Erik Ružić

Juraj Dobrila University of Pula Faculty of Economics and Tourism "Dr. Mijo Mirković" 52100 Pula, Croatia erik.ruzic@unipu.hr

Dragan Benazić

Juraj Dobrila University of Pula Faculty of Economics and Tourism "Dr. Mijo Mirković" 52100 Pula, Croatia dragan.benazic@unipu.hr JEL: M, M3, M37 Original scientific article https://doi.org/10.51680/ev.36.1.7

Received: August 30, 2022 Revision received: January 4, 2023 Accepted for publishing: January 30, 2023

This work is licensed under a Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License



DIMENSIONS OF ATTRACTIVENESS IN EMPLOYER BRANDING AND THE VALUE PROPOSITION FRAMEWORK FOR YOUNG EMPLOYEES

ABSTRACT

Purpose: The aim of this paper is to expand the body of knowledge on employer branding by identifying the dimensions of employer attractiveness for Generation Z and to develop a framework for employee value creation in the specific context of Croatian culture.

Methodology: The research was conducted on a sample of 220 key informants using the scale developed by Berthon et al. (2005). Since the purpose of the paper was to identify the various dimensions of employer attractiveness as well as the key factors of attractiveness as the basis for value proposition underlying respondents' perception of employer attractiveness, exploratory factor analysis was applied to analyze the data, i.e. a total of 25 identified employer attractiveness variables. After performing factor analysis, the average rates of importance were measured using summated rating scales for variables of individual factors.

Results: The study identified six organizational attractiveness dimensions relevant to Generation Z. In addition, a value proposition framework was developed. The attractiveness dimensions encompass Organization's market orientation, Acceptance and good relationships with colleagues, Informal characteristics of the workplace, Potential of the workplace for gaining experience and career advancement, Salary and other material benefits, and Sense of belonging to the organization. The dimensions have changed compared to the original Berthon et al. (2005) scale. These differences can be attributed to the specific needs of young employees and to a specific culture and general current conditions.

Conclusion: In the "war for talent", especially for young employees who enter the labor market for the first time, marketing concepts can be a powerful weapon. In order to attract them, their needs and wants should be deeply understood. Based on the proposed value proposition framework and the identified organizational dimensions, a valuable employer brand can be developed and the possibilities to attract and engage employees can be increased.

Keywords: Employer branding, employee value proposition, young employees, talent acquisition, organizational attractiveness

1. Introduction

Intense global competition, rapid technological changes, uncertainty in the global market (due to the COVID pandemic and the Ukraine crisis), economic trends and innovation-based knowledge economy put pressure on companies worldwide. It becomes clear that people, i.e. employees, and their capabilities can make a difference and have a crucial impact on a firm's success.

In these settings, highly competent employees are empowered and can choose among different job offerings. Moreover, young employees are not loyal and are not willing to continue working for the same employer if another one offers them more value (in any sense) (Rodriguez et al., 2019; Deloitte, 2022).

On the other hand, firms that are aware of the importance of people try to offer them value and make themselves more attractive to potential employees and more stimulating for the current ones. Talent acquisition is a major challenge among businesses today. The often-quoted term "war for talent" is highly present in the market (Beechler & Woodward, 2009; Williams et al., 2022).

It is especially important for firms to attract young talents entering the labor market for the first time. To be recognized as a preferred employer, differentiate themselves from other employers and attract the best employees in the market, firms strive to develop an attractive employee value proposition and a strong employer brand. In order to develop a strong brand as an employer, the concept of employer branding should be understood and clarified. A similar and strongly connected term is employer attractiveness (i.e. organizational attractiveness). When branding principles are applied in human resource management, the process is called employer branding and at the core of the brand is an employee value proposition and the attractiveness factors.

Based on the identified attractiveness factors, firms can start building their own employer brand, and a valuable value proposition framework can help them in the process. A value proposition framework or employment offerings should be designed in line with employee value preferences so as to retain, attract and boost current and potential employees (Sengupta et al., 2015). However, putting these principles into practice becomes even more challenging knowing that the factors of attractiveness (i.e. attractiveness of an employer in the eyes

of potential employees) and the work values are impacted by cultural settings (Sengupta et al., 2015).

To the best of the authors' knowledge, there is not enough research on young people entering the labor market nowadays and their preferences in terms of attractiveness factors and dimensions in the specific context of Croatian culture. Therefore, the purpose of this paper is to expand the body of knowledge on employer branding by identifying the dimensions of employer attractiveness and to develop a framework for employee value creation in the specific context of Croatian culture.

The current study shows which factors employers should focus on when they develop their employer branding strategies, especially in regard to young, fresh employees entering the labor market in Croatia.

The paper consists of six sections. After the Introduction, Section 2 presents the theoretical background, while Section 3 outlines the methodology. Section 4 and Section 5 are dedicated to the research results and the discussion, respectively. Section 6 presents the concluding remarks and research limitations, and provides guidance for future research.

2. Theoretical background

2.1 Human resources and marketing

Human resources are crucial for competitive advantage and are especially important for modern knowledge-intensive economies (Sivertzen et al., 2013; Berthon et al., 2005, in Sengupta et al., 2015).

On the other hand, thanks to modern technology, the workforce has the possibility of choosing their employers all over the world and at the same time, they (especially young employees) are prone to switch employers frequently (Hillebrandt & Ivens, 2013). These facts push and encourage organizations to apply new principles and new approaches with the aim to attract, retain and engage people.

More than five decades ago, theorists noticed that some marketing principles could be applied in the field of human resource practices. The application of marketing principles in the field of HRM started in the 1970s when the term internal marketing (IM) was coined and academics started arguing about this approach (Ahmed & Rafiq, 2006). It was seen as the missing part of marketing (Piercy & Morgan, 1991) and especially important in the predominantly service-oriented economies (Bansal et

al., 2001). Bansal et al. (2001) highlighted the direct relation between IM practices and a firm's financial success. Varey & Lewis (1999) argued about different approaches to the concept and its application, while Ahmed & Rafiq (2006), some of the most prominent theorists on the topic, proposed a theoretical and operational model in which all external marketing plan steps and marketing terms were projected in an internal environment, from internal research to internal segmentation, positioning (branding) and 7 Ps.

