
Analysis on the Influence of Employer Branding Strategies with the Desires of Generation Z to Attract Potential Talent in the Start-Up Company: A Case Study of Andalin

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KEYWORDS

employer branding, generation z, startup companies, social value

ABSTRACT

The purpose of the research is to understand the factors that affect employer branding, particularly in the context of Generation Z employees in startup companies. Startups have emerged as a prominent career option for Generation Z in the current globalization era, due to their innovative and dynamic work environments. The goal of this study is to determine which aspects of employer attractiveness align with the aspirations and values of Generation Z, specifically analyzing PT Eximku Teknologi Indonesia (Andalin). The study used a qualitative methodology, involving in-depth interviews with internal Andalin and external startup employees. The purpose of the data collection is to identify how employees vary in their responses to the various aspects of employer attractiveness, such as Social Value, Development Value, Application Value, Safety Value, and Economic Value. According to the study, Andalin employees are largely satisfied on most criteria except Economic Value, where some respondents believe their workload is not appropriately provided. External respondents are dissatisfied with most characteristics, except for social, developmental, and economic values, demonstrating a lack of organizational belonging and long-term job stability in startups. Notable results indicate that social media efficiently showcases the working environment to Generation Z and attracts their attention, demonstrating how it is so important for employer branding. Another suggested strategy to increase awareness of the company's culture, vision, mission, and core values of the company is to improve the career website.

INTRODUCTION

The global economic environment has seen significant transformation in recent decades, primarily due to technological advancements and increased interconnectivity among markets. In this dynamic environment, startups are now key drivers of innovation and economic progress. Disrupting established markets and industries requires these young companies, who are often identified by their flexibility and innovative ideas. However, acquiring and retaining top talent is essential to these companies' success, and the entry of Generation Z (Gen Z) into the workforce has made this problem tougher (Kwiatkowski, 2016). Generation Z is dominating the population in Indonesia according to Figure 1, knowing the peculiarities of Generation Z is more crucial than ever. Young people start to make various demands from organizations, and it's fascinating to note that some of these demands can be expressed while

simultaneously taking into consideration some of their unique qualities (Graczyk-Kucharska & Erickson, 2020). 27% of workers are predicted will belong to Gen Z. In order to address the needs of Gen Z employees at work, it is now critical for companies to understand this newest generation of workers, known as Gen Z (Perilus, 2020).

They have brought about a shift in the way people view work life. Unlike the previous generation, who were content with finding any job to earn a living, members of generation Z approach “job searching” with a clear idea of what they want in a job. The demands of this generation are higher, and they look to the job to meet their needs, which include a greater standard of living, personal fulfilment, and a sense of purpose in life. Companies will be better able to attract, keep, and involve individuals of Generation Z in the workforce if they acknowledge and give priority to these needs. A study on the interests and preferences of Generation Z was carried out by an HR consulting business. The study focused on four areas: communication, social media, leadership, and corporate social responsibility. (2015, Randstad).

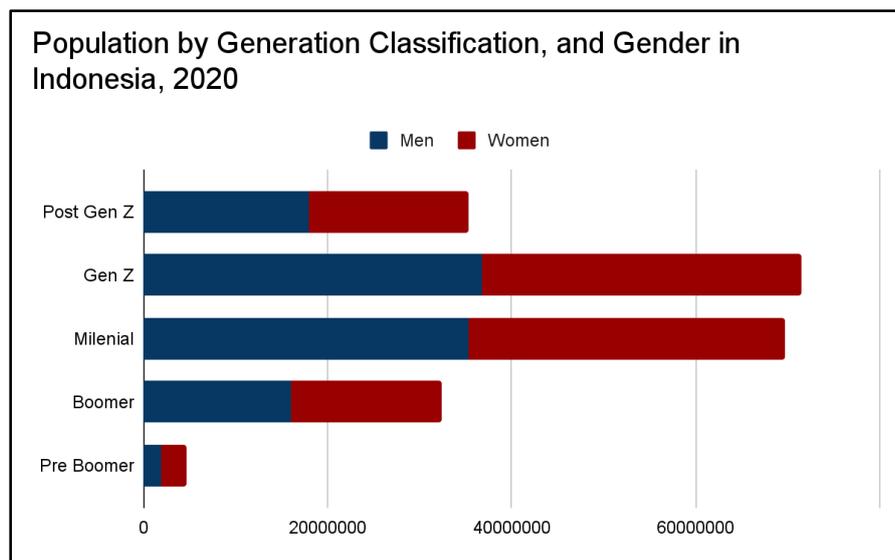


Figure 1: Population by Generation Classification, and Gender in Indonesia 2020
Source: Badan Pusat Statistik (2020)

