Personality as a Moderator of the Relationship between Organizational Size and Organizational Attraction Perceptions

Stephanie J. Thomason
University of Tampa

Amy Brownlee
University of Tampa

Susan Steiner
University of Tampa

The ability of an organization to attract employees who will successfully execute their job duties is critical for the long-term success of any organization. Applicants considered conscientious, outgoing, enthusiastic, and emotionally stable may seem more attractive to employers than those with personalities of opposing dimensions. The present study applied a vignette approach to determine whether the personality domains of the Five Factor Model of Personality moderated the relationship between organizational size and overall organizational attractiveness. Results from a survey of 138 potential job applicants provided evidence that highly conscientious and extraverted job applicants found large firms attractive, while those who were open to experience, yet low in conscientiousness, found small firms attractive. These findings are intriguing when considering that conscientiousness is the strongest personality predictor of performance overall (Barrick, Mount, & Judge, 2001) and that individuals considered low in conscientiousness are likely to exhibit a weak work ethic and substandard performance levels. Practical implications for small organizations are provided.

Being considered "attractive" to job seekers offers numerous advantages to organizations seeking to attract and retain the highest levels of intellectual and human capital and to ultimately achieve a sustainable competitive advantage (Berthon, Ewing, & Hah, 2005). Employer attractiveness can be defined as "envisioned benefits that a potential employee sees in working for a specific organization" (Berthon, Ewing, & Hah, 2005, p. 151). Over the past decade, consultants have published an array of anecdotal articles touting the benefits obtained (Herman & Gioia, 2001; Higgs, 2005) and resources required (Herman & Gioia, 2001; Higgs, 2005) to become attractive to employees. Yet while attractiveness offers obvious benefits for organizations, the literature examining the predictors of organizational attractiveness is underdeveloped, primarily focusing on the attractiveness of large organizations and often based on the perceptions of a relatively narrow MBA student population.

Previous research has identified several organizational predictors of organizational attractiveness, such as reputation and corporate social performance (Turban & Greening, 1996; Albinger & Freeman, 2000), pay/salary/benefits (DelVecchio, Jarvis, Klink, & Dineen, 2007; Browne, 1997), intellectual challenge (Montgomery & Ramus, 2011), brand equity (DelVecchio et al., 2007), impressions of co-workers (Devendorf & Highhouse, 2008), and geographic location (Butler, Sanders, & Whitecotton, 2000). This growing literature has also often focused on the MBA student population and its attractiveness perceptions of large organizations (Arbaugh, Bento, & Hwang, 2010; Rubin & Dierdorff, 2009; Navarro, 2008; Scott, 2000), as this group of job applicants is easily accessible and highly desirable in such organizations. Yet the MBA student population only represents a small proportion of the entire job applicant pool in the employee workforce, so studies focusing on additional rungs of the employment ladder are additionally desirable. Furthermore, the job choice decisions of MBA students may vary from those of the much larger (and also highly desirable) undergraduate college student population.

While research has suggested that respondents uniformly base perceptions of attractiveness on broad-based categories such as reputation, pay, and geographic location, other factors are likely to influence whether applicants consider organizations attractive and prestigious. The person-organizational fit theory and literature (Kristof, 1996) calls attention to variation in organizational choice and focuses on the particular job applicant's interests and values. One recent study used this theory to explain the relationship between personal values and organizational cultures, and distinguished the latter through

an emphasis on rules versus risks and also rewards versus relations (Borg, Groenen, Jehn, Bilsky, & Schwartz, 2011). The authors found that a better person-organization fit can be achieved when the personal values of workers align closely to these types of organizational culture. They note that a person who values tradition and security is better served in an organization that values rules. In contrast, a person who values achievement may be better served in a rewards-focused organization.

The Borg et al. (2011) study informs theory and practice about the relationship between values and organizational cultures. We know less about the relationship between the outward manifestations of such values, i.e., the job applicant's personality. Studies that have identified relationships between personality and preferences for particular organizational culture types have found that relationships do exist. One such study by Judge and Cabell (1997) found that the Big Five personality dimensions (extraversion, conscientiousness, openness to experience, neuroticism, and agreeableness) related to various preferences for organizational culture types. This study was conducted during a recruiting season on a college campus and primarily focused on student responses about organizations with which they were interviewing. Organizations conducting on-campus recruiting are generally large, probably attributable to the resources required to recruit on-campus. As noted by Bernardin (2010), recruiting costs typically run in excess of $6,000 per on-campus recruit and such costs may be formidable to more resource-challenged small firms.

Few studies have focused on organizational attractiveness of small firms and/or the relationship between the personality profiles of potential job applicants and organizational attractiveness based on organizational size (c.f. Lievens, Decaesteker, Coetsier, & Geirnaert, 2001). Small and medium-sized enterprises (SMEs) comprise a significant portion of all firms within the United States. According to a U.S. Census Bureau (2011) report, firms with less than 500 employees represent over 99% of all firms in the U.S. Moreover SMEs account for 49% of all employees and 43% of the nation's payroll. While these data reveal that SMEs represent a substantial portion of U.S. workers, the academic business literature is largely based upon findings within large organizations (cf. Lechner & Leyronas, 2009; Hyman, & Osborne, 2006; Heneman, Tansky & Camp, 2000), perhaps attributable to data availability and such firms' extensive resources and strong revenues. Since almost half of the U.S. population works for SMEs, attention to the facilitators of a sustainable competitive advantage within SMEs is undoubtedly warranted.

Some research suggests that job satisfaction may be higher in SMEs than in larger organizations. One recent study found that employees' perceptions of job quality are highest in small firms and decrease as the size of the firm increases (Storey, Saridakis, Sen-Gupta, Edwards, & Blackburn, 2010). Specifically, the authors found that the presence of "formality" - or policies, programs, and procedures – was negatively related to perceptions of job satisfaction. Interestingly, this finding contrasts with the recruitment strategies of some organizations. One study of corporate messages on a large recruiting website found that firms' place the most emphasis on their "successful" and "large" attributes to attract job applicants (Backhaus, 2004). Backhaus states that "no empirical studies have supported the notion that organization size, success, or global reach are inducements to applicants, yet these corporate recruitment statements emphasize these attributes over all information" (p. 130).

Accordingly, our study aims to address gaps in the research by developing a better understanding of organizational attractiveness in SMEs by examining job seekers' personalities and organization size preferences. We use the domains of the well-known Five Factor Model of Personality (Costa & McCrae, 1992) to assess personality, and vignettes developed for the present study to delineate size by distinguishing two organizations' levels of formality, structure, and human resource policies and practices. Our focus includes both small and large organizations so that we can draw comparisons between the two. The framework upon which we build our model stems from theories of social identity (Tajfel & Turner, 1979) and similarity attraction (Berscheid & Walster, 1974; Byrne, 1971).

Social identity theory suggests that people categorize themselves as part of an in-group by their age, race, organization, club, school, or other salient group with whom they identify closely (Tajfel & Turner, 1979). Similarity attraction theory posits that people are attracted to similar, rather than dissimilar, others (Berscheid & Walster, 1974). These theories suggest that people prefer to engage in and support relationships with others with whom they closely identify. Relationships pose fewer cognitive challenges when parties share similar values, attitudes, and experiences (Kunda, 1999).

