DISSERTATION

RESTORING EMPLOYER IMAGE AFTER A CRISIS

Submitted by

Zachary J. Steiner

Department of Psychology

In partial fulfillment of the requirements

For the Degree of Doctor of Philosophy

Colorado State University

Fort Collins, Colorado

Summer 2012

Doctoral Committee:

Advisor: Zinta S. Byrne

Alyssa Gibbons Karla Gingerich Patrick Plaisance

ABSTRACT

RESTORING EMPLOYER IMAGE AFTER A CRISIS

Organizational image is a key predictor of employee recruitment variables, such as attraction to a company, intentions to pursue employment, and pursuit behavior. A company's image can suffer when faced with negative events or crisis. I applied image restoration theory from the crisis communication literature to explore the process by which a company's image can be restored post-crisis for job seekers. I also applied insights from research on the psychology of apologies to understand the mechanism by which a company's image changes in the context of image restoration. I employed a repeated measures 2 x 3 factorial experimental design. Time 1 information was either negative or neutral about a company. Time 2 information was one of two forms of image restoration (reduce offensiveness and corrective action) or neutral information about the same company. The study also examined a chain of recruitment outcomes from image to attraction, to intentions to pursue a job opportunity.

As predicted, results suggest that participants who initially viewed negative information had lower image ratings than those who viewed neutral information at time 1. Those who initially viewed negative information at time 1 showed improvements in image perceptions at time 2 in response to new information, as hypothesized. However, at time 2 there were no differences in participants who were exposed to the image restoration as compared to the neutral information,

contrary to predictions. Attraction fully mediated the relationship between image and intentions to purse a job opportunity, as hypothesized.

This study provided an initial test of image restoration theory in a recruitment context. Though there were no observed differences between the two types of image restoration and neutral information conditions, all three conditions showed improvements in image perceptions at time 2. Results of the study suggest that the mere absence of negative information may serve as an image recovery mechanism for job seekers; hence, actual efforts to construct the message to include image restoration content that will restore image after a crisis event may not be necessary.

TABLE OF CONTENTS

Introduction	1
Organizational Image	4
Overall Perceptions of Organization Image	4
Specialized Image Perceptions	6
Organizational Crisis	8
Negative Information in Recruitment Context	9
Drawing from Communications Literature on Crisis	12
Image Restoration: After the Crisis	14
Image Restoration Theory: Five Strategies	15
Findings on Image Restoration Theory	17
Towards Understanding Employer Image Restoration in Recruitment	19
Summary	23
The Current Study	23
Negative Information	24
Restoration: Ameliorating Negative Information	26
Restoration, But No Experience With Crisis	27
Image Restoration, Attraction	28
Method	32
Participants	32
Design and Procedure	33
Materials	

Measures	41
Dependent Variables	41
Individual Differences	45
Demographic Variables	47
Results	48
Behavior Model	50
Control Variables	50
Discussion	53
Strengths and Limitations	57
Study Contributions	61
Conclusion	63
References Error! Boo	okmark not defined.
	100
Appendix I: Stimulus Materials	100
Appendix I: Stimulus Materials Time 1 Negative Information	100
Appendix I: Stimulus Materials Time 1 Negative Information Time 1 Neutral Information	100 100 103
Appendix I: Stimulus Materials Time 1 Negative Information Time 1 Neutral Information Time 2 Neutral Information	100 100 103 104
Appendix I: Stimulus Materials Time 1 Negative Information Time 1 Neutral Information Time 2 Neutral Information Time 2 Reduce Offensiveness Image Restoration	
Appendix I: Stimulus Materials	
Appendix I: Stimulus Materials	

Instrumental Characteristics:	111
Organizational Attraction	111
Intentions to Apply	111
Source Credibility	112
Familiarity	112
Attribution of Responsibility	112
Jobs Site Question	113
Demographics and Experience	113
Occupation Preference	114

INTRODUCTION

Recruitment is an essential human resource function for organizations. Such activities influence which candidates are available for a company's selection system; the more qualified the applicants, the more efficient the selection system.

Recruitment efforts, therefore, focus on attracting a large number of high quality applicants who are expected to progress through a series of recruitment stages (Boudreau & Rynes, 1985; Collins & Han, 2004; Collins & Stevens, 2002). These stages include: 1) *generating applicants*, 2) *maintaining applicant status*, and 3) *influencing job choice* (Barber, 1998). In the first stage, recruiters narrow the applicant population to a group that will actually apply. In the second stage, the organization narrows the pool to just those it wants to hire. Actual selection takes place at the end of this recruitment stage. Finally, in the third stage, applicants decide whether to accept the job offer, while the organization tries to persuade their top choices to accept the offers. The focus of this study is on the first stage of recruitment: generating applicants.

During the generating applicants stage of recruitment, companies use a variety of information and sources of information (e.g., friends, word of mouth, news, job advertisements) to attract applicants. According to signaling theory (Rynes, 1991; Spence, 1973), companies convey who they are as an employer through recruitment sources (Celani & Singh, 2011; Collins & Stevens, 2002; Turban,

2001; Turban & Cable, 2003; Turban, Forret, & Hendrickson, 1998). Thus, applicants infer organizational characteristics from the information provided in recruitment, which in turn influences their attraction to the organization. A large amount of information signals more to job seekers than a small amount, reducing uncertainty about whether to apply or not. However, in the generating applicant stage of recruitment, job seekers typically have only a small amount of information (Rynes, 1991), and therefore tend to judge the attractiveness of a potential employer based on their perceptions of company image rather than on just the information from sources. Image refers to the collection of knowledge, beliefs, and feelings individuals have about a company (Tom, 1971)

Perceptions of a company's image are particularly influential on applicants attraction to an organization (Aiman-Smith, Bauer, & Cable, 2001; Cable & Turban, 2003; Lievens & Highhouse, 2003; Lievens, Van Hoye, & Schreurs, 2005; Tsai & Yang, 2010), and have been shown to lead to applicants' intentions to apply to the organization (Allen, Scotter, & Otondo, 2004; Chapman, Uggerslev, Carroll, Piasentin, & Jones, 2005). Intentions to apply lead to actual application efforts, known as pursuit behavior (Highhouse, Lievens, & Sinar, 2003; Jaidi, Van, & Arends, 2011). In the end, pursuit behaviors have been shown to lead to final job choice with an organization (Allen et al., 2004). Therefore, given its position in the first stage of recruitment, initial attraction is considered a critical outcome of recruitment efforts, and tends to be one of the most popular outcomes studied in the recruitment literature (Chapman et al., 2005).

Because image perceptions lead to attraction, they play a crucial role in the causal chain of recruitment to job choice. Company image can suffer, however, when companies are faced with negative events such as product recalls, employee strikes, difficult acquisitions, bankruptcy, insider trading, environmental disasters, extensive or continuous layoffs, and ethics scandals (Carney & Jorden, 1993). Sadly, such negative crisis events occur often and the consequential damage to an organization's image reduces its attractiveness to prospective applicants (Kanar, Collins, & Bell, 2008), impairing recruitment efforts. Early recruitment efforts leading to attraction are related to both applicant pool quantity and quality (Collins & Han, 2004). A large and qualified applicant pool increases the efficiency and utility of a company's selection system (Boudreau & Rynes, 1985). Thus, it is important for a company to restore its image among job seekers, if it is to remain competitive.

Recruitment research to date has examined sources of recruitment that are most effective at increasing attraction after a crisis, but has not focused attention on the specific *content* of those sources (Lievens & Chapman, 2009; Rynes & Cable, 2003). For example, research has demonstrated that word of mouth and media sources can influence attraction positively and negatively (Kanar, Collins, & Bell, 2010; Van Hoye & Lievens, 2005, 2007a); however, this work offers no theoretical or empirical insight into what content can restore image after a crisis.

The purpose of this study was to advance an understanding of how job seekers' image perceptions change in response to a company crisis, with a goal towards developing a theoretical model of image restoration. I draw from the communication literature, namely image restoration theory (Benoit, 1995, 1997),

and integrate principles of social psychology to propose a model for how image restoration can occur in the recruitment context (see Figure 1). The model is particularly relevant to the generating applicant stage of recruitment, where applicants rely on sources of information to form image perceptions that predict this attraction.

Organizational Image

Recruitment is a very broad area of research, and as such a comprehensive review of the literature is beyond the scope of this paper (for excellent reviews see Rynes & Cable, 2003; Dineen & Soltis, 2010). Instead, I focus my review of the literature on organizational image and its relation to attraction, as image is one of the most crucial components of generating applicants, the first stage of recruitment. Without image, prospective employees may not be attracted to the organization, and consequently, may not even apply for a job (Chapman et al., 2005).

Overall Perceptions of Organization Image

Overall perceptions of organization or employer image (hereafter called image or image perceptions) refer to the collection of knowledge, beliefs, and feelings individuals have about a company (Tom, 1971). This collection forms the basis of the overall evaluation individuals make about an organization; that is whether the company is a good employer (Leister & MacLachlan, 1975). Image influences applicants initial attraction to the organization (Aiman-Smith et al., 2001; Allen, Mahto, & Otondo, 2007; Chapman et al., 2005; Lievens & Highhouse, 2003; Lievens et al., 2005; Lyons, 2008; Tsai & Yang, 2010), and their subsequent intentions to apply for employment with that organization (Aiman-Smith et al.,

2001; Barber, 1998; Barber & Roehling, 1993; Belt & Paolillo, 1982; Cable & Turban, 2003; Chapman et al., 2005; Gatewood, Gowan, & Lautenschlager, 1993; Ryan, Horvath, & Kriska, 2005; Turban & Greening, 1997).

Companies tend to have larger and higher quality applicant pools when prospective applicants hold positive employer image perceptions, as these perceptions are related to applicants' beliefs that the company is a good place to work (Turban & Cable, 2003). Applicants' views of the organization as a favorable employer are related to their retention within the hiring process (Ryan, Sacco, McFarland, & Kriska, 2000). Thus, image perceptions are an important antecedent to the three stages of the recruitment process (i.e., generating applicants, maintaining applicant status, influencing job choices: Barber, 1998).

Organizational outcomes. Though the focus on organizational image in this study is in the recruitment process, overall image perceptions are also related to a number of company-level outcomes, making organizational image a construct of worthy interest to organizational leaders and scholars alike. For instance, image has been shown to predict the overall economic performance of companies (Chang, 2009; Smith, Smith, & Wang, 2010). Specifically, Chang (2009) found that image was positively and moderately correlated with financial data (r = .36) in a sample of technology companies in Taiwan. Likewise, Smith and colleagues (2010) found that organizations with above average image perceptions (i.e., on *Fortune's* Most Admired Companies list) had significantly higher market values than companies with average or below average image perceptions. Companies with above average image perceptions have also demonstrated above average performance in the stock

market (Anderson & Smith, 2006). Lastly, stakeholders (e.g., customers and investors) tend to disengage from their relationship with a company that has incurred a negative image, such as the stigma that comes from filing for bankruptcy (Sutton & Callahan, 1987).

Image versus reputation. Organizational image is often confused or conflated with the related construct of reputation. Reputation refers to a collective judgment of an organization based on assessment of its financial, social, and environmental impact (Barnett, Jermier, & Lafferty, 2006). In contrast, image is a specific perception of an organization held by an individual, whereas reputation is the broad result derived from multiple images shared by all constituents of an organization (Barnett et al., 2006; Fombrun & Van Riel, 1997; Highhouse, Brooks, & Greguras, 2009). Furthermore, an organization has a single reputation, but can have multiple specific images (Highhouse et al., 2009; Treadwell & Harrison, 1994). That is, individuals can hold different types of image perceptions, as a result of their relationship or interest in the organization. For instance, investors will have different image perceptions than do job seekers or current employees.

Specialized Image Perceptions

Organizational image has been delineated into several specialized perceptions regarding an organization. Different organizational constituents hold one or more of four separate image perceptions: market image, financial image, corporate social responsibility (CSR) image, and employer image (Highhouse et al., 2009). These images are best understood when described in the context of an actual company example. Here I use as an example Apple Incorporated, a computer and

consumer electronics company. *Market image* refers to perceptions of the organization's goods and/or services. For example, Apple Inc. is well regarded by consumers for its products (e.g., iPhone, iPad, iPod, Mac computers) and its customer service (Stone, 2009), and thus has a positive market image. *Financial image* refers to perceptions of the organization as an investment opportunity. Indicators of Apple Inc.'s financial image include its high stock price and attractiveness to large investors (Dealbook, 2011). *CSR image* refers to perceptions of the organization as a responsible corporate citizen. Apple Inc. holds a positive CSR image as indicated by its charitable contributions (Caulfield, 2011) and positive environmental track record (Foresman, 2011). Finally, *employer image* refers to perceptions of the organization as a place to work. Indications of Apple Inc.'s employer image can be found by noting their top ranking on a list of best companies for whom to work (Fusfeld, 2010).

Employer image is most relevant in a recruitment context and has been shown to predict recruitment outcomes better than overall image perceptions (Gatewood et al., 1993). In support, Gatewood et al. (1993) found that job seekers do indeed have distinct images for the same company: one overall image and a separate employer image. The two images were related in the study (r = .44), but the image of a company as an employer better predicted recruitment outcomes such as likelihood to respond to a job advertisement, than did overall image. Thus, employer image is the focus of the current study.

Organizational Crisis

Regardless of the impact on the public and the company, all crises are considered a threat to the viability of a company (Simola, 2005). Though high profile corporate crises, such as the *British Petroleum* (BP) oil spill in the Gulf of Mexico (Werdigier, 2011), are more damaging to the company reputation and financial performance than low profile cases, all crises are damaging to image perceptions.

High profile crises are those that become so widely known, that the mere mention of the company name or company leaders engenders dislike and negativity. For example, news of *Enron's* accounting fraud (Eichenwald & Henriques, 2002) became so widespread that Kenneth Lay, the CEO, remarked that his name became synonymous with "scandal" (Leung, 2009). Ultimately, as a result of its crisis, *Enron* filed for bankruptcy and is no longer in business. Ten years later, Enron continues to be subject of popular press and scholarly articles focusing on high profile crises (e.g., Eaglesham, 2011; Glover, 2011; Mouton, Just, & Gabrielsen, 2012; Stein & Pinto, 2011).

Low profile crises, which are not as widely reported, like *BP's* Gulf oil spill, and do not put the company out of business, like *Enron*, can still be quite damaging. For example, *Monsanto*, a prominent agricultural business, was recently under investigation by the United States Security, and Exchange Commission and Justice Department, over anti-trust concerns (Neuman, 2010; Reuters, 2011). The investigations into *Monsanto* cast doubt on its financial future, negatively affecting stock price and shareholder value. Similarly, *Johnson & Johnson* had safety and quality control issues with a number of products, ultimately forcing recalls that hurt

its reputation and profits (Associated Press, 2011; Singer, 2011). Namely, *Johnson & Johnson's* damaged reputation impacted consumer confidence in its brands, which in turn influenced buying behavior (Laroche, Kim, & Zhou, 1996). As such, the company suffered a 12% decrease in profit attributed to the recalls.

Neither *Monsanto's* or *Johnson & Johnson's* crises received the extensive media coverage of *Enron's* fraud or *BP's* oil spill, nor were their crises as damaging to the companies and their shareholders as *Enron's* or *BP's* crises were to them.

Nevertheless, *Monsanto* and *Johnson & Johnson's* respective crises damaged their organizational images. Thus, regardless of size, crises present a specific challenge in the recruitment process because of the negative company information that finds its way into the media.

Negative Information in Recruitment Context

Considering that image influences initial attraction to employers, companies must acknowledge the impact of a crisis on potential future employees. Negative information about a company, such as during a crisis, can damage its image among job seekers in the recruitment context. When job seekers view negative information (e.g., news articles or communication with friends or colleagues) about a company, they develop negative image perceptions and low attraction (Kanar et al., 2010; Van Hoye & Lievens, 2005, 2007b, 2009).

Job seekers' image perceptions change in response to varying sources of information (Barber, 1998; Kanar et al., 2008; Rynes & Cable, 2003). Public relations, word of mouth, and media exposure are among the main sources of information that job seekers use to decide between employers. Research has shown

that when word of mouth and media exposure are negative, job seekers' attraction to the organization is low (Kanar et al., 2010; Van Hoye & Lievens, 2005; Van Hoye & Lievens, 2007b, 2009). In a recent study, Kanar et al. (2010) experimentally manipulated word of mouth and media coverage about a fictitious company. The negative word of mouth was an email message from a peer who formerly worked at the company, and the media coverage was a news article. Both the email and the news article highlighted negative characteristics of the company as an employer. The researchers found that negative information, either word of mouth or from a news article, had a greater impact on attraction than did positive information. Similarly, Van Hoye and Lievens (2005) also manipulated media coverage in the form of a negative news article that shared a fictitious company's recent layoffs. These authors also found that negative publicity adversely affected attraction, but that positive information (from either word of mouth or job advertisement) presented later, appeared to improve attraction. In a follow-up, Van Hoye and Lievens (2007b) examined negative word of mouth information in the form of a videotaped conversation in which a graduate student asked an industrial/organizational psychologist questions about a fictitious company, with the focus on that company as an employer. Consistent with previous work, the authors found that negative word of mouth reduced attraction to the company, but that the effect was partially mediated by the perceived credibility of the word of mouth source (the video taped conversation). Finally, in their most recent paper, Van Hoye and Lievens (2009) measured exposure to negative information about an organization that actual job seekers encountered. They found that positive word of

mouth was more predictive of attraction than negative word of mouth. Overall, these studies suggest that though negative information can lower attraction, the introduction of positive information (either via word of mouth or official communication from the company, such as a job advertisement) can subsequently increase attraction to a company. These findings are consistent with previous studies suggesting that when a company's media exposure is positive, image perceptions tend to be positive amongst job seekers (Collins & Stevens, 2002).

Though previous recruitment research has demonstrated that word of mouth and media exposure can positively and negatively influence image and attraction perceptions for job seekers (Kanar et al., 2010; Van Hoye, 2008; Van Hoye & Lievens, 2005, 2007b, 2009), no research to date has explored the specific *content* of those sources – the actual messages they contain, nor studied them in a restoration context. The focus of prior research has been on examining the source (e.g., word of mouth, news, job advertisement, web) and the valence of the information (i.e., positive or negative). The field needs to disentangle the source of recruitment from what the source actually says about the job and the company (Lievens & Chapman, 2009). Knowledge about content can help researchers provide recommendations to companies as to what they should say to manage a crisis situation, in addition to how to say the message or from which source it should come.

The recruitment research to date has demonstrated that image perceptions can change and has provided recommendations regarding which sources of information a company can use to improve image perceptions of job seekers (Kanar et al., 2010; Van Hoye & Lievens, 2005). However, the underlying mechanism of why

image perceptions change, and therefore the strategies that are most successful at restoring a company's employment image after a crisis, remains a gap in the literature. It is still unclear how a company should respond in the recruitment context to most effectively manage a crisis situation. Without addressing this critical issue, highly desirable applicants may go elsewhere during a crisis, considering that positive image is related to a high quality applicant pool (Turban & Cable, 2003) and positive views of an organization as an employer are related to their retention within the hiring process (Ryan et al., 2000).

In sum, there are three main gaps in the literature on image in the recruitment context. First, research has not established what is the best content for image perception restoration; that is, what companies should say to job seekers after a crisis. Second, researchers have yet to uncover the mechanism for why image perceptions change. Third, research has yet to establish which image restoration strategies are most effective to keep recruits in the recruitment process. The following study addresses each of these gaps in the literature.