The way job seekers behave has evolved; today's prospects are more selective about the jobs they pursue and give more weight to aspects like work-life balance, company culture, and opportunities for professional advancement. Companies have to change their recruitment strategies and put more of an emphasis on building their employer brands in order to attract and retain top talent. By fostering a positive impression of the company as an employer, the employer branding strategy can serve as a tool for attracting potential employees that align with the values and culture of startup companies. It can also be used to keep current employees from defecting to competitors (Sivertzen et al., 2013).

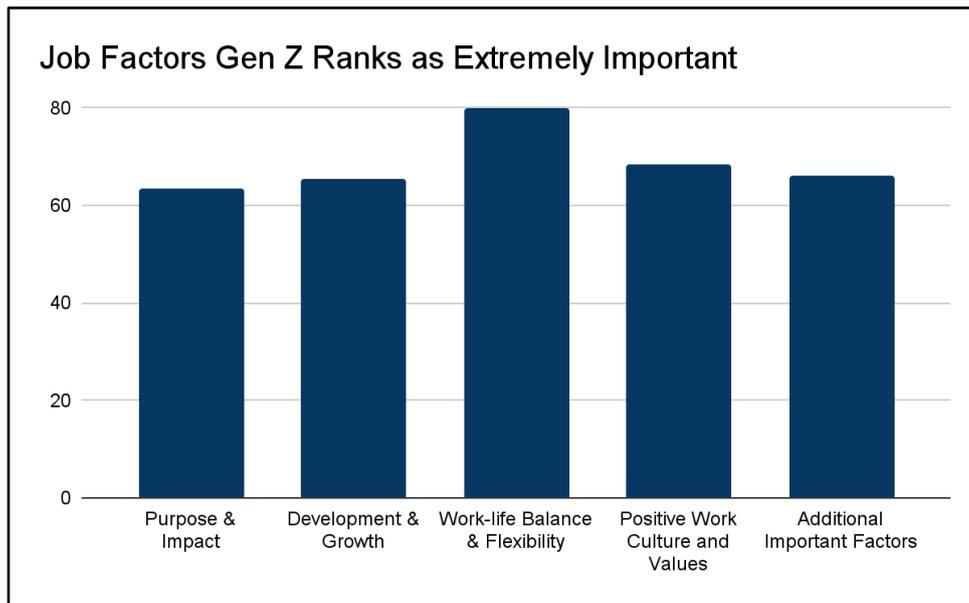


Figure 2: Job Factors Gen Z Ranks as Extremely Important
Source: Deloitte Gen Z and Millennial Survey (2023)

Deloitte conducted a survey for Gen Z on factors that would make them apply to a workplace and can make them stay. The result of the survey indicates that there are 6 main factors that Gen Z consider as important for their next job, the 6 factors are:

1. Purpose and Impact

Working for organizations that prioritize strong social and environmental principles is essential if you want to have a meaningful and beneficial influence.

2. Development and Growth

Consider that opportunities for further learning and skill development are essential, and the desire of clear career growth paths in the current position.

3. Work-life Balance and Flexibility

Having flexible work arrangements, such as working remotely or with flexible hours, is important for maintaining work-life balance and preventing burnout.

4. Positive Work Culture and Values

Characterized as ambitious, and seeking for a collaborative and inclusive work environment. Also a place that appreciates empathy, integrity, and openness in business leadership.

5. Additional Importance Factors

Inclusion and diversity are crucial. The importance of opportunities for personal growth, including financial well-being, and the significance of mental health and well-being assistance.

According to (Zaman, 2024), Gen Z still cares about pay and benefits, but it is less important than other aspects like purpose and work-life balance. This may indicate that Gen Z is drawn to businesses who pay their employees fairly and with openness about their remuneration policies.