Although IM has never been fully accepted and implemented by practitioners, employer branding (EB), as one of the steps of the IM approach, has taken root in practice. The topic of EB is nowadays becoming prominent among scientists and among HRM and marketing practitioners. Basically, it is based on the application of branding principles in the field of HRM (Almacik & Almacik, 2012).

2.2 Employer branding

The concept of employer branding arose many years after the concept of internal marketing; more precisely, it was coined in 1996 by Ambler and Barrow (Almacik & Almacik, 2012). They (Ambler & Barrow, 1996) described employer branding as a whole package of psychological, functional and economic benefits provided by a specific employer.

Dell and Ainspan (2001) saw employer brand as the image of an organization created by its values, systems and behaviors, whose aim is to attract, motivate and retain current and potential employees. More precisely, its impact is twofold: it aims to engage and retain existing workers and, concurrently, to develop the image of a desirable place to work for potential employees. Priyadarshi (2011) saw it as the extension of the relationship marketing principles and Ong (2011) pointed out that brands are seen as the most important assets of a firm. According to Tuzunuer and Yuksel (2009), employer branding is the identity of the company as an employer and is used to involve employees in the organizational culture and strategy. Lloyd (2002, in Berthon et al., 2005) saw employer branding as the sum of company's efforts to communicate to all employees the desired message and image.

Authors argued about different positive outcomes of a strong employer brand (Berthon et al., 2005; Srivastava & Bhatnagar, 2010; Figurska & Matuska, 2013). Besides the previously mentioned benefits

(engagement, attraction), firms with a strong employer brand can reduce the cost of employee acquisition, improve employee relations and increase employee retention (Berthon et al., 2005). Moreover, a strong brand facilitates recruitment, motivates, and enhances employee's self-esteem and commitment (Srivastava & Bhatnagar, 2010). Figurska & Matuska (2013) highlighted that external benefits of employer branding are faster and easier access to candidates, attraction of talents, better candidate matching, and more job applications. Ong (2011) highlighted that brand, as an important firm's asset, impacts profitability. Moreover, Bahri-Ammari (2022) showed that an employer brand positively influences job-seeker attitudes. Nevertheless, no impact was found of the employer brand on a job-seeker's intention to apply for a job.

2.3 Employee value proposition

When discussing EB, another important marketing topic arises – the value proposition. According to Backhaus & Tikoo (2004), employer branding is the process of employer brand development and the employer brand is the value proposition conveyed by the employer (in other words, values that an employee expects to receive from an employer). In fact, employer branding communicates an employer's unique value proposition (Srivastava & Bhatnagar, 2010). Arasanmi & Krisha (2019) stated that an employer value proposition can be a powerful strategy for managing employees as it represents a unique set of benefits employees receive in exchange for their services.

Firms strive to develop a unique value proposition and let employees (both existing and prospective) know about their value proposition. This process should be supported by the whole organization and it requires time (Pawar, 2016). The value proposition is the core of the employer brand message (Sengupta et al., 2015) and is affected by the organization's values, society, initiative, environment, talent, and reward programs (Pawar, 2015).

It should be emphasized that firms need to base their employee value proposition (EVP) on their strengths and existing values. Clearly, these strengths and values should be attractive to employees as well as distinctive. Therefore, in the process of employer branding, one of the first steps is to define the employer value proposition, and in order to do this an employer should know the common dimensions of the employer brand, i.e. the di-

mensions of attractiveness (Sengupta et al., 2015). Sengupta et al. (2015) pointed out the need for an employer to deeply understand the work value preferences of employees if the goal is to attract and engage existing and potential employees.

Backhaus and Ticko (2004) argued that potential employees, when choosing an employer, compare their own needs, wants and values to the organization's image, and if they fit well, the organization appears more attractive. Berthon et al. (2005) highlighted that the more attractive an employer is perceived, the stronger the organization's employer brand equity. However, it has proven to be difficult for organizations to retain quality employees due to global and intense competition for talents and a lack of satisfaction with provided EVPs (Arasanmi & Krisha, 2019).

2.4 Today's challenges for organizational attractiveness and Gen Z preferences

Tuzuner & Yuksel (2009) stated that the first step in the employer branding process is the employer attractiveness phase which is seen as a multidimensional concept.

Berthon et al. (2005) outlined the following five dimensions of employer attractiveness: interest value, social value, economic value, development value and application value. In their research, Tuzuner & Yuksel (2009) found two dimensions of attractiveness – "integrated employer branding" and "attractiveness". In their research in which they tested 25 items and dimensions of Berthon's questionnaire in Norwegian settings, Sivertzen et al. (2013) found five dimensions of employer attractiveness – innovation value (three items), psychological value (two items), social value (four items), economic value (two items), and application value (four items).

Almacik and Almacik (2012) highlighted six factors in the employer attractiveness construct – social value, market value, economic value, application value, cooperation value, and workplace environment. The factors identified by Almacik and Almacik (2012) differed from the ones discovered by Berthon et al. (2005), probably because of cultural differences, as they stated. Almacik and Almacik (2012) pointed out that respondents attributed the highest importance to social value (M = 4.46) of the potential employers when searching for employment. They attributed the least importance to market value (M = 3.82) of the prospective employers.

In their research that encompassed practitioners and academics, Huang and Lee (2017) highlighted five dimensions of EB: economic value, development value, reputation value, social value and work-life value. The three highest-ranked components (by both industry and academic experts) were economic value, development value and reputation value. Social value (one of the often top-rated dimensions) was not seen as one of the most important factors. According to the Randstad Global Report (2013, in Figurska & Matuska, 2013), job security is the most important attractiveness factor of an employer, followed by salary, employer's financial health, working atmosphere, job content, and so on. Kashiva et al. (2019) analyzed Glassdoor, an employer branding platform, and highlighted different employer value proposition components such as social, interest, development and economic value (as stated by Berthon et al., 2005), work-life balance, management and brand value. Social value emerged as the most important factor, followed by interest value and work-life balance.

