PARADIGM: Volume 4 (No.01) 2026 Pp 136-155 e-ISSN: 2963-6426 (Online)

PARADIGM: Journal Of Multidisciplinary Research and Innovation

http://azramedia-indonesia.azramediaindonesia.com/index.php/paradigm/index
DOI: https://doi.org/10.62668/paradigm.v4i01.2822
Email: info@azramediaindonesia.com

Check for updates

Open Access

EMPLOYER BRAND ASSOCIATIONS, EMPLOYER IMAGE, AND ATTRACTION AMONG GENERATION Z JOB SEEKERS

Ajeng Purwati Ningtyas
Universitas Halu Oleo, Kota Kendari, Indonesia
Corresponding Author: ajengpurwatiningtyas@uho.ac.id

Info Article

Received :
04 Desember 2025
Revised :
02 Januari 2026
Accepted :
01 Februari 2026
Publication :
28 Februari 2026

Keywords:
Employer Brand Associations, Employer Image, Employer Attraction, Generation Z, State-Owned Enterprises

Kata Kunci:
Asosiasi Merek Pemberi Kerja, Citra Pemberi Kerja, Daya Tarik Pemberi Kerja, Generasi Z, Badan Usaha Milik Negara

Abstract: *This study aims to examine the effect of employer brand associations on the employer attraction of Generation Z towards Indonesian state-owned enterprises (BUMN), and to test employer image as the mechanism mediating that relationship. The research applies a quantitative explanatory survey of a cross-sectional nature. Respondents are members of Generation Z, comprising final-year stud ents, fresh graduates, and early-career workers who have never been employed by a state-owned enterprise, selected through purposive sampling. Data were gathered through a closed-ended online questionnaire and analysed using Partial Least Squares Structural Equation Modeling, with the type of mediation classified according to the typology of Zhao, Lynch, and Chen. The results show that employer brand associations strengthen employer image and employer attraction, and that employer image in turn strengthens employer attraction. The mediation is complementary most of the effect travels through employer image, so the effectiveness of employer branding depends on whether the communicated value proposition is converted into a coherent impression of what working for the organisation is actually like, rather than on the volume of recruitment publicity alone.*

Abstrak: Penelitian ini bertujuan menguji pengaruh asosiasi merek pemberi kerja terhadap daya tarik pemberi kerja pada Generasi Z terhadap Badan Usaha Milik Negara (BUMN), serta menguji citra pemberi kerja sebagai mekanisme yang memediasi hubungan tersebut. Penelitian menggunakan pendekatan kuantitatif dengan explanatory survey yang bersifat cross-sectional. Responden adalah Generasi Z di Kota Kendari, Sulawesi Tenggara, meliputi mahasiswa tingkat akhir, lulusan baru, dan pekerja awal karier yang belum pernah bekerja di BUMN, yang dipilih melalui purposive sampling. Data dikumpulkan melalui kuesioner tertutup daring dan dianalisis menggunakan Partial Least Squares Structural Equation Modeling, dengan penentuan tipe mediasi mengikuti tipologi Zhao, Lynch, dan Chen. Hasil penelitian menunjukkan bahwa asosiasi merek pemberi kerja memperkuat citra pemberi kerja dan daya tarik pemberi kerja, dan citra pemberi kerja selanjutnya memperkuat daya tarik pemberi kerja. Mediasi bersifat complementary: sebagian besar pengaruh mengalir melalui citra pemberi kerja, sehingga efektivitas employer branding bergantung pada sejauh mana proposisi nilai yang dikomunikasikan berubah menjadi kesan yang koheren mengenai pengalaman bekerja di organisasi tersebut, bukan sekadar pada volume publikasi rekrutmen.