Business Issue

In the early 21st century the challenge faced by the organization could be varied. In addition, there is also a shift in the behavior of the generation in having the work values. Businesses including startups also need to innovate to adapt and face the challenge. As an HR practitioner who is also as a representative from the business and worked in several startup companies including Andalin (PT Eximku Teknologi Indonesia) one of the challenges that

most startup companies faced is the shift in the behavior of the generation in having the work values, especially from the generation Z (Weng et al., 2010).

The challenge faced by the company is that many top talents in the current generation (Gen Z) prefer to start their careers at a company which reflects their desire for a better quality of life, personal fulfillment, and a sense of purpose. Researchers conducted preliminary research to validate the business issues in Andalin with the Head of Human Capital. The majority of exceptional talent struggle to see their desires realized inside the organization. Following an interview with Andalin's Head of Human Capital, the researcher used the Fishbone Diagram to evaluate the company's issues and determine their root causes.

Andalin acknowledged the significance of understanding the numerous aspects that contribute to the challenges they encounter in attracting Gen Z talent. They wish to enhance their employer branding in order to better appeal to Gen Z talent while maintaining alignment with Andalin's work culture and values.

Additionally, they expect that employer branding will help them retain their workforce, particularly Gen Z employees, and foster a greater sense of ownership among employees within the organization. Andalin is challenged with a number of difficulties, including the following:

1. Understanding the Gen Zs Desire

a. They have a lack of research and data

Insufficient knowledge about Gen Z's specific needs and preferences.

b. Misalignment expectations

There is a mismatch between what Andalin offers and what Gen Z expects, whether the Gen Zs expect over the job market or Andalin offers below the expectations of Gen Zs.

c. Generation Gap

There are some difficulties in understanding Gen Z's communication style and priorities.

2. Employer Branding Strategy

a. Messaging and communication

The message and communication style used in Andalin not resonating with Gen Z values and preferences.

b. Channels and platforms

Andalin has several channels and platforms to share work-related things to the market. But it's not reaching the right target audience.

c. Content and visuals

The content and visuals presented by Andalin in their channels and platform are not engaging or portraying the desired company culture.

d. Employer brand positioning

They have not clearly differentiated their employer brand position from competitors.

3. Recruitment and Onboarding Process

a. Attractive job descriptions and benefits

Andalin's recruitment materials do not yet effectively communicate the company's value proposition and appeal to Gen Z's interest.

b. Streamlined and efficient recruitment process

A smooth and positive recruitment experience that aligns with Gen Z's expectations need to be improved from Andalin to meet the Gen Zs desire.

c. Effective onboarding program

Does Andalin provide a well-structured onboarding program that integrates new hires into the company culture and fosters engagement from the start?

The challenge for Andalin becomes even more difficult by the requirement to build a powerful employer brand that speaks to the distinct demands of Generation Z. The company has worked hard to highlight its innovative culture and dedication to employee development, but it is important to assess how well these initiatives are addressing the important variables that Gen Z considers when making employment application decisions. Furthermore, Andalin needs to regularly adapt its employer branding initiatives as the talent rivalry heats up to be relevant and appealing to younger job seekers. Although they show promise, Andalin's current employer branding initiatives do not perfectly reflect the unique values and tastes of Generation Z. This mismatch may make it more difficult to attract and keep the best employees over the long run, which might affect the company's ability to meet its objectives for growth. Consequently, it is important to analyze and understand the factors influencing Gen Z's selection of job applications and evaluate how far Andalin's employer branding strategies correspond with these aspects.

By analysing the key factors influencing Gen Z's decisions to apply for jobs, evaluating Andalin's present employer branding strategies, and offering suggestions for improving its strategies to more efficiently attract in and keep Gen Z talent, this research seeks to solve these issues. In addition to providing Andalin useful information, the researcher's conclusions will further clarify employer branding in the context of startups and the shifting needs of the current workforce.

Literature Review

Employer Branding

Employer branding is a strategy used to establish as well as convey the company's brand uniqueness so that employees can understand it from their perspective. It can be in various forms including job descriptions, economical value, or even social value for a particular position. Employer branding, according to (Ambler & Barrow, 1996), is a company brand marketing strategy used to find the greatest talent in order to attract in new hires while maintaining retain of existing employees. On the other hand, employer branding is a strategy used to enhance a company's reputation and encourage potential employees to internalize the company's brand, according to (Miles & Mangold, 2004). Not only increasing the reputation of the company's brand but also there will be a sense of belonging from the employees of their company. Employer branding can effectively communicate the uniqueness of the company as an aspect of increasing the company's attractiveness in the job market, especially for generation Z (Dudley, 2019). As per the results obtained from (Martin et al., 2011), employer branding has the potential to significantly impact the innovation and transformation of a company's business model by enhancing its capital social image. This image will affect the factors that influence the next workplace choice of generation Z.