Nowadays, the world is facing global challenges such as the COVID-19 pandemic, which affects all aspects of people's lives and damages businesses.

Nelke (2021) stated that the COVID crisis disrupted the world of work due to remote work practices and accelerated digitalization, which requires new leadership tactics, special individual approach for workers, and adjustments of employer branding aspects. Nelke (2021) emphasized the need to adapt employer branding to online channels (an EB strategy should include offline and online tools) and to remote work. The process should be digitalized and the entire EB communication should be tailored in accordance to the new needs of target groups (Nelke, 2021). Nelke (2021) highlighted that specificity and challenges of the recent years have resulted in higher staff turnover, more absenteeism and lower productivity of employees.

Moreover, the COVID-19 pandemic has given rise to a totally new situation and unexpected challenges and it affects all organizational aspects, but ever since it broke out, it has been a special challenge for people, i.e. workers within organizations. In their study conducted in the pandemic era, Ta'Amnha et al. (2021) highlighted organizational support (like providing protection tools, easy access to tests, sharing information and conducting awareness workshops) as the key EB dimension in this specific period. Social support (such as colleagueship, cov-

ering for absent colleagues) was also found as the key EB determinant, and technical support (e.g. telecommuting training) was important as well. Srednoselec et al. (2021) conducted research on a small sample of Croatian Gen Zers and identified three attractiveness factors, namely job content attractiveness, material working conditions and freedom in job performance.

Despite all the specifics of the moment, one of the main goals for firms remains to attract and engage young talented employees who are entering the labor market.

Khanolkar (2014) showed in his research that Gen Zers appreciate organizations with modern adventurous outlook, want their employer to be supportive and trustworthy, and the workplace should be perceived as stylish and prestigious. In their study among Taiwanese undergraduate students, Li et al. (2018) pointed out that an employer brand consists of five dimensions and twenty-eight factors. The dimensions are affection and atmosphere, management and operations, salary and benefits, foreign company, interest and environment. In their study among students, Rampl and Kenning (2012) highlighted that an organization should be branded as sincere, exciting and sophisticated.

Despite the fact that there are a number of research studies focused on employer branding and employer (i.e. organizational) attractiveness (Ong, 2011; Priyadarshi, 2011; Almacik & Almacik, 2012; Bahri-Ammari et al., 2022), and a lot of research was carried out with the aim of identifying the dimensions of employer attractiveness (Berthon et al., 2005; Roy, 2008; Tuzuner & Yuksel, 2009), today employer branding is becoming a matter of prestige among businesses (for example, a number of best employer competitions are organized) and it is seen as a valuable asset for firms. However, as highlighted by Sengupta et al. (2015), work value preferences vary across countries and cultures. Therefore, it is interesting and useful to research the specificity of attractiveness within Croatian culture and among young employees who are entering the labor market for the first time.

3. Methodology

The research was conducted on a sample of 220 key informants. Key informants encompassed students of applied economics and business economics who attended the Faculty of Economics and Tourism

"Dr. Mijo Mirković" in Pula. In order to assess the dimensions of employer attractiveness and develop a framework for employee value creation in the context of Croatian culture, the scale of Berthon et al. (2005) was used. The scale consists of 25 items and 5 dimensions (i.e. interest value, social value, economic value, development value and application value). Questions regarding the socio-demographic status of the respondents were added to the original scale. An electronic questionnaire was distributed to graduate and undergraduate students and was carried out in April 2021. Respondents were asked to rate all statements using the 7-point Likert scale (from 1 - strongly disagree to 7 - strongly agree).

The sample consisted of 28% male and 72% female respondents. About 42% of respondents were Marketing Management students, 19.7% Finance and Accounting students, 15% Management and Entrepreneurship students, and 12.4% of respondents were Tourism and Tourism & Development students. The sample was composed of 18.8% first-year undergraduate students, 7.7% second-year undergraduate students, 23.8% third-year undergraduate students, 34.9% first-year graduate students, and 14.7% second (last) year graduate students.

4. Research results

Since the purpose of the paper was to identify the various dimensions of employer attractiveness as well as the key factors of attractiveness as the basis for a value proposition underlying respondents' perception of employer attractiveness, exploratory factor analysis was applied to analyze the data, i.e. a total of 25 identified employer attractiveness variables. Due to low communality (< 0.5), two variables were excluded from data analysis, namely "Recognition/appreciation from management" and "Hands-on inter-departmental experience". The exploratory factor analysis results of the remaining 23 employer attractiveness variables are shown in Table 1. As the goal of the analysis was to identify the key factors of attractiveness, the principal component extraction method was used in the application of exploratory factor analysis and the table shows the results after applying the Varimax rotation to facilitate the interpretation of results. The Kaiser-Meyer-Olkin measure of sampling adequacy value was 0.864, i.e. greater than the cut-off value of 0.5, indicative of sample adequacy for factor analysis. The adequacy of exploratory factor analysis of the observed variables was further confirmed by Bartlett's test of sphericity, which was 2527.15 and statistically significant at the 5% level of significance. As a result of factor analysis, a total of six factors were derived whose own values were greater than 1, and together they explained 67% of the total variance of all variables.