In the next section, we review the extant literature to build and test a model of the moderating effects of personality on the relationship between organizational size and organizational attractiveness.

DIFFERENCES BETWEEN SMALL AND LARGE FIRMS

Human resource (HR) policies have been shown to impact job choice among potential applicants (Bretz & Judge, 1994). Bretz and Judge (1994) found that individual differences on traits such as locus of control and preference for individual work affected how attractive these individuals found organizations that differed on specific HR practices such as team work and merit pay. Previous research has also examined how HR practices differ in large versus small firms (for review see Cardon & Stevens, 2004). This research shows marked differences in how small versus large firms approach their management of human resources. For instance, Heneman, Tanksy and Camp (2000) found in a review of the small business literature that compensation at small organizations focused on not only pay and monetary incentives but also psychological rewards of working in a small firm, the available learning opportunities, and the recognition likely in a smaller firm.

In general, small and large firms do seem to have many of the same worries with regard to human resources (Hornsby & Kuratko, 1990). However, other research has shown that smaller organizations tend to have less formal HR polices and may not have HR professionals – people specializing in planning and implementing HR policies and practices (Heneman, et al., 2000). Hornsby and Kuratko (1990) argue that smaller firms do use many of the same HR practices as larger firms and that small firms' lack of formality is overstated in the literature. However, numerous studies have identified different patterns in HR practices between small and large firms.

Previous research has found that smaller organizations tend to hire for organizational fit instead of hiring for a specific job (Heneman, Heneman, & Judge, 1997). Staffing decisions in smaller firms are therefore based on the extent to which the decision-makers believe an applicant will take on additional jobs as needed and will be able to handle multiple tasks or responsibilities. Additionally, during the hiring process, personnel in smaller organizations are less likely to use personality tests and person-organization fit instruments that have been shown to be valid and useful in larger organizations (Heneman, et al., 2000). The reasons smaller firms do not use these types of selection instruments revolve around the idea that these firms have fewer resources than larger firms, make fewer hiring decisions and have fewer employees; additionally, smaller firms end up relying on general managers instead of human resource professionals to conduct the human resource activities (Klass, McClendon, & Gainey, 2000).

Other human resource areas that differ between small and large firms include training and performance appraisal. Training in smaller organizations tends to be more informal and relies on on-the-job training to a great extent with few formal training programs (Storey, 2004; Westhead & Storey, 1996). Performance appraisals in smaller organizations also tend to be more informal and continuous as opposed to occurring at set times of the year. These frequent, informal performance evaluations are more focused on controlling and monitoring employees rather than on developing them (Gilbert & Jones, 2000; Neeson, Billington, & Barrett, 2007).

One final difference between small and large firms with regard to human resources management relates to the policies aimed at work-life balance. Larger firms are more likely to have formal, specific policies intended to promote work-life balance (Bond, Hyman, Summers & Wise, 2002; Galinsky & Bond, 1998). Accordingly, Galinsky and Bond (1998) found that organization size was second only to industry type as the strongest predictor of whether a firm would have formal work-life balance policies. This previous empirical research on work-life balance shows that smaller firms are less likely to have organizational-level policies, yet small firms may address work-life balance concerns in more informal ways. Case-based evidence suggests that policies promoting work-life balance, such as flexible work arrangements, do occur in small and medium-sized enterprises. Yet, as noted by Dex and Scheibl (2001), the arrangements tend to be more flexible, informal and overseen by lower level managers rather than through formal or organizational-level policies.

In summary, previous research has identified a number of areas in which human resource practices vary between small and large organizations. We propose that the personality characteristics of job applicants will likely impact the attractiveness of these varying types of organizations. To assess potential job applicants' personalities, we use the Five Factor Model of Personality (FFM) (Costa & McCrae, 1992; Barrick et al., 2001). Judge and colleagues state that "virtually all personality measures can be reduced or categorized under the umbrella of a five-factor model of personality" (Judge, Higgins, Thoresen, & Barrick, 1999, p. 622). The domains of the FFM are extraversion, agreeableness, conscientiousness, emotional stability/neuroticism and openness to experience (Costa & McCrae, 1995; Judge, Bono, Ilies & Gerhardt, 2002). These domains have been found to predict leadership effectiveness, career success (Judge et al., 2002), and managerial job performance (Barrick et al., 2001; Oh & Berry, 2009) and are thus likely to influence career choices and perceptions of organizational attractiveness.

As noted by Barrick, Mount, and Gupta (2003, p. 46) "it is clear that personality traits and vocational interests are related to some degree." The authors build upon the work of Holland (1978) who stated that vocational interests 'may actually be another dimension of personality.' Barrick and colleagues (2003, p. 46) invoke the theory of vocational personalities and work environments to state that an "employee's satisfaction with his or her job, as well as the propensity to leave that job, depend on the degree to which the individual's personality matches his or her occupational environment." Coupled with person-organization fit theory (Kristof, 1996), the theory of vocational personalities and work environments provides theoretical support for the argument that the attractiveness of an organization varies to some degree as a function of the personality of the job applicants.

PROPOSED IMPACT OF PERSONALITY ON ORGANIZATIONAL
ATTRACTIVENESS PERCEPTIONS EXTRAVERSION

Extraverts are talkative, active, positive, outgoing, sociable, adventurous and assertive individuals who tend to seek out and enjoy change (Barrick & Mount, 1991; Goldberg, 1990; Bono & Judge, 2004). They prefer social jobs in which they can work with and help others, while avoiding ordered, systematic activities involving tools and machinery (Barrick et al., 2003). Enterprising jobs that enable extraverts to use their verbal skills to persuade and lead others to attain organizational goals, while avoiding symbolic and systematic activities are also appealing to extraverts (Barrick et al., 2003). Furthermore, two meta-analytic studies have concluded that of the Big Five factors of personality, extraversion is the most consistent correlate of leader emergence, leader effectiveness (Judge et al., 2002), and transformational leadership (Bono & Judge, 2004). Extraversion predicts high job performance in both sales and managerial work (Barrick & Mount, 1991) and has also been shown to positively affect teamwork (Borman, Penner, Allen & Motowidlo, 2001). Conversely, introverted individuals are described as aloof, quiet or modest (Goldberg, 1990).

Extraverted individuals seem likely to be attracted to organizations where their outgoing nature, leadership skills, and flexibility are appreciated. Given that small organizations are often characterized

by relatively unstructured and dynamic environments in which employees can work hand-in-hand with owners and managers to influence and achieve organizational goals, we would expect extraverted individuals to be attracted to such climates. Accordingly, we propose our first hypothesis:

> H1: Extraversion will moderate the relationship between organizational size and organizational attractiveness such that individuals high in extraversion will find small organizations attractive.