Drawing from Communications Literature on Crisis

Organizational communications theory applied to image restoration may provide a starting point for understanding how a company can manage its image in the wake of a crisis. A variety of corporate crises have been examined in the crisis communications research, including product recalls (Dardis & Haigh, 2009; Haigh & Brubaker, 2010; Worawongs, 2009), accusations of racism (Coombs & Schmidt, 2000) or sexual assault (Holtzhausen & Roberts, 2009), layoffs (Flanagan & O'Shaughnessy, 2005), airline crashes (Benoit & Czerwinski, 1997), and false

advertising (Jaques, 2008). Among the most common types of crises are product recalls, employee strikes, acquisitions, bankruptcy, insider trading, environmental problems, layoffs, and ethics scandals (Carney & Jorden, 1993; Kline, Simunich, & Weber, 2009). Thus, a rich literature has explored the techniques companies use to respond to crisis situations and improve their image—in particular, market image, financial image, and CSR image (e.g., Benoit, 1995; Benoit & Brinson, 1999; Benoit & Czerwinski, 1997; Coombs & Schmidt, 2000; Coombs, 1998; Eweje & Wu, 2010; Fink, 1967; Fink, Beak, & Taddeo, 1971; Holtzhausen & Roberts, 2009; Jaques, 2008; Kline et al., 2009; Legg, 2009; Len-Rios & Benoit, 2004; Marconi, 1997; Schwartz, 2000; Sellnow, Ulmer, & Snider, 1998; Simola, 2005; Stromback & Nord, 2006; Williams & Olaniran, 2002; Worawongs, 2009). No research to date has examined the influence of crisis on employer image.

Generally, most of the previous research examining crisis communication has been in the form of case studies, limiting the generalizability of the results and the ability to compare strategies against one another (Benoit & Brinson, 1999; Benoit & Czerwinski, 1997; Holtzhausen & Roberts, 2009; Jaques, 2008; Legg, 2009; Len-Rios & Benoit, 2004; Sellnow et al., 1998; Stromback & Nord, 2006; Williams & Olaniran, 2002; Worawongs, 2009). A recent review confirmed as much where only two studies reviewed were experimental, whereas over 30 studies were case studies or rhetorical analyses (Avery, Lariscy, Kim, & Hocke, 2010). The value in this literature on image restoration is in the form of descriptive case studies or rhetorical analyses of public relations communications that companies have actually offered in response to crises. Thus, the focus has been on what strategies companies actually

use to deal with crisis. Theoretical work (Benoit, 1995, 1997; Coombs, 1998) grew from these studies of crisis response, providing a framework to guide analysis of crisis management situations. In particular, Benoit's (1995, 1997) image restoration theory emerged as the most influential perspective in the crisis management literature on how to manage organization image (Avery et al., 2010). However, to date, image restoration theory has not been integrated within psychological theory or research, nor applied to employer image specifically. When applied to the recruitment context, image restoration theory provides a useful perspective for understanding the process of employer image change and formation for job seekers after a crisis. Therefore, I propose an integration of image restoration theory with psychological theory that will advance recruitment research.

Image Restoration: After the Crisis

Based on actual company responses, Benoit (1995, 1997) developed a typology of how companies respond to crisis situations to explain how damage to a company's image has been prevented or restored. He discussed five general approaches that companies have employed to restore their image in the wake of a crisis: 1) denial, 2) evade responsibility, 3) reduce offensiveness, 4) mortification, and 5) corrective action. Benoit's framework is descriptive, not prescriptive, in that he does not provide an explanation or evidence for which strategy is most successful at restoring image. Subsequently, researchers, including Benoit himself, have called this typology a theory and have applied it as such (Avery et al., 2010; Coombs & Schmidt, 2000; Dardis & Haigh, 2009; Haigh & Brubaker, 2010; Harlow, Brantley, &

Harlow, 2011). Therefore, for consistency with previous research, I will refer to his typology as image restoration theory.

Image Restoration Theory: Five Strategies

Each general approach in the image restoration theory subsumes one or more specific strategies, which are reviewed below. *BP's* response to the Deepwater Horizon oil spill in the Gulf of Mexico in April, 2010, provides a recent example of how an actual company employed many of Benoit's (1995, 1997) image restoration strategies to manage a crisis situation.

Denial. The first strategy for image restoration is denial, which includes two specific tactics. The first is a *simple denial*, claiming that the negative event did not happen. The other is to *shift the blame* for the negative event to someone other than the company or entity, such as a competitor or government agency. After the Deepwater Horizon oil spill, representatives of *BP* initially denied the severity of the spill as news broke and the details were still unclear. A spokesperson speculated that the pollution from the spill was to be minimal, but had potential to be worse (Robertson, 2010). *BP* also attempted to shift the blame to another company involved in the spill (Harlow et al., 2011), while denying responsibility.

Evade responsibility. The second strategy is to evade responsibility, which comes in four different forms. The first is to cast the event as a reasonable *response* to another's provocation. A company may also use *defeasibility*, which is a claim of insufficient information or lack of control over the situation. Companies also report that the negative event occurred by *accident*. Finally, a company can evade responsibility by asserting that it had *good intentions*. For example, *BP* created a

website about the spill and recovery efforts, which cast the Deepwater Horizon spill as an accident (British Petroleum, 2011). Early comments from spokespeople maintained a lack of information (defeasibility) and emphasized that another company operated the rig (Robertson, 2010).

Reduce offensiveness. Reducing the offensiveness of a situation includes six specific tactics. First, a company can bolster positive feelings by emphasizing positive *qualities* of the company or past positive acts. A company may also seek to minimize negative feelings about the crisis by *downplaying the severity* of the situation. Companies can seek to differentiate themselves from other similar but more offensive actions, casting the current crisis as not as serious as other previous situations. Another technique is *transcendence*, or placing the act in a more favorable context, thereby emphasizing that the good outweighs the bad in the company's actions. A company may also attack accusers such as competitors, government agencies, or the media. Finally, companies can reduce offensiveness by offering compensation to victims of the crisis. In BP's case, even its initial press releases show the company offering compensation to victims (Harlow et al., 2011). Consistent with this approach, BP's spill recovery website (British Petroleum, 2011) provided an area for victims of the spill to file claims for compensation. The site also offered a section on environmental and economic restoration efforts, which demonstrates emphasizing the positive qualities of BP.

Mortification. Mortification is a simple confession and apology. It entails the company *confessing to wrongdoing* and then *begging forgiveness*, but not offering corrective action or compensation to victims. *BP's* chief executive officer, Tony

Hayward, appeared in a television commercial to demonstrate BP's mortification, in which he confessed BP's responsibility for the spill and apologized to those harmed by the spill.

Corrective action. Corrective action includes two forms. First, the company can *promise to correct the problem*, such as taking steps to return to its state before the crisis. Second, the company can *promise to prevent reoccurrence*, such as taking steps to prevent a future crisis. For instance, in response to the oil spill, *BP's* recovery website included prominent sections highlighting corrective action.

Specifically, the site included a section entitled "How BP is changing" (British Petroleum, 2011) that discusses re-earning public trust and returning to the company's previous safety track record.

Findings on Image Restoration Theory

Coombs (1998) initially expanded on Benoit's framework by plotting crisis response strategies onto a continuum from *accommodative* to *defensive*, in an effort to provide prescriptive differentiation between strategies. According to Coombs (1995), crises are events that generate causal attributions. He aligned the strategies on a continuum based on the amount of responsibility the organization takes for the crisis. The effectiveness of the strategy depends on the attributions perceivers make as to the degree to which the organization had control over the crisis event.

Accommodative strategies acknowledge fault for the crisis and accept the most responsibility for the crisis situation. Defensive strategies deflect responsibility. Hence, mortification and corrective action are at the accommodative end of the continuum, and denial and reduce offensiveness lie at the defensive end of the

continuum. His initial findings demonstrated that accepting responsibility for a crisis was positively related to organization image (Coombs, 1998), suggesting that accommodative strategies may be superior to defensive strategies for restoring image in a crisis situation.

In a follow-up study, Coombs and Schmidt (2000) compared four of Benoit's strategies in response to a crisis and added a fifth strategy called separation. In their vignette study, they presented participants with one of five scenarios about accusations of racism at *Texaco Oil Company*, and the company's response. The image restoration strategy, manipulated as part of Texaco's response, was one of corrective action, bolstering (emphasizing positive qualities of the company form reduce offensiveness), shifting blame, or mortification. The fifth scenario was separation, which claimed that a small, bad part of *Texaco* was responsible for the racism. Results showed no significant differences between strategies; the strategies seemed to be interchangeable, equally positive in restoring image, therefore offering little support for Coombs' (1998) initial work.

Building on this line of work, Dardis and Haigh (2009) experimentally tested image restoration's effect on reputation after a product recall at a fictitious company. They manipulated a news story to contain each of Benoit's (1995, 1997) five strategies. They found that reduce offensiveness resulted in the highest reputation rating, suggesting that it was the best image restoration strategy. Though Dardis and Haigh labeled their dependent variable reputation, their measurement was at the individual perception level, which is more consistent with market image than reputation. In a follow-up study, Haigh and Brubaker (2010) examined the five

image restoration strategies for an actual company undergoing a similar product recall. In this study, they focused specifically on CSR image, finding again that reduce offensiveness resulted in the highest ratings of CSR image after the recall. In both studies (Dardis & Haigh, 2009; Haigh & Brubaker, 2010), the mean ratings for image and reputation were significantly lower when participants read a corrective action strategy than when they read a reduce offensiveness strategy of image restoration. However, the practical significance of the combined findings is debatable, as the mean for image and reputation using corrective action strategy was only a few tenths of a point lower on a 5-point scale than the means for image and reputation using the reduce offensiveness strategy.

Though Coombs proposed that accommodative, responsibility-taking strategies (e.g., mortification, corrective action) should result in higher image restoration than defensive actions (e.g., denial, reduce offensiveness) that acknowledge the least amount of responsibility for the crisis, empirical findings have demonstrated mixed results, with most recent experiments (e.g., Dardis & Haigh, 2009; Haigh & Brubaker, 2010) suggesting that defensive strategies may be best for restoring CSR and market image. To date, although image restoration theory offers an initial framework for actions taken by organizations to restore CSR and market image after a crisis, the theory is still without a clear underlying explanation or mechanism for how employer image restoration works.

Towards Understanding Employer Image Restoration in Recruitment

All constituents of an organization draw upon similar general information, yet they form specific images based on their goals (Elsbach, 2006; Highhouse et al.,

2009). That is, job seekers form their image perceptions based on information specific to their goals of finding employment, rather than goals for investment or buying a product. As such, employer image is distinct from other image perceptions. Employer image has been shown to be highly influential in a recruitment context. Therefore, research into how image restoration operates for this particular image perception is necessary for preserving recruitment during and after corporate crises.

Social psychology of apologies. Research on interpersonal apologies and forgiveness after transgressions provides a psychological perspective on the process of image restoration that may provide guidance for how employer image is restored using some of Benoit's (1995, 1997) strategies. Specifically, interpersonal transgressions, such as revealing a secret or telling a lie, may be considered similar to crisis situations where employer image is damaged. That is, in both transgressions and crises, the transgressor (an individual or a company) must restore his or her image in the eyes of an audience (interpersonal relation or organizational constituent, such as job seekers). People apologize to maintain their favorable relationship and to restore the positive evaluations (e.g., liking) that others have of them (Schlenker & Darby, 1981). As such, interpersonal apologies act analogously to image restoration by repairing image damage and potentially increasing likability (or attraction).

Researchers studying forgiveness (Fehr & Gelfand, 2010) found two components of an effective apology that appear to map onto the reduce offensiveness restoration strategy: compensation for the victim and showing

empathy. Compensation for the victim is one of the strategies subsumed under reduce offensiveness. Another reduce offensiveness strategy, bolstering positive feeling about the company, can be seen as an attempt to increase empathy for the company. Empathy has been conceptualized as vicarious experience of another's emotion or an emotional state of increased compassion, tenderness, and sympathy for another (Coke, Batson, & McDavis, 1978; Davis, 1983; McCullough, 2001). When empathy is present, apologies are particularly effective at eliciting forgiveness (analogous to image restoration). Apologies are effective because they increase empathy for the transgressor (McCullough, Worthington, & Rachal, 1997; McCullough et al., 1998), demonstrating concern for the victim and restoring relational balance (Fehr & Gelfand, 2010).

Research has also demonstrated support for a corrective action strategy in the apology/forgiveness literature. Specifically, Holtgraves (1989) found that a full-blown apology yielded the most satisfaction from those receiving the apology. According to Holtgraves, a full-blown apology includes "It was a terrible thing to do and I'm very sorry. It won't happen again. Please forgive me. Is there anything I can do make it up to you?" (p. 11). The full-blown apology is similar to Benoit's (1995, 1997) corrective action strategy in that it acknowledges the problem, promises the problem will not happen again, and then seeks action to fix the problem. Apologies are more likely to lead to forgiveness when the transgressor offers cancellation of the consequences of the transgression, including returning to a state prior to the transgression (Girard & Mullet, 1997). Such actions are consistent with Benoit's (1995, 1997) corrective action restoration strategy. In the language of Coombs

(1998), a full apology (or Benoit's corrective action) accepts the most responsibility for the crisis.

Accepting responsibility. A company's acceptance of responsibility may improve image perceptions because of similar psychological mechanisms that drive interpersonal forgiveness. Apologies promote forgiveness because they reduce negative affect directed toward the transgressor (Ohbuchi, Kameda, & Agarie, 1989; McCullough & Witvliet, 2002). As with an interpersonal transgression, accepting responsibility may reduce negative affect directed at the company (Coombs, 2007b). Reduce negative affect may in turn increase empathy for the company, which is related to interpersonal forgiveness (Fehr, Gelfand, & Nag, 2010; Fehr & Gelfand, 2010; Konstam, Holmes, & Levine, 2003; McCullough et al., 1997; McCullough et al., 1998).

Attribution of responsibility is essential to understanding a transgression (Goffman, 1971). Weiner (1995) outlined three conditions for attributing responsibility: internal locus of control, controllability, and inference of responsibility. *Internal locus of control* is the extent to which the transgression was due to a disposition of the transgressor, as opposed to a situational cause. The relative contribution of the individual and environment is a key determinant in attributions of responsibility for behavior (Heider, 1958; Shaw & Sulzer, 1964). *Controllability* is the extent to which the transgressor has control over events. Finally, *inference of responsibility* is the extent to which the transgressor is perceived to actually responsible for the transgression. Attribution of the transgressor's

responsibility influences a person's willingness to forgive (Weiner, Graham, Peter, & Zmuidinas, 1991).

Situational crisis communication theory (SCCT; Coombs & Holladay, 2002; Coombs, 2006; Coombs, 2007a; Coombs, 2007b), an application of Weiner's (1995) attribution theory to organizational crisis, proposes that a company's responsibility for a crisis negatively influences perceptions of the company. Hence, the greater responsibility a company has for a crisis the more negative the impact the crisis will have on the company's image. For a company, accepting responsibility is also related to positive perceptions of the company's integrity (Ferrin, Kim, Cooper, & Dirks, 2007).

Summary

This accumulated work examining apologies, therefore, suggests that both reduce offensiveness and correction action strategies of crisis management should be effective at restoring employer image perceptions because both strategies increase empathy and likeability of the transgressor, in this case the organization, and accept appropriate responsibility for any intended harm.

The Current Study

The current study advances the recruitment literature by integrating

Highhouse et al.'s (2009) conceptual model of specific image types, Benoit's image
restoration theory (1995, 1997) from the crisis management literature, and
research in social psychology on apologies to explain how employer image changes
for job seekers in response to negative information created by an organizational
crisis. By integrating these three literatures, I propose an explanation for why and

how image perceptions change, which strategies may be the most effective for image restoration after an organizational crisis, and provide a framework for what content the image restoration should contain. Thus, the current study addresses the previously discussed gaps in the recruitment literature.

The specific type of image relevant to generating applications in the first stage of recruitment is employer image, and therefore is the focus of this study. Furthermore, specific research on the social psychology of apologies suggests that reduce offensiveness and corrective action are most effective at restoring image for retaining and enhancing likability, and therefore, I focus on these strategies in this first examination of image restoration in recruitment contexts.

In the following sections, I explain the proposed model (see Figure 1) for employer image restoration by walking through each path of the model (after a crisis that can damage employer image).

Negative Information

Negative information influences job seekers early in the job search process because job seekers at that point only possess limited information about a company. Research has shown that amongst job seekers negative information results in more negative image perceptions and subsequent reductions in company attractiveness than does positive information result in attractiveness (Kanar et al., 2008; Kanar et al., 2010; Van Hoye & Lievens, 2005, 2007b, 2009).

A possible explanation for these findings may be derived from social psychology. Specifically, social psychological theory and research suggest that negative information tends have a stronger impact on attitudes than does positive

or neutral information (Baumeister, Bratslavsky, Finkenauer, & Vohs, 2001; Rozin & Royzman, 2001). Rozin and Royzman (2001) outlined three features of negative information and events that are particularly germane to the recruitment context. First, negative events are more potent than positive events because of their potential threat. Applied to recruitment, negative information may be threatening because it cues the potential for an unpleasant work environment. Second, negative events tend to develop more rapidly and require a faster response than positive events (Rozin & Royzman, 2001). In recruitment, negative news is disseminated as it happens, but positive publicity tends to be slower to reach job seekers. For instance, Fortune's list of most admired companies, which promotes positive company publicity, is produced only once a year. Third, negative information requires a more sophisticated appraisal than positive information because negative information leads to a more varied set of response options (e.g., approach, freezing, withdrawal; Rozin & Royzman, 2001) than does positive information. Hence, when applied to the recruitment context, negative information elicits responses such as whether to apply, seek more information, or not pursue any more information about a company, as opposed to positive information that might elicit simple response such as "apply". The potency of negative information, speed of development, and the more sophisticated appraisal, therefore, may all contribute to a high impact of negative recruitment information's on job seeker attraction, explaining previous findings for negative messaging in recruitment research (e.g., Kanar et al., 2010).

According to signaling theory (Rynes, 1991; Spence, 1973), job seekers rely upon general impressions such as image to judge company attractiveness.

Furthermore, despite the presence of positive or negative information, job seekers also view information that has no valence (neutral) when learning about a potential employer. As such, reactions to neutral information can serve as a baseline comparison for reactions to negative information (see level 2, Figure 1). Based on the potential threat associated with and additional scrutiny given to negative information, it is hypothesized that previous research findings will be supported in that:

Hypothesis 1: Initial image ratings, before image restoration, will be lower for negative company information than for neutral company information (see level 3, Figure 1).

Restoration: Ameliorating Negative Information

Image restoration theory (Benoit, 1995, 1997) and its supportive research (e.g., Coombs & Schmidt, 2000; Dardis & Haigh, 2009; Haigh & Brubaker, 2010) suggest that image restoration information can positively influence image perceptions after a crisis situation. As such, image restoration can ameliorate the effect of negative information on image perceptions. However, the theory fails to offer clear explanation for which strategy will function best for restoring employer image in a recruitment context. As noted previously, research in social psychology on transgressions and apologies shows that reduce offensiveness and corrective action function to increase empathy and likeability. A combination of interpersonal transgressions and crisis management suggests that reduce offensiveness and/or corrective action should function as effective strategies for employer image repair.

Therefore, based on this integrated research, it is expected that employer image will be higher after image restoration actions than before:

Hypothesis 2: Image ratings will be higher after image restoration than before, for those exposed to negative publicity before image restoration.

Because past theoretical or empirical work is unclear as to which of the two image restoration strategies should be most effective, I propose the following research question:

Research Question: Will image perceptions after a reduce offensiveness strategy of image restoration be different from image perceptions after exposure to a corrective action strategy of image restoration?

Restoration, But No Experience With Crisis

To date, image restoration theory only discusses cases where stakeholders are aware of the negative crisis prior to restoration communication. However, it is unclear the effect on image perceptions when a job seeker is not aware of the crisis, yet is exposed to image restoration. The result is an organization attempting to manage a crisis for an audience that is unaware of the crisis. When employing the reduce offensiveness or corrective action strategies, a company has to acknowledge prior negative actions to cast the organization in a more positive light, provide compensation to victims, or promise that the action will not happen again. Given that people find negative phenomena more salient than positive (Baumeister et al., 2001; Rozin & Royzman, 2001) and an image restoration necessitates a discussion of negative information about the crisis, job seekers will attend to the negative information in the restoration, giving it substantial weight. Further, signaling theory

(Rynes, 1991; Spence, 1973) predicts that viewing negative information at this stage in recruitment should cue negative attributes about the company, thus reducing attraction to the company. In particular, the negative content of the image restoration should have greater potency and complexity than the restoration content, thus making it salient to participants (Rozin & Royzman, 2001), and eliciting more scrutiny of the company. Job seekers who initially know nothing of the crisis, but are exposed to details of a crisis as part of image restoration, will likely have more negative image perceptions than if they had seen no image restoration (see level 4 and 5, Figure 1). Thus, it is predicted that:

Hypothesis 3: Image ratings after viewing a restoration attempt will be lower than image perceptions ratings prior to image restoration, for those who are not initially exposed to negative company information (i.e., crisis information).

