost minimization. Potential gains in PTR are therefore not *only* dependent on cost minimization but on the value that is cocreated by the involvement of the referrer and by the referral in itself (which creates value for the candidate). In summary, the findings of the action study confirm those from the experimental study, suggesting that value co-creation in terms of potential gains and cost minimization are the features that result in PTR leading to the increase in job search readiness.

The action study further reveals more features that result in PTR increasing job search readiness, such as the tangible and intangible factors presented in this discussion's section

summary, which could not be fully grasped by the experimental study alone. Those newly revealed features extend our theoretical understanding of PTR. For instance, one of the intangible benefits of PTR is that job applicants can use insider knowledge of the referrer. The theoretical understanding underlying this feature is directly built on social capital. Social capital is the goodwill of individuals within one's network (Adler & Kwon, 2002) and can be understood as the reciprocal generation of value between networks of individuals.

Indeed, the application method of PTR as a whole requires that every candidate needs a referrer (and vice versa) from their network to refer them, suggesting that PTR relies heavily on social capital. These dependencies (among others of the candidate and organization toward the referrer to refer, but also of the referrer toward the candidate to accept the referral and the organization to reward it) utilize the relationships of several stakeholders within a social network, each benefitting from either current or prospect values that arise through such interaction. To some extent, social capital might be one of the 'resource pools' to provide extra values that can be realized through value co-creation.

Apart from the social capital perspective, the action study reveals that PTR can also be appreciated from the perspective of positive feelings. For instance, one of the features of PTR identified via the action study is "positive emotions through the referral". The theories underlying these positive feelings are related to psychological capital, which is concerned with, among others, individuals building confidence and optimism about prospects they have identified to be valuable and worthwhile to pursue (Luthans, Avey, Avolio, Norman & Combs, 2006). In a sense, an individual's positive feelings and emotions may contribute to their psychological capital, and, with a sufficiently fuelled psychological capital, affect job search readiness to a degree that results in passive talent turning active to pursue a job application. Interviewees have readily highlighted the "Positive emotions through the referral" as an explicit value that may affect confidence.

All in all, the action study contributes to our understanding of PTR from multiple theoretical perspectives. Apart from the perspective of value co-creation, PTR can also be understood via the theoretical perspective of social capital and psychological capital.

Interactions between tangible & intangible values

I positioned the features of PTR which I identified through the action study into tangible and intangible categories with the purpose of better understanding and making sense of how PTR influences job search readiness. Admittedly, this categorization is driven by theories and tends to be overly simplistic. It is worth noting that, although the identified features are distinct from one another from a theoretical perspective, they are intertwined and the distinction between individual features is often blurred in reality when it comes to their impact on job search readiness. The intertwining does not only apply to the connections between the tangible features and the intangible features but to where the impact of one feature "subsides" or "ends", as there is considerable overlap between features. For example, the intangible feature of "Insider knowledge of the referrer" may inform the candidate's assumptions of the tangible feature of "Increased chance of receiving feedback", as the candidate may assume that the referrer does need to have insights and a direct connection to the organization in order to provide such feedback. This also applies to features within the same classification, such as the tangible features of "Pre-qualification" and "Vouching", in which it can be assumed that the process of the referrer pre-qualifying the candidate is akin to vouching and vice versa.

The feature of "Less competition through other applicants" is also a good example in this case. Less competition is also a tangible feature, as a lower number of total applicants in the candidate pool means an applicant has a higher chance of having their CV reviewed - e.g., the fewer applicants are present in the pool, the higher the probability of potential gains for those applicants that *are* in the pool. In a similar vein, from a psychological perspective, this

value may also lead to candidates who get referred through PTR likely experiencing "Positive emotions through the referral", as they could be feeling the pride to be part of an overall distinguished and qualified group of applicants. Therefore, although the categorization of "Less competition through other applicants" as an intangible value seems to be the most reasonable in consideration of its representation in interviewee codes, the impact of this value exceeds the restrictions of the 'intangible' category. To an extent, the interviewees' assumption of the organization's perspective and the preferences that an organization might display toward a given job application method in regards to less competition through other applicants also informs us of the intertwined nature of features, such as less overall applicants informing the "Reduction in time and effort" that the organization would have in screening fewer applicants that enter the candidate pool (e.g. a value that affects *both* candidate and organization, rather than *just* the candidate), or of fewer candidates resulting in individual applicants being more likely to receive feedback to their application ( "Increased chance of receiving feedback") due to the hiring organization having fewer candidate profiles to update about the status of their job application.

All the features that have been identified through the interviewee codes are subject to this difficulty in classification and overall overlap of impacts on job search readiness. Arguably, the majority of these overlaps and impacts are of implicit psychological nature - e.g., interviewees assuming effects and interactions stemming from a value that appears distinct when mentioned during the action study but becomes increasingly fuzzy when examined in more detail. While these overlapping and intertwining effects are likely to have a considerable impact on the job search readiness of candidates, further examination is indicated through future research.

An alternative explanation for the difference of job search readiness between PTR and CPA in high-level potential gains in the experimental study

In the experimental study, I expected a larger difference regarding job search readiness between PTR and CPA in the condition of high-level potential gains than in the condition of low-level of potential gains. However, the findings showed the opposite: The difference between PTR and CPA in the condition of low-level potential gains was even larger than in the condition of high-level potential gains. The results from the action study may provide some explanation for this unexpected finding.

First, in the experimental study, the negative experiences that candidates had with CPA were probably compensated by the high-level of potential gains with an 80% chance to have their CV reviewed, which leads to an increase in job search readiness under the CPA condition. As the result, the difference in job search readiness between PTR and CPA under the condition of high-level potential gains becomes closer.

Second, job search readiness in the PTR condition with a low level of potential gains was much higher than what the hypothesis expected. The reason is that PTR not only removed the up-front cost of entering *but* also creates multiple values, such as increasing the social and psychological capital of interviewees. Put in other words, candidates' job search readiness in PTR is shaped by value co-creation to a degree that goes *beyond* the assumed potential gain of 'just' saving time and effort through the referrer. These intangible or implicit "gains" may override the tangible potential gains manipulated in the experimental conditions, leading to a high-level job search readiness anyhow. As the result, the difference regarding job search readiness between PTR and CPA in the low-level of potential gains has been larger.