Table 1 Results of exploratory factor analysis

A fun working environment FA2 0.12 0.20 0.79 0.12 0.03 0.14 A springboard for future employment FA3 0.10 0.24 0.15 0.71 0.23 0.15 Feeling good about yourself as a result of working for a particular organization FA5 0.09 0.09 0.06 0.22 0.17 0.81 Feeling more self-confident as a result of working for a particular organization FA6 0.10 0.17 0.13 0.75 -0.05 0.29 Having a good relationship with your colleagues FA7 0.17 0.61 0.21 0.04 -0.02 0.41 Having a good relationship with your colleagues FA8 0.14 0.65 0.48 0.11 -0.07 0.14 Supportive and encouraging colleagues FA9 0.19 0.60 0.48 0.07 0.01 0.13 Working in an exciting environment FA10 0.31 0.16 0.53 0.39 0.15 0.21 Innovative employer – novel work practices/ forward-thinking FA12 0.38	Item	ID	F1	F2	F3	F4	F5	F6
Feeling good about yourself as a result of working for a particular organization Feeling more self-confident as a result of working for a particular organization Feeling more self-confident as a result of working for a particular organization Feeling more self-confident as a result of working for a particular organization Feeling more self-confident as a result of working for a particular organization FAS 0.09 0.09 0.06 0.22 0.17 0.81 0.21 0.04 0.02 0.29 0.09 0.00 0.00 0.00 0.00 0.00	A fun working environment	FA2	0.12	0.20	0.79	0.12	0.03	0.14
Feeling more self-confident as a result of working for a particular organization Feeling more self-confident as a result of working for a particular organization Facining career-enhancing experience FA6 0.10 0.17 0.13 0.75 -0.05 0.29 Having a good relationship with your superiors FA7 0.17 0.61 0.21 0.04 -0.02 0.41 Having a good relationship with your colleagues FA8 0.14 0.65 0.48 0.11 -0.07 0.14 Supportive and encouraging colleagues FA9 0.19 0.60 0.48 0.07 0.01 0.13 Working in an exciting environment FA10 0.31 0.16 0.53 0.39 0.15 0.21 Innovative employer – novel work practices/ forward-thinking The organization both values and makes use of your creativity The organization produces high-quality products and services The organization produces high-quality products and services Good promotion opportunities within the organization Humanitarian organization – gives back to society FA12 0.25 0.01 0.10 0.70 0.16 0.21 0.15 Good promotion opportunity to taphy what was learned during education Opportunity to teach others what you have learned FA18 0.59 0.46 0.08 0.23 0.04 0.10 Opportunity to teach others what you have learned FA20 0.60 0.38 0.08 0.09 0.13 0.07 Job security within the organization FA21 0.14 0.75 0.08 0.16 0.22 0.09 Happy work environment FA22 0.06 0.08 0.32 0.75 0.12 0.12 0.10 An above average basic salary FA25 0.21 0.11 0.08 0.13 0.86 0.17 Other variance explained before rotation FA25 0.21 0.11 0.08 0.13 0.86 0.17	A springboard for future employment	FA3	0.10	0.24	0.15	0.71	0.23	0.15
FAS 0.09 0.09 0.00 0.22 0.17 0.01		FA4	0.17	0.11	0.49	0.11	0.08	0.66
Having a good relationship with your superiors		FA5	0.09	0.09	0.06	0.22	0.17	0.81
Having a good relationship with your colleagues FA8 0.14 0.65 0.48 0.11 -0.07 0.14 Supportive and encouraging colleagues FA9 0.19 0.60 0.48 0.07 0.01 0.13 Working in an exciting environment FA10 0.31 0.16 0.53 0.39 0.15 0.21 Innovative employer – novel work practices/ forward-thinking FA11 0.49 0.07 0.34 0.28 0.30 0.05 forward-thinking FA11 0.49 0.07 0.34 0.28 0.30 0.05 forward-thinking FA12 0.38 0.07 0.42 0.37 0.27 0.10 creativity FA12 0.38 0.07 0.42 0.37 0.27 0.10 creativity The organization both values and makes use of your creativity FA12 0.38 0.07 0.12 0.17 0.15 0.20 0.07 creativity FA13 0.76 0.12 0.17 0.15 0.20 0.07 creativity The organization produces high-quality products and services FA13 0.76 0.12 0.17 0.15 0.20 0.07 creativity FA14 0.83 0.07 0.15 0.16 0.21 0.15 creativity from the organization produces innovative products and services FA15 0.25 0.01 0.10 0.70 0.18 0.04 creation FA15 0.25 0.01 0.10 0.70 0.18 0.04 creation FA15 0.25 0.01 0.10 0.70 0.18 0.04 creation FA15 0.29 0.14 0.05 0.00 0.00 0.05 0.00 0.00 0.00 0.0	Gaining career-enhancing experience	FA6	0.10	0.17	0.13	0.75	-0.05	0.29
Supportive and encouraging colleagues FA9 0.19 0.60 0.48 0.07 0.01 0.13 Working in an exciting environment FA10 0.31 0.16 0.53 0.39 0.15 0.21 Innovative employer – novel work practices/ forward-thinking FA11 0.49 0.07 0.34 0.28 0.30 0.05 The organization both values and makes use of your creativity FA12 0.38 0.07 0.42 0.37 0.27 0.10 The organization produces high-quality products FA13 0.76 0.12 0.17 0.15 0.20 0.07 The organization produces innovative products and services FA13 0.76 0.12 0.17 0.15 0.20 0.07 The organization produces innovative products and services FA14 0.83 0.07 0.15 0.16 0.21 0.15 Good promotion opportunities within the organization FA15 0.25 0.01 0.10 0.70 0.18 0.04 Humanitarian organization – gives back to society FA16 0.71 0.04 0.27 0.06 -0.07 0.05 Opportunity to apply what was learned during education FA17 0.68 0.29 0.14 0.05 -0.02 0.16 Opportunity to teach others what you have learned FA18 0.59 0.46 0.08 0.23 0.04 0.10 Acceptance from coworkers and belonging to the organization FA21 0.14 0.75 0.08 0.16 0.22 0.09 Happy work environment FA23 0.08 0.32 0.75 0.12 0.12 0.10 An above average basic salary FA24 0.08 0.06 0.08 0.16 0.22 0.09 Happy work environment FA23 0.08 0.32 0.75 0.12 0.12 0.10 An attractive overall compensation package (basic salary plus commission plus holiday cash grant plus other benefits) % of the variance explained before rotation FA25 0.21 0.11 0.08 0.13 0.86 0.17	Having a good relationship with your superiors	FA7	0.17	0.61	0.21	0.04	-0.02	0.41