Image Restoration, Attraction

Image is a key antecedent of organizational attraction (Allen et al., 2004; Chapman et al., 2005; Lyons & Marler, 2011), but it is also a distal predictor of behavioral outcomes of recruitment. Specifically, image perceptions in the recruitment context are related to positive perceptions of job attributes (e.g., promotion opportunity, future earning potential, etc.) and job pursuit intentions (Cable & Turban, 2003). Additionally, researchers have found a negative relationship between employer image and minimum required salary (Cable & Turban, 2003). The implications of these findings are that job seekers may be willing to accept a lower salary to work at a company with a positive image.

Considering the influence of image on initial attraction to a company, the effect of image restoration on attraction and recruitment intentions should be examined.

Attraction, though a popular recruitment outcome, is an attitude that generally does not directly predict behavior well (Ajzen & Fishbein, 1977; Wicker, 1969). Thus, to predict behavioral recruitment outcomes, researchers need to assess intentions towards specific recruitment behaviors (such as pursuit behaviors), in addition to attitudes. Hence, in a recruitment context, attraction, intentions to pursue, and actual pursuit behaviors should be examined as a chain of recruitment outcomes (Highhouse et al., 2003; see levels 6 - 8, Figure 1). Measuring attitudinal, intentional, and behavioral variables is consistent with the theory of planned behavior (Ajzen, 1991; Ajzen & Fishbein, 1977). The theory of planned behavior states that attitudes are only one predictor of behavior and that intentions mediate the relationship between attitudes and behavior. Subjective norms and perceived behavioral control are also antecedents of behavior in Ajzen and Fishbein's theory, though the theory does not specify that all three predictors must always be present or incorporated in research models. Moreover, subjective norms, what others' think of the applicant applying for the job, and behavioral control, the applicant's self-efficacy beliefs that he or she has the ability to apply for the job, are particularly relevant in the later stages of recruitment when job choice is the key outcome (Barber, 1998), and applicants are beyond the initial attraction stage. For a parsimonious model and to remain consistent with the goal of focusing on generating applicants, the focus in this study is on attitudes and intentions, excluding subjective norms and behavioral control from my proposed model.

Prior research supports the application of the theory of planned of behavior in the recruitment context. For example, research has shown that intentions to pursue a job with a company mediates the relationship between attraction and job choice (Allen et al., 2004; Chapman et al., 2005). Though job choice is a behavior more closely associated with the later stages of recruitment and selection, these studies demonstrated that intentions to pursue mediated the relationship between attraction and behavior outcomes of interest in recruitment literature. Additionally, Jaidi and colleagues (2011), using the theory of planned behavior to derive their hypotheses, found that attraction predicted modified pursuit goals through its relationship with intentions to pursue. Together the results demonstrate the applicability for the theory of planned behavior in recruitment.

I argued previously that when exposed to a crisis (negative company information) without image restoration (see level 4, Figure 1), employer image perceptions should be low. Considering that image predicts attraction, I expect that in this case, attraction ratings should be low. Therefore, consistent with prior recruitment studies, applicants are less likely to pursue employment. However, image restoration theory suggests that the application of restoration strategies should improve image after a crisis and several studies support these suppositions. Furthermore, recruitment literature provides ample evidence that positive image perceptions are related to attraction, which should in turn indirectly (via the theory of planned behavior) predict pursuit behaviors (see Figure 1). Specifically, drawing from the theory of planned behavior (Ajzen, 1991; Ajzen & Fishbein, 1977) and previous models of recruitment where image predicts attraction, and attraction

leads to intentions followed by behavioral outcomes (e.g., Allen et al., 2004; Chapman et al., 2005; Jaidi et al., 2011), I propose an application of image restoration theory in influencing recruitment intentions. In particular, I hypothesize that after image restoration (level 4, Figure 1), image will positively predict attraction (level 5 - 6, Figure 1), which will in turn predict intentions to pursue (level 7 - 8, Figure 1). In the absence of image restoration, image perceptions will remain negative, and thus attraction will be low, which will in turn predict intentions to not apply.

Hypothesis 4: Positive image perceptions after image restoration will predict high attraction.

Hypothesis 5: Negative image perceptions after no image restoration will predict low attraction.

Hypothesis 6: Attraction will predict intentions to apply.

Hypothesis 7: Attraction will mediate the relationship between image and intentions to apply.

METHOD

Participants

Participants were recruited through the psychology department subject pool, and received course credit for participating in research studies. Though approximately 200 participants completed surveys, only 114 had matching time 1 and time 2 surveys. Participants were on average 19.42 years old (SD = 1.72 years) and 68% female. The majority of the participants (60%) were not employed at the time of the study. Of the participants currently employed, 30% were working part-time, 9% were employed in a temporary setting, and 1% were employed full-time. Those who were employed had an average job tenure of 13 months (SD = 15.37). Though a majority of participants were not working, 44% of participants were actively seeking a job at the time of the study.

Some researchers automatically criticize the use of undergraduates in research. An undergraduate sample, however, is consistent with previous recruitment research, as college students are a popular recruitment audience for organizations and may have more malleable employer image perceptions than those who have been in the workforce sometime (Barber, 1998). This malleability may be due to how college students largely base image perceptions on familiarity (Gatewood et al., 1993). Companies can overcome unfamiliarity when recruiting college students through the use of high involvement recruitment (e.g., detailed

recruitment literature, presence at career fairs, and contact with current employee) and corporate advertising (Collins & Han, 2004). For this reason, companies devote considerable marketing energy to cultivating positive image perceptions among college students (Yeager, 1991). Finally, college students are a good audience for this study because they do not follow the news as closely as working adults do (Jarvis, Stroud, & Gilliland, 2009; Mindich, 2005); hence, they likely do not have as much background on the particular crisis that is the focus of this study as might working adults.

Design and Procedure

To test exposure to the target company for the proposed study, I conducted a pilot study with 227 students (different from the study sample) to examine college student exposure to news about technology companies. Pilot study participants had on average read one article about Hewlett-Packard (HP), the study's target company, in the past three months. Though participants read more news about HP than comparison companies Cisco Systems, Oracle, and Research in Motion, they read less news about HP than about Apple, Inc.. Participants read similar amounts of news related to Samsung and Dell as they did about HP. Finally, participants had read on average several articles about Apple, but this was due to a high profile product launch and the death of Apple's founder, Steve Jobs, in the month prior to the pilot study. Thus, the pilot study suggests that students were only moderately exposed to information about the HP in the months prior to the study.

The study design was a repeated measures 2 x 3 factorial experimental design. The study was conducted over two sessions: time 1 and time 2 were conducted online (via web-based survey and materials) from home.

Time was the within-subjects factor, and the dependent variables, image and attraction, were measured at two times. The within-subjects component allowed for an examination of image perceptions over time and participants served as their own baseline control group. Time 1 information (negative or neutral), image restoration (reduce offensiveness, corrective action), and neutral information (comparison for image restoration) were the experimentally manipulated between-subjects factors.

See Figure 2 for study conditions and stimuli presented in each condition.

Participants were told a cover story that the university is assisting a number of technology companies in understanding what college students look for in internships. The cover story put the study into a recruitment context without revealing study hypotheses to avoid demand characteristics (Orne, 1962).

Participants were encouraged to believe that their responses were going to a company that was recruiting interns at the time of the study. Considering that the majority of participants were freshmen and sophomores, internships were used in this study rather than full-time jobs that would be more appropriate for students closer to graduate. Internships are an important recruitment and selection tool for companies, with 60% of internships turning into job offers for full-time employment (Zhao & Liden, 2011). Therefore, the use of internships was appropriate for the sample and still contributes to the recruitment literature.

Participants viewed stimuli and completed measures at time 1 and time 2 on a web-based survey system that handled the random assignment of stimuli. The system randomly presented the stimuli at time 1 and time 2 to ensure an equal number of participants in each condition. Participants were coded for condition based on the combination of time 1 and time 2 stimuli they viewed.

Data were collected via the web, which is consistent with previous investigations of image and attraction in recruitment that have used web-based data collections (e.g., Cable & Yu, 2006; Kanar et al., 2008; Walker, Feild, Giles, Bernerth, & Short, 2011; Van Hoye & Lievens, 2009). More importantly, the role of web-based recruitment is a growing topic in the recruitment literature (Allen et al., 2007; Braddy, Meade, & Kroustalis, 2008; Dineen, Ash, & Noe, 2002; Henderson & Bowley, 2010; Lievens & Chapman, 2009; Lyons, 2008; Lyons & Marler, 2011; Van Hoye & Lievens, 2007a; Walker et al., 2011), as an increasing number of job seekers primarily use the web for information about potential employers. A web-based study more closely resembles the actual recruitment process, from reviewing information about a company to applying, than a paper-based study.

At time 1, participants entered a unique ID number, which was in the form of the last 2 digits of their home phone number, followed by the day of the month in which they were born, followed by the last 2 digits of their student ID (e.g., 022395). Participants were then randomly assigned to view in the web browser either negative information about Hewlett-Packard (HP) or a neutral overview of HP from Reuters (see Materials below for a discussion of the stimuli). They then completed

image, attraction, and familiarity items about HP, as well as source credibility, demographic, and vocational preference items via the online survey system.

The cover story continued with participants being told that they would need to complete a second part of the study because the company wanted to do a follow-up with them in two weeks. Participants were reminded that they were not finished with the study and would not receive full credit for the study until the second part of the study was completed. Finally, participants were notified that they would receive an email invitation in two weeks to complete the second part of the study.

Two weeks later, participants received an email invitation to complete the second part of the study, also via the web-based survey system. Waiting two weeks for a follow-up is suggested by previous research in which participants had increased recall of negative recruitment information a week later (Kanar et al., 2010). This recall of negative information negatively influences attraction a week later (Kanar et al., 2010; Steiner, 2008). Two weeks between measurements provides more time to mitigate the recall of negative information than a one week span used in previous studies. Participants entered their unique ID number to match their time 2 responses with their time 1 responses.

At time 2, participants were randomly assigned to view one of three stimuli: a reduce offensiveness image restoration article, a corrective action image restoration article, or the neutral article about the computer release. The combination of time 1 and time 2 random assignment determined to which of the six conditions, listed in Figure 2, a participant was exposed. Next, participants completed image and attraction items, as well as source credibility items. Then, all

participants viewed the HP jobs website described below. Participants selected an internship that was interesting to them and answered questions about their interest in the internship. Participants then completed items on their employment, recruitment, and organization crisis experience. Presenting the crisis items at the end of the study prevented priming of negative events that could influence image perceptions.

The goal with the cover story, web-based recruiting, and an actual company that has indeed experienced several recent crises was to boost experimental realism (the study forces participants to take it seriously) and mundane realism (whether events occurring in the experiment are likely to occur in normal life: Carlsmith, Ellsworth, & Aronson, 1976). The ultimate goal was to achieve psychological realism (psychological processes that occur in the experiment are the same as would occur in everyday life: Aronson, Wilson, & Brewer, 1998).

Materials

Target company. This study examined negative publicity regarding HP. HP was selected as the target company for image restoration based on a pilot test of companies and recent scandals conducted by Steiner (2008). HP scored average on image perceptions, and its scandal involving their then chairman of the board (Kaplan, 2006) was rated moderately negative. Further, HP was a well-regarded company that ranked on *Fortune's* list of most admired companies in 2006, before the original scandal (Fortune, 2006). *Fortune's* list of most admired companies is a common metric researchers have used to assess organization image and reputation (Brooks, Highhouse, Russell, & Mohr, 2003; Flanagan & O'Shaughnessy, 2005;

Fombrun & Shanley, 1990; Gatewood et al., 1993). HP's prior reputation needs to be considered because a halo effect of previous positive reputation can shield a company from the effects of crisis (Coombs & Holladay, 2006). HP recovered from the scandal in 2006 and ranked highly on *Fortune*'s list of most admired companies in 2010 (Fortune, 2010).

More recently, though, HP experienced over a year of sustained negative publicity and instability, including the dismissal of two CEOs, removal of board members, mismanaged high profile product releases, and contradictory announcements regarding the direction of the company's business. As such, HP is an excellent example of "when good companies do bad things," companies that are profitable, care about stakeholders (employees, shareholders, customers), have a history of integrity, yet stumble (Marconi, 1997; Schwartz, 2000). HP was an excellent target company because it has been well-regarded company in the past and has weathered previous scandals, thus providing insight into how a large company can restore its image.

HP has engaged in some image restoration in response to these crises, but the messages were targeted at investors and customers, not job seekers. Generally, image restoration research has focused on response to a single instance of crisis (e.g., Benoit & Czerwinski, 1997; Benoit & Brinson, 1999; Coombs & Schmidt, 2000; Dardis & Haigh, 2009; Haigh & Brubaker, 2010; Harlow et al., 2011; Jaques, 2008; Legg, 2009; Len-Rios & Benoit, 2004; Stromback & Nord, 2006; Worawongs, 2009). This study contributes to research by examining sustained negative publicity due to several crisis incidents, as opposed to a single instance of crisis. The influence of

sustained negative publicity on image restoration has yet to be adequately explored in the literature.

Negative information. Negative information was one news article and two opinion pieces by technology journalists summarizing the past year of negative publicity targeted at HP. The articles were presented as screenshots from the original websites. Job seekers rarely view a single piece of information about a company. However, most recruitment research uses a single source (e.g., one news article or one employee testimonial) of information in manipulations of information, which is a weakness of previous work (Lievens & Chapman, 2009). Providing a set of multiple articles more closely resembles the real experience of learning about a company and provided a rich manipulation of negative information. See Appendix A for an example.

Neutral information. At time 1, the neutral information was an overview of HP from Reuters' stocks section. Reuters is a news organization that has a long history of providing news articles and financial data to other news providers. The article provided an overview of HP's history and business structure, but did not discuss recent news or provide information about HP as an employer. As such, the article does not include any evaluative information or statements. At time 2, the neutral information was a news article on a technology website announcing a new HP tablet computer. The article did not discuss recent news or HP as an employer, only the features of the tablet computer. Both time 1 and time 2 neutral stimuli were presented as screenshots from their respective websites to provide a realistic source of information. See Appendix A for the stimuli materials.

Image restoration information. Image restoration was in the form of a news article about HP. There were two image restoration articles: one that used a reduce offensiveness and one that used a corrective action strategy. As with the previous research, news articles heavily quoted representatives of the company, so that the image restoration content came directly from the company (Dardis & Haigh, 2009; Haigh & Brubaker, 2010). From a practice stance, a company desires to know what they should say in the media and recruitment literature to restore image amongst job seekers, thus the image restoration should come from the company. Though created for the study, the articles were presented as screenshots from the same website as the Time 2 neutral information (see Appendix A). The articles retained the formatting (including header, sidebar links, etc.) of the neutral article, but with text changed to reflect image restoration.

The image restoration articles included real quotes from HP leaders.

Examples of reduce offensiveness quotes are "It's really important to me to make the right decision, not the fast decision" and ""I am honored and excited to lead HP. I believe HP matters – it matters to Silicon Valley, California, the country and the world." Examples of corrective action statements include,

"To make HP a great company once again, we need more than competitive costs and operational efficiency. We're in the process of assessing and refining our growth strategy, and the same concepts that were behind our operational changes will be at work here: simplicity, focus, alignment, and execution"

and "You have all of our commitment to making HP an easier company to deal with." See Appendix A for complete stimulus materials.

Jobs website. Participants viewed screenshots of HP's student jobs web site, which includes college internships and jobs for recent college graduates. A screenshot of the home page, which includes general information about the company and their internship program, was shown along with six screenshots of internship pages. The internship opportunities were standardized for content and format, but retained the format of HP's job site. Internships were in the following areas to represent a broad range of interests and majors: engineering, computer science, business administration, marketing, graphic design, technical writing, and human resources. Participants provided a rating of the internship they chose. Participants were also provided space to explain narratively why they did or did not prefer the internships available.

Measures

All items were responded to on 5-point Likert scales (1 = *strongly disagree* and 5 = *strongly agree*). Items can be found in Appendix B. Alpha reliability was estimated for each scale on the data for this study. In practice, a coefficient alpha of over .70 is considered acceptable reliability (Cortina, 1993).

Dependent Variables

Organization image. Organizational image was assessed with a variety of measures, as there are different conceptualizations of image in the literature. Some authors (e. g., Cable & Yu, 2006; Otto, Chater, & Stott, 2011; Slaughter, Zickar, Highhouse, & Mohr, 2004) assess image perceptions like personality researchers

conceptualize individual personality, such that image contains multiple dimensions. Other authors (e.g., Collins & Stevens, 2002; Gatewood et al., 1993; Schwoerer & Rosen, 1989) ask more general questions about perceptions of the company as an employer. Lievens and Highhouse (2003) developed a hybrid approach with their instrumental and symbolic framework. Instrumental characteristics are tangible characteristics of a company and job, which are more specific to employer image than the symbolic image dimensions. Symbolic traits are similar to the personality trait perspective discussed above; they are subjective and intangible qualities of the organization. Symbolic traits and instrumental characteristics explain unique variance in predicting organizational attraction (Lievens & Highhouse, 2003; Van Hoye & Saks, 2011). To capture the range of conceptualizations of organization image, I included multiple measures of the construct, as listed below.

General image. The general image measure consists of three items that assess general image perceptions (Schwoerer & Rosen, 1989). For example, "HP appears to care about its employees." This scale had acceptable reliability at time 1 $(\alpha = .82)$ and time 2 $(\alpha = .79)$.

Trait-based image. Cable and Yu (2006) developed a trait-based measure of image, which includes eight traits: powerful, achievement-oriented, stimulating, self-directed, universal, benevolent, traditional, and conforming. This measure is based on the Schwartz's (1992) circumplex of values, modified to apply to an organization. Each trait is assessed with two corresponding items: adjectives that pertain to the trait for a total of 16 items. For example, achievement-oriented is composed of "successful: achieving goals" and "capable: competent, effective,

efficient." Participants rated their agreement as to how well each adjective describes HP. This scale had acceptable reliability at time 1 (α = .89) and time 2 (α = .88).

Instrumental and symbolic image. Participants also completed instrumental and symbolic image items (Lievens & Highhouse, 2003). I assessed four dimensions of instrumental characteristics: teamwork opportunity, advancement opportunity, pay and benefits, and task diversity. The first dimension is teamwork opportunity. An example item is "HP offers the possibility to work together with different people." Advancement opportunity has an example item of "HP offers prospects for promotion." Pay and benefits has an example item of "HP offers the possibility to make a lot of money." Finally, the fourth characteristic is task diversity, with an example item "HP offers the possibility to choose from a diversity of jobs." Symbolic items had good reliability at time 1 (α = .89) and time 2 $(\alpha = .84)$. Instrumental items also had good reliability at time 1 $(\alpha = .88)$ and time 2 (α = .90). Symbolic traits include sincerity, innovativeness, competence, prestige, and robustness. Each trait includes specific adjectives (the corresponding trait is in parentheses), such as honest (sincerity), daring (innovativeness), secure (competence), upper-class (prestige), and masculine (robustness). Participants rated their agreement as to how well each adjective describes HP.

Attraction. Participant attraction to organization was assessed with a 5-item measure (Highhouse et al., 2003). An example item is "For me, HP would be a good place to work." This scale had acceptable reliability at time 1 (α = .92) and time 2(α = .87).

