Exploring the Role of Corporate Social Responsibility, Perceived Work Environment and Organizational Reputation in Organization Attractiveness: A Case of Generation Z Students in Indian Higher Learning Institutions

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Abstract: The purpose of this research is to understand the factors affecting attractiveness of an organization to potential talent, specifically among Indian higher education students from Generation Z. The study focuses on the impact of perceived work environment (PWE), social responsibility of organisations (CSR), perceived work environment (PWE), and reputation of organisations (OR) on organizational attractiveness. With the Z generation entering the workforce in large numbers and on track to outnumber previous generations, organizations have begun to focus their attention on understanding the unique qualities and preferences of this generation to attract and retain them. This research study has adopted a quantitative approach and collected cross-sectional data using online and offline questionnaires distributed to students from various higher institutions in India. The research tools used in the study were taken from previous studies, and the data collected from 204 respondents were analyzed using appropriate software and evaluated through descriptive statistics, and regression. The results indicate that CSR, PWE, and organizational reputation significantly influence organizational attractiveness. The research provides valuable inputs for organizations seeking to improve their employer brand attractiveness, particularly among the Z generation. By understanding the preferences and priorities of this demographic group, organizations can design programs and strategies that better align with their values and attract and retain top talent.

Keywords: Generation Z, Organizational Attractiveness, CSR, Organizational Reputation

1. Introduction

Over the past 20 years, brand building has been increasingly important to employers and businesses began to perceive their staff as internal clients and realized that creating a
friendly environment was in their best interests. Given the fierce competition in the labour market, smart investments are needed to draw in and keep competent workers. Changing demographics and economic situations have prompted the creation of employer branding methods that can assist the organization in becoming an employer of choice (Staniec & Kula, 2021). Strengthening a company's competitive edge is heavily dependent on its ability to recruit and retain employees (Hadi & Ahmed, 2018). Consequently, businesses must compete to recruit and keep people in order to expand and survive, as they are thought of as the most potent weapon in the arsenal of any organization (Tlaiss et al., 2017). Organizations have understood that need to appear attractive as employer to attract talent, recruit and retain them for a long term (Collins & Kanar, 2013). The major objectives of organizations and employers are a highly satisfied workforce and employee retentively (Collins, 2009). By attracting and maintaining a competent workforce, the company creates a brand for itself in the field of recruitment and takes a competitive edge in the battle for talent (Alnacka et al., 2014). This, in turn, is essential for rendering quality service to customers (Dhar, 2015; Wu et al., 2015). As a consequence of this, an employer's brand is now a vital tool for both attracting new applicants and hiring new employees. Organizations are dealing with two challenges at once: the "battle for talent" and a shrinking workforce. Once more, the 4th Industrial Revolution (IR 4.0) brought about a pattern shift in the labour market and called for a workforce that was self-reliant and capable of coping with global variety. The attractiveness of an employer is the positive impact created on prospective employees by working for that organization (Berthon et al., 2005). Professionals' opinions and perceptions regarding employer branding and brand image have an impact on an organization's attractiveness. People are more likely to be impacted by organizations and desire to apply for job openings there if they have positive ideas about them (Reis et al., 2017). The development of a positive employer brand is crucial for businesses if they want to draw in significant numbers of qualified candidates. Millennials occupy a sizable percentage of the Organizational workforce in the current period. As a result, the labour market is steadily becoming more competitive on a global scale. Attractiveness of Organizations and recruiting research identified "links between recruitment activities, image and reputation, and job seeker outcomes" and raised potential recruits' attention to employer brand image and organizational reputation. (Cable, 2012). Organizational attractiveness (OA) increase would aid in addressing the millennial young joblessness problem (Ismail & Seng, 2016). Companies must look for ways to recruit the top individuals. As a result, firms' failure to prepare to meet the expectations of millennials may result in a failure to attract the best personnel for the labour market (Buzza, 2017).

The objective of this study is to analyze how three crucial variables - perceived work environment, corporate social responsibility, and organizational reputation - affect organizational attractiveness among students in Generation Z at Indian institutions. Consequently, this study's objective is to fill that gap. The study looks for answers to queries like: Does corporate social responsibility, the perception of the...
workplace, and Organizational reputation affect how appealing an organization is? Therefore, the study's goal is to discover how generation z perceives an organization's reputation, perceived work environment, and corporate social responsibility. Social identity theory and signalling theory provide theoretical justification for examining the relationships between the variables, choosing the right candidate with their interest is important. This problem needs to be studied in order to inform the actions that may be taken to increase Organizational attractiveness. This research aims at understanding the factors affecting Organizational attractiveness.