Finally, job search readiness in the high level of potential gains was relatively similar between CPA and PTR. However, in the low level of potential gains, job search readiness in CPA was much lower than in PTR. As a result, job search readiness *within* CPA showed a larger difference between the different levels of potential gains than job search readiness in PTR did under different potential gains.

When comparing the codes of the action study with the data obtained from the experimental study, I could not readily identify divergence, as the insights obtained through the action study helped to shape and detail the conclusions I drew from the experimental study. In fact, there was a considerable convergence between the two studies, as the interviews of the action study supported sensemaking and understanding of the data of the experimental study, specifically when considering the discovered effect that value co-creation and regulatory focus have on the job search readiness of passive talent. I will be reflecting on the learning derived from the two studies in the next chapter.

#### 5.4.3 Limitations

All interviews were conducted by me. While such inside research is an essential factor in action research (Greenwood & Levin, 2007), it has several advantages and disadvantages (Unluer, 2012), specifically when considering the researcher's biases and opinions that may affect academic work. While positivist paradigms may reject it as unrigorous (Brannick & Coghlan, 2007), inside research benefits from the utilization of the researcher's intimate knowledge (in this case about PTR) about the research subject and combines academic rigor with functional value when the researcher maintains a required "distance" and academic criticality (Coghlan & Brannick, 2014). Interviewees were aware that I am the managing director of the PTR portal they had been referred on (through my eMail signature when being invited) but my personal biases were minimized through the utilization of openended questions that were objective in nature and sensemaking of interviewees' statement

in the context of the positivist experimental study. The impact of hierarchical power dynamics between my role as the managing director of the PTR portal and participants was minimized as only participants who were not recently referred or were in the situation of assuming that their participation (or lack therefore) would have had any effect on a current or recent referral were invited to participate – in fact, the referrals of most interviewees were years before the interview. None of the interviewees knew me prior to the interviews. I am not associated with any of the organizations or entities interviewees were referred to.

Second, Interviewees often framed their answers in a third-person view. Although describing their own experience, they would often use terms such as "the candidate" rather than using terminology that would be more sensible for explaining their own perspective, e.g. "I". There might be cultural reasons for this choice of terminology, however, these formulations do not seem to have affected the recollection of being referred through PTR from the interviewees' perspective.

Third, while the novel values definitely impact job search readiness, the insights gained from this action study are insufficient to empirically classify or categorize the potential gains as to their individual impact (for instance whether any of them or a combination of them would have the same effect on job search readiness as, for example, cost minimization, or how tangible and intangible gains compare to one another in terms of job search readiness). Apart from this, the distinction between tangible and intangible values is somewhat fluid and complex to classify, as are the effects of individual values. For instance, the referrer prequalifying the job for the candidate can be argued to be minimizing the cost that the candidate would have in a conventional job application as they would have to pre-qualify the job themselves, as could be the referrer having insider knowledge that *may* be acquired in the CPA condition if the candidate would take the time to research the company or contact current employees. It appears that co-created values are "larger than the sum of their parts" and inform, if not strengthen, each other. Similarly, interviewees also assumed the

perspective of the employer, for instance in reasoning that pre-qualification and vouching of their profile would ease the employer's task of screening applicants, and overall raise the willingness of employers to hire through PTR. The employer's perspective is not the scope of this dissertation, but these insights form a foundation for future research.

Finally, other limitations of the interviews included that only individuals who were referred and accepted the referral were invited, so there is no data or perspectives from candidates who rejected a referral. While this might exclude contextual insights from such individuals in regards to the reasoning for rejecting the referral, their lack of having taken part in the complete referral process would have likely resulted in biased perspectives. Furthermore, one of the conditions to participate in the action study was that the respective referral of the interviewee had to be not more than four years ago. This criterion was set to ensure that participants were still able to recall the referral and its associated effects on their job search readiness, as a longer time period between the referral and the study could have led to participants being disassociated or not being able to remember the process. Although reproduction experiments indicate that an individual's memory of an event may become increasingly faulty the longer the interval between the event and its recalling by the individual (Bergman & Roediger III, 1999), all but one interviewee were recalling the referral process correctly.

# 6. Conclusion, practical implications, & reflection

This chapter reflects on the learning I have had through researching the organizational issue of passive talent acquisition as a topic of this dissertation. I start with an overview of the findings before exploring the practical implications of my research. Finally, I reflect on the conduct and findings of this dissertation and my journey as a scholar-practitioner.

### 6.1 Conclusion

This dissertation addresses the organizational issue of attracting passive talent by researching the effect of job application method and potential gains on job search readiness. It aims to enable the organizations I support as a freelance recruiter in identifying whether PTR would be a relevant alternative to CPA when aiming to attract passive talent by affecting job search readiness and relevant practical implications when utilizing PTR.

I followed a mixed method approach to research by combining a quantitative experimental study with insights from qualitative semi-structured interviews in order to obtain a detailed understanding of the mechanisms of PTR and to examine the impact that it has on a candidate's job search readiness.

I drew on a theoretical framework of value co-creation (Galvagno & Dalli, 2014) and argued that PTR is better than CPA when it comes to job search readiness as PTR saves time and effort a candidate would spend during the application process (termed as 'cost minimization'). I then integrated the theories of risk & reward (Kahneman & Tversky, 1979) and regulatory focus (Higgins, 1998), and further argued that potential gains would further adjust or strengthen the effect of the application method on job search readiness.

In the experimental study, a two-by-two design was carried out. The findings showed that PTR increased job search readiness more than CPA and that potential gains further reinforced this effect. However, the reinforcement was the opposite of my hypothesis: the difference in job search readiness between PTR and CPA is stronger in the low potential gains condition than in the high potential gains condition.