Intentions to apply. Intentions to apply to the company is a popular recruitment outcome (Chapman et al., 2005; Rynes & Cable, 2003) and is predicted to mediate the relationship between attraction and pursuit behaviors. Intentions to apply was assessed with 4 items (Roberson, Collins, & Oreg, 2005). An example item is "If I were searching for a job, I would apply to HP." This scale had acceptable reliability (α = .90).

Control Variables

Familiarity. Familiarity is related to possessing both positive and negative information and judgments about a company (Brooks et al., 2003), which may affect image perceptions and attraction. Further, previous research suggests that job seekers with less familiarity with a company change their image perceptions more over time, than do job seekers with more familiarity with the company (Kanar et al., 2008). Familiarity's impact on image may be due to the halo effect of positive reputation that partially shields a company from a crisis situation (Coombs & Holladay, 2006). Participants who have greater familiarity with HP may not have as negative image perceptions following the negative articles and may not change their image perceptions as much as between time 1 and time 2, as compared to those who are less familiar with HP. Thus, I included familiarity with HP as a control variable. Familiarity with the target organization was measured using Cable and Turban's (2003) 3-item scale. Participants rated their agreement to items like, "I know quite a bit about HP." The scale had good internal consistency reliability (α = .84)

Source credibility. Source credibility is an issue when examining online media. That is, participants must believe the media is accurate for it to influence

image perceptions. Credibility is related to image perceptions, such that negative information that is perceived as credible is related to more negative image perceptions among job seekers (Cable & Yu, 2006). I measured credibility as a control variable using a 4-item measure of credibility for online sources (Johnson & Kaye, 2002). An example item is "This source was accurate." The scale had acceptable internal consistency reliability at time 1 (α = .70) and time 2 (α = .69).

Individual Differences

Vocational preference. I assessed vocational preferences of participants to determine whether potential lack of interest in internships was based on the specific internships reflected on the jobs website, rather than on image, therefore controlling for a potential study confound. Participants reported in which occupational category they are most interested in pursuing employment. Nine categories, based on the O*Net system Job Families, were listed with example jobs for each category (National Center for O*NET Development, 2001). For example, the Business and Financial Operations Occupations, includes the sample jobs of accountant, auditor, market researcher, and financial analyst. O*Net Families that do not typically require a college degree were removed because the sample consisted of those pursuing college degrees. The categories removed included: military specific occupations, office and administrative support occupations, personal care and service occupations, production occupations, transportation and material moving occupations, healthcare support occupations, installation, maintenance, and repair occupations, construction and extraction occupations, building and grounds cleaning and maintenance occupations, and food preparation and serving related

occupations. Further, categories with similar traits were collapsed to yield a smaller number of categories that are amenable to analysis. For instance, business and financial operations occupations, management occupations, and sales and related occupations were included as one group. Participants had the option to write-in another occupation, if available groups do not fit their preferences. The full list of occupation groups can be found in Appendix B.

Attribution of responsibility. To understand the extent to which participants perceived HP as responsible for the negative events presented in the study, I measured attribution of responsibility using a 6-item scale (Struthers, Eaton, Santelli, Uchiyama, & Shirvani, 2008) adapted for this study. The original scale had an individual as the referent; in this study the items referred to HP. Additionally, the response scale was standardized to match the other measures in this study. The scale assesses three components of responsibility based on Weiner's (1995) theory of attribution: internal locus of control, controllability, and inference of responsibility. An example internal locus of control item is "The causes of events that happen to HP have something to do with an aspect HP, not something about the situation." An example controllability item is "HP has control over events that happen to it." An example of an inference of responsibility question is "HP is accountable for events that happen to it." The scale had very low internal consistency reliability with the inclusion of the first two items (approximately .40), but reliability was more acceptable at time 1 ($\alpha = .74$) and time 2 ($\alpha = .67$) with the removal of those items from the scale.

Demographic Variables

Demographics and individual differences. Participants reported demographic items, work experience, and vocational preferences. Demographics include: age, sex, and college major, and grade point average. Work experience items include: number of jobs held, current employment (part- or full-time), and number of job searches done in the past five years. Participants also indicated whether a past or current employer had experienced any of the common organizational crises: product recalls, employee strikes, acquisitions, bankruptcy, insider trading, environmental problems, layoffs, and ethics scandal (Carney & Jorden, 1993; Kline et al., 2009). These items were presented at the end of the study, so they did not influence the image or attraction items that precede them. These items were collected to describe the sample.

RESULTS

Descriptive statistics and correlations between variables can be found in Table 1. Based on exploratory data analysis and coefficient alpha values for each scale (found in the Methods section and Table 1), mean scale scores were computed for each scale.

I conducted a repeated measures MANOVA to test Hypotheses 1 and 2, as well as to answer the Research Question. Time was the within subjects factor and the conditions at time 1 and time 2 were the between subjects factors. The four image dimensions were the dependent variables. Cell means for each condition can be found in Table 2. Univariate effects for each image dimension mirrored the multivariate effects (see Table 3 for all multivariate and univariate effects).

There was a significant multivariate main effect for time 1 condition (neutral vs. negative), $\Lambda = .60$, F(4, 102) = 16.84, p < .001, $\eta^2 = .40$. This supports Hypothesis 1 that initial image ratings would be lower for those who received negative information at time 1. Participants who read negative information had more negative image perceptions than those who read neutral information at time 1.

There was not a significant multivariate main effect for time 2 condition (neutral vs. reduce offensiveness vs. corrective action), Λ = .95, F(8, 204) = .61, p = .77, η^2 = .02, suggesting that image perceptions did not differ as a function of information read at time 2. Though, the within-subjects multivariate main effect,

Time, was significant, Λ = .41, F(4, 102) = 17.45, p < .001, η^2 = .41, suggesting that image ratings did increase from time 1 to time 2. However, the change from time 1 to time 2 did not differ between the image restoration strategies and the neutral condition. This provides only partial support for Hypothesis 2, which stated that image ratings would be higher after image restoration than before, for those exposed to negative publicity before image restoration.

There was a significant multivariate interaction between Time and time 1 condition (neutral vs. negative), Λ = .23, F(4, 102) = 7.48, p < .001, η^2 = .23. Image perceptions increased significantly at time 2 for participants who read negative information at time 1, but did not increase significantly for those who read neutral information. Examining the interaction plots (see Figure 3) illustrates that image ratings increased from time 1 to time 2 for those who viewed negative information at time 1 (right graph), but remained equivalent between time 1 and time 2 for those who viewed neutral information (left graph). This interaction also lends partial support to Hypothesis 2.

There was not a Time by time 2 condition interaction, Λ = .95, F(8, 204) = .67, p = .72, η^2 = .03, nor a three-way interaction with time 1 condition, Λ = .97, F(8, 204) = .42, p = .91, η^2 = .02. This suggests that there was no difference in change between the corrective action and reduce offensiveness strategies, which answers the Research Question. Image ratings were higher at time 2, but so were image ratings for those who viewed neutral information. Participants who viewed neutral information at time 1 and image restoration at time 2 showed no change. Thus, Hypothesis 3 was not supported. Hypothesis 3 stated that image ratings after

viewing a restoration attempt would be lower than initial image perceptions prior to image restoration, for those who are not initially exposed to negative company information.

Behavior Model

To examine Hypotheses 4 – 7, that image would predict intentions to pursue through attraction, I conducted mediation analyses using PROCESS (Hayes, 2012). PROCESS is an SPSS macro that employs the Baron and Kenny (1986) method for testing mediation, as well as conducts a Sobel's test and computes the bootstrapped indirect effect for the mediation. This macro combines the features and code from previously published macros INDIRECT (Preacher & Hayes, 2008) and SOBEL (Preacher & Hayes, 2004) into a single tool that can test a broad range of mediation models. I conducted a separate mediation analysis for each of the four image dimensions.

Attraction at time 2 mediated the relationship between each image dimension and intentions to pursue (see Table 4 for coefficients and model statistics for each model). Each image dimension significantly predicted intentions to purse, but coefficients became non-significant when attraction was entered into the model. Further, the indirect effect confidence intervals did not include zero and each of the Sobel's test *z* values were significant. Thus, Hypotheses 4 through 7, outlining the mediation relationship, were all supported.

Control Variables

The neutral article was perceived as significantly more credible (M = 3.56, SD = .47) compared to the negative articles (M = 2.9, SD = .50), F(1,110) = 41.54, p < .47

.001. However, there was not a significant difference in the perceived credibility of the three articles at time 2, F(2,110) = 1.15, p = .32, suggesting that participants saw the neutral source and image restoration articles as having equivalent credibility. Source credibility at Time 1 was a significant covariate in a MANCOVA, $\Lambda = .89$, F(4, 96) = 3.02, p = .02, $\eta^2 = .11$, but did not significantly interact with the other variables. This suggests that, though the T1 neutral article was perceived as more credible than the negative information, this difference did not influence the process of image restoration.

I conducted similar analyses to examine the influence of participant familiarity with HP on the process of image restoration. However, familiarity was not a significant covariate in a MANCOVA, Λ = .91, F(4, 95) = 2.25, p = .07, η ² = .09, suggesting that initial familiarity with HP also did not influence participants' change in image perceptions.

To assess the influence of assumed responsibility (a driver of forgiveness in interpersonal apologies) on image restoration, I conducted a repeated measures MANCOVA. According to preliminary one-way ANOVAs, perceived responsibility for HP's action did not differ between the conditions, both at time 1, F(1,110) = 1.53, p = .22, and time 2, F(2,110) = .24, p = .79. Responsibility at time 2, however, was a significant covariate, $\Lambda = .85$, F(4,96) = 4.26, p = .003, $\eta^2 = .15$. I separated responsibility at its mean to yield high and low responsibility groups, for ease of interpretation and visual illustration. Table 5 shows the image rating means separated by high and low responsibility and time 1 condition. Multivariate and univariate effects can be found in Table 6. The interaction between time 1 condition

and responsibility between time 1 and 2 is depicted in Figure 4. When participants viewed HP as more responsible for its actions (right graph) image ratings increased from time 1 to time 2 rather than remaining flat, as they did when participants viewed HP as less responsible for its actions (left graphs). This trend was generally only for those who viewed negative information at time 1 (dotted line), whereas those who viewed neutral information at time 1 had equivalent image ratings of image between times. These interactions suggest that perceiving high responsibility enhances the process of image restoration.

DISCUSSION

This study contributed to the recruitment research by applying image restoration theory (Benoit, 1995, 1997) integrated with social psychological principles to the recruitment context. This study addressed three gaps in recruitment research. First, this study examined the best content for image perception restoration after a crisis (i.e., what companies should say to job seekers) by applying image restoration theory. Second, this study examined the underlying mechanism for how image perceptions change by drawing on theory about interpersonal apologies. Lastly, this study examined the image restoration strategies that are effective at attracting recruits to a company that recently experienced negative publicity.

Overall, the study hypotheses were mostly supported. In particular, the manipulation of initial information was successful: image perceptions were lower after viewing negative information compared to viewing neutral information. That is, participants who viewed negative news articles and opinion pieces about HP had lower image ratings than those that viewed a neutral overview of the company. The image restoration hypotheses were only partially supported, however. Time 2 image perceptions were more positive for those that initially viewed negative information, but there was no difference between the corrective action and reduce offensiveness image restoration strategies, nor were either significantly different from the neutral

condition. Finally, image perceptions for those who viewed a restoration attempt without knowledge of the crisis were not lower than initial image perceptions.

Participants who viewed neutral information at time 1 had equivalent image ratings for HP at both time 1 and time 2, regardless of what type of information they viewed at time 2.

The hypotheses derived from the theory of planned behavior (Ajzen, 1991; Ajzen & Fishbein, 1977), suggesting a chain of recruitment outcomes, were supported. Results demonstrated that image perceptions were related to intentions to apply for employment, but only through their relationship with organizational attraction. Thus, attraction fully mediated the relationship of image perceptions and intentions to apply. Though previous research has implied such a causal chain, this was the first study to test the full chain in an image restoration context.

I combined crisis communications theory (Coombs, 2006; Coombs, 2007a; Coombs, 2007b) and the psychology of apologies (Goffman, 1971; Weiner et al., 1991; Weiner, 1995) to argue that the perceived responsibility that HP has for its actions would influence the process of image restoration. My findings demonstrate that participants who perceived that HP was responsible for its actions showed more positive image ratings at time 2 compared to time 1. In contrast, those who perceived that HP had low responsibility, had image ratings that remained stable between time 1 and time 2. This suggests that accepting responsibility enhances image restoration, much as it fosters forgiveness in interpersonal apologies. Future studies need to examine the role of responsibility further, potentially by

manipulating assumed responsibility as an experimental independent variable, as opposed to measuring it as a subject variable.

Considering the results for image restoration did not differ from the neutral source, it may be that the sources of image restoration were not strong enough manipulations to differentiate them from the neutral source of information. The two image restorations strategies selected were previously demonstrated to be effective in restoring image (Dardis & Haigh, 2009; Haigh & Brubaker, 2010). Less effective image restoration strategies, such denial or evade responsibility, may have not shown the positive shift in image perceptions that the corrective action and reduce offensiveness strategies did. Another explanation for the image restoration results may be that image improves in the absence of further negative information. By demonstrating that HP is continuing to release products and carrying on with business as usual, the "neutral" article (a product press release) may not have functioned as a control source, but rather as another type of image restoration. Such a supposition is consistent with previous research that found an effect for valence of information (positive or negative), but not for source of information (word of mouth vs. directly from the company; Steiner, 2008). It may be that as long as the information available is positive, regardless of the source, a company's image can be restored. This study did not compare image restoration and neutral information to further negative information about the company, so this is an area for further study. Future research can clarify if the mechanism for image restoration is a lack of negative information or if it is the nature of the positive information provided. Specifically, future research should compare continued negative information about a company to image restoration and a more neutral control than used in this study. Specifically, neutral information should be more closely matched in tone to the neutral information at time 1 to avoid this potential confound. That is, the potentially positive tone of the press release confounds the results of this study: it is unclear whether the press release was truly neutral or if it was another form of image restoration. Additionally, less effective image restoration strategies (e.g., denial or evade responsibility) should be used as comparisons to more effective image restoration strategies (i.e., corrective action and reduce offensiveness).

Though Benoit (1995, 1997) made distinctions between the various strategies for image restoration, there may be overlap between the strategies in regard to acceptance of responsibility. Specifically, the corrective action strategy is very accommodative (Coombs, 1998) and incorporates aspects of the mortification strategy, not examined in this study. As I discussed earlier, Holtgraves's (1989) fullblown apology is similar to Benoit's corrective action strategy, but it also includes aspects of mortification: "It was a terrible thing to do and I'm very sorry" (p. 11). As mortification alone was not tested as an image restoration strategy, this study's results are confounded. That is, it is impossible to ascertain whether the improvement in image perceptions observed was due to the apology for wrong doing (i.e., mortification) which is contained within the corrective action strategy or if it is truly the company's promise to correct the problem and prevent its reoccurrence (the core of corrective action). Future research should test more pure image restoration strategies (i.e., mortification without corrective action and corrective action without mortification) to remove this confound and better

understand the mechanism for image change. Such a delineation of strategies will clarify the theoretical distinctions between image restoration strategies and provide evidence for which is more effective in restoring image.

Strengths and Limitations

The study sample consisted of undergraduate students who were mostly not employed during the time of the study, which could be considered a limitation of the study. However, the majority of participants had been employed at some time and were actively seeking a job at the time of the study, thus providing some generalizability of the results to job seekers. Further, college students are a common recruitment audience for organizations, so they are a commonly used population in recruitment research (Barber, 1998). However, the results are less generalizable due to students coming from a single university and not being from diverse backgrounds. The students did, however, come from a wide range of college majors, which does allow for better generalizability than if the participants all came from a single area of study. Using internships as the target job, rather than a full time position, made the study more relevant to the younger undergraduate population, consisting mainly of first and second year students. Anecdotally, questions asked and comments made by participants during and after the study period suggested that students believed and were invested in the cover story. All of that said, young college students might react differently to recruitment media than a graduating senior or those in the workforce. Future research should measure image perceptions of actual job seekers, as opposed to student proxies, to gain greater insight into the process of image restoration in the recruitment context.

The repeated measures experimental methodology was a strength of the study for a number of reasons. First, participant image perceptions were measured at two times, rather than at a single time. This allowed participants to act as their own control group and for me to examine perceptions in response to two different types of recruitment information. The fully crossed factorial design allowed for the examination all combinations of stimuli at time 1 and time 2. In practice, job seekers rarely view a single source of information about a potential employer at any one time; thus presenting multiple sources of information over time better approximated the actual recruitment context. Although numerous recruitment studies (e.g., Kanar et al., 2008; Kanar et al., 2010; Van Hoye & Lievens, 2005, 2007a, 2007b, 2009; Van Hoye & Saks, 2011) have used repeated measures designs, such studies only presented a single recruitment source (e.g., one news article or one word of mouth source) at each time point. Furthermore, image restoration theory has only been examined using single-time designs that manipulated only a single source of restoration (e.g., Coombs & Schmidt, 2000; Coombs & Holladay, 2006; Dardis & Haigh, 2009; Haigh & Brubaker, 2010); thus, limiting the potential for understanding restoration in a realistic recruitment context. This study is the first to combine image restoration using a repeated measures experimental design and multiple sources of information in a single study.

In addition to presenting multiple sources of information as part of the repeated measures design, the type of stimuli used in the study is another strength of the study. The stimuli used in the study had high psychological realism. As screenshots of news websites, the sources of negative, neutral, and image

restoration information all replicate the types of web-based sources that job seekers use in the real world. Further, the negative information was a richer manipulation than previously used in recruitment studies, as it was a set of articles rather a single article. Despite using realistic sources, this study did not examine all types of sources that job seekers currently use to obtain information about a potential employer. Future research should examine varied sources of negative information and image restoration, including social media (i.e., Facebook, Twitter, etc.) from friends, employees, and directly from the company.

The nature of the crisis may also be a limitation of the study that could explain the results regarding image restoration. The crisis involved upper management (board of directors and CEOs) and major product releases, which are distal concerns from interns and beginning employees. Further, because participants may not have been personally invested in the crisis, they may not have remembered the details of the crisis fully after two weeks and responded only to the most recent information they read regarding HP. Future research should examine a broader range of crises and negative events, particularly those that may be more personally relevant to jobseekers in question (i.e., college students seeking internships). Examining different types of crises and measuring the personal relevance of the crisis will allow for a better understanding of image formation, and thus restoration. To test for a potential recency effect, future research should measure memory of information from previous sessions to ensure that image is changing and participants are not only influenced by the most recent information in forming their image perceptions.

Finally, there were limitations in the application of the psychology of interpersonal apologies to the recruitment context. All research into interpersonal apologies examined forgiveness in an existing relationship (e.g., friends, family, coworkers, or romantic partners). Recruitment is indeed the beginning of a relationship between the potential employee and the company. However, there is not yet a relationship as exists between an employee and employer, let alone friends or romantic partners. The image restoration process may be more complex for stakeholders (e.g., applicants, current employees, investors, customers) who have more established relationships with the company experiencing a crisis. Future research should examine image restoration for applicants who are already in the recruitment/selection process (either at the maintaining applicant status or influencing job choice phases of recruitment; Barber, 1998), and thus have begun a relationship with the company. Rather than focusing on outcomes like attraction and intentions to apply that are more relevant in the generating applicants phase, such future work should examine outcomes such as retention in the recruitment/selection system and eventual job choice, as these are more relevant outcomes to applicants further along in the recruitment process.

Despite limitations in applying research into interpersonal apologies, this study was the first to highlight the role of responsibility in image restoration in the recruitment context. A company having greater responsibility for its actions is related to more positive image perceptions amongst job seekers, which does mirror the connection between responsibility and forgiveness in the interpersonal relationships literature.

Study Contributions

Theoretical and scholarly contributions. This study advances the literature on organizational image in the recruitment context by applying image restoration theory and research into interpersonal apologies. The integration of theory and research from different disciplines helps us to better understand the process of image restoration in the recruit context, which heretofore has not been done.