AGREEABLENESS

Agreeable individuals tend to be cooperative, warm and courteous (Goldberg, 1990). On the other hand, skeptical individuals (low in agreeableness) can be described as untrusting, critical or argumentative. Costa and McCrae (1992), however, also described agreeable individuals as more passive and conforming. They value affiliation and the avoidance of conflict (Graziano, Jensen-Campbell, and Hair, 1996). Other research suggests that highly agreeable individuals may also be less proactive (LePine & Van Dyne, 2001; Tett & Burnett, 2003). This past research seems to suggest that highly agreeable individuals will consider large organizations to be attractive since the work is prescribed and structured and they are not required to be proactive. Therefore, we posit as follows:

> H2: Agreeableness will moderate the relationship between organizational size and organizational attractiveness such that individuals high in agreeableness will find large organizations attractive.

CONSCIENTIOUSNESS

Highly conscientious individuals are persevering, organized, dependable and achievement-striving (Costa & McCrae, 1992). In contrast, individuals with low scores in conscientiousness are described as forgetful, incompetent, lazy or careless. These characteristics indicate that highly conscientious individuals will prefer larger organizations in which achievement and advancement are more likely and upwardly mobile opportunities more prevalent. Lievens et al. (2001) found that relationship in a study examining how personality moderates the relationship between organizational attractiveness and organizational size. Their study, however, did not focus on how human resource practices differ between small and large organizations. Since previous research has found that the more a person believes he/she will fit in an organization the greater the attraction to the organization (Kristof, 1996), it seems likely that the greater structure found in the human resource practices of large organizations should be attractive to individuals with high level of conscientiousness. This leads to our next hypothesis:

> H3: Conscientiousness will moderate the relationship between organizational size and organizational attractiveness such that individuals high in conscientiousness will find large organizations attractive.

EMOTIONAL STABILTY

Emotional stability, also called neuroticism (inverse relationship) or emotionality (Barrick & Mount, 1991), at the low end is characterized by being anxious, insecure, self-pitying or immature (Goldberg, 1990). Individuals with high levels of emotional stability are described as calm, self-reliant, and stable. Previous research has shown that neurotic individuals might be predisposed to consider changes in a work environment negative or threatening (Burke, Brief & George, 1993; Watson & Clark, 1984). Additional research has also shown that neurotic individuals react negatively to situations where they experience low levels of control or perceive high levels of uncertainty (Tett & Burnett, 2003). These

findings suggest that neurotic individuals will consider the unstructured and dynamic work environment of a small organization to be unattractive. Accordingly, we propose our next hypothesis:

> H4: Neuroticism will moderate the relationship between organizational size and organizational attractiveness such that neurotic individuals will find small organizations to be unattractive.

OPENNESS TO EXPERIENCE

Individuals with high levels of openness to experience are described as imaginative and curious (Barrick & Mount, 1991). These individuals have a propensity to be adaptive in their work (Thoresen, Bradley, Bliese, & Thoresen, 2004) and to handle changes in task demands more effectively (LePine, Colquitt & Erez, 2000). In small organizations, jobs are less well-defined and individuals often need to manage a variety of tasks to ensure organizational outcomes are achieved. Small organizations' lack of structure in training, promotions and work will also require that individuals are proactive in approaching their work. Neal, Yeo, Koy and Xiao (2012) found that individuals with high levels of openness to experience were more proactive in their work at both the individual and organizational levels. Accordingly, we propose the following hypothesis:

> H5: Openness to experience will moderate the relationship between organizational size and organizational attractiveness such that individuals high in openness to experience will find small organizations attractive.

RESEARCH METHODOLOGY

PHASE 1: MANIPULATION CHECK

We conducted our analyses in two phases. In the first phase, we administered two manipulation check surveys to 64 undergraduate and graduate students enrolled in a variety of business courses at a medium-sized private university in the southeastern United States. The mean age of the respondents was 22 and 68% were female. Participants read a paragraph describing the characteristics of an organization. The description was designed to represent either a larger organization or a smaller organization (see appendix for the vignettes used), yet neither description referred to the organization as "large" or "small." Geographic location was the same for both descriptions and starting pay was not mentioned. Primary differences included the formality of the job definition, the presence of formal training and performance appraisals, the reporting structure, and the presence of formal human resources policies. These differences were based on previous research examining differences between larger versus smaller firms (Cardon & Stevens, 2004).

Participants read the short descriptions, answered the manipulation check questions and provided demographic data. No other variables were measured during the manipulation check. Two questions were used to measure the extent to which the manipulation was successful. The first question asked respondents to "circle the amount below that you think best estimates the number of employees at the company." The options were: 1 – 50; 51 – 100; 101 – 150; 151 – 200; 201- 300; 301 – 400; and Over 400. An independent samples t-test indicated that the mean difference was significant ($p < .000$) under assumptions of equal or unequal variance. The mean score for the large company manipulation was 5.07 (SD = 1.76), while the mean score for the small company manipulation was 1.62 (SD = 1.48). The second question asked participants to "circle the number that best describes the size of the company you read about." The 7 point Likert-type scale was anchored with 1 = small, 4 = medium, and 7 = large. The mean score of the group taking the large company manipulation was 5.13 (SD 1.11), while the mean score for the group taking the small company manipulation was 2.29 (SD 1.24). A two-tailed independent samples t-test indicated that the mean difference between the two groups was highly significant ($p < .000$) under assumptions of both equal and unequal variances.

PHASE 2: HYPOTHESES TESTING

Sample. We administered our second survey instrument to 138 business undergraduates and graduates in a medium-sized private university in the southeastern United States: 66 students received the vignette describing a small firm, while 72 students received the vignette describing the large firm. The mean age of the respondents was 24.8 years, 57% were male, and 75% were undergraduate students.

Organizational attractiveness measure. Organizational attractiveness was assessed using the instruments created by Highhouse, Lievens, and Sinar (2003). This instrument consists of 15 statements measuring three dimensions of organizational attractiveness: general organizational attractiveness, intentions to pursue a job at the organization, and company prestige. Participants responded to the 15 items using a 5-point Likert-type response scale anchored by 1 = strongly disagree and 5 = strongly agree. We collapsed the 15 items into three variables representing the means, and then collapsed the three means into a single mean representing overall organizational attractiveness, which is the dependent variable in the present study. The Cronbach's alpha coefficient for overall attractiveness was .91, suggesting high levels of internal consistency reliability.

Big 5 personality measure. Personality was measured using a 44-item assessment of the five domains of the Five Factor Model of Personality (John & Srivastava, 1999). The assessment uses an "I see myself as someone who" anchor for the 44 items. The participants then rate the extent to which they agree or disagree with the statement based on a 5-point response scale where 1=strongly disagree, 2=somewhat disagree, 3=neither agree nor disagree, 4=somewhat agree, and 5=strongly agree. Each of the five personality variables is captured in 8 to 10 items and we used the mean score of each to derive the five personality domains. The Cronbach's alpha coefficients demonstrating internal consistency for the personality variables were as follows: Agreeableness .78; Conscientiousness .80; Extraversion .84; Neuroticism .78; and Openness to Experience .77.