To make sense of the findings of the experimental study, the action study was performed by means of semi-structured interviews. The interviews revealed that PTR has a multitude of beneficial features that exceed *just* cost minimization and potential gains in order of the candidate having their CV revealed. These features include tangible ones, such as prequalification and vouching for the candidate's profile through the referrer, less competition through other applicants, and increased chance of receiving feedback, as well as intangible features such as insider knowledge of the referrer and the candidate experiencing positive emotions through the referral. The semi-structured interviews extended the understanding of PTR from a perspective of social and psychological capital. This approach facilitated Action Learning, which is not necessarily about solving an organizational problem (although I believe that the approach towards a solution to the recurring issue of attracting passive talent faced by organizational talent acquisition has advanced through the research in this dissertation) but also about the learnings that stakeholders in the action learning process make (Smith, 1997).

In summary, three key findings have been revealed through the experimental study and the action study conducted for this dissertation:

**First**, PTR encourages candidates to submit their job applications more strongly than the conventional CPA application method does and is therefore a valid tool for organizations to attract passive talent.

**Second**, we gain a better understanding of the features of PTR from a potential job applicant's perspective, such as the applicant spending less time and effort on a job application through PTR (cost minimization), the referrer ensuring a fit of the job and hiring organization (pre-qualification), the referrer acting as a reference for the applicant (vouching), less competition through other applicants, an increased chance of receiving feedback through the referrer, benefitting from insider knowledge of the referrer, and experiencing positive emotions when being referred.

**Third**, we enable understanding of PTR from multiple theoretical perspectives, including value co-creation theory (Galvagno & Dalli, 2014), risk and reward theory (Kahneman & Tversky, 1979), regulatory focus theory (Higgins, 1998), social capital theory (Adler & Kwon, 2002), and psychological capital model (Luthans, et al., 2006).

These findings are impactful from a theoretical, practical, and scholar-practitioner's perception. I have already discussed theoretical implications in the chapters of the experimental and action study of this dissertation and will focus on the practical implications and my reflections as a scholar-practitioner in this chapter.

### 6.2 Timeline of the dissertation

I started outlining the topic of this dissertation in the second half of 2019 after realizing that the problem of passive talent is an issue that affects not only the organizations I worked in and currently work for but organizations around the world. At the time, and mostly based on my own experience, I was of the conviction that it was the requirement of investing an unjustified amount of time and effort into a job application that would turn talent passive.

The first months of work on the dissertation were used to focus on building a theoretical framework and identifying relevant literature and research that would utilize scholarly

insights to examine the organizational problem. I then started writing the first draft of the literature review, which at the time heavily based on my understanding of theoretical interactions between job search readiness and risk & reward theories. I finished the first draft in the beginning of 2020 and then proceeded conceptualizing the research methodology and study I was going to utilize. This methodology required me to not only choose and familiarize myself with an appropriate research method but to critically confront my worldview and philosophical understanding of my view of research and the role I would play in in this dissertation.

A first draft of the methodology chapter was finalized towards the end of 2020. I then spent the majority of 2021 in conducting the experimental study, which required considerable time as I repeatedly tweaked and refined the questions within the vignettes I would use, conducting the experimental study via Amazon MTurk, and, in the second half of the year, analysing results and making sense of the obtained data. This sensemaking, or rather the lack of it, as I was unable to fully explain the findings of the experimental study with risk & reward theory, led to an amendment of the dissertation's methodology as I decided to also conduct an action study.

In early 2022, I obtained ethics approval from the University of Liverpool to employ a mixed method approach by conducting the action study in the hopes of detailing and further understanding the findings of the experimental study through semi-structured interviews. I then proceeded with conducting the action study in first half of 2022 and realized, based on the insights I had obtained, that job search readiness is based on a theoretical framework that does not *only* encompass risk & reward but also value co-creation and regulatory focus theories. Incorporating these theories into my theoretical framework allowed not only making sense of the data I had obtained through the experimental study but also enabled personal learning.

As such, the conduct and timeline of this dissertation represents my individual growth as a scholar-practitioner. I initially had the pre-conception that job search readiness of passive talent is largely influenced by the time and effort an individual would have to spent on a job application (a notion that, albeit I found it to be reasonable and sensible, was mostly based on my own experiences as a candidate) and that such influence could be proven solely through a positivist experimental study. However, the action study, which was grounded in social constructionism, was required to reveal that a multitude of factors influence job search readiness in PTR. The realization of my pre-conception and biases, even when appearing logical, not necessarily representing actuality, coupled with a more careful approach towards reasoning, is a life-long skill that I am grateful to have acquired.

Similarly, I initially was of the of the impression that the dissertation's reliance on the experimental study would be sufficient. It was only at the time that results required more detailing and comprehension that I decided to deploy a philosophical stance that incorporated both positivism and social constructionism. It is this combination of philosophical advancement and methodology that enabled true action learning, as the dissertation has shown that, while providing valuable insights, *only* relying on the positivist experimental study was inadequate, likely to how *only* relying on the social constructionist action study would have been inadequate to arrive at a relevant conclusion.

# 6.3 Evaluation of the dissertation and my role as a researcher

For the experimental study, reliability of results is given due to the size and varied nature of the sample of participating individuals. As discussed in the methodology chapter, the utilization of vignettes ensured internal validity as experimental factors (e.g., time and effort) were manipulated under exclusion of extraneous factors, ensuring that variation in obtained data was dependent solely on such manipulation rather than on the individual background, situation, or characteristic of participants. As such, the experimental study represents a positivist approach towards research – research that is driven by non-biased quantification rather than qualitative interpretation. Arguably, this approach ensures a degree of generalisability not only due to exclusion of extraneous factors but due to the balanced demography of the sample – it is likely that a larger sample, or a different sample, would have yielded similar results. Admittedly, external validity of the experimental study is not as pronounced as internal validity due to the inability of participants to provide further information about the reasoning behind their choices.

This lack of access to participants' reasoning was tackled in the action study which explores the causal relationships between the job search readiness of candidates and PTR as application method. Utilizing the action study was crucial in detailing the decision-making process of candidates in PTR to understand not only *that* a decision was made, but *why* it has been made. The emphasis of the action study on the individual and subjective sensemaking of interviewees represents my social constructionist approach towards research, as the relationships between stakeholders evaluate understanding of job search readiness from a socially interactive standpoint. The combination of both studies resulted in findings that are likely generalisable for large segments of passive talent while satisfying considerations of both external and internal validity.