The study also contributed methodologically in four ways to the study of recruitment and image restoration. First, this was the first study to date to examine sustained negative publicity, as opposed to a single instance of crisis. Second, I employed rich manipulations of negative information and image restoration that has psychological realism for job seekers. Third, this study examined image perceptions over time in response to changing information. A fourth methodological contribution of this study was to expand on previous research into recruitment and image restoration by using a repeated measures design that presented multiple sources of information to participants. Multiple sources of information about the company helped create a more realistic situation in which to test image restoration. Thus, methodologically, this study was more rigorous, complex, and realistic than previous studies in recruitment and image restoration.

This study addressed theoretical gaps present in the recruitment research.

Specifically, it was the first study to examine the best strategy for image restoration after a crisis by applying image restoration theory. Moreover, this study examined the psychological mechanism as to why image perceptions change by examining the

influence of perceived responsibility for a company's actions on the process of image restoration. Finally, this study examined which image restoration strategies are effective at attracting recruits to a company that recently experienced a crisis. Thus, the theoretical contributions of this study lie in the integration and expansion of several theories across a number of disciplines, providing a rich explanation and test of how recruitment occurs in practice.

Practical implications. This study contributes to practice in recruitment by testing the chain of recruitment outcomes after image restoration. Previous research examined relationships with recruitment outcomes, but no study to date has tested the influence of image restoration on multiple outcomes in a recruitment context. As such, I assessed how image restoration influences not only image perceptions after a crisis, but also image restoration's influence on job seekers' attitudes and behavioral intentions. Therefore, this study informs practice on how image restoration can positively influence important early recruitment variables that ultimately predict whether job seekers will apply to a company. The implications of this study's findings are that companies need to respond with image restoration when facing a crisis. Organizational image serves as an early cue of how a company is as an employer. As demonstrated by this study, being exposed to negative information results in negative image perceptions of the company, and thus lowers attraction and intentions to pursue employment. Companies should ensure that jobseekers are exposed to positive information about the company in the wake of a crisis, and exactly what is said does not matter as much as the valence of what is said. Exposing potential applicants to image restoration can ameliorate

the deleterious effects of a crisis on job seeker image perceptions, thus increasing the likelihood that job seekers will apply to the company.

Conclusion

This study tested a theoretical model of image restoration, yielding partial support for a comprehensive model of restoration after a crisis event. I drew from the crisis communication literature, namely, image restoration theory, and integrated principles of social psychology to propose a model for how image restoration can occur in the recruitment context. Though the study did not show a difference between image restoration and control sources, image did become more positive after initially being negative. Further, the perceived responsibility the company has for its actions influenced the process of image restoration, indicating that responsibility is an important variable in image restoration. Finally, I put image restoration in a chain of recruitment outcomes leading to attraction and intentions to pursue employment, thereby examining the full implications of crisis events on organizational recruitment.

Correlations Between Variables with Alpha Reliability on Diagonal

Table 1

	M	SD	H	2	3	4	2	9	7
1. General Image T1	3.43	0.81	.82						
2. General Image T2	3.85	0.58	.47**	62.					
3. Value Image T1	3.30	0.57	.74**	.51**	68.				
4. Value Image T2	3.57	0.48	.45**	.73**	**65'	.88			
5. Symbolic T1	3.31	0.57	**0′.	.48**	**08	.54**	68.		
6. Symbolic T2	3.48	0.43	.48**	**99	.57**	.84**	.64**	.84	
7. Instrumental T1	3.53	0.53	.57**	.32**	.61**	.42**	.53**	**98.	.88
8. Instrumental T2	3.71	0.45	**08'	.57**	.41**	.71**	**98:	**59'	.42**
9. Attraction T1	2.87	0.83	.41**	.18	.32**	.12	.33**	.23*	.34**
10. Attraction T2	2.71	0.92	.32**	.42**	.25**	.40**	.34**	.44**	.30**
11. Responsibility T1	3.51	0.49	24**	13	20	07	11	90:-	13
12. Responsibility T2	3.35	0.43	33**	18	16	04	07	02	15
13. Source Credibility T1	3.30	0.56	.57**	.32**	.49**	.27**	.42**	.16	.37**
14. Source Credibility T2	3.48	0.56	.29**	.43**	.32**	.35**	.40**	.27**	.25**
15. Familiarity	3.00	0.89	.31**	.27**	.31**	.30**	.23*	.30**	.37**
16. Intentions to Pursue	3.13	0.85	.15	.21*	.03	.21*	.12	.26**	.05

Table 1 (continued)

Correlations Between Variables with Alpha Reliability on Diagonal

	8	6	10	11	12	13	14	15	16
8. Instrumental T2	06.								
9. Attraction T1	.18	.92							
10. Attraction T2	.32**	.64**	.87						
11. Responsibility T1	.05	.04	.01	.74					
12. Responsibility T2	.07	10	11	.46**	.67				
13. Source Credibility T1	.17	.20*	.16	03	22*	.70			
14. Source Credibility T2	.27**	.14	.30**	04	10	.43**	69:		
15. Familiarity	.25**	.45**	.37**	22*	08	.25**	.23*	.84	
16. Intentions to Pursue	.26**	.48**	.74**	.01	.02	.05	.25**	.20*	06.

Note. T1 = time 1, T2 = time 2, * p < .05, ** p < .01, *** < .001

Table 2

Image Means by Study Conditions

Dimension	Condition T1	Condition T2	Mean T1 (SD)	Mean T2 (SD)
General Image	Neutral	Neutral	3.89 (0.30)	4.11 (0.60)
		Reduce Offensiveness	3.82 (0.54)	4.06 (0.49)
		Corrective Action	3.89 (0.38)	3.97 (0.53)
	Negative	Neutral	2.87 (0.81)	3.65 (0.62)
		Reduce Offensiveness	2.72 (0.77)	3.51 (0.62)
		Corrective Action	2.88 (0.87)	3.67 (0.46)
Value Image	Neutral	Neutral	3.73 (0.47)	3.88 (0.49)
		Reduce Offensiveness	3.54 (0.40)	3.71 (0.42)
Symbolic		Corrective Action	3.54 (0.32)	3.56 (0.39)
	Negative	Neutral	2.81 (0.54)	3.41 (0.58)
		Reduce Offensiveness	2.96 (0.46)	3.36 (0.43)
		Corrective Action	2.90 (0.48)	3.40 (0.43)
	Neutral	Neutral	3.62 (0.42)	3.73 (0.46)
		Reduce Offensiveness	3.59 (0.32)	3.58 (0.37)
		Corrective Action	3.45 (0.37)	3.50 (0.37)
	Negative	Neutral	2.95 (0.71)	3.34 (0.55)
		Reduce Offensiveness	3.05 (0.29)	3.33 (0.27)
		Corrective Action	2.92 (0.67)	3.38 (0.37)
Instrumental	Neutral	Neutral	3.76 (0.39)	3.90 (0.49)
		Reduce Offensiveness	3.72 (0.54)	3.76 (0.45)
		Corrective Action	3.76 (0.25)	3.79 (0.46)
	Negative	Neutral	3.26 (0.46)	3.66 (0.53)
		Reduce Offensiveness	3.18 (0.61)	3.58 (0.29)
		Corrective Action	3.23 (0.51)	3.56 (0.32)

Note. T1 = time 1, T2 = time 2.

Table 3

Repeated Measures MANOVA and Univariate Effects for Each Image Dimension

Variable	Image Dimension	Λ	df	F	η^2
Time	Multivariate Effect	.59	(4, 102)	17.45***	.41
	General Image		(1,105)	52.96***	.34
	Value Image		(1,105)	51.08***	.33
	Symbolic Image		(1,105)	29.37***	.22
	Instrumental		(1,105)	20.11***	.16
T1 Condition	Multivariate Effect	.60	(4, 102)	16.84***	.40
	General Image		(1, 105)	63.49***	.17
	Value Image		(1, 105)	47.05***	.16
	Symbolic		(1, 105)	28.76***	.15
	Instrumental		(1, 105)	26.08***	.08
T2 Condition	Multivariate Effect	.95	(8, 204)	0.61	.02
	General Image		(2,105)	0.43	.01
	Value Image		(2,105)	0.67	.01
	Symbolic		(2,105)	0.64	.01
	Instrumental		(2,105)	0.50	.01
T1 x T2	Multivariate Effect	.93	(8, 204)	0.91	.04
	General Image		(2,105)	0.27	.01
	Value Image		(2,105)	1.50	.03
	Symbolic		(2,105)	0.60	.01
	Instrumental		(2,105)	0.01	.00
Time x T1	Multivariate Effect	.77	(4, 102)	7.48***	.23
	General Image		(1, 105)	21.53***	.17
	Value Image		(1, 105)	20.02***	.16
	Symbolic		(1, 105)	18.10***	.15
	Instrumental		(1, 105)	9.27**	.08

Table 3 (continued)

Repeated Measures MANOVA and Univariate Effects for Each Image Dimension

Variable	Image Dimension	Λ	df	F	η^2
Time x T2	Multivariate Effect	.95	(8, 204)	0.67	.00
	General Image		(2, 105)	0.15	.00
	Value Image		(2, 105)	0.70	.01
	Symbolic Image		(2, 105)	0.99	.02
	Instrumental		(2, 105)	0.28	.01
	7.0	o -	(0.00.1)	0.40	0.0
Time x T1 x T2	Multivariate Effect	.97	(8, 204)	0.42	.02
	General Image		(2, 105)	0.14	.00
	Value Image		(2, 105)	0.83	.02
	Symbolic Image		(2, 105)	0.24	.01
	Instrumental		(2, 105)	0.08	.00

Intentions to Apply Regressed on Image with Attraction as a Mediator

Table 4

	1	D. C. C. C.		0	<u>[</u>	, u	٥.0.٨	Indirect Effect	ı
Equation	Equation independent	Dependent	<u>ა</u>	se js F	<u>L</u>	K^2	$\Delta \mathrm{K}^2$	[95% CI]	2
1	General Image	General Image Intentions to Pursue .31*		.14	5.14*	.04			
2	General Image Attraction	Attraction	.60*** .12	.12	24.12***	.42			
3	General Image	General Image Intentions to Pursue18	18	.10	***86'89	.56	.52*	.49 [.30, .71] 4.49***	4,49***
	Attraction		.81**	.07					

1.40	1 1.	1000000	C	0 00	[:	٦,	۸۵,	Indirect Effect	1
Equation	rquation independent	Dependent	2	Se b F	Ľ.	$ m K^2$	ΔK^2	[95% CI]	Z
1	Value Image	Intentions to Pursue .38* .16 5.29*	.38*	.16	5.29*	.05			
2	Value Image	Attraction	***89'	.15	68*** .15 20.67***	.16			
3	Value Image	Intentions to Pursue17	17	.10	.10 67.60***	.55	.50*	.54 [.32, .79] 4.20***	4.20***
	Attraction		.79***	.07					

Note. * p < .05, ** p < .01, *** p < .001

Table 4 (continued)

Intentions to Apply Regressed on Image with Attraction as a Mediator

140	1	4.00	c	0 00	[٦٦	A D 2	Indirect Effect	
Equation	Equation muependent Dependent	nependen	ಎ	d as	<u>.</u>	\mathbf{K}^{2}	K^{z} ΔK^{z}	[95% CI]	Z
1	Symbolic	Intentions to Pursue .52**	.52**	.18	8.11**	.07			
2	Symbolic	Attraction	***98	.17	26.84 ***	.19			
3	Symbolic	Intentions to Pursue17	17	.14	***66.99	.55	.48*	.69 [.42, .98] 4.66***	4.66***
	Attraction		***08	.07					

Equation	Equation Independent Dependent	Dependent	β	se ß	[14	R ²	ΔR^2	Indirect Effect [95% CI]	Z
1	Instrumental	Instrumental Intentions to Pursue .49**	.49**	.17	8.00 **	.07			
2	Instrumental	Attraction	.59**	.16	12.62**	.10			
3	Instrumental	Intentions to Pursue .04	.04	.12	65.55 *** . 54	. 54	.47*	.44 [.22, .69] 3.36***	3.36***
	Attraction		.75***	.07					

Note. * p < .05, ** p < .01, *** p < .001

Table 5

Image Means by Responsibility and Time 1 Condition

Dimension	Responsibility	Condition T1	Mean T1 (SD)	Mean T2 (SD)
General Image	Low	Neutral	4.05 (0.32)	4.11 (0.51)
		Negative	2.90(0.60)	3.43 (0.79)
	High	Neutral	3.75 (0.44)	4.00 (0.55)
		Negative	2.82 (0.84)	3.65 (0.52)
Value Image	Low	Neutral	3.54 (0.36)	3.68 (0.47)
		Negative	2.97 (0.48)	3.16 (0.60)
	High	Neutral	3.63 (0.43)	3.74 (0.44)
		Negative	2.87 (0.50)	3.43 (0.45)
Symbolic	Low	Neutral	3.47 (0.38)	3.54 (0.38)
		Negative	2.95 (0.45)	3.14 (0.55)
	High	Neutral	3.61 (0.36)	3.63 (0.42)
		Negative	2.97 (0.62)	3.39 (0.39)
Instrumental	Low	Neutral	3.78 (0.41)	3.82 (0.52)
Characteristics		Negative	3.48 (0.30)	3.21 (0.64)
	High	Neutral	3.72 (0.42)	3.81 (0.43)
		Negative	3.19 (0.53)	3.67 (0.31)

Note. T1 = time 1, T2 = time 2.

Table 6

Repeated Measures ANCOVA with Responsibility as a Covariate

Variable	Image Dimension	Λ	df	F	η^2
Time	Multivariate Effect	.95	(4, 96)	1.22	.05
	General Image		(1,103)	0.01	.00
	Value Image		(1,103)	1.34	.01
	Symbolic Image		(1,103)	1.93	.02
	Instrumental		(1,103)	0.82	.01
T1 Condition	Multivariate Effect	.97	(4, 96)	0.78	.03
	General Image		(1, 99)	0.71	.00
	Value Image		(1, 99)	0.34	.01
	Symbolic Image		(1, 99)	0.80	.00
	Instrumental		(1, 99)	0.71	.00
T2 Condition	Multivariate Effect	.88	(8, 192)	0.13	.06
	General Image		(2, 99)	0.27	.03
	Value Image		(2, 99)	0.19	.03
	Symbolic Image		(2, 99)	0.13	.04
	Instrumental		(2, 99)	0.44	.02
Responsibility	Multivariate Effect	.85	(4, 96)	4.26	.15
	General Image		(1, 99)	4.60*	.04
	Value Image		(1, 99)	0.00	.00
	Symbolic Image		(1, 99)	0.78	.01
	Instrumental		(1, 99)	0.83	.01
Time x T1	Multivariate Effect	.97	(4, 96)	0.66	.03
	General Image		(1, 99)	2.45	.02
	Value Image		(1, 99)	0.40	.00
	Symbolic Image		(1, 99)	0.26	.00
	Instrumental		(1, 99)	0.00	.00

Table 6 (continued)

Repeated Measures ANCOVA with Responsibility as a Covariate

Variable	Image Dimension	Λ	df	F	η^2
Time x T2	Multivariate Effect	.90	(8, 192)	1.36	.05
	General Image		(1, 99)	0.92	.01
	Value Image		(1, 99)	0.11	.00
	Symbolic Image		(1, 99)	3.27*	.06
	Instrumental		(1, 99)	0.60	.01
Time x Responsibility	Multivariate Effect	.95	(4, 96)	1.22	.05
	General Image		(1,99)	.99	.01
	Value Image		(1,99)	0.01	.00
	Symbolic Image		(1,99)	0.40	.00
	Instrumental		(1,99)	2.45	.02
Responsibility x Condition T1	Multivariate Effect	.94	(4, 96)	1.50	.06
	General Image		(1, 99)	2.28	.02
	Value Image		(1, 99)	4.20*	.04
	Symbolic Image		(1, 99)	1.32	.01
	Instrumental		(1, 99)	0.22	.00
Responsibility x Condition T2	Multivariate Effect	.88	(8, 192)	1.64	.06
	General Image		(2,99)	1.52	.03
	Value Image		(2,99)	1.94	.04
	Symbolic Image		(2,99)	2.36	.05
	Instrumental		(2,99)	0.70	.01
Time x T1 x T2	Multivariate Effect	.84	(8, 192)	1.36*	.08
	General Image		(2, 99)	2.32	.05
	Value Image		(2, 99)	0.65	.01
	Symbolic Image		(2, 99)	0.47	.01
	Instrumental		(2, 99)	0.80	.02

Table 6 (continued)

Repeated Measures ANCOVA with Responsibility as a Covariate

Variable	Image Dimension	Λ	df	F	η2
Time x Responsibility x T1	Multivariate Effect	.97	(4, 96)	0.81	.03
Condition	General Image		(1, 99)	0.00	.00
	Value Image		(1, 99)	1.53	.02
	Symbolic Image		(1, 99)	0.55	.01
	Instrumental		(1, 99)	1.95	.02
Time x Responsibility x T2	Multivariate Effect	.89	(8, 192)	1.43	.06
Condition	General Image		(2, 99)	0.07	.00
	Value Image		(2, 99)	3.40	.06
	Symbolic Image		(2, 99)	0.79	.02
	Instrumental		(2, 99)	1.04	.02
Time x Responsibility x	Multivariate Effect	.83	(8, 192)	2.33*	.09
Time 1 Condition x	General Image		(2, 99)	2.58	.05
T2 Condition	Value Image		(2, 99)	0.66	.01
	Symbolic Image		(2, 99)	0.58	.01
	Instrumental		(2, 99)	0.72	.01

Note. T1 = time 1, T2 = time 2, and Time = within-subjects effect.

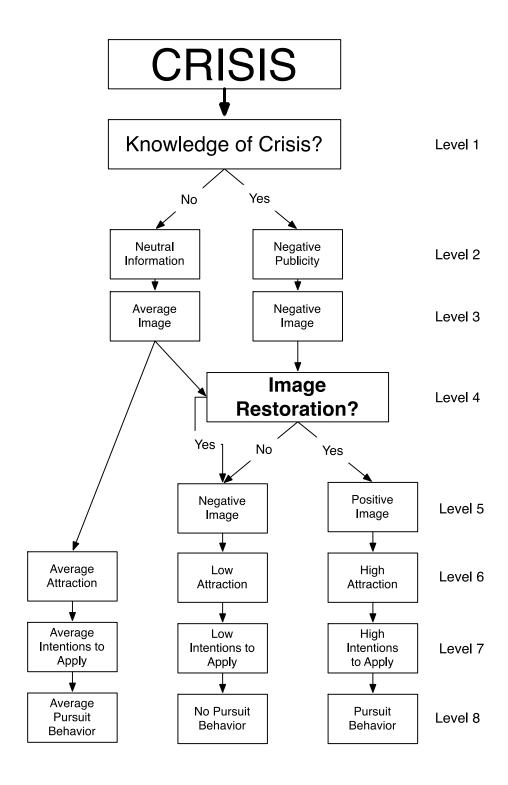


Figure 1. Conceptual Model of Image Restoration in Recruitment.

Time 1 Time 2

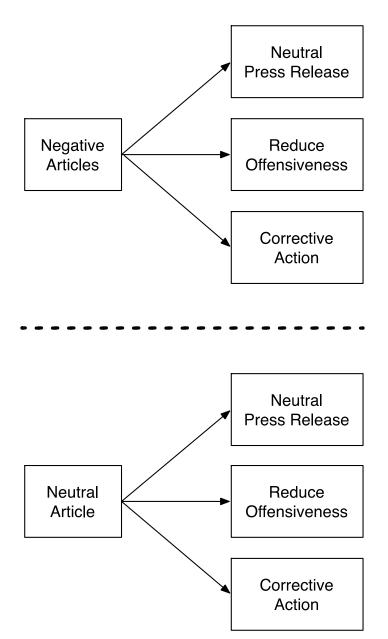


Figure 2. Study conditions.