The 1995–2010 birth cohort known as Generation Z is now entering the workforce; around 61 million people live there (Stahl, 2019). According to many research (Gabrielova & Buchko, 2021; Williams, 2010; Bolser & Gosciejej, 2015), the age range is from 1996 to 2012. Generation Z, commonly referred to as Gen Z, was born and nurtured in a century marked by rapid and profound change. The emergence of the internet, freely accessible networks, smartphones, laptops, and digital media throughout this time period are what define it (Singh & Dangmei, 2016). Being technologically and digitally ahead is a part of their identity as they are more closely bound to electrical gadgets and the digital world than those of previous generations (Karcsony et al., 2020). 'Digital Natives' and 'GenTech' are further terms for this generation (Dolot, 2018).

2. Literature Review

2.1 Organizational Attractiveness

In today's competitive market, the capacity to attract, choose, and maintain keep outstanding personnel is critical to success. Organizations have begun to separate themselves from competitors in order to be perceived as appealing employers by job seekers (Highhouse et al., 2003). Employer attractiveness is referred to as the advantages which a potential employee perceives in working with a particular company (Berthon et al., 2005). The degree to which prospective recruits and current employees have a positive opinion of a firm is known as its employer attractiveness. Being a fantastic place to work is the essence of employer attraction, which aids a business in outperforming its rivals and achieving long-term success. According to the Great Place to Work Institute's (2011)'s research, the value of a great workplace is undeniable and provides numerous advantages for the company. To name a few benefits, it establishes a reputation, draws talent, lowers attrition, and encourages employee creativity and innovation. According to Berthon et al. (2005), the idea of "employer attractiveness" and "employer branding" are intertwined. Today, firms must separate themselves from competitors to recruit prospective applicants and keep existing employees (Lievens & Highhouse, 2003). Jiang & Iles (2011), the argument that an employer's attractiveness is tied to interest value, perceived economic value, social value, developmental value, and application value attempted to address the question of what truly pulled potential participants to a given workplace.
2.2 Social identity theory

The idea of belonging served as the cornerstone of the Social Identity Theory (SIT). This theory throws light on how individuals look to social groups for a sense of self-identity based on membership and how the distinction between "in-group" and "out-group" safeguards them. A person's social identity is strengthened by Organizational ideals. As a result, job seekers look for aspects that are unique to them, and the organization's values fit (Chapola, 2016). In earlier studies, SIT has been used as a proposed mechanism connecting people's reputations and Organizations' attraction (Slade, Ribando & Fortner, 2016). An integral part of OA is Organizational reputation (Xie et al., 2015).

2.3 The signalling theory

The principles of the concept of job market signalling served as the basics for the signalling theory. This theory suggested that either of the two parties will participate in apparent systems (generation z) while the other (employer) will display unobservable qualities (For example, efficiency). HRM experts used this concept to explain why engaging in CSR programs with prospective Organizational privileges is an element of OA (Su et al., 2016).

2.4 Corporate Social Responsibility

Corporate social responsibility (CSR) is the combination of systems for social responsibility and social responsiveness as well as a related master plan, services, and measurable outcomes relating to a business's social connections (Catano & Morrow, 2016; Kumar, 2018). CSR is essential for advancing OA. When a firm highlights its CSR policy and activities in job advertisements, it's more enticing to millennials who want to improve social well-being. (Parks-Leduc et al., 2015). CSR has also been linked to prospective applicants perceptions of companies (Turban & Greening, 1997), turnover intention (Hansen et al., 2011; Sen & Kumar, 2019a), team performance (Lin et al., 2012), job satisfaction (Brammer et al., 2007), employee connections (McShane & Cunningham, 2012), organization identification (De Roeck & Delobbe, 2012), and individual performance (Story & Neves, 2015). As a result, CSR may help businesses get a strategic advantage by establishing a win-win scenario. (Carroll, 1999; O'Brien, 2001). Companies may expand into new areas, motivate their employees, and bring in new expertise while offering significant benefits to society. CSR and OA have a direct, significant, and favourable association. (Adetunji & Ogbonna, 2013; Chapola, 2016; Jones et al., 2014; Parks-Leduc, Feldman, & Bardi, 2015; Story et al., 2016).