As such, my philosophical point of view towards the conduct of the dissertation evolved while conducting the two studies. I believe that this evolution is especially noteworthy due to my

role as a scholar-practitioner: an academic approach to organizational problems requires adaptation of the researcher, while the achievement of organizational practicality via academic research required adaption of the practitioner, and vice versa. Specifically for scholar-practitioners and action researchers, who often conduct research in or through their own organizations, an inadequate philosophical stance may result in pre-conceptions and biases that shape the conduct and findings of research and may render both to be invalid. At the time I embarked on this dissertation, I had the pre-conception that only time and effort would have a significant impact on job search readiness, and that a solely positivist approach towards this dissertation would suffice due to the quantifiable nature of these two factors. The findings of the experimental study did prove that time and effort have a considerable impact on job search readiness, however, only relying on the findings of the experimental study would have resulted in findings to be incomplete. A shift of paradigm, coupled with the action study, was required to fully grasp the impact of PTR on job search readiness.

Similarly, pre-conceptions may lead to conflict of interests – for instance, as a founder of a PTR portal, I was aware of the impact that PTR has on job search readiness, but I was unaware of *why* and *what* constitutes this impact. Additionally, my awareness of the impact might be perceived as the dissertation to be conducted not only for the strive of achieving knowledge but for organizational gain. While research is heavily influenced by the motivation of the researcher (Easterby-Smith, et al., 2012), this dissertation focusses on the impact that PTR has on job search readiness, rather than the impact an individual PTR portal has on job search readiness. My realization of my philosophical stance and the requirement to change it has shaped my ability, at least in this instance, to identifying my assumptions and the way I deployed research to not only confirm but challenge them (Cunliffe, 2004). It is important, however, to acknowledge that there is no universal truth (e.g., that the findings of this dissertation apply to *every* passive candidate), but a version of reality in which these findings refer to a justifiably large fraction of passive talent (Johnson & Duberley, 2003).

### 6.4 Practical Implications

The three key findings of this thesis have various practical implications for the three stakeholding parties (candidates, employers, and referrers) regarding how to use PTR in practice.

### 6.4.1 PTR leading to stronger job search readiness than CPA

The main practical implication of this finding concerns how organizations can use PTR as an innovative application method to hire passive talent.

First, PTR is a valid option to attract passive talent as its utilization results in an increase in job search readiness and converts passive talent into active talent. The implementation of PTR, therefore, provides a way to address the organizational issue of passive talent acquisition. Potential organizations considering using PTR and referrals might not be enticed to do so if they feel that the concept of PTR as an application method they can benefit from is too unfamiliar or unclear to them. Referrers, as a third party, might also be not only unaware of an option to refer candidates through PTR but might not readily believe the notion of getting a reward for referrals without widespread adoption of PTR or social proof. Similarly, PTR is a novel application method that candidates are likely unaware of, and there may be implications as to the hesitation that individuals would feel when presented with the notion of being referred through PTR. While the organizational utilization of PTR depends on individual transactions between the three stakeholders, the content and conduct of which may result in different experiences, this dissertation provides stakeholders with a better understanding of the benefits of PTR and the advantages of its utilization that may alleviate hesitations about its value.

Second, from an organizational standpoint, the implementation of PTR is likely best pursued as PTR not being a replacement for already established recruitment methodologies but as a complimentary job application method that works in conjunction with other methods. The

reason behind this is that candidates cannot apply directly through PTR but require a third party to refer them. PTR, therefore, is likely not as suitable for active talent as it is for passive talent and is therefore plausibly restricted to passive segments of potential candidates, effectively excluding active candidates. By using PTR in conjunction rather than replacement, an organization utilizing, for instance, both PTR and CPA will have access to both passive and active talent and will therefore have a larger pool of talent to choose from. Similarly, organizations may supplement other job application methods that attract passive talent, such as contracted recruitment agencies, with passive talent obtained through PTR, ultimately amplifying their reach into the segment of passive talent.

#### 6.4.2 Features of PTR from the perspective of candidates

The action study revealed multiple features experienced by candidates that are co-created by the referrer's involvement in PTR. Arguably, organizations can maximize the effect of PTR on job search readiness by deliberately reinforcing these features. For instance, organizations may strive to provide feedback on a candidate's referral in an expedited manner, which would further reinforce the feature's impact on candidates. Additionally, through close collaboration with the referrer, organizations can ensure that the prequalification and vouching process is enhanced, for example by the referrer having detailed insider knowledge about the organization's culture and expectations, as well as the position's requirements - both leading to more relevant candidates to be approached by referrers and ultimately being referred.

This close collaboration between employers and referrers also has positive effects on employer branding.

**First**, the feature of "*insider knowledge*" of the referrer facilitates the flow of positive information about the organization from the referrer to the candidate. As argued by Van

Hoye, et al. (2016), referred candidates are more attracted to an organization and perceive shared information as more genuine when they assume the source of information to be from 'inside' the organization (such as through an employee), which, in the case of PTR, means that positive information shared by the referrer will have a greater impact on employer branding than information shared by the organization to the general public. Therefore, an organization can actively work with referrers to emphasize what information is released to potential candidates. Probably, referrers also have an incentive in ensuring positive information is shared, as negative insights about a potential new employer might lead to candidates rejecting a referral.

**Second**, the feature of PTR resulting in fewer applicants further supports organizational branding: as there are fewer candidates to process, the response rate to individual candidates is faster, and with fewer unsuccessful applicants having to be rejected, the fewer negative emotions will detrimentally affect an organization's employer brand by such rejection.

**Finally**, collaborations between organizations and referrers may mitigate the detrimental effect of unsuccessful candidates being rejected - especially when the organization works together with the referrer to communicate with unsuccessful candidates may such rejection have less of a detrimental impact on the organizational brand and, to some extent, possibly even rectify negative emotions, for instance through the referrer providing personalized feedback regarding the rejection of an application. All in all, by reinforcing the features of PTR and collaborating with potential referrers, organizations can attract a greater pool of talented individuals to join their ranks.