RESULTS

Table 1 presents the means, standard deviations, and correlations of the study variables of the 72 respondents who were administered the survey instrument describing large firms. Table 2 presents the same descriptive statistics for the 66 students administered the small firm survey instrument.

Table 1: *Large Firm Descriptive Statistics and Correlations*

		Means	S.D.	1	2	3	4	5
1	Overall organizational attractiveness	4.01	.59					
2	Agreeableness	4.05	.61	.30*				
3	Conscientiousness	4.00	.57	.30*	.51**			
4	Extraversion	3.84	.62	.32**	.49**	.41**		
5	Neuroticism	2.30	.64	-.25*	-.48**	-.43**	-.44**	
6	Openness to Experience	3.74	.54	.03	.28*	.37**	.41**	-.18

 n = 72

 * p < 0.05 (2-tailed); ** p < .01 (2-tailed)

Table 2: *Small Firm Descriptive Statistics and Correlations*

		Means	S.D.	1	2	3	4	5
1	Overall organizational attractiveness	3.10	.81					
2	Agreeableness	3.91	.52	-.14				
3	Conscientiousness	3.98	.56	-.45**	.56**			
4	Extraversion	3.60	.66	-.22	.25*	.21		
5	Neuroticism	2.33	.68	.19	-.31*	-.27*	-.36**	
6	Openness to Experience	3.76	.46	.25*	.02	-.01	.11	-.20

n = 66
*p < 0.05 (2-tailed); ** p < .01 (2-tailed)*

Significant correlations in Table 1 and Table 2 suggest that personality relates differentially to overall organizational attractiveness perceptions. For respondents administered questionnaires about a large firm, those who considered themselves agreeable, conscientious, emotionally stable, and extraverted considered the firms attractive. For those administered the small firm manipulation, those with low levels of conscientiousness and those with higher levels of openness to experience considered small firms attractive.

We next conducted an independent samples t-test to determine whether differences in the means of the organizational attractiveness variable varied as a function of the size of the organization. Mean differences were significant F = 6.76, df = 136, p < .01. Specifically, respondents rated the organizational attractiveness of large firms significantly higher (M = 4.01) than respondents rated the organizational attractiveness of small firms (M = 3.10).

These results suggest that both personality and size impacted perceptions of organizational attractiveness, so we conducted an analysis of the moderating impact of the cross-product of the personality and size variables by following the hierarchical regression approach used by Lievens et al. (2001). To determine whether to use control variables in our analyses, we checked the significance of the relationship between overall organizational attractiveness and gender, age, graduate or undergraduate level, and whether respondents were employed. Results indicated that these demographic variables were not significant predictors of organizational attractiveness, so we excluded them from further analyses for parsimony.

In the first step of the hierarchical regression, we created a dummy variable for organizational size by coding the surveys describing the large firms with ones and the surveys describing the small firms with zeros. We entered the large firm dummy variable at this step. In the second step, we entered the five personality domains: extraversion, agreeableness, conscientiousness, emotional stability, and openness to experience. In the third step, we entered the cross-product terms of the personality x the large firm dummy variables. We standardized the independent variables prior to creating the cross-product terms to avoid problems of multicollinearity following the instructions of Aiken and West (1991) and Jaccard, Turrisi, and Wan (1990). Table 3 presents the results of our analyses.

Table 3: *Regression of Hierarchical Regression Analyses of Interaction Effects between Organizational Size and Personality (Standardized Variables)*

Variables	Equation 1 b	Equation 1 s.e	Equation 2 b	Equation 2 s.e	Equation 3 b	Equation 3 s.e
Constant	3.10***	.09	3.11***	.09	3.08***	.08
Firm size (large firm)	.91***	.12	.89***	.12	.88***	.11
Personality domains						
Agreeableness			.13	.08	.19	.11
Conscientiousness			-.16*	.07	-.41***	.10
Extraversion			-.01	.07	-.12	.08
Neuroticism			.01	.07	.10	.09
Openness			.11	.06	.25**	.09
Interactions						
Firm size x Agreeableness					-.13	.14
Firm size x Conscientiousness					.52***	.13
Firm size x Extraversion					.27*	.13
Firm size x Neuroticism					-.12	.13
Firm size x Openness					-.35**	.12
R^2	.30***		.34		.49***	
F	57.68		11.25		10.84	
Df	1,136		6,131		11,126	
R^2 *change*			.04		.15***	
F change			1.67		7.17***	

[a] To interpret the *a priori* standardized variables, the b coefficients in this table are unstandardized regression coefficients (Aiken & West, 1991).
* $p < .05$; ** $p < .01$; *** $p < .001$

As shown in Table 3, in the first step, firm size (large firm) explained 30% of the variation in the regression equation *F* (1, 136) = 57.68, *p < .001.* The personality domains entered in the second step were responsible for an additional 4% of variance. *F* (6, 131) = 11.25, *p > .05*, n.s. Together, firm size and the personality domains explained 34% of the variance in overall organizational attractiveness. In the third step, the hypothesized interaction terms significantly increased the variance by 15% to 49% *F* (11, 126) = 10.84, *p < .001.*

A closer inspection of the interaction terms and correlational patterns reveal support for hypotheses 1, 3 and 5. Specifically, in partial support of hypothesis 1, our results indicated that organizational size significantly moderated the effect of extraversion on organizational attractiveness (*b = -.14, p < .05).* Contrary to our proposed hypothesis that extraverted individuals would consider small firms attractive, results suggest that they instead consider large organizations attractive (R = .32, *p < .01).* In support of hypothesis 3, conscientiousness significantly moderated the effect of organizational size on organizational attractiveness (*b = -.26, p < .001).* Respondents with high levels of conscientiousness find large organizations attractive (R = .30, *p < .05),* while those with low levels of conscientiousness find small organizations attractive (R = -.45, *p < .01*). In support of hypothesis 5, openness to experience significantly moderated the effect of organizational size on organizational attractiveness (*b = .18, p >.01)* such that respondents with higher levels of openness to experience find small organizations attractive (R = .25, *p <.05).*

Figures 1, 2, and 3 provide interaction plots of the significant regression equations, providing additional support for the directionality of our proposed relationships.