Morking in an exciting environment FA10 0.31 0.16 0.53 0.39 0.15 0.21	Having a good relationship with your colleagues	FA8	0.14	0.65	0.48	0.11	-0.07	0.14
Innovative employer – novel work practices/ forward-thinking FA11	Supportive and encouraging colleagues	FA9	0.19	0.60	0.48	0.07	0.01	0.13
FA11 0.49 0.07 0.34 0.28 0.30 0.00 0.34 0.28 0.30 0.00 0.35 0.35 0.35 0.00 0.00 0.35 0.35	Working in an exciting environment	FA10	0.31	0.16	0.53	0.39	0.15	0.21
FAI2 0.38 0.07 0.42 0.37 0.27 0.10	Innovative employer – novel work practices/ forward-thinking	FA11	0.49	0.07	0.34	0.28	0.30	0.05
An above average basic salary The organization produces innovative products and services FA13		FA12	0.38	0.07	0.42	0.37	0.27	0.10
Good promotion opportunities within the organization FA14 0.83 0.07 0.15 0.21 0.15 Humanitarian organization – gives back to society FA15 0.25 0.01 0.10 0.70 0.18 0.04 Humanitarian organization – gives back to society FA16 0.71 0.04 0.27 0.06 -0.07 0.05 Opportunity to apply what was learned during education FA17 0.68 0.29 0.14 0.05 -0.02 0.16 Opportunity to teach others what you have learned from coworkers and belonging to the organization FA18 0.59 0.46 0.08 0.23 0.04 0.10 Acceptance from coworkers and belonging to the organization FA19 0.23 0.73 0.16 0.17 0.07 0.04 The organization is customer-oriented FA20 0.60 0.38 0.08 0.09 0.13 0.07 Job security within the organization FA21 0.14 0.75 0.08 0.16 0.22 0.09 Happy work environment FA23 0.08 <		FA13	0.76	0.12	0.17	0.15	0.20	0.07
tion		FA14	0.83	0.07	0.15	0.16	0.21	0.15
Opportunity to apply what was learned during education FA17 O.68 O.29 O.14 O.05 O.02 O.16 Opportunity to teach others what you have learned FA18 O.59 O.46 O.08 O.23 O.04 O.10 Acceptance from coworkers and belonging to the organization FA19 O.23 O.73 O.16 O.17 O.07 O.04 The organization is customer-oriented FA20 O.60 O.38 O.08 O.09 O.13 O.07 Job security within the organization FA21 O.14 O.75 O.08 O.16 O.22 O.09 Happy work environment FA23 O.08 O.32 O.75 O.12 O.10 An above average basic salary FA24 O.08 O.06 O.08 O.06 O.08 O.16 O.20 O.10 An attractive overall compensation package (basic salary plus commission plus holiday cash grant plus other benefits) FA25 O.21 O.11 O.08 O.13 O.86 O.17 O.16 O.10 O.10 O.10 O.11 O.08 O.13 O.86 O.17		FA15	0.25	0.01	0.10	0.70	0.18	0.04
Comportunity to teach others what you have learned FA18 Comportunity to teach others what you have learned FA18 Comportunity to teach others what you have learned FA18 Comportunity to teach others what you have learned FA18 Comportunity to teach others what you have learned FA18 Comportunity Comportunity to teach others what you have learned FA18 Comportunity Comp	Humanitarian organization – gives back to society	FA16	0.71	0.04	0.27	0.06	-0.07	0.05
Acceptance from coworkers and belonging to the organization FA19 0.23 0.73 0.16 0.17 0.07 0.04 The organization is customer-oriented FA20 0.60 0.38 0.08 0.09 0.13 0.07 Job security within the organization FA21 0.14 0.75 0.08 0.16 0.22 0.09 Happy work environment FA23 0.08 0.32 0.75 0.12 0.12 0.10 An above average basic salary FA24 0.08 0.06 0.08 0.16 0.89 0.05 An attractive overall compensation package (basic salary plus commission plus holiday cash grant plus other benefits) FA25 0.21 0.11 0.08 0.13 0.86 0.17 % of the variance explained before rotation 35.9 8.9 7.7 5.3 4.6 4.6	11 / 11 /	FA17	0.68	0.29	0.14	0.05	-0.02	0.16
organization FA19 0.23 0.73 0.16 0.17 0.07 0.04 The organization is customer-oriented FA20 0.60 0.38 0.08 0.09 0.13 0.07 Job security within the organization FA21 0.14 0.75 0.08 0.16 0.22 0.09 Happy work environment FA23 0.08 0.32 0.75 0.12 0.12 0.10 An above average basic salary FA24 0.08 0.06 0.08 0.16 0.89 0.05 An attractive overall compensation package (basic salary plus commission plus holiday cash grant plus other benefits) FA25 0.21 0.11 0.08 0.13 0.86 0.17 % of the variance explained before rotation 35.9 8.9 7.7 5.3 4.6 4.6	Opportunity to teach others what you have learned	FA18	0.59	0.46	0.08	0.23	0.04	0.10
Job security within the organization	1	FA19	0.23	0.73	0.16	0.17	0.07	0.04
Happy work environment FA23 0.08 0.32 0.75 0.12 0.10 An above average basic salary FA24 0.08 0.06 0.08 0.16 0.89 0.05 An attractive overall compensation package (basic salary plus commission plus holiday cash grant plus other benefits) FA25 0.21 0.11 0.08 0.13 0.86 0.17 Only the variance explained before rotation 35.9 8.9 7.7 5.3 4.6 4.6	The organization is customer-oriented	FA20	0.60	0.38	0.08	0.09	0.13	0.07
An above average basic salary FA24 O.08 O.06 O.08 O.16 O.89 O.05 An attractive overall compensation package (basic salary plus commission plus holiday cash grant plus other benefits) FA25 O.21 O.11 O.08 O.08 O.16 O.89 O.05 O.17 O.89 O.17	Job security within the organization	FA21	0.14	0.75	0.08	0.16	0.22	0.09
An attractive overall compensation package (basic salary plus commission plus holiday cash grant plus other benefits) FA25 O.21 O.11 O.08 O.13 O.86 O.17 We of the variance explained before rotation 35.9 8.9 7.7 5.3 4.6 4.6	Happy work environment	FA23	0.08	0.32	0.75	0.12	0.12	0.10
salary plus commission plus holiday cash grant plus other benefits) FA25 O.21 O.11 O.08 O.13 O.86 O.17 O.86 O.17	An above average basic salary	FA24	0.08	0.06	0.08	0.16	0.89	0.05
The state of the s	salary plus commission plus holiday cash grant plus	FA25	0.21	0.11	0.08	0.13	0.86	0.17
% of the variance explained after rotation 16.4 13.1 12.0 9.8 8.8 7.0	% of the variance explained before rotation		35.9	8.9	7.7	5.3	4.6	4.6
	% of the variance explained after rotation		16.4	13.1	12.0	9.8	8.8	7.0