For candidates, PTR emphasizes the importance of social capital in the recruitment process.

Through PTR, passive candidates have the incentive to grow their personal network and

social capital in order to be able to benefit from PTR at a time when they are actively looking for a job. Other implications focus on candidates reinforcing the features of PTR that they identified as value-added and which benefit them - for instance, candidates can maximize these features by providing more information about themselves to the referrer (thus easing pre-qualification and vouching), actively asking referrers to provide additional inside information about the job or hiring organization or to request the referrer for more detailed feedback from the employer about their application. Candidates also profit from the reduced competition through other applicants and can utilize PTR as a job application method that may result in a higher chance of their profile being seen by the employer due to lower competition through other candidates.

Finally, referrers can also derive practical implications from the features of PTR, as they can further increase the job search readiness of candidates by reinforcing their effect. Such reinforcement may be referrers voluntarily providing more information or support to individual candidates than what is the minimum requirement of PTR (e.g., just referring the candidate). For instance, referrers may strategically decide how much and what information they share about a potential job or company (and how much information they request from the employer in order to do so), to what degree they get to know and build a relationship with the candidate to ensure appropriate pre-qualification and to recognize which qualities of a candidate's profile to specifically vouch for. Possibly, the more effort a referrer exercises in the referral process, the more amplified the features that benefit candidates, leading to referrers having an extent of impact on job search readiness that goes beyond their mere involvement.

When devising the theoretical framework of how job application methods and potential gains affect job search readiness, it was reasonable to assume that associated stakeholders in the referral process would assume a perspective that, in a utilitarian manner, maximizes their respective return on investment when committing to PTR as a job application method. This maximization would have different implications for each stakeholder - candidates would focus solely on increasing the potential gain of having their CV reviewed by the employer, referrers would exclusively focus on getting a reward, and employers would only focus on attracting passive talent.

The semi-structured interviews, however, revealed that this gain maximization is but one component of the equation that informs stakeholders on whether to commit to PTR. Apart from the obvious gain of participating in PTR, stakeholders also benefit from building and utilizing social and psychological capital through PTR. In that sense, PTR is not only a method in which a given stakeholder benefits *from* social and psychological capital but through *which* they can build such capital.

In a sense, this building of capital (which, once built, could benefit stakeholders even outside of the confinement of PTR), may actually take precedence over the purely utilitarian component that PTR was devised for (e.g. the organizational access to passive talent): candidates may get access to a network of referrers (and vice versa) that could support in multiple situations that exceed the referral to a job (or earning a reward for such referral), organizations may use PTR as an extension of their internal employee referral program which could support organizational stakeholders in building social capital, and so on. In any event, this dissertation provides an indication that PTR is a novel way of recruitment that is likely to result in organizations attracting passive talent.

A summary of the practical implications of the three key findings can be found in Table 5.

**Table 5**Overview of practical implications of the key findings per stake-holding party

	PTR leads to higher job search readiness than CPA	Features of PTR from the candidate's perspective	Job search readiness in PTR is informed by a multitude of theories
			Utilizing social capital
Candidates			Utilizing PTR as a job application method with reduced competition through other candidates
	Include PTR in their recruitment process to attract passive talent	Deliberately and intentionally reinforce the positive features of PTR	PTR attracts passive talent
Employers	PTR complements existing/other recruitment methods rather than replaces	Employers can provide feedback to the candidate through the referrer, thus mitigating	PTR is a novel job application method to attract passive talent
	them	negative impact	PTR can be used to extend potential internal employee
		Employers can use PTR for employer branding	referral programs to include the public
Referrers		Deliberately and intentionally reinforce the positive features of PTR	

The practical implications I have highlighted for employers are also applying to the organisations I support as a freelance talent consultant to attract passive talent. In that way, the dissertation addresses the question to what extent PTR may be utilized to address the organizational issue of attracting passive talent not only in general but specifically also for myself as a practitioner.

However, given the novel nature of PTR, and with that it's relatively unproven efficacy, it may be difficult to convince stakeholders (organizations, candidates, and referrers) of the value of PTR and to commit to participating in PTR. For instance, while many of the implications derived from this dissertation aim towards further amplifying the positive effects of PTR onto the job search readiness of candidates, organizations might consider entirely different factors of using PTR, such as its cost, implementation requirements, privacy concerns, or compatibility with existing tools, such as the organization's applicant tracking system.

Overall, the range of organizations I support are highly individual in their approach towards talent acquisition, and there is no uniform 'one-size-fits-all' solution that would address *all* concerns simultaneously for *all* the organizations I support.

One of the main criteria for organizational implications, then, is to raise awareness about the positive impact that PTR has on talent acquisition. It stands to reason that organizations may be more concerned about the result, e.g., getting passive talent into their candidate pool, rather than only *how* such acquisition is done or *how* job search readiness could be increased. The value that PTR offers to organizations is insofar comparable to the value proposition of conventional recruitment agencies in the sense of approaching passive talent directly while they are passive rather than waiting for passive talent to turn active and to apply to a job. In this comparison, the referrer assumes the role of the recruitment agent. With this assumption, several of the factors that matter to the organizations I support become more graspable.

In terms of pricing, unlike recruitment agencies who often have a multitude of agents on payroll, PTR portals are not employing referrers and may therefore offer a more competitive pricing structure than recruitment agencies. The digital nature of PTR portals may result in minimal implementation requirements and are more akin to the self-service nature of online job boards (e.g., creating an account and posting a job) rather than the manual negotiation of contracts and on-going communication with recruitment agencies. The self-service approach of digital PTR boards is likely also benefitting compatibility with existing recruitment tools, as integrations with ATS, scheduling and assessment tools is likely easier

to achieve than manually administrating candidate CVs that were sent by, for instance, by eMail through recruitment agencies.