Figure 1: *Interaction Plot of Organizational Attractiveness as Outcome, Extraversion as Independent Variable, and Firm Size as Moderating Variable*
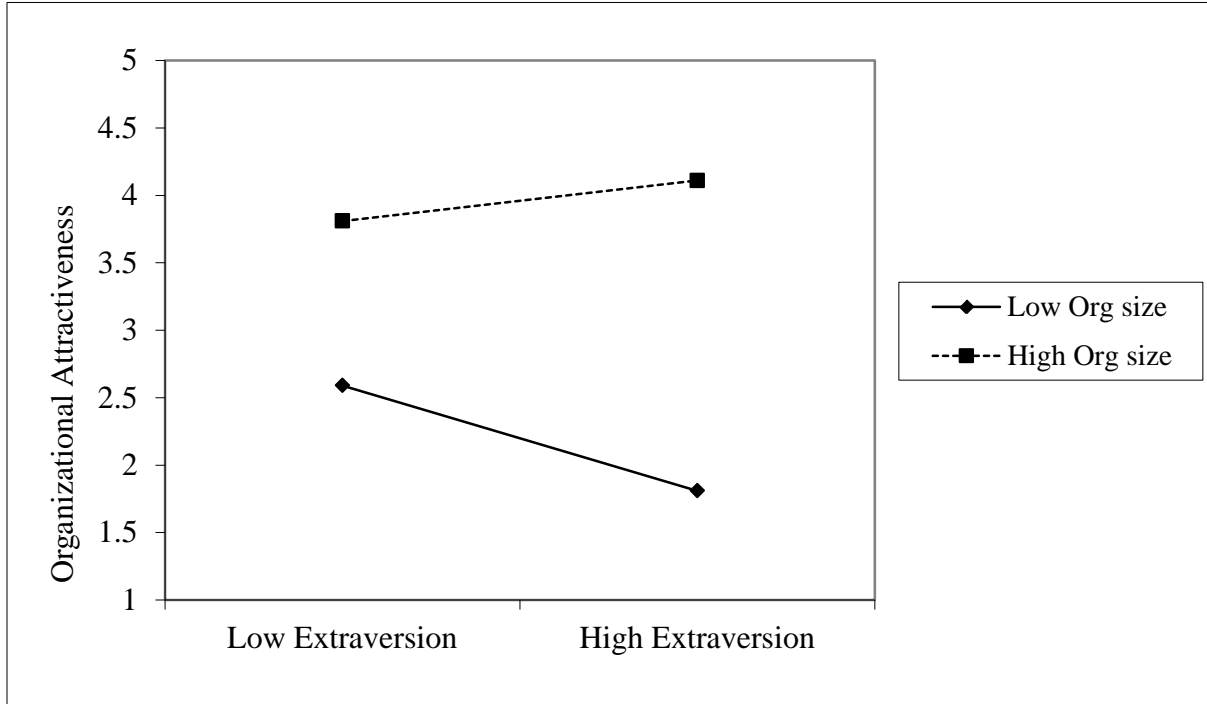

Figure 2: *Interaction Plot of Organizational Attractiveness as Outcome, Conscientiousness as Independent Variable, and Firm Size as Moderating Variable*
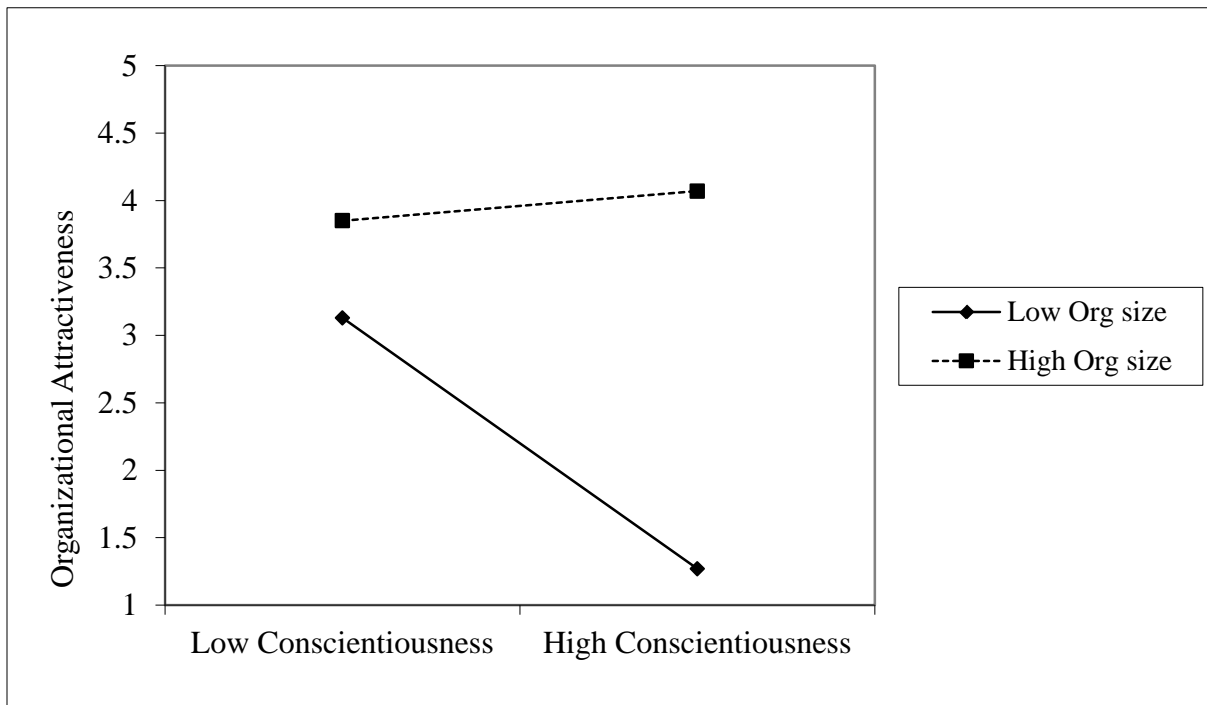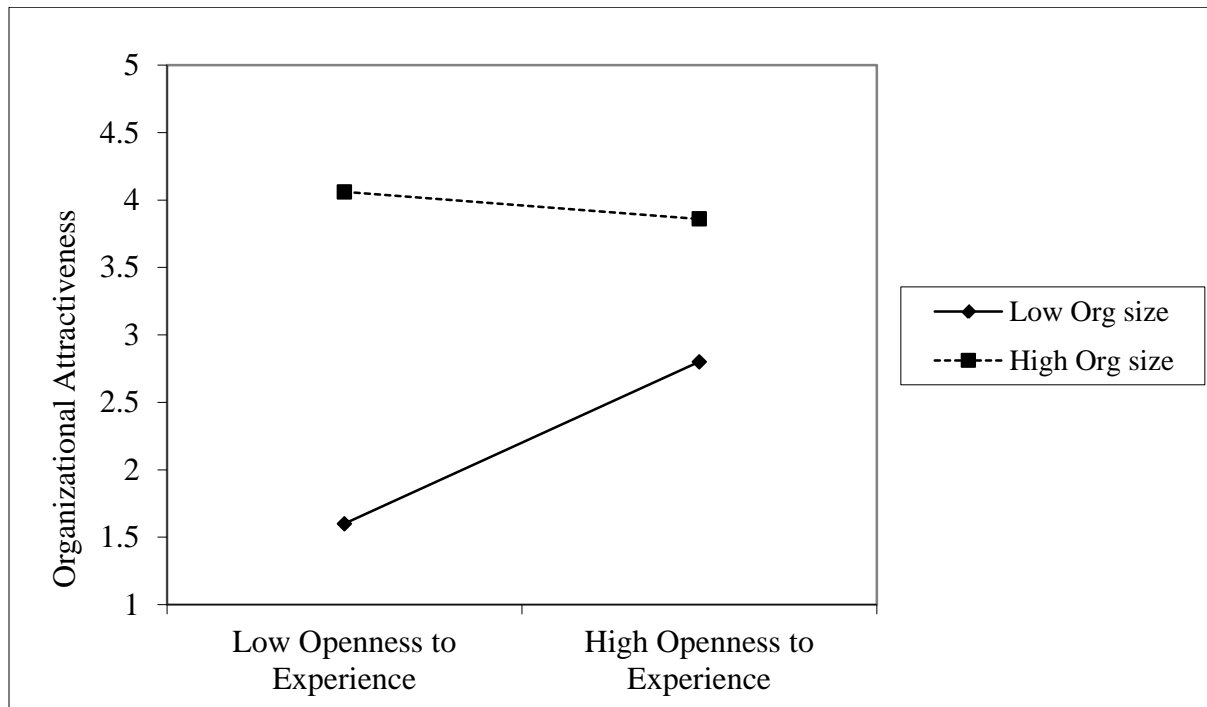
Figure 3: *Interaction Plot of Organizational Attractiveness as Outcome, Openness to Experience as Independent Variable, and Firm Size as Moderating Variable*