INTRODUCTION

The Indonesian labor market presents a paradox that bears most heavily on its youngest cohort. Statistics Indonesia recorded a national open unemployment rate of 4.76 percent in February 2025, equivalent to 7.28 million people, a figure that appears moderate in the aggregate. Its breakdown by age group, however, reveals a different picture: the 15 to 24-year age band, the core range of Generation Z, recorded an unemployment rate of 16.16 percent, the highest of all age groups and more than three times the national figure (Badan Pusat Statistik, 2025). The supply of young labor is therefore abundant while its absorption into formal employment remains limited, and competition for entry into organizations perceived as desirable has intensified accordingly. At the local level, the structure of the Southeast Sulawesi labor market sharpens the problem further. Provincial statistics record a comparatively low open unemployment rate, yet the majority of those in work are absorbed by the informal sector, with agriculture, forestry, and fisheries as the dominant field of activity (Badan Pusat Statistik Provinsi Sulawesi Tenggara, 2025). A low unemployment rate in such a structure does not indicate an abundance of quality formal employment for university graduates. For young people in the region, the number of employers offering formal career paths with clear progression is small, so the few organisations that do offer them attract attention out of all proportion to the number of positions they actually provide.

State-owned enterprises occupy precisely that position. The Joint Recruitment of State-Owned Enterprises programme organised by the Ministry of State-Owned Enterprises together with the Indonesian Human Capital Forum offered more than 2,000 positions across 107 state-owned enterprises and their subsidiaries in 2025, yet attracted more than 1.4 million registrants, an increase of approximately 20 percent on the preceding year, producing a competition ratio of roughly one position for every thousand applicants; in the end slightly more than 1,800 participants were declared successful (Forum Human Capital Indonesia, 2025). The volume of applications is frequently cited as evidence of a strong employer brand. That inference does not hold. A large number of applicants may equally reflect a scarcity of alternatives rather than a considered preference, and the managerially relevant question is not how many people applied but which associations actually attach to state-owned enterprises in the minds of young talent, and whether those associations translate into genuine attraction. The question matters because the work preferences of Generation Z differ in kind from those of preceding cohorts. A global survey of more than 23,000 respondents across 44 countries reports that this generation selects employers primarily on work-life balance, opportunities for career progression, and opportunities to learn, while only 6 percent regard attainment of a senior leadership position as their primary career goal (Deloitte, 2025). State-owned enterprises, by contrast, are commonly associated with layered bureaucracy, seniority-based advancement, and slow decision cycles. A potential misalignment therefore exists between what these organisations communicate as employers and the impression that actually forms in the minds of young candidates, and that misalignment is an empirical matter rather than a rhetorical one. Conceptually, employer branding is defined as the package of functional, economic, and psychological benefits provided by employment and identified with the employing organisation (Ambler & Barrow, 1996). Backhaus and Tikoo (2004) developed this idea by placing employer brand associations at the core of employer brand equity, namely the nodes of knowledge, attributes, and benefits that prospective applicants attach to an organisation. Berthon, Ewing, and Hah (2005) operationalised these associations into five dimensions of employer attractiveness, namely interest value, social value, economic value, development value, and application value, an instrument that remains dominant in employer branding research.

The mediating position of employer image is rooted in the employer knowledge framework of Cable and Turban (2001), which distinguishes employer familiarity, employer reputation, and employer image as three components of an applicant's knowledge. Within that framework, communicated attributes do not act directly upon the decision to apply; they are first absorbed into an overall impression of what working for the organisation would be like. Lievens and Highhouse (2003) strengthened this argument through their instrumental-symbolic framework, demonstrating that symbolic attributes such as sincerity, innovativeness, and prestige explain variance in employer attractiveness beyond that explained by instrumental attributes such as pay, benefits, and location alone.

Two theories underpin the mediating mechanism tested in this study. The first is signalling theory (Spence, 1973): under conditions of information asymmetry, candidates who have never worked for an organisation use observable attributes as signals of unobservable job quality. Employer brand associations function as such signals, and employer image is the cognitive interpretation formed from them. The second is social identity theory (Tajfel & Turner, 1979) together with its extension by Turban and Greening (1997): individuals are attracted to organisations whose image reinforces their self-concept and self-esteem. For a generation strongly oriented towards meaning and identity, this mechanism makes employer image a decisive bridge rather than an incidental variable.

Employer attraction itself is understood as the affective and evaluative attitude towards an organisation as a potential place of work, encompassing general attractiveness, intention to pursue employment, and intention to recommend (Highhouse, Lievens, & Sinar, 2003).

