Adding vs. Averaging: How Do Job Applicants Evaluate Job Attributes?

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Abstract

Successful recruitment efforts are increasingly important in a competitive job market, where job seekers are exposed to a wealth of opportunities, and employers must provide valuable information to attract talented individuals. Popular job search engines contain thousands of available positions, which allow job seekers to scan and decide which postings align with their goals and expectations. The purpose of this study is to investigate the ways in which applicants evaluate job postings, which by their nature contain information regarding multiple attributes of a job. This will be accomplished by investigating how job candidates combine their evaluations of each attribute to arrive at an overall evaluation of a job opportunity. Specifically, the study will examine the degree to which applicants use an averaging or adding rule in combining job attributes to decide which position vacancies are more desirable.

Effective recruitment efforts are one of the most important human resource objectives that separate successful companies from their competitors. With a highly competitive job market, employers that understand the decision-making rationale of their applicants can construct job postings that attract top talent for their positions. Job choice is a multi-attribute decision situation in which people consider multiple attributes of a job (e.g., pay and various types of benefits) when making decisions. Would you apply for a position that pays $50,000 per year and offers paid time off? Would you be more interested in a job that pays $50,000 per year, offers paid time off, and includes basic health insurance? To answer this question, a deeper understanding of cognitive processes in decision making is required. Our proposed study will examine how applicants combine information about specific job attributes when coming to an overall evaluation of the job opportunity.

One approach to better understand how job applicants make decisions is provided by the literature on judgement and decision-making (JDM). Within this framework, job choice decision-making can be examined through the multi-alternative decision field theory (MDFT), which proposes that people compare the information from multiple attributes and evaluate choices based on perceived values in this comparison (Berkowitsch, Scheibehenne & Rieskamp, (2014). One phenomenon which is relevant in this context is the decision rules used in this comparison. Anderson (1965) demonstrates that decision makers utilize an averaging rule when comparing two sets of information. In this framework, two extreme options are considered less extreme when combined with two moderate options (i.e., their perceived values are averaged). This is in contrast to the adding rule, where people add the perceived values of all attributes of an

option when combining relative value of two or more options. The focus of this study is to investigate whether people employ the adding vs. averaging rule when comparing job options.

In order to answer this question, the proposed study will ask participants (300 graduating seniors) to rate the desirability of two job options. The presented jobs will be created such that one job will include two very attractive attributes (e.g., a high salary and a comprehensive health insurance) whereas the second job will include one moderately desirable attribute (e.g., two days paid-time-off per year) in addition to the same two desirable attributes. We will measure and compare the perceived attractiveness of the job options across three groups. The first group will be presented both options (i.e., joint evaluation) and asked to rate the extent to which they find both jobs desirable. The second and third groups will be presented with one of the two jobs only (i.e., separate evaluation) and rate the extent to which they find it desirable. One-way ANOVA will be used to compare the extent to which each job is rated as attractive by the groups. The hypotheses are as follows:

Hypothesis 1: In a joint evaluation situation, an adding decision rule will be employed, leading to the job with three attributes being rated as more attractive than the other job.

Hypothesis 2: In a separate evaluation situation, an averaging decision rule will be employed, leading to the job with two attributes being rated as more attractive than the other job.

A review of available literature calls for more research on job choice predictors (Chapman, Uggerslev, Carroll, Piasentin, & Jones, 2005). Studies examining the most important content on job postings reveal an emphasis on competitive salary (Chapman et al., 2005), work-life balance characteristics (Cunningham, 2009), and culture and advancement opportunities (Boswell, Roehling, & LePine, 2003), to name a few. Using the results of this

study as a resource, employers can both capitalize on what they can offer potential employees and more thoroughly understand the way in which applicants make their decisions to apply.

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