DISCUSSION AND IMPLICATIONS

Traditional human resource management practices emphasize matching the knowledge, skills, and abilities of job applicants to the job requirements, yet CEO/founders of small organizations often focus instead on whether the applicants "fit" in with the organizational culture (Heneman et al., 2000). The personality of the job applicants is likely to influence these perceptions of fit. Furthermore, personality has substantial validity and utility in predicting behavior in organizational settings (Ones, Viswesvaran, & Dilchert, 2005), so making hiring decisions based on applicants' personalities is a valid HRM practice. Organizations, both large and small, benefit from a large pool of qualified applicants with the types of personalities consistent with efficiency and effectiveness in job performance.

Accordingly, the purpose of the present study was to investigate the organizational size preferences of potential job applicants and determine whether personality plays a moderating role in the relationship between organizational size and overall organizational attractiveness. We found support for two of our hypotheses suggesting that respondents with higher levels of conscientiousness find large organizations attractive, while those with higher levels of openness to experience find small organizations attractive. Interestingly, we further found two unhypothesized relationships warranting further investigation. Specifically, we found that potential job applicants with low levels of conscientiousness find small organizations attractive, while those with higher levels of extraversion find large firms attractive. While the latter finding is in support of hypothesized relationships in previous studies (e.g., Lievens et al., 2001), the former finding is intriguing, particularly considering that conscientiousness is the strongest personality predictor of job performance overall (Barrick et al., 2001). Meta-analytic research has found strong support for the validity of conscientiousness in the prediction of overall job performance, objective performance indices, and task performance (Ones, Dilchert, Viswesvaran, & Judge, 2007). Therefore, potential job applicants with low levels of conscientiousness who are characterized by laziness and a weak work ethic are likely to perform at substandard levels. Hiring such applicants could be disastrous to entrepreneurial organizations seeking "high-potential employees that can perform

multiple roles under various stages of organizational growth" (Heneman et al., 2000, p. 11). Perhaps these findings offer a partial explanation for the well-recognized high failure rates of small firms. Future studies should examine these relationships in other populations and with different types of firms to determine generalizability.

RESEARCH LIMITATIONS

This research extended studies on organizational attractiveness from the MBA population to the larger undergraduate population of business majors. However, even this population is small compared to the number of students graduating from universities and colleges each year, so generalizability of our results is called into question. Do the results in this study also hold true for all college graduates? Daniel Pink (2006) predicts that business students will become the blue collar workers of the 21st century because of their linear thinking and focus on data analysis, whereas those with art degrees will be the most sought-after employees in the business world because of their ability to think and express themselves creatively. Whether this prediction bears out or not, this question carries merit. Both small and large businesses hire employees with backgrounds in the humanities, social sciences, and sciences in addition to those with business degrees.

Another limitation of this study is the characteristics that were used to contrast small versus large organizations. As already noted, the vignettes used in this study were based on Cardon and Stevens' (2004) research on the ways that human resources policies and practices differ in large versus smaller firms. Nonetheless, business students might have attributed other characteristics to the companies based on the vignettes in addition to size. For example, they may have seen the 4-year old start up as more entrepreneurial. Would student responses have been different if the smaller company had been established for 25 years? Would it have been different if the larger company had been a high-tech company or one with an organic organizational structure? Future research needs to tease out these additional, potentially moderating attributes.

A third limitation relates to the use of potential job applicants' self-reports of personality and the corresponding potential for bias in responses. This potential may have been mitigated by the assurances of anonymity and group data analyses from the survey administrators, yet still poses a concern. One recent meta-analysis found that ratings of personality from significant others (such as peers) were more valid than self-reported ratings of personality (Connelly & Ones, 2010). Future studies should assess candidates' personality from multiple sources, such as from qualified peers.

Recent evidence suggests that extremely high or low scores on various dimensions of the Big Five personality instrument may relate to performance in counterintuitive ways. As an example, McCrae (1994) suggests that "over-conscientiousness" corresponds to compulsiveness, a lack of spontaneity, rigidity, workaholism, and excessive tidiness. Such traits may negatively impact performance. To determine whether over-conscientiousness plays a role in predicting organizational attractiveness, we conducted an ad hoc analysis. We examined results from independent samples t-tests for the over-conscientious respondents (whose scores exceeded 1 standard deviation or more beyond the mean score) in the two groups administered the large and small organization vignettes in the prediction of organizational attractiveness. Mean differences were not significant for the over-conscientious respondents administered the large organization vignette, but they were significantly lower for the 14 over-conscientious respondents administered the small organization vignette. In other words, over-conscientious respondents considered the small organizations more unattractive than their slightly less or much less conscientious counterparts. If these 14 respondents are indeed overly compulsive and exhibit the other excessive personality traits identified by McCrae (1994), such potential job applicants would not be desirable in large or small organizations. Future research should further examine these relationships using personality instruments specifically designed to capture obsessive compulsive behaviors.

CONCLUSION

The results of our study provide some evidence that large organizations have yet another competitive advantage in the attraction of the most desirable human capital: potential job applicants with high levels of extraversion and conscientiousness find larger organizations to be attractive. Extraverts are positive, social, enterprising individuals who may likely become transformational leaders and change agents, while conscientious individuals are dutiful, achievement-striving, and competent. Such skills are likely to be appealing across a wide variety of work settings.

While small organizations may attract individuals who are open to experience, they may also attract those with low levels of conscientiousness. If such organizations have more than 15 employees and are based in the United States, terminating low performers may require extensive preparation and documentation to ensure that the termination is performance-related and not discriminatory. Even organizations in "at will" states (in which they can hire and fire "at will") in the U.S. are subject to the scrutiny of the Equal Employment Opportunity Commission when making selection, promotion, compensation, and termination decisions. Similar laws and regulations exist all around the globe, particularly in heavily unionized environments such as in many countries of Europe. For these reasons and more, organizations seeking to improve their performance by selecting the best human capital should ensure that they are using appropriate and validated selection tools. Like intelligence tests, personality instruments provide high utility (high validity in the prediction of performance and low cost), yet unlike intelligence tests, personality instruments do not adversely impact members of under-represented groups (see Outtz, 2009). Therefore, assessing the personalities of job applicants using validated instruments is recommended for organizations of all sizes seeking to identify employees who best fit their strategic needs.

