

## **EMPLOYER BRANDING AS A MEGNET FOR YOUNG TALENT A STUDY OF STUDENTS' PERSPECTIVES ON STARTUP COMPANIES**

**Kartika<sup>1\*</sup>, Salwa rayni<sup>2</sup>**

Pamulang University, Indonesia<sup>1,2</sup>

Email:kaartikaa0@gmail.com

### **Abstract**

This study aims to determine the influence of students' perceptions of employer branding on their interest in applying to startup companies. The increasing number of startups in the digital era has opened up numerous career opportunities for the younger generation, but not all students have positive perceptions of the stability and job prospects at these companies. This study used a quantitative approach with correlational methods. The sample consisted of 107 respondents, all final-year students familiar with the startup world. Data were collected through a Likert-based questionnaire and analyzed using simple and multiple linear regression tests using SPSS. The results of the study indicate that employer branding image and employer branding appeal and opportunities have a positive and significant effect on interest in applying to startup companies. The appeal and opportunities dimension is the most dominant factor in influencing student interest. The coefficient of determination ( $R^2$ ) value of 0.914 indicates that 91.4% of the variation in interest in applying can be explained by these two variables. Thus, it can be concluded that the more positive students' perceptions of a startup's employer branding, the higher their interest in applying. This study provides implications for startup companies to strengthen their employer branding strategies through effective digital communication, an innovative work culture, and providing attractive career development opportunities for the younger generation.

**Keywords:** Employer branding image, Employer branding appeal and opportunities, Interest in applying to a startup.

### **Introduction**

The world of work in today's digital era is undergoing rapid change. One prominent phenomenon is the emergence of startups, offering new career opportunities for the younger generation, particularly students preparing to enter the workforce. Startups are known for their dynamic, flexible, and innovative work culture, making them a particular attraction for young job seekers. However, some students still have doubts about the stability and certainty of a career in startups compared to larger, established corporations. This suggests that students' perceptions of startups are a significant factor influencing their interest in applying for jobs there.

One important concept related to prospective applicants' perceptions of a company is employer branding. Employer branding can be defined as a company's image and reputation as an ideal workplace in the eyes of both employees and prospective employees (Backhaus & Tikoo, 2004). Through employer branding, companies strive to showcase their identity, values, and attractive organizational culture to differentiate themselves from competitors and attract top talent. Strong employer branding can build positive perceptions and trust in the company among prospective applicants. For example, through promotions on social media, internship programs, or employee testimonials that demonstrate the company's supportive work environment and employee well-being.

### **Theoretical Framework**

In the increasingly digital era, startups have become a popular career choice for young people, especially students. However, a company's attractiveness is not solely determined by its salary or benefits, but also by how it builds its image or identity as an ideal workplace, known as employer branding. Employer branding is a strategy used by companies to create a positive image in the eyes of prospective employees, attracting them to apply and join.

According to the theory of Backhaus and Tikoo (2004), employer branding is the process of building a company's identity as a unique and attractive workplace for both potential and existing employees. This image can be formed through company communications, work culture, values, self-development opportunities, and reputation. Students' perceptions of employer branding will significantly influence how they assess a company as a suitable career choice.

According to Robbins and Judge (2017), self-perception is the process by which individuals organize and interpret sensory impressions to give meaning to their environment. This means that students' perceptions of employer branding are influenced by how they receive information about the company, whether from social media, friends' experiences, or public reputation. If students perceive a startup company's employer branding as positive—for example, a flexible work environment, opportunities for growth, and a creative culture—this will foster a higher interest in applying for jobs.

Self-perceived interest, according to Slameto (2013), is an internal drive to take action due to a feeling of attraction to a particular object. In this context, interest in applying to a startup company arises when students perceive that the company's values and culture align with their personal expectations for the world of work. Startups that can present themselves as innovative, inclusive, and provide space for career development will more easily attract the attention of prospective young employees.

This research's rationale illustrates a causal relationship, where students' perceptions of employer branding (variable X) influence interest in applying to startup companies (variable Y). The more positive students' perceptions of a startup's employer branding, the higher their interest in applying for jobs at that company. Conversely, if students' perceptions of employer branding are negative—for example, the company is

perceived as unstable, unprofessional, or has an unclear career system – then interest in applying will decrease.

Therefore, this theoretical framework is based on the understanding that positive perceptions of a company's image (employer branding) are a crucial factor in shaping an individual's intention or decision to apply for a job. This process occurs through psychological mechanisms where perceptions influence attitudes and ultimately foster interest in certain behaviors.

### Method

This study used a quantitative approach with a correlational design to determine the relationship between students' perceptions of employer branding and their interest in applying to startup companies. This approach was chosen because it can objectively measure the strength of the relationship between variables.

The research population was final-year students preparing to enter the workforce. The sample was selected using a purposive sampling technique, with 100 respondents knowledgeable about startup companies.