Source: Authors' calculations, n = 220

The first derived employer attractiveness factor explained 16.4% of the variance of all variables after rotation of the factors, and based on the factor loading value, it contained the following variables: "The organization produces innovative products and services" (0.83), "The organization produces high-quality products and services" (0.76), "Humanitarian organization - gives back to society" (0.71), "Opportunity to apply what was learned during education" (0.68), "The organization is customer-oriented" (0.60), and "Opportunity to teach others what you have learned" (0.59). With regards to the content of the variables relating to relationships of the organization to the market, the society and the customer and to employees, the first derived factor which explains respondents' perceptions of employer attractiveness was named "Organization's market orientation".

The second derived factor contained the following variables: "Job security within the organization" (0.75), "Acceptance from coworkers and belonging to the organization" (0.73), "Having a good relationship with your colleagues" (0.65), "Having a good relationship with your superiors" (0.61), and "Supportive and encouraging colleagues" (0.60). The second factor explained 13.1% of the variance of all variables after rotation, and given the content of more relevant variables relating to the work environment, it was named "Acceptance and good relationships with colleagues".

The third factor explained 7.7% of the total variance of all variables after rotation and contained the following variables: "A fun working environment" (0.79), "Happy work environment" (0.75) and "Working in an exciting environment". The third

factor contained the variables relating to fun and a sense of satisfaction and excitement in the workplace, hence it was named "Informal characteristics of the workplace".

The fourth derived factor contained the following variables: "Gaining career-enhancing experience" (0.75), "A springboard for future employment" (0.71) and "Good promotion opportunities within the organization" (0.70). The derived factor explained 9.8% of the total variance of all variables after rotation and as it refers to individual promotion opportunities within the organization, it was named "Potential of the workplace for gaining experience and career advancement".

The fifth derived factor explained 8.8% of the total variance of all variables after rotation and contained the following variables: "An above average basic salary" (0.89) and "An attractive overall compensation package (basic salary plus commission plus holiday cash grant plus other benefits)" (0.86). This attractiveness factor was related to the financial aspects of the job, hence it was named "Salary and other material benefits".

Finally, the sixth derived factor explained 7% of the total variance of all variables and contained the variables "Feeling more self-confident as a result of working for a particular organization" (0.81) and "Feeling good about yourself as a result of working for a particular organization" (0.66). This factor was named "Sense of belonging to the organization".

After conducting factor analysis, the average rates of importance were measured using summated rating scales for variables of individual factors. The results are shown in Table 2.

Table 2 Average rating of the importance of individual factors of attractiveness

Factors of attractiveness	Mean rate	St. dev.	
Organization's market orientation	5.48	0.06	
Acceptance and good relationships with colleagues	6.16	0.05	
Informal characteristics of the workplace	6.10	0.06	
Potential of the workplace for gaining experience and career advancement	6.35	0.04	
Salary and other material benefits	6.02	0.06	
Sense of belonging to the organization	6.06	0.05	

Source: Authors' calculations

Based on the calculated average values, it may be established that "Potential of the workplace for gaining experience and career advancement" (average rating = 6.35) and "Acceptance and good relationships with colleagues" (6.16) were perceived by the respondents as the most important employer attractiveness factors. On the other hand, the respondents rated as less important the attractiveness factors relating to material working conditions such as salary and other benefits (6.02). Finally, the least important factor of attractiveness concerned the organization's market activities (5.48), even though

other employer attractiveness factors such as career advancement opportunities, excitement in the workplace, gaining new knowledge and experience, etc. may depend on organizational competitiveness in the organization's field of interest.

Based on the above-mentioned results, the authors developed a value proposition framework for young employees in the specific context of Croatian cultural settings, because a value proposition is the backbone of employer branding (Figure 1).

Figure 1 Value proposition model



Source: Authors

The results of the survey provide some basis for future research, but also some recommendations for organizational management to increase their attractiveness as an employer. These recommendations will be outlined in more detail in the next section.

5. Discussion

People are the key, not technology or processes. Accordingly, the war for talent is spreading among organizations in today's economy. In this "war", companies are making an effort to apply all the available tools and knowledge. A market-

ing approach appears to be the first to consider if an organization wants to attract people (roughly said - sell the product/job). At the core of the marketing approach is the effort to affect people's behavior without forcing it, or in other words, to impact people's behavior by satisfying their needs and wants. Bearing that in mind, internal marketing was to be used first (as the application of the marketing approach to employees in order to influence their values, attitudes and behavior), but it has never been fully accepted. However, it represented fertile ground for a new approach named employer branding. In order to start the employer branding process, organizations need to know what attracts and engages people (i.e. current and potential employees). Once that is clarified, an employer can define a clear and useful employee value proposition (EVP), the one that would attract the best talents (or at least increase the chances of attracting them), but also engage current employees (if properly applied in practice).