In contrast, Appel (2014) & Gully (2013) discovered a conclusive but negligible connection between organizational attractiveness and corporate social responsibility. Kumari & Saini (2018) discovered that career advancement chances had the greatest impact on CSR reputation.

2.5 Perceived Work Environment

Millennials' Organizational attractiveness on a number of aspects of the Perceived Work Environment deepens (PWE). Generation Z desire workplace esteem, acknowledgement, and adequate compensation for the skill sets they bring to the company and use there (Caraher, 2015). Millennials are attracted to work for
companies that may offer a very relaxed work environment (Caraher, 2015). Millennials looking for jobs are more inclined to companies that can foster a favourable view of the workplace (Taylor, 2014). A healthy or upbeat work atmosphere, according to Catano & Morrow (2016), may help millennial job searchers perform better, working for an environmentally and socially responsible organization (Agnihotri & Bhattacharya, 2022).

2.6 Organizational Reputation

Organizational reputation can be understood as stakeholder perception and attitudes of stakeholders toward a company, and stakeholders typically provide these appraisals outside of the company (Highhouse et al., 2009; Schwaiger, 2004; Wartick, 2002). Millennials think of the business as an OA tool that relates to their values, given its standing (Jones et al., 2014). When consumers don’t have enough data on a product or even organizational goals, they rely on a company's reputation to judge its products or intentions. (Schnietz & Epstein, 2005). Particularly, prospective candidates consider a company's reputation to be a sign of its quality or objectives. Soeling et al., (2022) found that organizational reputation attracts potential employees.

3. Conceptual Framework and Hypotheses Development

On the basis of review of literature, the following hypotheses were developed for the study:

H1: CSR has significant positive influences on Organizational attractiveness.

H2: PWE has significant positive influences on Organizational attractiveness.
H3: Organizational Reputation has significant positive influences on Organizational attractiveness

4. Material and Methods

4.1 Research Design

Research pattern aids in selecting the most appropriate methodology, study influences the selection of techniques for data collection and analysis (Feilzer, 2010). The study uses a positivist paradigm for this work because we intended to empirically evaluate our assumptions, confirm or disprove them, and consider generalizing the same (Eichelberger, 1989).

4.2 Measures

Corporate social responsibility: corporate social responsibility was assessed by a scale developed by (Klimkiewicz & Oltra, 2017), the perceived work environment was measured using four elements from (Yi et al., 2013), and organizational Reputation was measured using four items from (Alniacika, 2011), Organizational Attractiveness was measured using six items from (Alnıaçık, 2014). Five-point Likert scales were utilized for this scale (1 being strongly disagreed, and 5 being strongly agreed).

4.3 Participants and Procedure

A basic random sample strategy was used in this study. The sample was gathered from a number of prestigious Indian institutions, including Banaras Hindu University, NIT Silchar, IIM Raipur, and others. Questionnaires were disseminated to university students via email and WhatsApp groups, and some data was collected offline, specifically from students at Banaras Hindu University and NIT Silchar, where data was received. A Likert scale with five different outcomes—1 for strongly disagreeing and 5 for strongly agreeing—was chosen.

According to the frequency distribution, a total of 204 data final responses got by the researcher, and out of these responses, male respondents responded to 47.1% of the questionnaires. In contrast, female respondents replied 52.9%. As a result, the gender distribution of the questionnaire can be deemed pretty equal. According to the frequency analysis, the majority of respondents are between the ages of 21 and 24, comprising 62.7% of all participants, followed by those between the ages of 17 and 20 (23.3%). This information was gathered from college students from various majors, including B.com 31.9% (65), B. Tech 5.4(11), M.com 42.2(65), and MBA 20.6(42).

5. Results

5.1 Reliability

The intrinsic consistency of a measurement tool is indicated by a reliability check. Cronbach's coefficient alpha values for the predictor variable, organizational attractiveness, averaged 0.939, whereas Cronbach's coefficient alpha values for the Independent variable averaged 0.939. averaged 0.959. Furthermore, Cronbach's coefficient alpha values for CSR, PWE, and OR were 0.972, 0.875, and 0.891, respectively (refer to Table I).

<table>
<thead>
<tr>
<th>Variable</th>
<th>Items</th>
<th>Cronbach's Coefficient Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Social Responsibility</td>
<td>7</td>
<td>0.972</td>
</tr>
<tr>
<td>perceived work</td>
<td>4</td>
<td>0.875</td>
</tr>
</tbody>
</table>
5.2 Pearson Correlation Coefficient Analysis

The dependent variable, Organizational Attractiveness, has a substantial connection with three independent variables: Corporate Social Responsibility, perceived work environment, and Organizational Reputation, as shown in Table II.