However, some organizations may prefer the individualized solution that recruitment agencies offer: direct communication with a recruitment agent may enable organization to ensure a higher relevance of candidates, or to brief agencies to directly 'headhunt' senior personnel from specific competitors. Data protection and privacy of candidates is likely also not as advanced with PTR portals as with agencies, as the opportunity for anyone to refer candidates may result in the organization receiving information of individuals who may not have consented to such information being sent to or stored by the organization. Due to the individualized and close-knit approach of agencies towards the organizations they support, it also stands to reason that the overall fit and relevancy of candidates that are acquired through an agency might, in comparison to PTR referrals, be more prone to have similar benefits as candidates acquired through employee referrals. For instance, this argument may be specifically true due to recruitment agencies having a better understanding of the corporate culture and specific requirements of the organization and role than a general member of the public who opportunistically refers a candidate 'to a job' rather than 'to a company' via PTR. Furthermore, recruitment agencies may have specific knowledge of the organization's industry and technical requirements towards candidates that members of the public may not possess – this effect may be more pronounced the more technical a job is. Overall, the benefits of PTR are given on a theoretical basis, but the degree to which organizations would be able to translate these into practicality stands to question. I believe that the decision of whether to implement PTR is a case-by-case consideration depending on the individual requirements of each organization, and the specific positions to be filled. From my perspective as a scholar-practitioner, the most viable next step for the organizations I support is to experimentally implement PTR as one of their job application methods to gather insights and experiences (akin to case studies) in order to evaluate to

what degree PTR fulfils their specific requirements towards the acquisition of passive talent.

Although they require further research, these considerations have an impact on the first research goal of this dissertation, namely to what degree PTR may be a potential solution to the organizational problem of passive talent acquisition. This is especially true when keeping in mind the challenges that organizations may face with PTR (such as a lacking relevance of referred candidates when compared to recruitment agencies or a lower number of referrals than applications between PTR and CPA) and considering potential cases in which PTR as an application method would result in an organizational experience with challenges which are not justified through the heightened job search readiness of passive talent. In that consideration, PTR may only address one singular concern of passive talent acquisition (e.g., job search readiness) without posing a relevant solution or approach to the problem itself. The findings of this dissertation, however, emphasize the positive impact that PTR has on passive talent's job search readiness, and is therefore a suitable approach for organizations to engage with passive talent at the time that it is passive.

### 6.5 Reflection

This dissertation did not only have the purpose to establish a theoretical framework on the impact of job application method and potential gains on job search readiness but to implement findings to measure such effects in reality and facilitate Critical Action Learning (CAL). In that sense, the experimental study functioned not as a sole contributor of information but to establish a theoretical framework that I could then further emphasize as an inside researcher as part of my action study, which, as an actionable component, enabled detailing the implications of the experimental study in further detail both academically and practically. Insights, therefore, were derived not only from theoretically researching the hypotheses but from the implementation of PTR highlighting and understanding a variety of factors that inform job search readiness. These factors, which are mostly intangible in nature, were not captured during the experimental study due to its relatively narrow positivist design.

As a scholar-practitioner, one of the key learnings I acquired from my research is centred around the complex fabric of organizational research and the threat that biases and assumptions can have on both practitioners and scholars: at the time I started my dissertation, I was relatively sure that passive talent is either truly passive (e.g. passive candidates will not apply to a job under any circumstances) or opportunistic, with such opportunism being stifled solely by the time and effort a conventional job application takes (for instance, candidates that I approach directly are often open to discussing a new opportunity, but would not apply to it). This opinion was formed through my personal experiences both as a candidate and through more than ten years of experience working in recruitment and talent acquisition roles. While the results of the experimental study were, at best, ambiguously rejecting my pre-formed opinion, it was the action study that truly resulted in more learning and insights by directly researching the experiences of individuals who experienced PTR. This adoption of novel perspectives, specifically from a candidate's point of view in regard to the referrer's involvement's impact on job search readiness, is insofar resulting in true learning as even though I have experienced the job application process (through CPA) as a candidate before, I had to assume the role of an inside researcher to truly comprehend, instead of theorizing, the effect of PTR on job search readiness and to refine my theoretical framework.

Although from a positivist perspective, inside research's validity is often perceived critically due to the direct (and possibly biased) involvement of the researcher (Brannick & Coghlan, 2007), it enables closing the scholar-practitioner gap by applying theory into practice and vice versa (through its cyclical nature, which results in the verification findings and generation of novel insights to be tested). The importance and impact that CAL had on this dissertation are evident when directly comparing the results of the experimental and action studies. The data gathered through the experimental study showed that the interaction between job application methods and potential gains was contrary to the theoretical

framework, however, the action study revealed that this effect was rather due to limited assumptions made in the experimental study (such as cost minimization being the main factor for job application methods) and insufficiently quantified potential gains. Without the involvement of individuals who experienced PTR as part of the action study, one might have assumed an actual ceiling effect due to the narrowly formulated study design. This episode captures and demonstrates the 'multi-stakeholder' approach (often represented through the utilization of learning sets) of CAL: perceiving a given issue or research topic from a multitude of perspectives and viewpoints rather than from a singular one. Without the adoption of different approaches to the identified problem, there is a likelihood that biases and interpretations would have taken precedence and diluted academic and practical insights. The key learning, then, revolves around CAL being less about the outcome (e.g., the insight of the dissertation as an instance) but about the realization of the importance of proper use of methodology and approach (Barton, et al., 2009). This learning has specifically impacted the way I approach organizational problems, as a balanced consideration of potential and identified problems from both a theoretical and practical perspective is the most likely to result in a solution that enables both scholarly as well as practical comprehension. Such perspective must include my role as an inside researcher, as my involvement facilitates my epistemology toward approaching organizational problems. I have learned through this dissertation that a purely positivist point of view may diminish scholarly insights - similar to how a perspective that would neglect all factors of positivism would diminish such insights.