REFERENCES

Aiken, L.S., & West, S.G. (1991). *Multiple Regression: Testing and Interpreting Interactions.* Newbury Park, CA: Sage.

Albinger, H.S., & Freeman, S.J. (2000). Corporate social performance and attractiveness as an employer to different job seeking populations. *Journal of Business Ethics, 28,* 243-254.

Arbaugh, J.B., Bento, R., & Hwang, A. (2010). Does the MBA experience support diversity? *Decision Sciences Journal of Innovative Education, 8*(2), 391-415.

Backhaus, K.B. (2004). An exploration of corporate recruitment descriptions on Monster.com. *Journal of Business Communication, 41*(2), 115-136.

Barrick, M.R., & Mount, M.K. (1991). The Big Five personality dimensions and job performance: A meta-analysis. *Personnel Psychology, 44*, 187-215.

Barrick, M.R., Mount, M.K., & Gupta, R. (2003). Meta-analysis of the relationship between the five-factor model of personality and Holland's occupational types. *Personnel Psychology, 56,* 45 – 76.

Barrick, M. R., Mount, M. K., & Judge, T. A. (2001) Personality and performance at the beginning of the new millennium: What do we know and where do we go next? *Personality and Performance, 9,* 9-31.

Bernardin, H.J. (2010). *Human Resource Management: An Experiential Approach,* 5th edition. New York, NY: McGraw-Hill Irwin.

Berscheid, E., & Walster, E.H. (1974). Physical attractiveness. *Advances in Experimental Social Psychology, 7,* 157-215. New York, NY: Academic Press.

Berthon, P., Ewing, M., & Hah, L.L. (2005). Captivating company: Dimensions of employer attractiveness in employer branding. *International Journal of Advertising, 24,* 151 – 172.

Bono, J.E., & Judge, T.A. (2004). Personality and transformational and transactional leadership: A meta-analysis. *Journal of Applied Psychology, 89,* 901-910.

Borg, I., Groenen, P.J.F., Jehn, K.A., Bilsky, W., & Schwartz, S.H. (2011). Embedding the Organization Culture Profile into Schwartz's Theory of Universals in Values. *Journal of Personnel Psychology, 10*(1), 1-12.

Borman, W., Penner, L., Allen, T., & Motowidlo, S. (2001). Personality predictors of citizenship performance. *International Journal of Selection and Assessment, 9,* 52-69.

Bond, S., Hyman, J., Summers, J., & Wise, S. (2002). *Family-Friendly Working? Putting Policy into Practice*. York: York Publishing Services.

Bretz, R.D., & Judge, T.A. (1994). The role of human resource systems in job applicant decision processes. *Journal of Management, 20,* 531-551.

Browne, B.A. (1997). Gender and preferences for job attributes: A cross-cultural comparison. *Sex Roles, 37*(1/2), 61-71.

Burke, M., Brief, A., & George, J. (1993). The role of negative affectivity in understanding relations between self-reports of stressors and strains: A comment on the applied psychology literature. *Journal of Applied Psychology, 78,* 402-412.

Butler, S.A., Sanders, D.E., Whitecotton, S.M. (2000). Student and recruiter insights on the importance of job attributes. *Journal of Managerial Issues, 12*(3), 337-351.

Byrne, D. (1971). *The Attraction Paradigm*. New York: Academic Press.

Cardon, M.S., & Stevens, C.E. (2004). Managing human resources in small organizations: What do we know? *Human Resources Management Review, 14,* 295-323.

Connelly, B.S., & Ones, D.S. (2010). Another perspective on personality Meta-analytic integration of observers' accuracy and predictive validity. *Psychological Bulletin, 136,* 1117.

Costa Jr., P. T., & McCrae, R. R. (1992) *Revised NEO personality inventory (NEO PI R) & NEO five factor inventory (FFI) professional manual*. Odessa, Florida: Psychological Assessment Resources.

Costa Jr., P. T., & McCrae, R. R. (1995) Domains and facets: Hierarchical personality assessment using the revised neo personality inventory. *Journal of Personality Assessment, 64,* 21-50.

DelVecchio, D., Jarvis, C.B., Klink, R.R., & Dineen, B.R. (2007). Leveraging brand equity to attract human capital. *Marketing Letters, 18*, 149-164.

Devendorf, S.A., & Highhouse, S. (2008). Applicant-employee similarity and attraction to an employer. *Journal of Organizational and Occupational Psychology, 81*, 607-617.

Dex, S., & Scheibl, F. (2001). Flexible and family-friendly working arrangements in UK-based SMEs: Business cases. *British Journal of Industrial Relations, 39*(3), 411-431.

Galinsky, E., & Bond, J.T. (1998). *The 1998 Business Work-Life Study: A Sourcebook*. New York: Families and Work Institute.

Gilbert, J., & Jones, G. (2000). Managing human resources in New Zealand small business. *Asia Pacific Journal of Human Resources, 38*(2), 55-68.

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

Graziano, W.G., Jensen-Campbell, L.A., & Hair, E.C. (1996). Perceiving interpersonal conflict and reacting to it: The case for agreeableness. *Journal of Personality and Social Psychology, 70,* 820-835.

Heneman, H.G. III, Heneman, R.L., & Judge, T.A. (1997). *Staffing Organizations* (2nd ed.). New York: McGraw-Hill.

Heneman, R.L., Tansky, J.W., & Camp, S.M. (2000). Human resource management practices in small and medium-sized enterprises: Unanswered questions and future research perspectives. *Entrepreneurship Theory and Practice, 25*(1), 11-26.

Herman, R.E., & Gioia, J.L. (2001). Helping your organization become an employer of choice. *Employment Relations Today, Summer (2001)*, 63-78.

Higgs, M. (2005). You can pay to be an employer of choice? *Employee Benefits, Dec 2005,* 18.

Highhouse, S., Lievens, F., & Sinar, E. (2003). Measuring attraction to organizations, *Educational and Psychological Measurement*, *63*(9), 986-1001.

Holland, J.L. (1978). *Manual for the Vocational Preferences Inventory.* Palo Alto, CA: Consulting Psychologist Press.

Hornsby, J.S., & Kuratko, D.F. (1990). Human resources management in small business: Critical issues for the 1990s. *Journal of Small Business Management, 28*(3), 9-18.

Hyman, J. & Osbourne, F. (2006). Small entrepreneurial ventures culture, change, and the impact on HRM: A critical review. *Human Resource Management Review, 16,* 456-466.

Jaccard, J., Turrisi, R., & Wan, C.K. (1990). *Interaction Effects in Multiple Regression.* Newbury Park, CA: Sage.

John, O.P., & Srivastava, S. (1999). The Big Five trait taxonomy: History, measurement, and theoretical perspectives. In L.A. Pervin and O.P. John (eds.), *Handbook of Personality: Theory and Research,* (2nd ed.), 102-138. New York: Guilford.