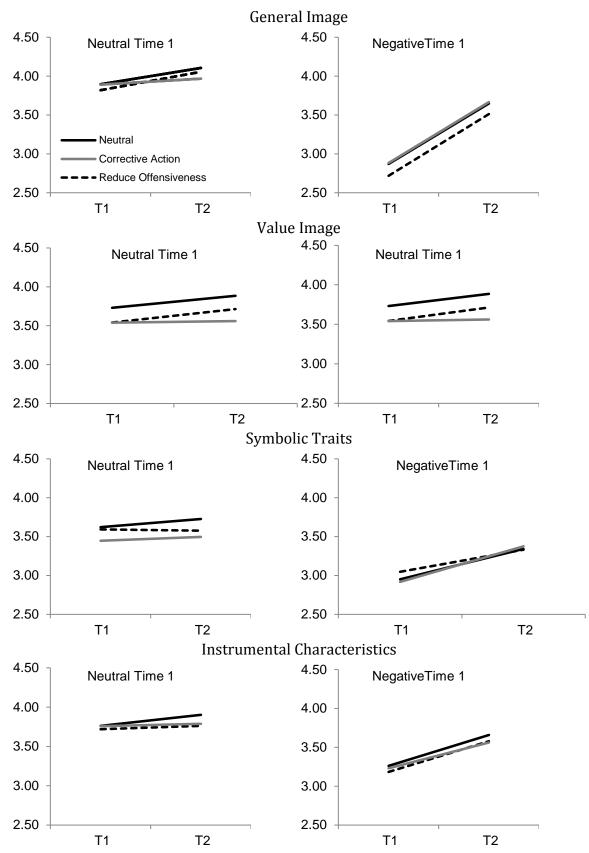


Figure 3. Interaction effects for each image dimension.

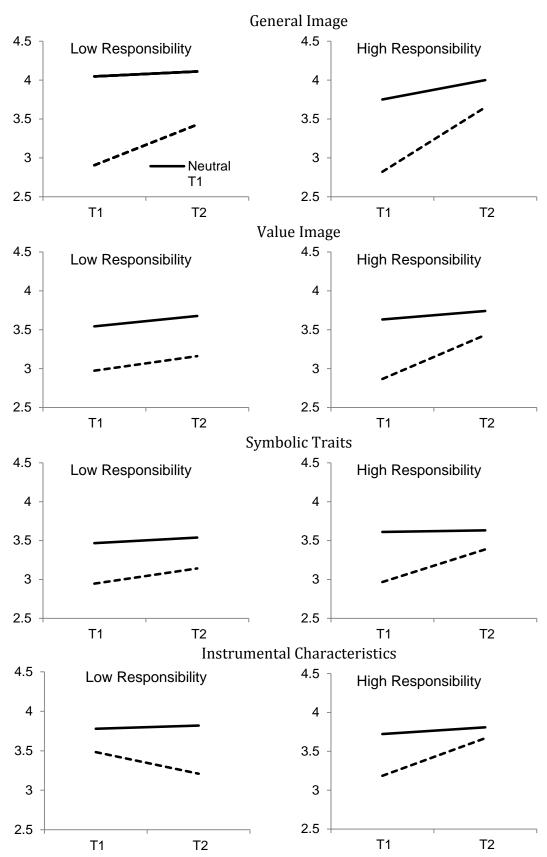


Figure 4. Interaction of responsibility with T1 condition.

REFERENCES

- Aiman-Smith, L., Bauer, T. N., & Cable, D. M. (2001). Are you attracted? Do you intend to pursue? A recruiting policy-capturing study. *Journal of Business and Psychology*, *16*, 219-237. doi:10.1023/A:1011157116322.
- Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, *50*, 179-211. doi:10.1016/0749-5978(91)90020-T.
- Ajzen, I., & Fishbein, M. (1977). Attitude-behavior relations: A theoretical analysis and review of empirical research. *Psychological Bulletin*, *84*, 888-918. doi:10.1037/0033-2909.84.5.888.
- Allen, D. G., Scotter, J. R., & Otondo, R. F. (2004). Recruitment communication media: Impact on prehire outcomes. *Personnel Psychology*, *57*, 143-171. doi:10.1111/j.1744-6570.2004.tb02487.x.
- Allen, D. G., Mahto, R. V., & Otondo, R. F. (2007). Web-based recruitment: Effects of information, organizational brand, and attitudes toward a Web site on applicant attraction. *Journal of Applied Psychology*, *92*, 1696-1708. doi:10.1037/0021-9010.92.6.1696.
- Anderson, J., & Smith, G. (2006). A great company can be a great investment. Financial Analysts Journal, 62, 86-93. doi:10.2469/faj.v62.n4.4189.
- Aronson, E., Wilson, T. D., & Brewer, M. B. (1998). Experimentation in social psychology. In D. T. Gilbert, S. T. Fiske, & G. Lindzey (Eds.), *Handbook of Social Psychology* (4th ed., pp. 99-142). New York: McGraw-Hill.
- Associated Press (2011, January 25). Johnson & Johnson's profit falls 12%, hurt by series of recalls. *New York Times*, p. B3.

- Avery, E. J., Lariscy, R. W., Kim, S., & Hocke, T. (2010). A quantitative review of crisis communication research in public relations from 1991 to 2009? *Public Relations Review*, *36*, 190-192. doi:10.1016/j.pubrev.2010.01.001.
- Barber, A. E. (1998). *Recruiting employees: Individual and organizational perspectives.* Thousand Oaks: Sage Publications.
- Barber, A. E., & Roehling, M. V. (1993). Job postings and the decision to interview: A verbal protocol analysis. *Journal of Applied Psychology*, *78*, 845-856. doi:10.1037/0021-9010.78.5.845.
- Barnett, M. L., Jermier, J. M., & Lafferty, B. A. (2006). Corporate reputation: The definitional landscape. *Corporate Reputation Review*, *9*, 26-38. doi:10.1057/palgrave.crr.1550012.
- Baron, R. M., & Kenny, D. A. (1986). The moderator-mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, *51*, 1173-1182. doi:10.1037/0022-3514.51.6.1173.
- Baumeister, R. F., Bratslavsky, E., Finkenauer, C., & Vohs, K. D. (2001). Bad is stronger than good. *Review of General Psychology*, *5*, 323-370. doi:10.1037//1089-2680.5.4.323.
- Belt, J. A., & Paolillo, J. G. (1982). The influence of corporate image and specificity of candidate qualifications on response to recruitment advertisement. *Journal of Management*, *8*, 105-112. doi:10.1177/014920638200800107.
- Benoit, W. L. (1995). *Accounts, excuses, and apologies: A theory of image restoration strategies*. Albany, NY: State University of New York Press.

- Benoit, W. L. (1997). Image repair discourse and crisis communication. *Public Relations Review*, *23*, 177-186. doi:10.1016/S0363-8111(97)90023-0.
- Benoit, W. L., & Brinson, S. L. (1999). Queen Elizabeth's image repair discourse:

 Insensitive royal or compassionate queen? *Public Relations Review*, *25*, 145-156. doi:10.1016/S0363-8111(99)80159-3.
- Benoit, W. L., & Czerwinski, A. (1997). A critical analysis of USAir's image repair discourse. *Business Communication Quarterly*, 60, 38. doi:10.1177/108056999706000304.
- Boudreau, J. W., & Rynes, S. L. (1985). Role of recruitment in staffing utility analysis. *Journal of Applied Psychology*, 70, 354-366. doi:10.1037/0021-9010.70.2.354.
- Braddy, P., Meade, A., & Kroustalis, C. (2008). Online recruiting: The effects of organizational familiarity, website usability, and website attractiveness on viewers' impressions of organizations. *Computers in Human Behavior*, *24*, 2992-3001. doi:10.1016/j.chb.2008.05.005.
- British Petroleum. (2011). Gulf of Mexico restoration. Retrieved from http://www.bp.com/sectionbodycopy.do?categoryId=41&contentId=7067505
- Brooks, M. E., Highhouse, S., Russell, S. S., & Mohr, D. C. (2003). Familiarity, ambivalence, and firm reputation: Is corporate fame a double-edged sword? *Journal of Applied Psychology*, 88, 904-914. doi:10.1037/0021-9010.88.5.904.
- Cable, D. M., & Turban, D. B. (2003). The value of organizational reputation in the recruitment context: A brand-equity perspective. *Journal of Applied Social Psychology*, *33*, 2244-2266. doi:10.1111/j.1559-1816.2003.tb01883.x.

- Cable, D. M., & Yu, K. Y. T. (2006). Managing job seekers' organizational image beliefs: The role of media richness and media credibility. *Journal of Applied Psychology*, *91*, 828-840. doi:10.1037/0021-9010.91.4.828.
- Carlsmith, J. M., Ellsworth, P. C., & Aronson, E. (1976). *Methods of Research in Social Psychology.* Reading, MA: Addison-Wesley.
- Carney, A., & Jorden, A. (1993). Prepare for business-related crises. *Public Relations Journal*, 49, 34-35.
- Caulfield, B. (2011, September 8). Apple to match employees' charitable contributions. *Forbes.* Retrieved from http://www.forbes.com/sites/briancaulfield/2011/09/08/apple-to-match-employees-charitable-contributions/
- Celani, A., & Singh, P. (2011). Signaling theory and applicant attraction outcomes.

 Personnel Review, 40, 222-238. doi:10.1108/00483481111106093.
- Chang, C. P. (2009). The relationships among corporate social responsibility, corporate image and economic performance of high-tech industries in Taiwan. *Quality and Quantity*, *43*, 417-429. doi:10.1007/s11135-007-9117-z.
- Chapman, D. S., Uggerslev, K. L., Carroll, S. A., Piasentin, K. A., & Jones, D. A. (2005).
 Applicant attraction to organizations and job choice: A meta-analytic review of the correlates of recruiting outcomes. *Journal of Applied Psychology*, 90, 928-944. doi:10.1037/0021-9010.90.5.928.
- Coke, J. S., Batson, C. D., & Mcdavis, K. (1978). Empathic mediation of helping: A two-stage model. *Journal of Personality and Social Psychology*, *36*, 752. doi:10.1037/0022-3514.36.7.752.

- Collins, C. J., & Han, J. (2004). Exploring applicant pool quantity and quality: The effects of early recruitment practice strategies, corporate advertising, and firm reputation. *Personnel Psychology*, *57*, 685-717. doi:10.1111/j.1744-6570.2004.00004.x.
- Collins, C. J., & Stevens, C. K. (2002). The relationship between early recruitment-related activities and the application decisions of new labor-market entrants: A brand equity approach to recruitment. *Journal of Applied Psychology*, 87, 1121-1133. doi:10.1037/0021-9010.87.6.1121.
- Coombs, T., & Schmidt, L. (2000). An empirical analysis of image restoration:

 Texaco's racism crisis. *Journal of Public Relations Research*, *12*, 163-178.

 doi:10.1207/S1532754XJPRR1202_2.
- Coombs, W. T. (1998). An analytic framework for crisis situations: Better responses from a better understanding of the situation. *Journal of Public Relations**Research*, 10, 177-191. doi:10.1207/s1532754xjprr1003_02.
- Coombs, W. T. (2006). The protective powers of crisis response strategies. *Journal of Promotion Management*, *12*, 241-260. doi:10.1300/J057v12n03_13.
- Coombs, W. T. (2007a). Attribution theory as a guide for post-crisis communication research. *Public Relations Review*, *33*, 135-139. doi:10.1016/j.pubrev.2006.11.016.
- Coombs, W. T. (2007b). Protecting organization reputations during a crisis: The development and application of situational crisis communication theory.

 *Corporate Reputation Review, 10, 163-176. doi:10.1057/palgrave.crr.1550049.

- Coombs, W. T., & Holladay, S. J. (2002). Helping crisis managers protect reputational assets: Initial tests of the situational crisis communication theory. *Management Communication Quarterly*, 16, 165-186. doi:10.1177/089331802237233.
- Coombs, W. T., & Holladay, S. J. (2006). Unpacking the halo effect: Reputation and crisis management. *Journal of Communication Management*, *10*, 123-137. doi:10.1108/13632540610664698.
- Cortina, J. M. (1993). What is coefficient alpha? An examination of theory and applications. *Journal of Applied Psychology*, *78*, 98. doi:10.1037/0021-9010.78.1.98.
- Dardis, F., & Haigh, M. M. (2009). Prescribing versus describing: Testing image restoration strategies in a crisis situation. *Corporate Communications: An International Journal*, *14*, 101-118. doi:10.1108/13563280910931108.
- Davis, M. H. (1983). The effects of dispositional empathy on emotional reactions and helping: A multidimensional approach. *Journal of Personality*, *51*, 167-184. doi:10.1111/j.1467-6494.1983.tb00860.x.
- Dealbook (2011, August 25). Will Apple remain a hedge fund favorite. *New York Times.* Retrieved from http://dealbook.nytimes.com/2011/08/25/will-apple-remain-a-hedge-fund-favorite
- Dineen, B. R., & Soltis, S. M. (2010). Recruitment: A review of research and emerging directions. In S. Zedeck (Ed.), *APA Handbook of Industrial and Organizational Psychology* (Vol. 2, pp. 43-66). Washington, DC: American Psychological Association.

- Dineen, B. R., Ash, S. R., & Noe, R. A. (2002). A web of applicant attraction: Personorganization fit in the context of web-based recruitment. *Journal of Applied Psychology*, *87*, 723-734. doi:10.1037//0021-9010.87.4.723.
- Eaglesham, J. (2011, October 17). The Shadow of Enron Still Lingers. *Wall Street Journal*, pp. C1-C3.
- Eichenwald, K., & Henriques, D. B. (2002, February 10). Enron's many strands: The company unravels; Enron buffed image to a shine even as it rotted from within.

 New York Times. Retrieved from http://www.nytimes.com/2002/02/10/business/enron-s-many-strands-company-unravels-enron-buffed-image-shine-even-it-rotted.html
- Elsbach, K. D. (2006). *Organizational Perception Management*. Mahwah, NJ: Lawrence Erlbaum.
- Eweje, G., & Wu, M. (2010). Corporate response to an ethical incident: The case of an energy company in New Zealand. *Business Ethics: A European Review, 19,* 379-392. doi:10.1111/j.1467-8608.2010.01596.x.
- Fehr, R., Gelfand, M., & Nag, M. (2010). The road to forgiveness: A meta-analytic synthesis of its situational and dispositional correlates. *Psychological Bulletin*, *136*, 894-914. doi:10.1037/a0019993.
- Fehr, R., & Gelfand, M. J. (2010). When apologies work: How matching apology components to victims' self-construals facilitates forgiveness. *Organizational Behavior and Human Decision Processes*, *113*, 37-50. doi:10.1016/j.obhdp.2010.04.002.

- Ferrin, D., Kim, P., Cooper, C., & Dirks, K. (2007). Silence speaks volumes: The effectiveness of reticence in comparison to apology and denial for responding to integrity- and competence-based trust violations. *Journal of Applied Psychology*, *92*, 893-908. doi:10.1037/0021-9010.92.4.893.
- Fink, S. L. (1967). Crisis and motivation: A theoretical model. *Archives of Physical Medicine and Rehabilitation*, 48, 592.
- Fink, S. L., Beak, J., & Taddeo, K. (1971). Organizational crisis and change. *Journal of Applied Behavioral Science*, 7, 15. doi:10.1177/002188637100700103.
- Flanagan, D. J., & O'Shaughnessy, K. C. (2005). The effect of layoffs on firm reputation. *Journal of Management*, *31*, 445-463. doi:10.1177/0149206304272186.
- Fombrun, C., & Shanley, M. (1990). What's in a name? Reputation building and corporate strategy. *Academy of Management Journal*, *33*, 233-258. doi:10.2307/256324.
- Fombrun, C., & Van Riel, C. (1997). The reputation landscape. *Corporate Reputation Review*, 1, 1-13. doi:10.1057/palgrave.crr.1540008.
- Foresman, C. (2011, November 10). Apple's efficient, toxin-free devices help it scale Greenpeace's rankings. *Ars Technica*. Retrieved from http://arstechnica.com/apple/news/2011/11/apple-jumps-in-greenpeacerankings-with-efficient-toxin-free-devices.ars
- Fortune (2006, March 22). World's Most Admired Companies. *Fortune*. Retrieved from http://money.cnn.com/magazines/fortune/mostadmired/2006/full_list/

- Fortune (2010, March 22). World's Most Admired Companies. *Fortune*. Retrieved from http://money.cnn.com/magazines/fortune/mostadmired/2010/full_list/
- Fusfeld, A. (2010). The 25 best tech companies to work for. Retrieved from http://www.businessinsider.com/the-25-best-tech-companies-to-work-for-2010-7
- Gatewood, R. D., Gowan, M. A., & Lautenschlager, G. J. (1993). Corporate image, recruitment image, and initial job choice decisions. *Academy of Management Journal*, *36*, 414-427. doi:10.2307/256530.
- Girard, M., & Mullet, E. (1997). Forgiveness in adolescents, young, middle-aged, and older adults. *Journal of Adult Development*, *4*, 209-220. doi:10.1007/BF02511412.
- Glover, H. D. (2011). Lessons learned. Accountancy, 148, 14-16.
- Goffman, E. (1971). *Relations in Public: Microstudies of the Public Order.* New York: Basic Books.
- Haigh, M. M., & Brubaker, P. (2010). Examining how image restoration strategy impacts perceptions of corporate social responsibility, organization-public relationships, and source credibility. *Corporate Communications: An International Journal*, *15*, 453-468. doi:10.1108/13563281011085538.
- Harlow, W. F., Brantley, B. C., & Harlow, R. M. (2011). BP initial image repair strategies after the Deepwater Horizon spill. *Public Relations Review*, *37*, 80-83. doi:10.1016/j.pubrev.2010.11.005.
- Hayes, A. F. (2012). PROCESS: A versatile computational tool for observed variable moderation, mediation, and conditional process modeling. *Under Review.*,

- Heider, F. (1958). *The psychology of interpersonal relations.* New York: Wiley.
- Henderson, A., & Bowley, R. (2010). Authentic dialogue? The role of "friendship" in a social media recruitment campaign. *Journal of Communication Management*, 14, 237-257. doi:10.1108/13632541011064517.
- Highhouse, S., Brooks, M. E., & Greguras, G. (2009). An organizational impression management perspective on the formation of corporate reputations. *Journal of Management*, *35*, 1481-1493. doi:10.1177/0149206309348788.
- Highhouse, S., Lievens, F., & Sinar, E. F. (2003). Measuring attraction to organizations. *Educational and Psychological Measurement*, *63*, 986-1001. doi:10.1177/0013164403258403.
- Holtgraves, T. (1989). The form and function of remedial moves: Reported use, psychological reality and perceived effectiveness. *Journal of Language and Social Psychology*, 8, 1-16. doi:10.1177/0261927X8900800101.
- Holtzhausen, D. R., & Roberts, G. F. (2009). An investigation into the role of image repair theory in strategic conflict management. *Journal of Public Relations**Research, 21, 165-186. doi:10.1080/10627260802557431.
- Jaidi, Y., Van, H., Edwin A. J., & Arends, L. R. (2011). Recruiting highly educated graduates: A study on the relationship between recruitment information sources, the theory of planned behavior, and actual job pursuit. *Human Performance*, *24*, 135-157. doi:10.1080/08959285.2011.554468.
- Jaques, T. (2008). When an icon stumbles: The Ribena issue mismanaged. *Corporate Communications: An International Journal*, *13*, 394-406. doi:10.1108/13563280810914829.