CAL's focus on approach and methodology, with a combination of application and research, alleviates some of the main issues between scholars and practitioners: the relevance gap (Huff & Huff, 2001) that exists between academically sound research and its practical use. This relevance gap has had a profound impact on my personal career. Prior to embarking on my DBA, as a practitioner without a scholarly background, I would barely consult academic research to attempt to find solutions to the organizational problems I face in business. There

were a multitude of factors that influenced my perspective back then, ranging from a general inaccessibility of peer-reviewed articles for the general public to a perceived lack of practical themes and practical solutions in academic research to the impression of the overly complicated manner in which research and findings are described and communicated. The easiest approach, then, was to consult with other practitioners who I assumed had faced (and ideally overcome) similar issues to the ones I was facing. While I still agree with authors such as Huff & Huff (2001) ("relevance gap") and Muchinsky (2004) ("scholar-practitioner gap") describing a difficult relationship between academics and practitioners and a subsequent requirement to ensure research is made more accessible to practitioners, working on this dissertation, specifically at the time Hypothesis 2 was disproved and the action study was required to make theoretical sense of the results of the experimental study, enabled a deeper appreciation for the impact that academia has on organizational conduct. In a sense, the dissertation enabled me to realize the importance of a scholarly approach to ensure an adequate solution to a problem I perceived as solely organizational and practical in nature.

And, albeit it might be debated to lack academic rigor in a positivist sense (Coghlan, 2001 and Brannick & Coghlan, 2007), CAL is specifically suitable to be used by scholar-practitioners through its combination of theory and practice. Specifically, *because* of the involvement of the researcher, action research does not only have the purpose of building scholarly knowledge for the sake of obtaining knowledge without practical considerations (Roth, et al., 2007) but to address issues through the involvement of both inside and outside stakeholders of a given problem (Greenwood & Levin, 2007). With that, CAL democratizes research as it tackles the implied superiority of researchers in conventional research methodology (Coghlan & Brannick, 2014). This democratization is not only important in terms of how research is conducted but also in how it is impacting organizational stakeholders. As Muchinsky (2004) argues: "For the most part, scientists are relatively unconcerned with how their theories, principles, and methods are put into practice in arenas

outside of academic study. For the most part, practitioners are deeply concerned with matters of implementation because what they do occurs in arenas not primarily created for scientific study." (Page 208) - this gap of practicality is noteworthy as, and as was the case in my own career as well, it leads to academic findings often being insufficiently considered and implemented in organizational practice (Rousseau, 2006). In the context of this dissertation, Muchinsky's argument translates as follows: when considering the influence of job application methods on job search readiness, a practitioner would not be interested in the scientific evidence that causes an effect but rather that it is present and how it affects organizational practice. Contrarily, a scholar would be interested in the scientific reasoning behind the effect but less in how the effect might alleviate the organizational issue of hiring passive talent. A scholar-practitioner, then, is concerned about the organizational impact of the effect, the impact it has on future research in further CAL cycles, and the long-term influence on organizational hiring while maintaining academic rigor in researching the topic and ensuring relevancy through generalizable organizational solutions.

Aside from enabling learning about the topic at hand, CAL also enabled my personal learning and growth. This learning mostly centres around my capacity as a scholar-practitioner, my competency in conducting research, and, maybe most importantly, my critical thinking. As outlined in the section about the timeline of the dissertation, my role as a researcher actively conducting the research impacted my perspective on the topic itself as well as my function as a practitioner. Initially, my mindset regarding the effect of PTR on job search readiness was that of "pre-understanding" – assumptions I made based partly on my (in hindsight very limited) experience with PTR as well as on what I thought to be reasonable and "common sense". It was my belief that the effect that saved time and effort have on a candidate's job search readiness is so pronounced that other effects, even *if* they were present, would have such a small degree of impact that they would be neglectable. As such, my mindset tended more towards that of someone who believes to have a reasonable and

organizationally proven argument that would have to be proven through a theoretical framework. It was only gradually and over time that reviewing literature, building a theoretical framework, designing the studies, and analysing results led to a shift in mindset away from proving my pre-understanding via a theoretical framework to building a theoretical framework that would enable obtaining understanding in the first place.

My individual experience dealing with a preconception and the realization that it was incorrect even although it appeared not only reasonable but was 'proven' by years of my experience is an asset that goes beyond the topic of this dissertation and affects my philosophical perspective of the world around me and how I engage with my preconceptions. My individual journey throughout this dissertation reflects Argyris' (1991) argument of transitioning from single loop learning (finding and deploying a solution) to double loop learning via questionning the problem, the assumed solution, oneself, and the problem's environment *before* attempting answering the problem.

With these considerations specifically in consideration of critical action learning, this dissertation is not conclusive in nature or providing a generally applicable solution but functions as an individual step in the cyclical process of researching, understanding, and addressing the organizational issue of attracting passive talent.

### 6.6 Indications for future research

Researchers such as Hanigan (2015) argue that the passiveness of talent is a spectrum rather than an extreme, with candidates turning from passive to active and vice versa based on individual factors (and, arguably, in a rather opportunistic manner). While the data gathered for this dissertation implies that PTR likely impacts the regulatory focus of individuals to turn passive talent active, the degree or extent to which this effect is applicable even for individuals who are tending toward the "extreme" range of passiveness requires further research. Similarly, in-depth research of the effects not only of PTR but of application methods as a whole on the passive of candidates is indicated. For instance, there is an indication for future research to evaluate whether and to what extent other job application methods that have an inherently low cost for the candidate (such as the candidate being contacted through a recruitment agent or executive search firm) would result in an equally higher job search readiness and to what extent the job search readiness increase in PTR is reliant specifically on cost minimization vs. value co-creation.

Half of the interviewees in the action study could not readily recall their referrer, which indicates the social capital in these instances of referrals was "low", e.g. the referrer and candidate did not know each other. Even in the experimental study, participants who were allocated to PTR-related vignettes were not providing extensive insights as to what they believed could be the reason for their friend referring them to the job. With that, while the theoretical implication of social capital is definitely given, its effect (or the lack thereof) in conjunction with PTR in practical terms requires further research, such as whether different types of referrers (for instance family members, friends, or current and former colleagues) have differing effects on job search readiness.

Finally, only the perspective of interviewees, who were candidates in PTR, have been considered in the action study. Interviewees have elaborated in codes about the links

between the value that PTR generates for employers and referrers as well as candidates assuming that such values would also likely positively impact their potential gains, however, I have not added these codes as part of the present action study to ensure readability and due to the fact that these codes were shared by interviewees sparingly as the focus was on the experience of interviewees as candidates. Future research to further explore the values co-created for employers and referrers, as well as how these values inform candidates' job search readiness, is encouraged to investigate further.