Judge, T.A., & Cable, D.M. (1997). Applicant personality, organizational culture, and organization attraction. *Personnel Psychology, 50*(2), 359-394.

Judge, T. A., Bono, J. E., Ilies, R., & Gerhardt, M. W. (2002) Personality and leadership: A qualitative and quantitative review. *Journal of Applied Psychology, 87*, 765-780.

Judge, T. A., Higgins, C. A., Thoresen, C. J., & Barrick, M. R. (1999) The Big Five personality traits, general mental ability, and career success across the life span. *Personnel Psychology, 52,* 621-652.

Klaas, B. S., McClendon, J., & Gainey, T. W. (2000). Managing HR in the small and medium enterprise: The impact of professional employer organizations. *Entrepreneurship: Theory & Practice, 25*(1), 107-124.

Kristof, A.L. (1996). Person-organization fit: An integrative view of its conceptualizations, measurement, and implications. *Personnel Psychology, 49,* 1-49.

Kunda, Z. (1999). *Social Cognititon: Making Sense of People.* Cambridge, MA: MIT Press.

Lechner, C., & Leyronas, C. (2009). Small business group formation as an entrepreneurial development model. *Entrepreneurship Theory and Practice, 33*(3), 645-667.

LePine, J., Colquitt, J.A., & Erez, A. (2000). Adaptability to changing task contexts: Effects of general cognitive ability, conscientiousness, and openness to experience. *Personnel Psychology, 53,* 563-593.

LePine, J., & Van Dyne, L. (2001). Voice and cooperative behavior as contrasting forms of contextual performance: Evidence of differential relationships with team effectiveness criteria. *Journal of Applied Psychology, 86,* 326-336.

Lievens, F., Decaesteker, C., Coetsier, P., & Geirnaert, J. (2001). Organizational attractiveness for prospective applicants: A person-organization fit perspective. *Applied Psychology: An International Review, 50*(1), 30-51.

McCrae, R.R. (1994). A reformulation of axis II: Personality and personality-related problems. Costs, P.T. Jr., & Widiger, T.A., Eds. *Personality Disorders and the Five-Factor Model of Personality.* Washington, D.C.: The American Psychological Association.

Montgomery, D.B., & Ramus, C.A. (2011). Calibrating MBA job preferences for the 21st century. *Academy of Management Learning and Education, 10*(1), 9-26.

Navarro, P. (2008). The MBA core curricula of top-ranked U.S. business schools: A study in failure? *Academy of Management Learning and Education, 7,* 108-123.

Neal, A., Yeo, G., Koy, A., & Xiao, T. (2012). Predicting the form and direction of work role performance from the Big 5 model of personality traits. *Journal of Organizational Behavior, 33,* 175-192.

Neeson, R. Billington, L., & Barrett, R. (2007). Learning to solve a business problem: "Hands-on" gets results. *Industry and Higher Education, 21*(6), 465-472.

Oh, I.S., & Berry, C. M. (2009) The five-factor model of personality and managerial performance: Validity gains through the use of 360-degree performance ratings. *Journal of Applied Psychology, 94,* 1498-1513.

Ones, D.S., Dilchert, S., Viswesvaran, C., & Judge, T. (2007). In support of personality assessment in organizational settings. *Personnel Psychology, 60,* 995 – 1027.

Ones, D.S., Viswesvaran, C., & Dilchert, S. (2005). Personality at work: Raising awareness and correcting misperceptions. *Human Performance, 18*(4), 389-404.

Outtz, J.L. (2009). *Adverse Impact: Implications for Organizational Staffing and High Stakes Selection.* New York, NY: Taylor and Francis Group, Routledge Academic.

Pink, D. (2006). *A Whole New Mind: Why Right-brainers will Rule the Future.* New York, NY: Penguin Group, Riverhead Books.

Rubin, R.S., & Dierdorff, E.C. (2009). How relevant is the MBA? Assessing the alignment of required curricula and the required managerial competencies. *Academy of Management Learning and Education, 8,* 208-224.

Scott, E.D. (2000). Moral values fit: Do applicants really care? *Teaching Business Ethics, 4,* 405-435.

Storey, D.J. (2004). Exploring the link, among small firms, between management training and firm performance: A comparison between UK and other OECD countries. *Journal of Human Resources Management, 15*(1), 112-130.

Storey, D.J., Saridakis, S., Sen-Gupta, S., Edwards, P.K., & Blackburn, R.A. (2010) Linking HR formality with employee job quality: The role of firm and workplace size. *Human Resource Management, 49*(2), 305-329.

Tajfel, H., & Turner, J.C. (1979). An Integrative Theory of Intergroup Conflict. In W. G. Austin and S. Worchel (eds.), *The Social Psychology of Intergroup Relations.* Monterey, CA: Brooks/Cole.

Tett, R. & Burnett, D. (2003). A personality trait-based interactionist model of job performance. *Journal of Applied Psychology, 68,* 500-517.

Thoresen, C.J., Bradley, J.C., Bliese, P.D., & Thoresen, J.D. (2004). The Big Five personality traits and individual job performance growth trajectories in maintenance and transitional job stages. *Journal of Applied Psychology, 89,* 835-853.

Turban, D.B., & Greening, D.W. (1996). Corporate social performance and organizational attractiveness to prospective employees. *Academy of Management Journal, 40*(3), 658-672.

U.S. Census Bureau (2011). http://www.census.gov/epcd/susb/2008/us/US--.HTM. Retrieved on August 15, 2012.

Watson, D., & Clark, L. (1984). Negative affectivity: The disposition to experience aversive emotional states. *Psychological Bulletin, 96,* 465-490.

Westhead, P., & Storey, D.J. (1996). Management training and small firm performance: Why is the link so weak? *International Small Business Journal, 14*(4), 13-25.

APPENDIX

Experimental Manipulation of Large vs. Small Organization

Large organization: You have been considering a job with an established company in the Tampa Bay area. This company has been in business for over 30 years. You have a clear idea of what will be expected from you in this job as the requirements and expectations are very clear and detailed. It is unlikely that you will be required to do more than the specific definition of your job. The company also has a formal training program in which you will be enrolled. The interview process at this company has been long and very formalized. You have interviewed with both people in the HR department and the area where you will work. The company also has work-life balance policies that ensure employees are able to balance their work with their life. There are many corporate levels above where you will be entering the company and the structure in place for appraising performance and promotions is detailed.

Small organization: You have been considering a job with a relatively new company in the Tampa Bay area. This company has been in business for 4 years. Your job is not well-defined and you will have the opportunity to do a variety of work as needed. You will definitely not be constrained by what you majored in during college. There is no formal training program and all training will be on-the-job. You interviewed with the company's founder and the person you will report to. There is no HR department at this company and few, if any, formal HR policies. There does not seem to be any clear structure or policies for appraising performance and awarding promotions. Employees work long hours and seem to do so willingly. The company structure is very flat and you will be working alongside the founder, who is also the Chief Executive Officer, and other top managers such as the Chief Operating Officer and heads of the marketing, development and finance areas.