- Jarvis, S. E., Stroud, N. J., & Gilliland, A. A. (2009). College students, news use, and trust. *Communication Research Reports*, *26*, 30-39. doi:10.1080/08824090802636991.
- Johnson, T. J., & Kaye, B. K. (2002). Webelievabiliy: A path model examining how convenience and reliance predict online credibility. *Journalism and Mass Communication Quarterly*, 79, 619-642.
- Kanar, A. M., Collins, C. J., & Bell, B. S. (2008). Changing an unfavorable employment reputation: A longitudinal examination. *CAHRS Working Paper*, *8-14*, 1-38.
- Kanar, A. M., Collins, C. J., & Bell, B. S. (2010). A comparison of the effects of positive and negative information on job seekers' organizational attraction and attribute recall. *Human Performance*, *23*, 193-212. doi:10.1080/08959285.2010.487842.
- Kaplan, D. A. (2006, September 17). Suspicions and spies in Silicon Valley.
 Newsweek. Retrieved from
 http://www.thedailybeast.com/newsweek/2006/09/17/suspicions-and-spies-in-silicon-valley.html
- Kline, S., Simunich, B., & Weber, H. (2009). The use of equivocal messages in responding to corporate challenges. *Journal of Applied Communication**Research, 37, 40-58. doi:10.1080/00909880802592623.
- Konstam, V., Holmes, W., & Levine, B. (2003). Empathy, selfism, and coping as elements of the psychology of forgiveness: A preliminary study. *Counseling and Values*, *47*, 172-183. doi:10.1002/j.2161-007X.2003.tb00264.x.

- Laroche, M., Kim, C., & Zhou, L. (1996). Brand familiarity and confidence as determinants of purchase intention: An empirical test in a multiple brand context. *Journal of Business Research*, *37*, 115-120. doi:10.1016/0148-2963(96)00056-2.
- Legg, K. (2009). Religious celebrity: An analysis of image repair discourse. *Journal of Public Relations Research*, *21*, 240-250. doi:10.1080/10627260802557621.
- Leister, D. V., & Maclachlan, D. L. (1975). Organizational self-perception and environmental image measurement. *Academy of Management Journal*, *18*, 205-223. doi:10.2307/255525.
- Len-Rios, M. E., & Benoit, W. L. (2004). Gary Condit's image repair strategies:

 Determined denial and differentiation. *Public Relations Review*, *30*, 95-106.

 doi:10.1016/j.pubrev.2003.11.009.
- Leung, R. (2009). Enron's Ken Lay: I was fooled. Retrieved from http://www.cbsnews.com/stories/2005/03/11/60minutes/main679706.sht ml
- Lievens, F., & Chapman, D. S. (2009). Recruitment and selection. In A. Wilkinson, N. A. Bacon, T. Redman, & S. Snell (Eds.), *SAGE Handbook of Human Resource*Management. London: Sage.
- Lievens, F., & Highhouse, S. (2003). The relation of instrumental and symbolic attributes to a company's attractiveness as an employer. *Personnel Psychology*, 56, 75-102. doi:10.1111/j.1744-6570.2003.tb00144.x.
- Lievens, F., Van Hoye, G., & Schreurs, B. (2005). Examining the relationship between employer knowledge dimensions and organizational attractiveness: An

- application in a military context. *Journal of Occupational and Organizational Psychology*, 78, 553-572. doi:10.1348/09631790X26688.
- Lyons, B. D. (2008). Web recruiting and applicant pool characteristics: Examining the effects of web usability and organizational image on fit and attraction. (Doctoral dissertation). University at Albany, State University of New York, Albany, NY.
- Lyons, B. D., & Marler, J. H. (2011). Got image? Examining organizational image in web recruitment. *Journal of Managerial Psychology*, *26*, 58-76. doi:10.1108/02683941111099628.
- Marconi, J. (1997). *Crisis Marketing: When Bad Things Happen to Good Companies* (Second ed.). Chicago: NTC.
- Mccullough, M. E., Worthington, E. L., & Rachal, K. C. (1997). Interpersonal forgiving in close relationships. *Journal of Personality and Social Psychology*, 73. doi:10.1037/0022-3514.73.2.321.
- Mccullough, M. E. (2001). Forgiveness: Who does it and how do they do it? *Current Directions in Psychological Science*, *10*, 194. doi:10.1111/1467-8721.00147.
- Mccullough, M. E., Rachal, K. C., Sandage, S. J., Worthington, E. L., Brown, S. W., & Hight, T. L. (1998). Interpersonal forgiving in close relationships: II.

 Theoretical elaboration and measurement. *Journal of Personality and Social Psychology*, 75, 1586. doi:10.1037/0022-3514.75.6.1586.
- McCullough, M. E., & Witvliet, C. V. (2002). The psychology of forgiveness. In C. R. Snyder & S. J. Lopez (Eds.), *Handbook of Positive Psychology* (pp. 446-455). New York: Oxford University Press.

- Mindich, D. T. Z. (2005). *Tuned Out: Why Americans Under 40 Don't Follow the News.*New York: Oxford University Press.
- Mouton, N., Just, S. N., & Gabrielsen, J. (2012). Creating organizational cultures: Reconceptualizing the relations between rhetorical strategies and material practices. *Journal of Organizational Change Management*, *25*, 315-331. doi:10.1108/09534811211213973.
- National Center for O*NET Development. (2001). O*Net Online. Retrieved from http://www.onetonline.org/
- Neuman, W. (2010, March 13). Justice Dept. tells farmers it will press agriculture industry on antitrust. *New York Times*, p. B7.
- Ohbuchi, K., Kameda, M., & Agarie, N. (1989). Apology as aggression control: Its role in mediating appraisal of and response to harm. *Journal of Personality and Social Psychology*, *56*, 219. doi:10.1037/0022-3514.56.2.219.
- Orne, M. T. (1962). On the social psychology of the psychological experiment: With particular reference to demand characteristics and their implications. *American Psychologist*, *17*, 776. doi:10.1037/h0043424.
- Otto, P. E., Chater, N., & Stott, H. (2011). The psychological representation of corporate 'personality'. *Applied Cognitive Psychology*, *25*, 605-614. doi:10.1002/acp.1729.
- Preacher, K. J., & Hayes, A. F. (2004). SPSS and SAS procedures for estimating indirect effects in simple mediation models. *Behavior Research Methods*, *36*, 717-731.

- Preacher, K. J., & Hayes, A. F. (2008). Asymptotic and resampling strategies for assessing and comparing indirect effects in multiple mediator models.

 *Behavior Research Methods, 40, 879-891. doi:10.3758/BRM.40.3.879.
- Reuters (2011, June 30). Monsanto's higher income clouded by S.E.C. inquiry. *New York Times,* p. B8.
- Roberson, Q. M., Collins, C. J., & Oreg, S. (2005). The effects of recruitment message specificity on applicant attraction to organizations. *Journal of Business and Psychology*, *19*, 319-339. doi:10.1007/s10869-004-2231-1.
- Robertson, C. (2010, April 21). Search continues after oil rig blast. *New York Times,* p. A3.
- Rozin, P., & Royzman, E. B. (2001). Negativity bias, negativity dominance, and contagion. *Personality and Social Psychology Review*, *5*, 296-320. doi:10.1207/pspr.2001.5.issue-4.
- Ryan, A. M., Horvath, M., & Kriska, S. D. (2005). The role of recruiting source informativeness and organizational perceptions in decisions to apply.

 International Journal of Selection and Assessment, 13, 235-249.

 doi:10.1111/j.1468-2389.2005.00321.x.
- Ryan, A. M., Sacco, J. M., Mcfarland, L. A., & Kriska, S. D. (2000). Applicant self-selection: Correlates of withdrawal from a multiple hurdle process. *Journal of Applied Psychology*, *85*, 163-179. doi:10.1037/0021-9010.85.2.163.
- Rynes, S. L. (1991). Recruitment, job choice, and post-hire consequences. In M. D.

 Dunnette (Ed.), *Handbook of Industrial and Organizational Psychology* (pp. 399-444). Palo Alto, CA: Consulting Psychologists Press.

- Rynes, S. L., & Cable, D. M. (2003). Recruitment research in the twenty-first century.

 In W. C. Borman, D. R. Ilgen, & R. J. Klimoski (Eds.), *Handbook of psychology: Industrial and organizational psychology* (Vol. 12 pp. 55-76). Hoboken, NJ: John Wiley & Sons.
- Schlenker, B. R., & Darby, B. W. (1981). The use of apologies in social predicaments. Social Psychology Quarterly, 44.
- Schwartz, P. (2000). When good companies do bad things. *Strategy and Leadership*, *28*, 4-11. doi:10.1108/10878570010348530.
- Schwartz, S. H. (1992). Universals in the content and structure of values: Theoretical advances and empirical tests in 20 countries. *Advances in Experimental Social Psychology*, *25*, 1-65. doi:10.1016/S0065-2601(08)60281-6.
- Schwoerer, C., & Rosen, B. (1989). Effects of employment-at-will policies and compensation policies on corporate image and job pursuit intentions. *Journal of Applied Psychology*, 74, 653-656. doi:10.1037/0021-9010.74.4.653.
- Sellnow, T. L., Ulmer, R. R., & Snider, M. (1998). The compatibility of corrective action in organizational crisis communication. *Communication Quarterly*, 46, 60-74. doi:10.1080/01463379809370084.
- Shaw, M. E., & Sulzer, J. L. (1964). An empirical test of Heider's levels in attribution of responsibility. *The Journal of Abnormal and Social Psychology*, *69*, 39. doi:10.1037/h0040051.
- Simola, S. K. (2005). Organizational crisis management: Overview and opportunities.

 *Consulting Psychology Journal: Practice and Research, 57, 180-192.

 doi:10.1037/1065-9293.57.3.180.

- Singer, N. (2011, January 16). Can Johnson & Johnson get its act together? *New York Times*, p. BU1.
- Slaughter, J., Zickar, M., Highhouse, S., & Mohr, D. (2004). Personality trait inferences about organizations: Development of a measure and assessment of construct validity. *Journal of Applied Psychology*, 89, 85-103. doi:10.1037/0021-9010.89.1.85.
- Smith, K. T., Smith, M., & Wang, K. (2010). Does brand management of corporate reputation translate into higher market value? *Journal of Strategic Marketing*, *18*, 201-221. doi:10.1080/09652540903537030.
- Spence, M. (1973). Job market signaling. *The Quarterly Journal of Economics*, 87, 355-374. doi:10.2307/1882010.
- Stein, M., & Pinto, J. (2011). The Dark Side of Groups: A "Gang at Work" in Enron.

 Group & Organization Management, 36, 692-721.

 doi:10.1177/1059601111423533.
- Steiner, Z. J. (2008). *The impact of negative publicity on organization image and attraction.* (Master's thesis). Purdue University, West Lafayette, IN.
- Stone, B. (2009, April 17). Apple tops PC customer service ratings. *New York Times*.

 Retrieved from http://bits.blogs.nytimes.com/2009/04/17/apple-tops-pc-customer-service-rankings/
- Stromback, J., & Nord, L. W. (2006). Mismanagement, mistrust and missed opportunities: A study of the 2004 tsunami and Swedish political communication. *Media Culture and Society*, *28*, 789. doi:10.1177/0163443706067028.

- Struthers, C. W., Eaton, J., Santelli, A. G., Uchiyama, M., & Shirvani, N. (2008). The effects of attributions of intent and apology on forgiveness: When saying sorry may not help the story. *Journal of Experimental Social Psychology*, 44, 983-992. doi:10.1016/j.jesp.2008.02.006.
- Sutton, R. I., & Callahan, A. L. (1987). The stigma of bankruptcy: Spoiled organizational image and its management. *Academy of Management Journal*, 30, 405-436. doi:10.2307/256007.
- Tom, V. R. (1971). The role of personality and organizational images in the recruiting process. *Organizational Behavior & Human Performance*, *6*, 573-592. doi:10.1016/S0030-5073(71)80008-9.
- Treadwell, D. F., & Harrison, T. M. (1994). Conceptualizing and assessing organizational image: Model images, commitment, and communication.

 Communication Monographs, 61, 63-85. doi:10.1080/03637759409376323.
- Tsai, W. C., & Yang, I. W. F. (2010). Does image matter to different job applicants?

 The influences of corporate image and applicant individual differences on organizational attractiveness. *International Journal of Selection and Assessment*, 18, 48-63. doi:10.1111/j.1468-2389.2010.00488.x.
- Turban, D. B. (2001). Organizational attractiveness as an employer on college campuses: An examination of the applicant population. *Journal of Vocational Behavior*, *58*, 293-312. doi:10.1006/jvbe.2000.1765.
- Turban, D. B., & Cable, D. M. (2003). Firm reputation and applicant pool characteristics. *Journal of Organizational Behavior*, *24*, 733-751. doi:10.1002/job.215.

- Turban, D. B., Forret, M. L., & Hendrickson, C. L. (1998). Applicant attraction to firms: Influences of organization reputation, job and organizational attributes, and recruiter behaviors. *Journal of Vocational Behavior*, *52*, 24-44. doi:10.1006/jvbe.1996.1555.
- Turban, D. B., & Greening, D. W. (1997). Corporate social performance and organizational attractiveness to prospective employees. *Academy of Management Journal*, *40*, 658-672. doi:10.2307/257057.
- Van Hoye, G. (2008). Nursing recruitment: relationship between perceived employer image and nursing employees' recommendations. *Journal of Advanced Nursing*, 63, 366-375. doi:10.1111/j.1365-2648.2008.04710.x.
- Van Hoye, G., & Lievens, F. (2005). Recruitment-related information sources and organizational attractiveness: Can something be done about negative publicity? *International Journal of Selection and Assessment*, *13*, 179-187. doi:10.1111/j.1468-2389.2005.00313.x.
- Van Hoye, G., & Lievens, F. (2007a). Investigating web-based recruitment sources: employee testimonials vs word-of-mouse. *International Journal of Selection and Assessment*, *15*, 372-382. doi:10.1111/j.1468-2389.2007.00396.x.
- Van Hoye, G., & Lievens, F. (2007b). Social influences on organizational attractiveness: Investigating if and when word-of-mouth matters. *Journal of Applied Social Psychology*, *37*, 2024–2047. doi:10.1111/j.1559-1816.2007.00249.x.

- Van Hoye, G., & Lievens, F. (2009). Tapping the grapevine: A closer look at word-of-mouth as a recruitment source. *Journal of Applied Psychology*, 94, 341-352. doi:10.1037/a0014066.
- Van Hoye, G., & Saks, A. M. (2011). The instrumental-symbolic framework:

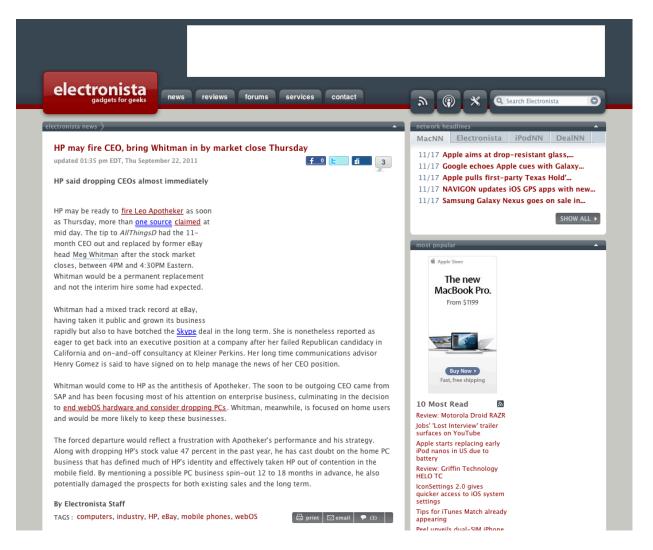
 Organisational image and attractiveness of potential applicants and their companions at a job fair. *Applied Psychology: An International Review, 60,* 311-335. doi:10.1111/j.1464-0597.2010.00437.x.
- Walker, J. H., Feild, H. S., Giles, W. F., Bernerth, J. B., & Short, J. C. (2011). So what do you think of the organization? A contextual priming explanation for recruitment web site characteristics as antecedents of job seekers' organizational image perceptions. *Organizational Behavior and Human Decision Processes*, *114*, 165-178. doi:10.1016/j.obhdp.2010.11.004.
- Weiner, B., Graham, S., Peter, O., & Zmuidinas, M. (1991). Public confession and forgiveness. *Journal of Personality*, *59*, 281-312. doi:10.1111/j.1467-6494.1991.tb00777.x.
- Weiner, B. (1995). *Judgments of Responsibility: A Foundation for a Theory of Social Conduct.* New York: Guilford.
- Werdigier, J. (2011, October 26). BP earnings slip 3.7% on lower production. *New York Times*, p. B3.
- Wicker, A. W. (1969). Attitudes versus actions: The relationship of verbal and overt behavioral responses to attitude objects. *Journal of Social Issues*, *25*, 41-78. doi:10.1111/j.1540-4560.1969.tb00619.x.

- Williams, D., & Olaniran, B. (2002). Crisis communication in racial issues. *Journal of Applied Communication Research*, *30*, 293-313. doi:10.1080/00909880216595.
- Worawongs, W. T. (2009). *Death on the menu: Comparative content analysis of image*restoration strategies and frames during the menu foods recall. (Doctoral dissertation). The Pennsylvania State University, University Park, PA.
- Yeager, P. L. (1991). The right image for recruitment. *The National Public Accountant*, 18-19.
- Zhao, H., & Liden, R. (2011). Internship: A recruitment and selection perspective. *Journal of Applied Psychology*, 96, 221-229. doi:10.1037/a0021295.

APPENDIX I

STIMULUS MATERIALS

Time 1 Negative Information





Tags adobe aggregators amazon android apple applestore apple TV ARM associated press att bbc blackberry bloas chris anderson chrome classifieds cloud computing cnn copyright crowdsourcing daily telegraph databases data management digital photo ebooks education eric schmidt facebook flipboard france freemium free press google google apps areen tech guardian havas healthcare html5 huffington post icloud india intel iOS ipad ipad 2 . iphone iphone nano iTunes iTV iarvis . kindle kiosks lagardère le bon coin le figaro Le Monde management maps meeker metered model micropayment microsoft mobile internet netbooks net neutrality news.me newspapers newsstand Newsweek new york times nielsen nokia

non-profit

How Bad Boards Kill Companies: HP

September 25, 2011 - 8:58 pm | Edited by Jean-Louis Gassée

'A good Board can't make a company, but a

bad one will inevitably kill it.¹ Thus spake Barry Weinman, the Gentleman Capitalist, when I joined the VC brotherhood. He meant to tell me to watch out for co-investors on the Board of companies in our portfolio of investments. And he was right. We, Vulture Capitalists, are supposed to be ruthless, but, in fact, we're toothless. We see trouble ahead, but we dither, we squabble and only make the hard decisions when the damage is done.

While early-stage companies are especially fragile, one would hope mature ones, having survived childhood diseases, are less vulnerable to the Bad Board malady. But no, for a large company, a dysfunctional Board of Directors can be just as toxic as a divided investor syndicate is for a startup. We have two Valley icons to prove it: Yahool and HP.

Last week, Yahoo! unceremoniously ejected its 3-year CEO, Carol Bartz, who promptly and publicly questioned its Chairman manhood and <u>called the Board a bunch of doofuses</u>. Wisely, Roy Bostock, the Chairman in question refused to take the bait. Bartz calmed down. And "not-for-sale" Yahoo! directors and temp CEO wrote the troops, urging them to keep up the good work — while they're caucusing with investment bankers for a sale. Whole, or one limb at a time.

Here's a short sample of the message Yahoo! co-founders and Chairman hope will motivate the troops:

"What Yahoo! needs to do better — and we've talked about this — is accelerate innovation, reignite inspiration, and give our users what they want now..."

Gee, thanks. Let's accelerate innovation, the troops repeat in unison. How come we didn't think of it before. <u>All Things D's</u> Kara Swisher gives the full and rightful <u>savage</u> treatment to the lame messages from the top.