Data were collected through an online questionnaire using Google Forms, consisting of two sections: statements about perceptions of employer branding and statements about interest in applying. Each statement was measured on a 1–5 Likert scale, ranging from "Strongly Disagree" to "Strongly Agree." The instrument was tested through validity and reliability using Pearson Product Moment correlation and Cronbach's Alpha coefficient, with a reliability value above 0.7 being accepted.

The data were analyzed using descriptive analysis to describe the characteristics of the respondents, and inferential analysis using Pearson correlation and simple linear regression using SPSS to examine the relationship between students' perceptions of employer branding and their interest in applying to startup companies.

### Results

**Table 1. T-test**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.013	1.119		.905	.367
	Employer branding image	.431	.087	.424	4.947	.000
	Employer branding appeal and opportunities	.548	.086	.546	6.374	.000

a. Dependent Variable: Interest in applying to a start up

The results of the regression analysis show that the variables employer branding image and employer branding attractiveness and opportunities have a positive and significant effect on interest in applying for a job at a start-up.

The regression coefficient for employer branding image is 0.431 with a t-value of 4.947 and a sig = 0.000 < 0.05, indicating that this variable has a significant influence on interest in applying. This indicates that the more positive a company's employer branding image, the higher the individual's interest in applying for a job at that start-up.

Furthermore, the variable employer branding attractiveness and opportunities has a regression coefficient of 0.548, t = 6.374, and sig = 0.000 < 0.05. This means that the attractiveness and opportunities offered by the company also have a significant and positive effect on interest in applying. In other words, the more attractive the career opportunities and work environment offered, the higher the individual's interest in joining. The constant value of 1.013 indicates that if both independent variables are set to zero, the baseline value of job application interest remains at 1.013.

Overall, both independent variables have been shown to positively contribute to increasing individual interest in applying for jobs at start-up companies.

**Table 2. f-test**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8748.369	2	4374.185	551.816	.000 <sup>b</sup>
	Residual	824.397	104	7.927		
	Total	9572.766	106			

a. Dependent Variable: Interest in applying to a start up

b. Predictors: (Constant), Employer branding appeal and opportunities, Employer branding image

The ANOVA test results indicate that the regression model used in this study is appropriate for use. This is demonstrated by the calculated F-value of 551.816 with a significance value of 0.000 (<0.05). This means that the independent variables, namely employer branding image and employer branding attractiveness and opportunities, simultaneously (together) have a significant influence on the dependent variable, interest in applying for jobs at start-ups.

Thus, it can be concluded that the regression model used is valid and can explain the variation that occurs in interest in applying for jobs based on these two independent variables. The better the image and attractiveness of a company's employer branding, the higher the individual's interest in applying for jobs at that start-up company.

**Table 3. Coefficient of determination**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.956 <sup>a</sup>	.914	.912	2.815

a. Predictors: (Constant), Employer branding appeal and opportunities, Employer branding image

Based on the regression analysis results in the Model Summary table, an R value of 0.956 was obtained, indicating a very strong relationship between the independent variables (employer branding image and employer branding attractiveness and opportunities) and the dependent variable (intention to apply for a job at a start-up). The R Square ( $R^2$ ) value of 0.914 means that 91.4% of the variation in interest in applying for a job at a start-up can be explained by the two independent variables, namely employer branding image and employer branding attractiveness and opportunities. Meanwhile, the remaining 8.6% is explained by other factors not included in this research model.

The Adjusted R Square value of 0.912 indicates that after adjusting for the number of variables and sample size, this research model still has excellent ability to explain the relationships between the studied variables.

Furthermore, the Standard Error of the Estimate value of 2.815 indicates the level of error in the regression model's estimates of the actual data, where a smaller value indicates a more accurate model in predicting.

Finally, the Durbin-Watson value of 1.936 is in the range of 1.5 to 2.5, indicating that there are no autocorrelation issues in this regression model. This means that the residual data are random and uncorrelated, so the regression model used can be considered good and worthy of further analysis.

**Table 4. Simple linear regression**

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients Beta		
1	(Constant)	2.551	1.282		1.990	.049
	Employer branding image	.954	.034	.938	27.780	.000

a. Dependent Variable: Interest in applying to a start up

Based on the results of the simple linear regression analysis in Table 4, the following regression equation is obtained:  $Y = 2.551 + 0.954X$ . The constant value of 2.551 indicates that if the employer branding image variable has a constant value, then the interest in applying to start-up companies remains at 2.551. The regression coefficient of 0.954 with a t-value of 27.780 and a significance level of 0.000 ( $<0.05$ ) indicates that the employer branding image variable has a positive and significant effect on the interest in applying to start-up companies. This means that the better the employer branding image of a company, the higher the individual's interest in applying to that company. In addition, the standardized Beta value of 0.938 indicates that the influence of employer branding image on the interest in applying to start-up companies is very strong. Thus, it can be concluded that employer branding image is a dominant factor influencing a person's interest in applying to start-up companies.