**Table II: Pearson Correlation Coefficient between variables**

<table>
<thead>
<tr>
<th></th>
<th>CSR</th>
<th>PWE</th>
<th>OR</th>
<th>OA</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSR</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PWE</td>
<td>0.851**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OR</td>
<td>0.792**</td>
<td>0.801**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>OA</td>
<td>0.745**</td>
<td>0.695**</td>
<td>0.656**</td>
<td>1</td>
</tr>
</tbody>
</table>

**Correlation is significant at the 0.01 level (2-tailed)**

Pearson correlations between CSR, PWE, and OR are also calculated. Organizational Attractiveness to determine which aspects are strongly connected with it and to what extent.

Based on the findings, corporate social responsibility, subjective workplace environment, and organizational reputation are all significantly linked with organizational attractiveness. (r = 0.745; p<0.01), 'perceived work environment' (r = 0.695; p<0.01), and 'organizational reputation' (r = 0.656; p<0.01) being more moderately correlated.

Furthermore, multiple regression analysis is done by using SPSS to investigate the impression of CSR, PWE, and OR on organizational attractiveness. The key assumptions of this statistical analysis are evaluated before doing multiple regression.

The minimum valid case-to-independent variable ratio for multiple regression is 5 to 1. 5.3 Residual Independence

The Durbin Watson (DW) statistic is a test for autocorrelation in statistical models or regression analysis residuals. The Durbin-Watson statistic always has a value between 0 and 4. Table 3 shows that the Durbin-Watson value for this study is 1.789.

**Table III: Findings of Linear Regression Analysis**

<table>
<thead>
<tr>
<th>Variables</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Sig.</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Social Responsibility</td>
<td>.745</td>
<td>.555</td>
<td>.552</td>
<td>.63038</td>
<td>.000</td>
<td>1.887</td>
</tr>
<tr>
<td>Perceived work environment</td>
<td>.695</td>
<td>.483</td>
<td>.480</td>
<td>.67918</td>
<td>.000</td>
<td>1.736</td>
</tr>
<tr>
<td>Organizational Reputation</td>
<td>.656</td>
<td>.430</td>
<td>.427</td>
<td>.71304</td>
<td>.000</td>
<td>1.665</td>
</tr>
</tbody>
</table>

All three IVs were regressed on the dependent variable "Organizational attractiveness". The predicting variable, Organizational attractiveness significantly predicted by Corporate Social Responsibility, F (1, 202) = 251.463, p <0.000, Beta = .508 p <0.01, R Square = .555. The value of R square indicates that model explained 55.5 %
of the variance by Corporate Social Responsibility. Perceived work environment, F (1, 202) = 188.642, p < 0.000, Beta = .167 p < 0.01, R Square = .483 and Organizational Reputation F (1, 202) = 152.421, p < 0.000, Beta = .120 p < 0.01, R Square = .430.

Table IV. Model Summary of Multiple Regression Mode

<table>
<thead>
<tr>
<th>Variables</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Sig.</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>DV=OA IV=CSR, PWE, OR</td>
<td>.757</td>
<td>.573</td>
<td>.566</td>
<td>.62049</td>
<td>0.000</td>
<td>1.789</td>
</tr>
</tbody>
</table>

Independent: (Constant), OR, PWE, CSR, Dependent Variable: OA

The findings of the linear multiple regression stepwise analysis are shown in Table III. The variables included in the model at each phase are listed in the table. The three independent variables account for 57.3% of the variance in the dependent variable, 'Organizational Attractiveness'. All three hypotheses agreed that some elements have a beneficial impact on organizational attractiveness.

Table V. Multiple Regression Model Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>(Constant)</td>
<td>.761</td>
<td>.207</td>
</tr>
<tr>
<td>Corporate Social Responsibility</td>
<td>.536</td>
<td>.099</td>
</tr>
<tr>
<td>Perceived Work Environment</td>
<td>.165</td>
<td>.095</td>
</tr>
<tr>
<td>Organizational Reputation</td>
<td>.120</td>
<td>.082</td>
</tr>
</tbody>
</table>

Dependent Variable: OA

Table V also includes the standardized regression coefficient Beta (β) values, which are particularly essential since Beta (β) reflects the strength of each independent variable's association with the measured variable. 'Corporate Social Responsibility has the most substantial connection with Organizational Attractiveness (β = 0.508; t = 5.404; p = 0.000) compared to another predictor variable, 'Perceived Work Environment (β = 0.167; t = 1.737; p = 0.000) and 'Organizational Reputation (β = 0.120; t = 1.458; p = 0.000). This suggests that the strongest association between 'Corporate Social Responsibility and Organizational Attractiveness occurs.