Empirical evidence on these relationships is relatively consistent. The meta-analysis of Chapman et al. (2005) established that perceptions of organisational characteristics are strong predictors of applicant attraction, while the brand-equity-based review of Theurer et al. (2018) identified employer image as the most frequently proposed intervening mechanism, and at the same time one of the least frequently tested. Sivertzen, Nilsen, and Olafsen (2013) demonstrated that dimensions of employer brand associations affect corporate reputation and intention to apply, while Rampl and Kenning (2014) showed that employer brand trust and affect mediate the relationship between brand personality and employer brand attractiveness. In more recent Asian settings the pattern recurs: Kicheva (2019) found that employer branding raises organisational attractiveness particularly among young talent; Sathish and Indradevi (2026) showed that employer brand image mediates the relationship between sustainable recruitment practice and the attraction of value-driven talent; and Siem et al. (2026) found that employer image and social identity jointly shape organisational attractiveness.

Three gaps nevertheless remain. First, employer image is more often positioned as an antecedent standing alongside employer brand associations than as a mediator subjected to formal statistical testing, so the mechanism by which associations become attraction remains largely assumed rather than demonstrated. Second, the available evidence is concentrated in private, multinational, and information technology settings in Western and Indian contexts; state-owned enterprises differ conceptually in that they pursue a dual commercial and public service mission, operate under tighter regulation, and carry political legitimacy, so generalisation to that setting requires separate testing. Third, Indonesian research on employer branding has concentrated on retention and satisfaction among existing employees rather than on attraction among external candidates who have never interacted directly with the organization and has rarely been conducted in regions whose labor markets are dominated by informal employment.

On this basis, this article aims to examine the effect of employer brand associations on the employer image and employer attraction of Generation Z towards state-owned enterprises and to test the role of employer image as a mediating variable in the relationship between employer brand associations and employer attraction. The scope of the study is limited to members of Generation Z in Kendari City who have never been employed by a state-owned enterprise, with state-owned enterprises assessed as a category of employer rather than as individual firms & with measurement carried out at a single point in time. The theoretical contribution of this study is to extend the application of the employer knowledge framework and signaling theory to the context of state-owned enterprises in a developing economy by positioning employer image as an explanatory mechanism rather than as a parallel antecedent. Its practical contribution is an empirical basis for designing an employer value proposition that attracts not merely a large number of applicants but the right ones.

METHOD

Research Type and Approach

This study employs a quantitative approach with an explanatory survey design. The quantitative approach was chosen because the aim of the study is to test hypotheses concerning relationships between variables that have been formulated deductively from theory. The design is non-experimental in the sense that the researcher administered no treatment and manipulated no independent variable, but instead measured the perceptions held by prospective candidates of state-owned enterprises as employers. Data collection was cross-sectional, that is, carried out at a single point in time. The methodological consequence of this design is acknowledged explicitly: the findings explain associative and structural relationships between variables rather than causal relationships in the experimental sense.

Population and Sample

The research was conducted in Kendari City, Southeast Sulawesi Province. The population of the study comprises members of Generation Z domiciled in that city who are in the transition towards working life and are potential applicants to state-owned enterprises. Because the number of population members meeting these conditions cannot be known with precision, the population is treated as infinite. The object assessed is state-owned enterprises as a category of employer rather than a single firm, on the consideration that joint recruitment is administered across firms, so candidates form associations and images of state-owned enterprises collectively before narrowing their choice to a particular company.

The sampling technique used was purposive sampling, on the consideration that not all members of the population possess experience relevant to the variables under study. The inclusion criteria cover four points, namely (1) belonging to Generation Z, that is, aged between 18 and 28 years at the time of the study; (2) holding status as a final-year student, a fresh graduate, or an early-career worker with no more than three years of work experience; (3) never having been employed as a permanent employee of a state-owned enterprise or its subsidiaries, so that the assessments given represent the perceptions of external candidates; and (4) possessing minimum knowledge of state-owned enterprises as employers, verified through a screening question on familiarity with at least three state-owned enterprises.