**Table 5 .Simple linear regression**

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients Beta		
1	(Constant)	1.647	1.229		1.340	.183
	Employer branding appeal and opportunities	.948	.032	.945	29.698	.000

a. Dependent Variable: interest in applying to a startup

Based on the results of the simple linear regression analysis shown in Table 4, the following regression equation was obtained:  $Y = 1.647 + 0.948X$ . The constant value of 1.647 indicates that if the employer branding appeal and opportunities variables are constant or zero, then the level of interest in applying to start-up companies is at 1.647. The regression coefficient of the employer branding appeal and opportunities variable is 0.948 with a t-value of 29.698 and a significance level of 0.000 ( $<0.05$ ), indicating that these variables have a positive and significant effect on interest in applying to start-up companies. This means that the more attractive the employer branding and the greater the opportunities offered by the company, the higher the individual's interest in applying to start-up companies. Meanwhile, the standardized Beta value of 0.945 indicates that the influence of employer branding appeal and opportunities on interest in applying to start-up companies is very strong. Thus, it can be concluded that employer branding appeal and opportunities are important and dominant factors in increasing interest in applying to start-up companies.

**Table 6. Multiple linear regression test**

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients Beta		
1	(Constant)	1.013	1.119		.905	.367
	Employer branding image	.431	.087	.424	4.947	.000
	Employer branding appeal and opportunities	.548	.086	.546	6.374	.000

a. Dependent Variable: Interest in applying to a startup

Based on the results of the multiple linear regression analysis shown in Table 4, the following regression equation was obtained:  $Y = 1.013 + 0.431X_1 + 0.548X_2$ , where Y is the interest in applying to a start-up company,  $X_1$  is the employer branding image, and  $X_2$  is the employer branding appeal and opportunities. The constant value of 1.013 indicates that if both independent variables are constant, the level of interest in applying to a start-up company is at a value of 1.013. The employer branding image

variable has a regression coefficient value of 0.431 with a t-value of 4.947 and a significance of 0.000 ( $<0.05$ ), which means that this variable has a positive and significant effect on the interest in applying to a start-up company. The standardized beta value indicates that the employer branding appeal and opportunities variable ( $\beta = 0.546$ ) has a greater influence than employer branding image ( $\beta = 0.424$ ). Thus, it can be concluded that both variables simultaneously have a positive and significant influence on interest in applying to start-up companies, with employer branding appeal and opportunities being the most dominant factor.

### **Discussion**

The results of the study indicate that students' perceptions of employer branding have a positive and significant impact on their interest in applying to startup companies. This finding supports Backhaus and Tikoo's (2004) theory that employer branding shapes a company's image as an ideal workplace, influencing prospective employees' decisions. The more positive students' perceptions of a company's image and values, the higher their interest in applying.

The employer branding dimensions of appeal and opportunities proved more dominant than employer branding image. This aligns with Robbins and Judge (2017), who explain that perceptions are formed from an individual's interpretation of the information received. Students are more interested in applying when they perceive career opportunities, flexibility, and an innovative work culture at startup companies. Theoretically, this study reinforces the concept that employer branding functions not only as a marketing tool but also as a psychological factor influencing the behavioral intentions of potential applicants. Practically, these results demonstrate the importance for startups of projecting a positive corporate identity through digital media and engaging communication strategies.

The limitations of this study lie in the limited number of respondents, which included only final-year students, and the startup context. Future research is recommended to expand the sample and include variables such as work motivation or social media influence to better understand the relationships between variables.

### **Conclusion**

Based on the research results, it can be concluded that students' perceptions of employer branding have a positive and significant influence on their interest in applying for jobs at startup companies. Regression analysis results indicate that the more positive the company's image and attractiveness are perceived by students, the greater their desire to join that company. The two main dimensions of employer branding—employer branding image and employer branding appeal and opportunities—have been shown to significantly influence application intentions, with attractiveness and career opportunities being the most dominant factors. This indicates that students tend to be more attracted to startup companies that project a positive image through a flexible work culture, innovative environment, and ample opportunities for growth. These findings align with Backhaus and Tikoo's (2004) theory, which states that employer branding is a crucial strategy for establishing a

company's identity as an ideal workplace. It also supports Robbins and Judge's (2017) view that individual perceptions are formed through the interpretation of information received about an object. Theoretically, this study confirms that employer branding is not only a corporate communication tool but also functions as a psychological factor capable of shaping the attitudes and behavioral intentions of prospective employees. Practically, the results of this study provide important implications for startups to strengthen their employer branding strategies through digital media, promoting a positive work culture, and providing tangible self-development opportunities. Therefore, strong and authentic employer branding will be key for startups in attracting the interest of a dynamic, creative, and career-driven young generation.

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