From an organization's standpoint, it is of the utmost importance to attract young employees (or even better, young talents) whose knowledge, skills and fresh insights drive innovation and, in the long run, competitive advantage. Therefore, it is really important to find out which factors attract them.

Moreover, it has been proven that cultural settings impact people's (in this case, employees') preferences. In the current research, attractiveness dimensions were found in the specific context of Croatian culture and among young people who will soon enter the labor market in large numbers. Furthermore, a related value proposition was proposed in the current economic, global and cultural settings.

The study discovered the following six dimensions: Organization's market orientation, Acceptance and good relationships with colleagues, Informal characteristics of the workplace, Potential of the workplace for gaining experience and career advancement, Salary and other material benefits, and Sense of belonging to the organization. There are partial similarities between the above dimensions and the Berthon et al. (2005) dimensions: economic value can be associated with Salary and other material benefits, development value with Potential of the workplace for gaining experience and career advancement, while social value can be associated with Sense of belonging to the organization. Similarities can also be found with research conducted by Sivertzen et al. (2013) with respect to social value (Sense of belonging to the organization) and economic value (Salary and other material benefits), and Almacik and Almacik (2012) with respect to social value, economic value and even market value (Organization's market orientation). There are also similarities with the Li et al. (2018) study among Taiwanese undergraduate students, i.e. the dimensions Affection and Atmosphere can be aligned with Informal characteristics of the workplace and Acceptance and good relationships with colleagues, and the dimension Salary and benefits is the same as the dimension Salary and other material benefits.

In conclusion, there are many similarities between different studies in different settings, but altered dimensions, especially if compared to the original Berthon et al.'s (2005) scale, are probably the result of cultural differences and specific current conditions (insecurity, economic trends, youth's preferences and needs).

Based on research results, HR managers and CEOs together can create an attractive value proposition, especially if they focus on Croatian young employees. The study highlighted the dimensions of organizational attractiveness and also pointed out and ranked their importance for Gen Z employees who are entering the labor market. A well-communicated, engaging employee value proposition can help companies to win the "war for talent", or at least a battle if not the war.

6. Conclusion, limitations and future research

Economies all over the world suffer from labor shortages. On the other hand, in the knowledgebased economy people are crucial. In these settings, new approaches are adopted and concepts like employer branding, organizational attractiveness and employee value proposition are becoming even more important. Accordingly, it has become important to study all aspects that can contribute to the improvement of their application. The current study pointed out new insights. It altered the previously proposed employer branding dimensions and the respective items and proposed a framework for an employee value proposition. Moreover, the current study pointed out the dimensions that are relevant to today's Gen Zers in Croatia. As stated before, cultures and current circumstances can impact young people's preferences. Still, there are lots of similarities between the current study and previous research, especially the ones conducted on the same generation. The current study will facilitate the creation of an appropriate employee value proposition for the companies which are oriented towards young talents, especially if they operate in Croatia.

This study has some limitations, such as the structure of the sample and the focus on Croatian Gen Zers. The sample encompasses only students of the Faculty of Economics. In future research, the sample should include young people not attending university and students from other universities and fields of study as well (not only economics). Moreover, to get a complete picture among Gen Zers, future studies should include in the sample young people from other countries. Finally, it would be really useful to conduct research in other countries

in order to compare the results and come to a conclusion about the impact of culture and other influences.

Acknowledgment

"This paper is a result of the scientific project The Use and Perceptions of Holistic Marketing in Croatia supported by the Faculty of Economics and Tourism "Dr. Mijo Mirković", Juraj Dobrila University of Pula. Any opinions, findings, and conclusions or recommendations expressed in this paper are those of the author(s) and do not necessarily reflect the views of the Faculty of Economics and Tourism "Dr. Mijo Mirković" Pula."

REFERENCES

- 1. Ahmed, P. K. & Rafiq, M. (2006). *Internal Marketing: Tools and Concepts for Customer-Focused Management*. Butterworth-Heineman. https://doi.org/10.1016/j.sbspro.2012.09.1117
- 2. Almacik, E. & Almacik, U. (2012). Identifying Dimensions of Attractiveness in Employer Branding: Effects of Age, Gender, and Current Employment Status. *Procedia Social and Behavioral Sciences*, 58, 1336-1343. https://doi.org/10.1016/j.sbspro.2012.09.1117
- 3. Ambler, T. & Barrow, S. (1996). The Employer Brand. *Journal of Brand Management*, 4(3), 185-206. https://doi.org/10.1057/bm.1996.42
- Arasanmi, C. N. & Krishna, A. (2019). Linking the employee value proposition (EVP) to employee behavioural outcomes. *Industrial and Commercial Training*, 51(7/8), 387-395. https://doi.org/10.1108/ICT-05-2019-0043
- 5. Backhaus, K. & Tikoo, S. (2004). Conceptualizing and researching employer branding. *Career Development International*, 9(5), 501-517. https://doi.org/10.1108/13620430410550754
- 6. Bahri-Ammari, N., Soliman, M. & Salah, O. B. (2022). Impact of Employer Brand on Job Seekers' Attitudes and Intentions: The Moderating Role of Value Congruence and Social Media. *Corporate Reputation Review*. https://doi.org/10.1057/s41299-022-00154-8
- Bansal, H. S., Mendelson, M. B. & Sharma, B. (2001). The impact of internal marketing activities on external marketing outcomes. *Journal of Quality Management*, 6(1), 61-76. https://doi.org/10.1016/S1084-8568(01)00029-3
- 8. Beechler, S. & Woodward, I. C. (2009). The global "war for talent". *Journal of International Management*, 15(3), 273-285. https://doi.org/10.1016/j.intman.2009.01.002
- Berthon, P., Ewing, M. & Hah, L. L. (2005). Captivating company: dimensions of attractiveness in employer branding. *International Journal of Advertising*, 24(2), 151-172. https://doi.org/10.1080/02650487.2005.11072912
- Dell, D. & Ainspan, N. (2001). Engaging employees through your brand (Conference Board Report No. R.1288-01-RR). New York: Conference Board.
- Deloitte (2022). Striving for balance advocating for change: The Deloitte Global 2022 Gen Z and Millennial Survey.
 https://www.deloitte.com/content/dam/assets-shared/docs/deloitte-2022-genz-millennial-survey.pdf
- 12. Figurska, I. & Matuska, E. (2013). Employer branding as a human resources management strategy. *Human Resources Management & Ergonomics*, 7(2), 31-55.
- 13. Hillebrandt, I. & Ivens, B. (2013). Scale Development in Employer Branding. In Baumgarth, C. & Boltz, D. M. (Eds.), *Impulse für die Markenpraxis und Markenforschung* (pp. 65-86). Springer Gabler. https://doi.org/10.1007/978-3-658-00427-9_4
- 14. Huang, H.-C. & Lee, Y.-D. (2017). A study of indigenous measuring factors for employer brand attractiveness in Taiwan: comparative analysis of academy and industry experts. *International Journal of Research in Business Management*, 5(11), 11-20.
- 15. Kashiva, N., Kanna, V. T. & Bharthi M. N. (2019). Employer branding through crowdsourcing: understanding the sentiments of employees. *Journal of Indian Business Research*, 12(1), 93-111. https://doi.org/10.1108/JIBR-09-2019-0276
- Khanolkar, R. (2014). Influence of employer branding on satisfaction and commitment of Generation Y employees. IOSR Journal of Business and Management (IOSR-JBM), 13-18. https://doi.org/10.13140/2.1.5153.5044
- 17. Li, C., Kao, R. & Lin, C. (2018). A study on the factors to measure employer brand: the case of undergraduate senior students. *Chinese Management Studies*, 12(4), 812-832. https://doi.org/10.1108/CMS-04-2017-0092