Generation Z Characteristics

A generation that has been influenced by the digital age is Generation Z. Compared to past generations, they are more diverse and receptive to new ideas and experiences. They are also more likely to be business owners and entrepreneurs. Generation Z is a generation born between 1995 and 2012, this definition is based on the belief that the iPhone's release in 2007 marked a fundamental shift in how people engage with technology, and many people born in 1995 were still in primary school at the time (Twenge, 2017).

According to Pew Research (2019) Generation Z comprises the years 1997 to 2012. This description is based on various circumstances, such as the emergence of social media and mobile phones, the Great Recession, and the 9/11 attacks. The Generation Z generation is the one that reached adulthood following the Great Recession and the rise of social media. They are more diversified, connected, and entrepreneurial than earlier generations since they were raised in a more globalized and technologically advanced environment.

Employer Attractiveness Measurement Scale

An employer attractiveness scale is a method for determining how attractive an employer is to potential employees. It analyzes the employer's reputation, the workplace, compensation and benefits, chances for professional advancement, work-life balance, and organizational culture. According to (Berthon et al., 2005), individuals can use this scale to evaluate or rank several aspects of an employer to determine how appealing it is. The employer attractiveness scale includes five dimensions including social value, development value, application value, safety value, and economic value.

Social Value (SOC)

This dimension refers to the level of attraction an individual has for an employer based on variables such as a positive work environment, strong working relationships, and a collaborative environment. The attraction of a company that provides a pleasant and positive work environment, solid working relationships, and team dynamics is referred to as social value.

Development Value (DEV)

This dimension describes an individual's attraction to an employer based on aspects such as recognition, confidence building, professional engagement, and chances of possible future development. Employees are encouraged to give their all when their employers provide developmental values like growth opportunities and confidence-building experiences. Similar to social value, social exchange theory proposes that the trade between employers and employees involves both material and social benefits (Shore et al., 2009).

Application Value (APP)

This dimension relates to individuals' attraction to companies who provide possibilities to apply their knowledge and abilities in a humanistic and customer-oriented work environment.

Safety Value (SAF)

This dimension shows individuals' attraction to companies that value workplace safety and security. Studies have indicated that employee understanding of ethical leadership styles enhances engagement within a company (Hendler, 2012)

Economic Value (ECO)

This dimension represents the level to which individuals are attracted to companies that provide competitive remuneration, perks, and bonus packages in terms of average wage.

Generation Z Job Factors Importance

According to the research conducted by Harvard Business Review in 2023 reveals that Gen Z identifies 3 factors as significant for their employment and earn their full engagement, these 3 factors include:

1. Clarity of career path that affords compensation and benefits

Concerned about career stability and progress, Generation Z employees are realistic and want to know what is expected of them in terms of progression and how they may take responsibility for their own future. It is crucial to offer generation Z the opportunity to upskill and to explain to them what it means to achieve as an individual contributor and future leader.

Generation Z also prioritizes pay equity, they expect their employers to maintain their commitment to pay equality and communicate compensation information more transparently, and they have high intentions of doing the same for others as well. With Generation Z, it will be beneficial to have open discussions regarding compensation and job advancement.

2. Harness community and connection to engage and empower them.

Generation Z is the generation with the most exposure to social media, smartphones, and technology. Most Generation Z employees have become used to working remotely or

in a hybrid environment, but they also look for a work-life balance that emphasizes community development, cross-cultural experiences, and meaningful work to promote collaboration. They value projects that support their professional objectives, collaborative activities, presentations to the actuarial community, and networking opportunities.

3. A more innovative approach to benefits that prioritizes adaptability and mental wellness

Problems with mental health are a significant concern affecting Generation Z employees. Many experience depression and anxiety, which affects their ability to perform their tasks at work. In reality, Generation Z's primary expectation of their leadership is that they will prioritize mental health and well-being. It is highly desirable to have flexibility, such as a four-day work in a week and remote work alternatives. It is strongly advised that leaders and organizations establish policies, procedures, and resources that promote the mental wellness of Generation Z.