Turning to HP, this week was their Board's opportunity to solidify its reputation for incompetence and bad manners. They rose to the occasion. As recounted last year in August (Curious Summer), September (Redemption of More Insanity Ahead), and October (HP's Board Gets No Respect) Monday Notes, this group of supposedly wise and experienced individuals managed to accumulate a sorry track record of boneheaded decisions. Admittedly, there's a revolving boardroom door, directors have come and gone, but something in the coffee keeps addling their brains. To wit:

- In 1999, HP hires Carly Fiorina as CEO. She's a Lucent Sales exec, with no
 qualification whatsoever to run a tech giant. Was there no one else to be found
 in the entire industry? Behind that bad decision, there is the Board'd failure in
 one of its most important missions: Succession Planning, grooming one or more
 standby CEO candidates.
- In 2002, after much internal strife, the Board proceeds with the hugely expensive Compaq acquisition: \$25B, 36% of the combined entity to Compaq shareholders and an ugly <u>proxy fight</u> with Hewlett heirs.
- A rare moment of Board lucidity, or is it the relentless pounding of facts? In 2005, Carly gets the boot and is replaced by an experienced industry exec, Mark Hurd, who came with a record for turning NCR around.
- Members of the Board and execs get caught in <u>unsavory pretexting</u> <u>shenanigans</u>, spying on directors and employees. The Board Chair and the company's General Counsel leave.
- Hurd delivers, some say by cutting too much: HP becomes the #1 tech company ahead of IBM. Shareholders love their new CEO.
- Five years later, in August 2010, after alleged but unproven allegations of misconduct of a sexual nature, and unclear but minor expense reporting problems, Hurd is shown the door. The decision is debatable, but what follows isn't. At the Board's behest, the company issues public statements disparaging Hurd, accusing him of ethics violations and lapses of judgement. And then, after pillorying him, the company inexplicably paid off the "disgraced" Hurd to the tune of \$300M to \$40M. HP shareholders sued the directors and the media recorded they.
- Hurd is promptly hired by Oracle's Larry Ellison, who doesn't miss the
 opportunity to mock HP's Board. So does Joe Nocera in his NYT column: "The
 Hewlett-Packard board is back to doing what it does best: shooting itself in the
 foot."
- Claiming he'll "inevitably" misuse confidential HP information in his new Oracle
 job, the Board authorizes a suit against Hurd. Two weeks later, under the
 combined weight of ridicule and of the invalidity of non-compete clauses, HP
 settles.
- Having failed once again in its mission to develop CEO successors internally, HP's Board hastily hires <u>Léo Apotheker</u>, an enterprise software industry veteran, ex-CEO of the industry giant <u>SAP</u>. Hastily? Yes: As the NYT tells in this <u>"Voting</u> to Hire a Chief Without Meeting Him" column, when the Board decided to hire



Search for: Search



About the authors



Frédéric Filloux Based in Paris,he is the general manager of the French ePresse consortium.

Read more about Frédéric



Jean-Louis Gassée
He lives in Palo Alto, California
where he is a general partner for
Allegis Capital
Read more about Jean-Louis

Recent columns

Apple's Antitrust Problem iTV: Where's The Money? The Discreet Shift to Twitter From Heaven: iTV Proof by Mask

Steve's Bio: A Personal Perspective Apple's Newsstand: Wait for 2.0 Mobile + Cloud + Social

You Cheat. We Cut Prices

Premature Evaluation: The iPhone 5 Introduction
The Teacher

Too soon...

Dreaming at the Kindle Potential Google's "Interesting" Week The Capsule's Price

Archives

Select Month \$

About the Monday Note



MEDIA, TECH & BUSINESS MODELS



Dominic Rushe guardian.co.uk, Thursday 22 September 2011 19.27 EDT Article history



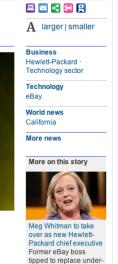
Meg Whitman, the new Hewlett-Packard chief executive. Photograph: Reuters

Meg Whitman faces a daunting task as she takes the job at one of world's biggest technology companies.

The firm's last three bosses have all left under a cloud. Carly Fiorina clashed with the company's beloved founding family and was dubbed the "anti-Steve Jobs" for all she did for HP. Her successor, Mark Hurd, was axed amid scandal involving a former porn star and accusations of fiddling his expenses. Léo Apotheker lasted 11 months and presided over a halving in the firm's value. The company's board is reportedly so dysfunctional most of them didn't even interview Apotheker, they were too busy arguing.

Whitman, former boss of eBay, is set to take over from Apotheker immediately, the company announced today. She has the advantage of being available as she is both a non-executive director of HP and failed to secure the last job she really wanted, the governorship of California, after spending a record \$144m on her campaign.

"Meg is a technology visionary with a proven track record of execution. She is a strong communicator who is customer focused with deep leadership capabilities," HP chairman Ray Lane said in a statement. She is also a woman who, according to court documents, is referred to as "Good Meg" or "Evil Meg" by colleagues and who once ended up with a \$200,000 legal bill after pushing over an underling in a meeting.



pressure Léo

See also

30 Sep 2011

draw \$1 salary

7 Sep 2010

Apotheker at HP

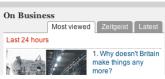
Hewlett-Packard's new chief Meg Whitman to

Former HP chief Mark

11 Aug 2010 Apple's iPad bonanza triggers race to launch

Hurd joins Oracle



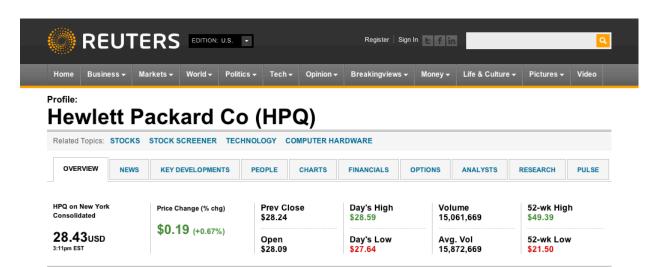


copycat tablets

3 Sep 2010

3Par boss nets £65m fortune from hi-tech bidding war

Time 1 Neutral Information





FULL DESCRIPTION

Hewlett-Packard Company (HP), incorporated in 1947, is a provider of products, technologies, software, solutions and services to individual consumers, small- and medium-sized businesses (SMBs) and large enterprises, including customers in the government, health and education sectors. Its operations are organized into seven segments: Services, Enterprise Storage and Servers (ESS), HP Software, the Personal Systems Group (PSG), the Imaging and Printing Group (IPG), HP Financial Services (HPFS), and Corporate Investments. Services, ESS and HP Software are reported collectively as a broader HP Enterprise Business. In April 2010, the Company completed its acquisition of 3Com Corporation. In July 2010, the Company completed the acquisition of Palm, Inc. (Palm), In September 2010, the Company acquired Fortify Software. In September 2010, the Company acquired 3PAR Inc., a global provider of utility storage. In October 2010, the Company acquired ArcSight, Inc., a security and compliance management company.

The Company's offerings include multi-vendor customer services, including infrastructure technology and business process outsourcing, technology support and maintenance, application development and support services and consulting and integration services. It also provides enterprise information technology infrastructure, including enterprise storage and server technology, networking products and solutions, information management software and software that optimizes business technology investments; personal computing and other access devices, and imaging and printing-related products and services.

Services

Services provide consulting, outsourcing and technology services across infrastructure, applications and business process domains. Services delivers to its clients by leveraging investments in consulting and support professionals, infrastructure technology, applications, standardized methodologies, and global supply and delivery. Services is divided into four main business units: infrastructure technology outsourcing, technology services, applications services and business process outsourcing. Infrastructure technology outsourcing delivers services that streamline and optimize its clients' infrastructure to improve performance, reduce costs, mitigate risk and enable business change. These services encompass the data center and the workplace (desktop); network and communications, and security, compliance and business continuity. It also offers a set of managed services, providing a cross-section of its broader infrastructure services for smaller discrete engagements.

HP provides consulting and support services, as well as warranty support across HP's product lines. HP specializes in keeping technology running with services, converged infrastructure services, networking services, data center transformation services and infrastructure services for storage, server and unified communication environments. HP's technology services offerings are available in the form of service contracts, pre-packaged offerings (HP Care Pack services) or on an individual basis. Applications services help clients revitalize and manage their applications assets through flexible, project-based, consulting services and longer-term outsourcing contracts. These full life cycle services consist of application development, testing, modernization, system integration, maintenance and management. Business process outsourcing is powered by a platform of underlying infrastructure technology, applications and standardized methodologies and is supplemented by information technology (IT) experience and in-depth, industry-specific knowledge. These services consist of both industry-specific and cross-industry solutions. Its cross-industry solutions include a range of enterprise shared services, customer relationship management services, financial process management services and administrative services.

Enterprise Storage and Servers

ESS provides storage and server products in a number of categories, including industry standard servers, business critical systems and storage. Industry standard servers include primarily entry-level and mid-range ProLiant servers, which run primarily Windows, Linux and Novell operating systems and leverage Intel Corporation (Intel) and Advanced Micro Devices (AMD) processors. The business spans a range of product lines that include pedestal-lower servers, density-optimized rack servers and HP's BladeSystem family of server blades.

Business Critical Sustams include MD Integrity services based on the Intel Itanium based processor that run MD TIV



COMPANY ADDRESS

Hewlett Packard Co

3000 Hanover Street Palo Alto CA 94304 P: +1650.8571501 F: +1650.8575518

Home Page	
News Releases	
Investor Relations	
Financial Informati	on
Corporate History/I	Profile
Executives	
Products/Services	
Employment Oppo	rtunities

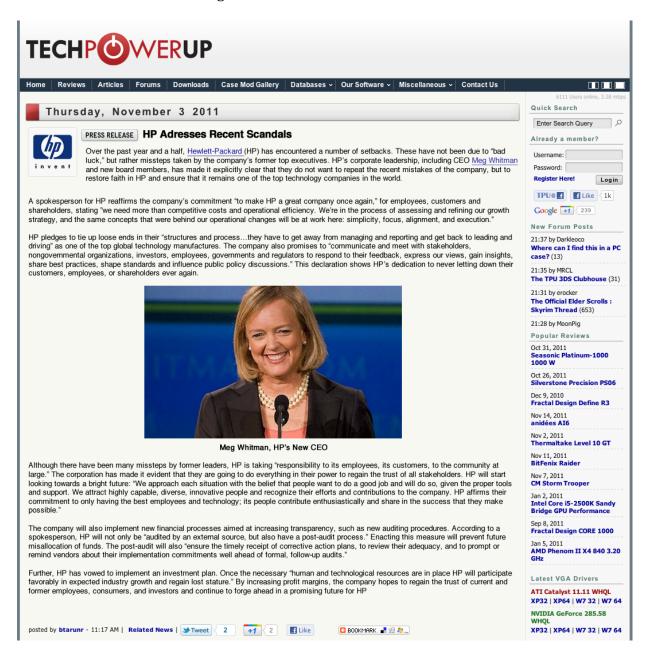
Time 2 Neutral Information



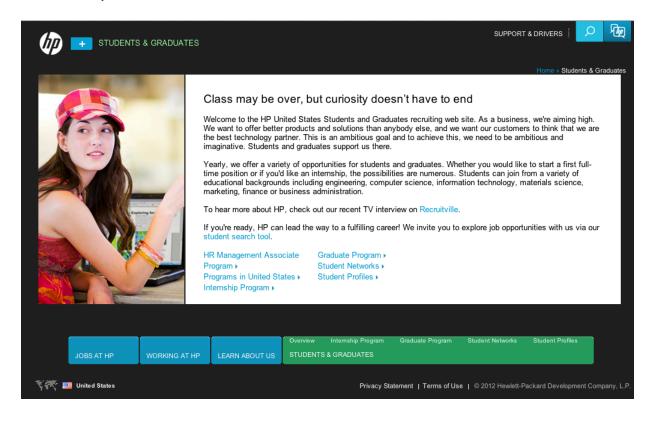
Time 2 Reduce Offensiveness Image Restoration



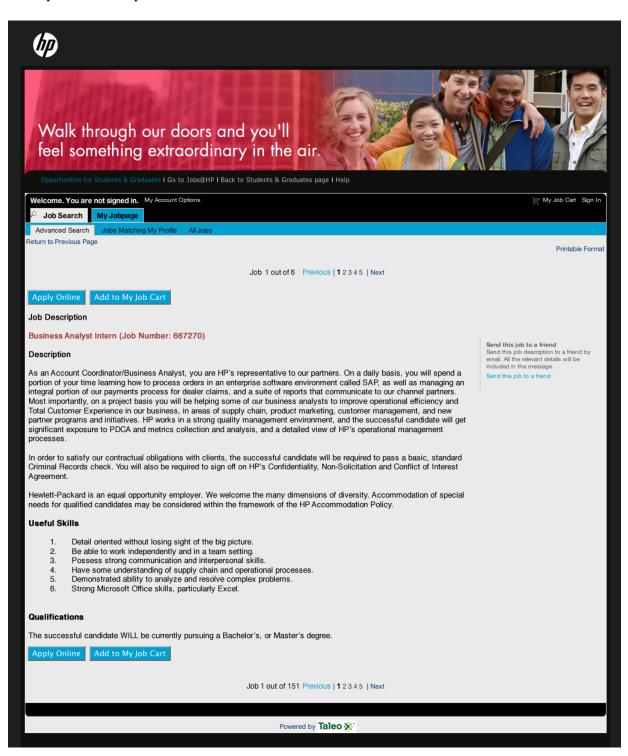
Time 2 Corrective Action Image Restoration



HP Student Job Site



Example Internship Screenshot



APPENDIX II

STUDY MEASURES

Reverse coded items are denoted with (-). All items responded to on: 1 = Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly Agree.

Organizational Image

General Image. From Schwoerer and Rosen (1989)

- 1. HP appears to care about its employees.
- 2. HP has a favorable image.
- 3. This would be a good company to work for.

Trait-based Image. From Cable and Yu (2006).

NOTE: Subscale names in italics were not be displayed to participants.

Indicate your agreement that this adjective describes HP:

Powerful	1.	Powerful: control over others, dominance
	2.	Wealthy: material possessions, money
Achievement-Oriented		Successful: achieving goals
	4.	Capable: competent, effective, efficient
Stimulating	5.	Interesting: challenge, novelty, change
	6.	Exciting: stimulating
Self-Directed	7.	Self-directing: selecting own purposes
	8.	Independent: self-reliant, self-sufficient
Universal	9.	Broad-minded: tolerant of different ideas and beliefs
		. Equality: equal opportunity for all

Benevolent 11. Honest: genuine, sincere

12. Responsible: dependable, reliable

Traditional 13. Accepting: submitting to circumstances

14. Humble: modest, self-effacing

Conforming 15. Respectful: showing respect

16. Polite: courteous, good manners

Instrumental Characteristics and Symbolic Trait Inferences. From Lievens & Highhouse (2003).

Symbolic Traits.

Indicate your agreement that this adjective describes HP:

Sincerity 1. Honest

2. Sincere

Innovativeness 3. Daring

4. Trendy

5. Exciting

6. Cool

7. Spirited

8. Young

Competence 9. Secure

10. Intelligent

11. Reliable

Prestige 12. Upper-class

13. Prestigious

Robustness 14. Masculine

15. Strong

16. Robust

Instrumental Characteristics:

Teamwork

- 1. HP offers the possibility to work together with different people.
- 2. HP offers the possibility to feel part of a group and enjoy a group atmosphere.
- 3. HP offers the possibility to work in team.

Advancement

- 4. HP offers prospects for promotion.
- 5. HP offers opportunities for advancement.
- 6. HP offers the possibility to build a career.

Pay & Benefits

- 7. HP offers the possibility to make a lot of money.
- 8. In general, the wages in HP are high.
- 9. Salaries are high at HP
- 10. HP offers a good benefit package.

Task diversity

- 11. HP offers the possibility to choose from a diversity of jobs.
- 12. Working at HP offers a lot of variety.
- 13. HP offers a wide range of jobs.

Organizational Attraction

From Highhouse et al. (2003)

- 1. For me, HP would be a good place to work.
- 2. I would not be interested in HP except as a last resort. (-)
- 3. HP is attractive to me as a place for employment
- 4. I am interested in learning more about HP.
- 5. A job at HP is very appealing to me.

Intentions to Apply

From Roberson et al. (2005)

- 1. If I were searching for a job, I would apply to HP.
- 2. If HP offered me a job, I would probably accept it.
- 3. If a saw a job opening for HP, I would apply for it.
- 4. My intention would be to accept the job, if HP offered one.

Source Credibility

From Johnson and Kaye (2002)

- 1. This source was believable.
- 2. This source was accurate.
- 3. This source lacked bias.
- 4. This source provided complete information.

Familiarity

From Cable and Turban (2003)

- 1. I know quite a bit about HP.
- 2. I am very familiar with HP.
- 3. I am familiar with HP's products or services.

Attribution of Responsibility

Adapted from Struthers et al. (2008)

Internal Locus:

- 1. The causes of events that happen to HP have something to do with the situation and not an aspect of HP. (-)
- 2. The causes of events that happen to HP have something to do with an aspect HP, not the something about the situation.

Controllability

- 3. HP has no control over events that happen to it. (-)
- 4. HP has control over events that happen to it.

Inference of Responsibility

- 5. HP is responsible for the events that happen to it.
- 6. HP is accountable for events that happen to it.

Jobs Site Question

Which	cummar	internship	are w	nı moct	intaractad	in a	nnlvina	to2
VVIIICII	Summer	1111611131111	Jaic y	ju most	micresteu	111 0	ipprymig	w:

- Business Analyst
- Marketing & Administration
- IT Developer / Engineer
- Computer Engineering
- Technical Writing
- Graphic Design
- Business Administration
- 1. I would apply for this internship this summer.
- 2. This internship fits with my career goals.
- 3. I would accept this internship, even if it was unpaid.
- 4. I would only accept this internship, if it was a paid internship. (-)

Why or why not would you apply to this internship? _____

Demographics and Experience

			_
1.	What is your sex?	MALE	FEMALE
2.	What is your age as	of your last birthday?	
3.	What is your major?		
4.	What is your GPA?_		

- 5. What is your employment status?
 - Full-time (40 hrs/wk or more)
 - Part-time (20 hrs/week or less)
 - Temporary (called in when needed)
 - I'm not currently working
- 6. If you're currently working, how long have you worked for your company (in months)? _____

7.	How many jobs have you held?					
8.	Are you currently seeking a job?	YES	NO			
9.	How many job searches have you conducted?					

- 10. Has your employer (past or present) done any of the following activities (select all that apply):
 - Had a major product recall
 - Had an employee strikes
 - Been acquired by another company
 - Filed for bankruptcy
 - Had an employee charged with insider trading
 - Been responsible for environmental problems
 - Laid off works
 - Been involved in an ethics scandal (e.g., been investigated by the government)

Occupation Preference

From O*NET (National Center for O*NET Development, 2001)

In which occupation would you be most interested when you graduate? Example jobs are listed after each occupation type.

- 1. Architecture and Engineering Occupations: Architect, Mechanical Engineer, and Surveyor.
 - Computer and Mathematical Occupations: Software Developer, Computer Network Architect, and Actuary.
- 2. Arts, Design, Entertainment, Sports, and Media Occupations: Graphic Designer, Copywriter, Actor, Writer, and Musician.
- 3. Business and Financial Operations Occupations: Accountant, Auditor, Market Researcher, And Financial Analyst.

 Management Occupations: Educational Administrator, Legislator, Chief Executive, Manager at variety of occupations.

 Sales and Related Occupations: Sales Representative, Real Estate Broker, Model,
 - Sales and Related Occupations: Sales Representative, Real Estate Broker, Model, Salesperson, and Travel Agent.
- 4. Community and Social Service Occupations: Social Worker, Counselor, and Clergy.

- Education, Training, and Library Occupations: Teacher, Librarian, Archivist, and Instructional Designer.
- 5. Farming, Fishing, and Forestry Occupations: Agricultural Inspector, Animal Breeder, and Forest Conservation Worker.
- 6. Healthcare Practitioners and Technical Occupations: Nurse, Doctor, Dentist, Pharmacist, and Therapist.
- 7. Legal Occupations: Lawyer, Paralegal, and Judge.
- 8. Life, Physical, and Social Science Occupations: Biologist, Chemist, Economist, Geographer, Physicist, Political Scientist, Sociologist, Historian, Clinical/Counseling Psychologist, and Industrial/Organizational Psychologist.
- 9. Protective Service Occupations: Police Office, Firefighter, Intelligence Analyst, Correctional Officer, and Detective.
- 10. If your preferred job is not listed above, please list it here ______.