- 18. Nelke, A. (2021). Impact of the COVID-19 pandemic on corporate employer branding. *Technium Social Sciences Journal*, 16, 388-393. https://doi.org/10.47577/tssj.v16i1.2436
- 19. Ong, L. D. (2011). Employer Branding and its Influence on Potential Job Applicants. *Australian Journal of Basic and Applied Sciences*, 5(9), 1088-1092.
- 20. Pawar, A. & Charak, K. (2015). Employee Value Proposition Leading to Employer Brand: The Indian Organizations Outlook. *International Journal of Management Research & Review*, 5(12), 1195-1203.
- 21. Pawar, A. (2016). Employee Value Proposition: A Collaborative Methodology for Strengthening Employer Brand Strategy. *Journal of Resources Development and Management*, 16(1), 56-62.
- 22. Piercy, N. & Morgan, N. (1991). Internal Marketing—The Missing Half of the Marketing Programme. Long Range Planning, 24(2), 83-93. https://doi.org/10.1016/0024-6301(91)90083-Z
- 23. Priyadarshi, P. (2011). Employer Brand Image as Predictor of Employee Satisfaction, Affective Commitment & Turnover. *The Indian Journal of Industrial Relations*, 46(3), 510-522.
- 24. Rampl, L. V. & Kenning P. (2012). Employer brand trust and affect: Linking brand personality to employer brand attractiveness. *European Journal of Marketing*, 48(1/2), 218-236. https://doi.org/10.1108/EJM-02-2012-0113
- 25. Rodriguez, M., Boyer, S., Fleming, D. & Choen, S. (2019). Managing the Next Generation of Sales, Gen Z/Millennial Cusp: An Exploration of Grit, Entrepreneurship, and Loyalty. *Journal of Business-to-Business Marketing*, 26(1), 43-55. https://doi.org/10.1080/1051712X.2019.1565136
- 26. Roy, S. K. (2008). Identifying the Dimensions of Attractiveness of an Employer Brand in the Indian Context. *South Asian Journal of Management*, 15(4), 110-130.
- 27. Sengupta, A., Bamel, U. & Singh, P. (2015). Value proposition framework: implications for employer branding. *Decision*, 42(3), 307-323. https://doi.org/10.1007/s40622-015-0097-x
- 28. Sivertzen, A., Nilsen, E. R. & Olafsen, A. H. (2013). Employer branding: employer attractiveness and the use of social media. *Journal of Product & Brand Management*, 22(7), 473-483. https://doi.org/10.1108/JPBM-09-2013-0393
- 29. Srednoselec, T., Ružić, E. & Benazić, D. (2021). Faktori atraktivnosti i izgradnje marke poslodavaca iz perspektive generacije Z. *Journal of the Polytechnic of Rijeka*, 9(1), 143-154. https://doi.org/10.31784/zvr.9.1.9
- Srivastava, P. & Bhatnagar, J. (2010). Employer Brand for Talent Acquisition: An Exploration towards its Measurement. Vision: The Journal of Business Perspective, 14(1-2), 25-34. https://doi.org/10.1177/097226291001400103
- 31. Ta'Amnha, M. A., Bwaliez, O. M., Magableh, I. K., Samawi, G. A. & Mdanat, M. F. (2021). Board policy of humanitarian organizations towards creating and maintaining their employer brand during the CO-VID-19 pandemic. *Corporate Board: Role, Duties and Composition, 17*(3), 8-20. https://doi.org/10.22495/cbv17i3art1
- 32. Tuzuner, V. L. & Yuksel, C. A. (2009). Segmenting potential employees according to firms' employer attractiveness dimensions in the employer branding concept. *Journal of Academic Research in Economics*, 1(1), 55-70.
- 33. Varey, R. J. & Lewis, B. R. (1999). A broadened conception of internal marketing. *European Journal of Marketing*, 33(9/10), 926-944. https://doi.org/10.1108/03090569910285869
- 34. Williams, J. C., Yancey, J., Pereira, L., Korn, R., Causevic, E., Todd, R. & McKinnon, L. (2022). A Data-Driven Approach to Winning the War for Talent during the Great Resignation: Ending Silos between DEI, Culture and Anti-Sexual Harassment Initiatives. *Emtrain and WorkLife Law*. https://doi.org/10.2139/ssrn.4059644