RESEARCH METHOD

This research adopts a mixed-methodologies research design, implementing qualitative and quantitative methods to acquire a thorough understanding of Gen Z job application decisions and Andalin's employer branding strategies. Three stages constitute: literature review, data collection, and data analysis. Data were gathered by conducting interviews with company representatives and obtaining relevant external data sources. The goal of the poll was to find out how Gen Z people, both current employees and potential applicants perceived Andalin as an employer and what kind of job application they preferred. To learn more about Andalin's current employer branding strategies and their effectiveness, interviews were done with the company's HR managers and branding team.

The best approach to analyze data based on pre-collected data through in-depth interviews is to use the Interactive Analysis Model. The Interactive Analysis Model Interview consists of four sections: data collecting, data condensation (coding), data display, and conclusion. Data will be analyzed using coding for qualitative data. Coding is the process of finding significant data segments and giving them a label or code. A code is defined as a term or brief phrase that evokes the essence of an aspect of language-based or visual data, or that symbolically shows and captures its essential meaning (Saldaña, 2021).

For this research, a manual coding method will be implemented for coding. The researcher will code and transcript the interview data before analyzing it. The data will be coded before being analyzed using descriptive analysis. Understanding data requires the use of descriptive analysis, which is the process of summarizing data into a summary that highlights its key characteristics (Huggins & Brunner, 2006).

RESULTS AND DISCUSSION

The interview results of Andalin and external startup employees were analyzed using Berthon's five values: social, development, application, safety, and economic. The interview result from the interviewees shows that there are several key factors influencing Generation Z applying for a job in Andalin, the role of Andalin's Human Resources in Employer Branding as well as Employer Branding Strategies aligned with the values and expectations of the company and Generation Z.

Key Factors Influencing the Generation Z Applying for a Job in Andalin

The results of the interview indicate that Andalin has a number of important features that encourage Generation Z to apply to their company, which is highly desirable to them. Where it represents the five values by Berthon (2005) which are Social Values (SOC), Development Values (DEV), Application Values (APP), Safety Values (SAF), and Economic Values (ECO).

According to the majority of Gen Z employees who are currently employed by startups they are satisfying to them.

Social Value (SOC)

Positive interactions with coworkers and a helpful work environment at Andalin were discovered during the interviews. Flexibility, cooperation, and open communication were emphasized. However, two of the interviewees indicated difficulties in working together with their leaders. All things considered, Andalin promotes positive interactions and a positive work environment.

The interview results show that almost all of the external startup employees had positive working relationships with their coworkers, some had supportive work environments, while others had tough and competitive work environments.

Development Value (DEV)

According to the interview results, employees who work at Andalin report feeling more confident and proud of their professional development. The flexible working environment fosters confidence and offers fresh experiences. The majority of those surveyed place a high importance on learning opportunities. Additionally, two interviewees who were employed for the first time in their careers stated that they felt proud of their function-based job roles and that learning new abilities was good. Overall, confidence and professional development are positively impacted by working at Andalin.

According to the interview results, most of the external startup employees are proud to work for their organization, primarily due to the skills that they have acquired. A few of them have got the chance to grow in their careers. However, few of them feel particularly not proud, despite the fact that they have grown personally over their career.

Application Value (APP)

The interviews indicate all individuals in Andalin have had the opportunity to teach and share knowledge. This has made some of them feel more attached to the company. Different people have different experiences, though, and some report feeling less connected even when allowed to teach others. Overall, teaching might provide more possibilities to affect their sense of belonging at Andalin.

Overall, the interview results suggest that the interviewees have had some opportunities to teach and transfer their knowledge to others. They also feel like a valued part of the organization with various reasons such as culture and values.

Safety Value (SAF)

According to the interviews, the majority of Andalin employees are content with their jobs. They believe the organization provides a safe working environment, as evidenced by the SOP and ISO that they pointed out. One of the interviewees believes she is not confident in her job security due to uncertainties about the company's stability, despite the fact that her position is already secured.

In contrast to the interview with Andalin's employees, the external startup employees revealed that the majority of them are concerned about their job security due to uncertainty in the company's stability, despite the fact that they believe they will be able to stay for the next few years. The work environment is deemed safe for all interviewees because of the established SOPs and International Standardization certification in their company.