6. Discussion

The results of the H1 hypothesis found that CSR has a favourable and notable impact on OA these findings are in line with previous research, (Adetunji & Ogbonna, 2013;
Feldman & Bardi, 2015; Jones et al., 2014; Waples & Brachle, 2020). This study suggests that companies should consider implementing CSR policies as part of their recruitment and retention strategies. This can include initiatives such as charitable donations, environmental sustainability programs, and social responsibility efforts that align with the values and interests of the Z generation.

The importance of a positive workplace environment and culture cannot be overstated in compelling top talent to join the organisation. The results of this study support the hypothesis that a good workplace has a significant impact on organizational attractiveness. The promotion of policies that prioritize employee well-being and foster a positive work environment can enhance the appeal of an organization to potential employees (Catano & Morrow, 2016). According to Everett (2011), the perspective of the workplace may change depending on a few factors such as age, gender, generation, education level, or work experience; this research conclusion can be validated.

The validation of H3 suggests that having a good reputation is crucial for organizations to attract job seekers from the Z generation. The study's findings are consistent with prior research, (Jones et al., 2014; Yuksel, 2015; Sen & Kumar, 2019b). Which shows that job seekers are more likely to consider companies with good reputations? The Z generation is more focused on the impact of their work and seeks companies that align with their values and beliefs. Therefore, having a positive reputation can increase an organization's attractiveness and make it more appealing to potential employees. The study's results imply that organizations need to focus on building and maintaining a positive reputation through ethical practices, responsible corporate citizenship, and a commitment to social responsibility.

7. Conclusions

Indeed, understanding the preferences and expectations of the next generation of workers is crucial for organizations and HR managers to attract and retain top talent. As the workforce continues to evolve, companies must adapt their recruitment and retention strategies to appeal to the values and goals of Generation Z. This may involve implementing CSR initiatives, promoting a positive workplace culture, and offering opportunities for professional growth and development as proposed by Sen et al. (2022). By aligning their practices with the preferences of the next generation of workers, organizations can position themselves as desirable employers and maintain a competitive edge in the job market.

8. Theoretical and Practical Implications

This research reinforces the increasing trend of Generation Z aspirant perspectives by proposing a foundation for research to establish the significance of their understanding towards an organization and the characteristics that can influence their sense of OA improvement. This study has a significant impression on the application of the Social Identity Theory (Tajfel & Turner, 1979) and the Signaling Theory (Spence, 1973). The theoretical foundation was built on Signaling Theory and Social Identity Theory. The theories provide technical assistance to the components that influence OA, such as explaining CSR, PWE, OR,
perceived ease of job searchers, and predictor of OA. This research has the ability to fill the void between existing research on the same topic and a lack of research in the Indian context. The study will provide an understanding and could boost interaction between job searchers and employers.

9. Scope for Future Research

Owing to a lack of time, the investigation was confined to Indian Higher institutions. Only academic students were eligible to participate. The respondent's employment experience was not considered in this study. Another disadvantage is the low quality of the data acquired, as the study only analyzed 204 replies. Data accuracy cannot be guaranteed because there is no other way to ensure that the respondents' responses accurately reflect their impression of OA. Both the study method and the culture of intuition have their own traits. The research findings are solely applicable to Generation Z students in Indian higher education institutions as a result of those circumstances. The future study has a significant-high potential to expand our understanding and could boost interaction between job searchers and employers. In order to clearly grasp whether the influencing elements have a similar impact on medical and engineering students or not, the advanced study can take additional specializations of study into consideration. This study's participants are all Indian. As a result, future studies can look into other nations. Only students were considered in this study, not any particular industry. As a result, the research's focus could become more industry-specific. For instance, members of Generation Z are people who work in the healthcare or financial services sectors. Future studies can look into the variables that affect OA differently depending on gender or similarly depending on gender. Future studies in the same field can expand on Social Identity Theory and Signaling Theory since both have been studied in relation to OA with the help of earlier studies.

10. References


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