Overall, this dissertation presents a cycle of action learning, with initial insights toward organizational questions regarding the impact of PTR and potential gains on job search readiness. These initial perspectives are now ideally researched further and in more detail through subsequent cycles of action learning, with the purpose of both addressing an organizational problem that affects both scholars and practitioners, but also to further learning and development of involved researchers. Additional questions, such as (and among others) effects of PTR on active talent, long-term effects of PTR on both organizations and passive talent, as well as the degree to which social and psychological capital regulate PTR's effect on job search readiness are both the result of the present dissertation and the impetus for future research that will broaden and focus our understanding of benefits and disadvantages of PTR as a job application method.

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# 8. Appendix

### 8.1 Vignettes

### Vignette 1:

Referral of the participant through a friend (Factor 1, Level 1). 80% chance of having their CV reviewed by the employer (Factor 2, Level 1):

"Imagine that, while you are currently employed and not actively looking for a new job, a friend tells you about a job opportunity that your friend thinks you are qualified for. Your friend would like to refer you to that position through an online portal that matches candidates to jobs solely through referrals. What your friend tells you about the position sounds appealing to you.

To proceed, your friend will enter your email address on the portal. You will then receive an automated email from the portal which contains more detailed information about the position, such as the employer, the job description, and the salary package. At this point, you have the choice to accept the referral or to ignore the referral. To accept the referral, you just have to click a button in the email and upload your CV onto the portal. You don't need to create a user account or do any kind of verification. Once you accept the referral, no further steps are required from your end.

The whole procedure of accepting the referral through email takes about 2 minutes of your time (in comparison, studies have shown that, on average, applying to jobs through a conventional career page would take about 40 minutes).

If you proceed with the referral, your CV will be directly accessible to the employer with an 80% chance that they will review your profile (which is a higher-than-average chance to have your CV reviewed). If the employer shortlists you, they will be able to contact you directly."

#### Vignette 2:

Referral of the participant through a friend (Factor 1, Level 1). 10% chance of having their CV reviewed by the employer (Factor 2, Level 2):

"Imagine that, while you are currently employed and not actively looking for a new job, a friend tells you about a job opportunity that your friend thinks you are qualified for. Your friend would like to refer you to that position through an online portal that matches candidates to jobs solely through referrals. What your friend tells you about the position sounds appealing to you.

To proceed, your friend will enter your email address on the portal. You will then receive an automated email from the portal which contains more detailed information about the position, such as the employer, the job description, and the salary package. At this point, you have the choice to accept the referral or to ignore the referral. To accept the referral, you just have to click a button in

the email and upload your CV onto the portal. You don't need to create a user account or do any kind of verification. Once you accept the referral, no further steps are required from your end. The whole procedure of accepting the referral through email takes about 2 minutes of your time (in comparison, studies have shown that, on average, applying to jobs through a conventional career page would take about 40 minutes). If you proceed with the referral, your CV will be directly accessible to the employer with a 10% chance that they will review your profile (which is a lower-than-average chance to have your CV reviewed). If the employer shortlists you, they will be able to contact you directly."

### Vignette 3:

Self-application through a career portal (Factor 1, Level 2). 80% chance of having their CV reviewed by the employer (Factor 2, Level 1):

"Imagine that, while you are currently employed and not actively looking for a new job, you are browsing the internet and come across a company's online career page on which you find a job posting that looks appealing to you.

To apply for the job, you need to create a user account on the career page by providing your name and email. To activate your account, you need to verify your email by clicking a link in an email that you receive from the company. Afterward, you must log in to your newly created account and create a profile by uploading your CV and filling in several information fields, such as your educational qualifications, work experiences, skills, certifications, and languages. Afterward, you can apply for the job by clicking an 'Apply' button.

The registration and application process takes about 40 minutes of your time (which, as studies have shown, is the average time required to apply to a job through career pages).

If you proceed with the application, your CV will be directly accessible to the employer with an 80% chance that they will review your profile (which is a higher-than-average chance to have your CV reviewed). If the employer shortlists you, they will be able to contact you directly."

### Vignette 4:

Self-application through a career portal (Factor 1, Level 2). 10% chance of having their CV reviewed by the employer (Factor 2, Level 2):

Imagine that, while you are currently employed and not actively looking for a new job, you are browsing the internet and come across a company's online career page on which you find a job posting that looks appealing to you.

To apply for the job, you need to create a user account on the career page by providing your name and email. To activate your account, you need to verify your email by clicking a link in an email that you receive from the company. Afterward, you must log in to your newly created account and create a profile by uploading your CV and filling in several information fields, such as your educational qualifications, work experiences, skills, certifications, and languages. Afterward, you can apply for

the job by clicking an 'Apply' button.

The registration and application process takes about 40 minutes of your time (which, as studies have shown, is the average time required to apply to a job through career pages). If you proceed with the application, your CV will be directly accessible to the employer with a 10% chance that they will review your profile (which is a lower-than-average chance to have your CV reviewed). If the employer shortlists you, they will be able to contact you directly.

## 8.2 Semi-structured interview questions

- 1. In your own words, can you summarize the process of how you were referred for the [Position] role on referbility?
- 2. What would you say are the key differences between being referred to a job on referbility and applying for a job through a company's career page?
- 3. Do you see any benefits in being referred on referbility rather than applying through a career page? What are they?
- 4. Do you see any disadvantages in being referred on referbility rather than applying through a career page? What are they?
- 5. What would stop you from accepting a job referral on referbility?
- 6. How could job referrals on referbility be improved?
- 7. What would you say is the main purpose of you accepting a referral or applying to a job? Do you see any differences in achieving this purpose?
- 8. Who is the person who referred you?
- 9. What do you think is the motivation of the person who referred you?
- 10. Where do you see similarities between being referred on referbility and conventional applications?
- 11. Where do you see differences between referred on referbility and conventional applications?