Economic Value (ECO)

The interview results reveal different perspectives about Andalin's compensation. Some people find it good or even better than expected, while others believe it falls short of their expectations to some extent. Their concerns arise from the fact that their workload has recently increased and is not commensurate with their job responsibilities.

Different viewpoints regarding their compensation, the external startup employees revealed that some people find it good or even better than expected, while others say it fails

below their expectations in certain aspects. The compensation packages are not as attractive as those of the other companies they know, which worries them.

Key Factors Influencing the Generation Z Applying for a Job in Andalin

Based on the interviews, analysis of existing literature, and identification of relevant concepts, theories, and frameworks, this stage supports the development of a strong theoretical framework for the research.

Additional Interview

The interview results illustrate the diverse motivations and job expectations of every individual interviewed at Andalin. Some joined Andalin because they aspire to work in a startup company, and some also due to the visually appealing and well-managed Employer Branding of Andalin such as its LinkedIn profile. Others joined because they saw a need in their lives to achieve their current and future goals through the chance provided by the company. Their present employment goals embrace getting experience, professional advancement, job security, understanding the work, and adding value to the society through work and personal development. Overall, the interviews reveal a diverse variety of motivations and expectations among Andalin employees.

According to the interview results from the external startup employees, individuals join their current companies for a variety of reasons, including their first experience, being influenced by the company's internal activities, having the opportunity to learn new things, and wanting to work in startup companies. Many people in their current age consider a clear career path and adequate salary to be the most significant aspects when they're looking for a job, while others also highlight challenges, experiences, and self-development. The majority of them recall the function of HR before joining the company, such as learning about the company's culture via social media and web careers. Two of them think they did not remember the HR department's responsibilities before joining the company.

Key Factors Influencing the Generation Z Applying for a Job in Andali

The results of the interviews indicate that Andalin is a highly attractive company for Generation Z because it provides opportunities for growth, a positive work environment, flexible work schedules, and a sense of community. Although opinions on remuneration differ, overall perks are competitive. On the other hand, Gen Z workers in startups place a high importance on social, economic, and development factors, but they also voice worries about job security and a lack of HR knowledge.

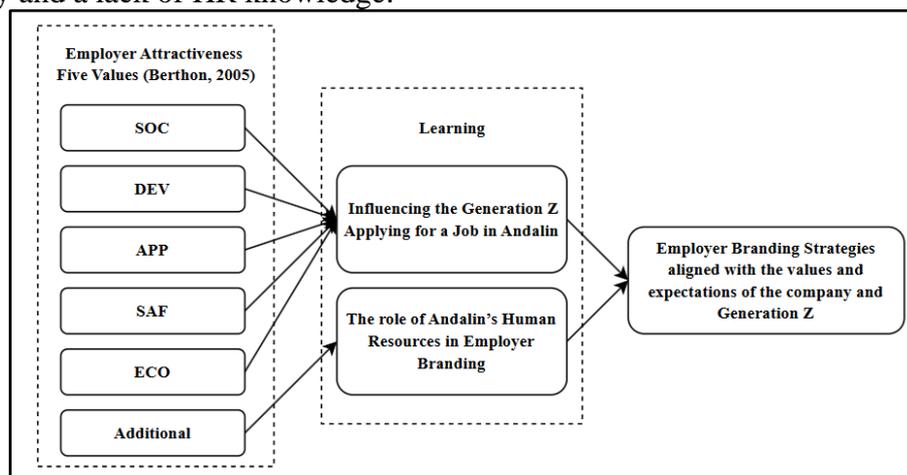


Figure 3 Framework of Employer Attractiveness

CONCLUSION

This study emphasizes how crucial employer branding is to attract and retain Gen Z employees, especially for startups like Andalin. The research determined that social responsibility, professional growth opportunities, and company culture are important factors that influence Gen Z's desire to apply for a job. Even while Andalin has made progress in fostering positive work environments, its employer branding strategies still need to be strengthened to more appropriately represent the values of Generation Z.

The current research could be expanded onto in the future by analyzing employer branding strategies in different industries or geographical areas. Furthermore, continuing studies might provide insights into how Gen Z's preferences for their employment change over time and how businesses could modify their approach accordingly.

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