The minimum sample size was determined using the inverse square root method (Kock & Hadaya, 2018), which is designed specifically for PLS-SEM and is based on the smallest path coefficient to be detected rather than on the number of indicators or the number of arrows pointing at a construct. Assuming a minimum path coefficient of 0.2, a significance level of 5 percent, and statistical power of 80 percent, a minimum of 155 respondents was obtained using SmartPLS 4. The lower bound of 0.2 was chosen because the review of previous research reports effects of employer brand associations on image and attraction at moderate levels, while the direct path in a mediation model is generally expected to weaken once the mediator is entered. The data collection target was set at 200 to 250 respondents in order to provide a margin against incomplete questionnaires and careless responses and to maintain the stability of estimates in testing indirect effects, which requires greater statistical power than the testing of direct effects.

Data Collection Technique and Instrument

Primary data were collected through a structured questionnaire distributed online. Distribution was carried out through channels congruent with the digital behaviour of Generation Z, namely social media, campus and student association communication groups, communities preparing for state-owned enterprise recruitment, and alumni networks, with limited snowball referral used to widen coverage. The questionnaire comprises four parts, namely an introduction and statement of informed consent, screening questions establishing conformity with the inclusion criteria, respondent demographics, and the measurement items for the three research variables. Participation was voluntary and anonymous.

All variables were measured as latent constructs with reflective indicators on a five-point Likert scale ranging from strongly disagree to strongly agree. Employer brand associations were measured through fifteen items adapted from the employer attractiveness scale of Berthon et al. (2005) covering interest, social, economic, development, and application value. Employer image was measured through eight items adapted from Cable and Turban (2001) and Lievens and Highhouse (2003) covering the overall impression and the symbolic traits ascribed to the experience of working for a state-owned enterprise.

Employer attraction was measured through five items adapted from Highhouse et al. (2003) covering general attractiveness, intention to pursue employment, and intention to recommend. All items were translated into Indonesian through a back-translation procedure, and a pilot test involving thirty eligible respondents was conducted before the main distribution to assess item readability and the preliminary validity and reliability of the instrument.

To reduce the risk of common method bias, procedural controls were applied from the instrument development stage onwards in the form of guaranteed anonymity, randomisation of item order, and an explicit statement that no answer is right or wrong (Podsakoff et al., 2003). Statistical control was subsequently exercised through the full collinearity assessment with a threshold of 3.3 (Kock, 2015). Secondary data were drawn from Statistics Indonesia publications, official reports of the Ministry of State-Owned Enterprises & the Indonesian Human Capital Forum & indexed journal articles used to construct the conceptual framework & to support the interpretation of findings.

Data Analysis Technique and Software

Data were analysed using Partial Least Squares Structural Equation Modeling. This method was chosen because the study is predictive and oriented towards extending theory into a new context, the model involves latent constructs in a mediating relationship, and PLS-SEM imposes no strict assumption of normality (Hair et al., 2022). Evaluation of the measurement model covers convergent validity through outer loadings and average variance extracted, internal consistency through Cronbach's alpha, rho_a, and composite reliability, and discriminant validity through the heterotrait-monotrait ratio with a threshold of 0.90 (Henseler et al., 2015). Evaluation of the structural model covers collinearity through inner VIF values, the coefficient of determination, effect size with the categories small, medium, and large following Cohen (1988), and predictive relevance through the blindfolding procedure.

The significance of path coefficients was tested using the bootstrapping procedure with 5,000 subsamples, two-tailed, at a significance level of 5 percent. Mediation was tested through the indirect effect as recommended by Preacher and Hayes (2008), with the type of mediation classified according to the typology of Zhao, Lynch, and Chen (2010) and the proportion of the effect transmitted through the mediator expressed as the variance accounted for. The whole of the analysis was carried out using a single statistical tool, namely SmartPLS 4, which was used for descriptive statistics, evaluation of the measurement and structural models, bootstrapping, blindfolding, and mediation testing, so that no transfer of data between applications was required at any stage.

RESULTS AND DISCUSSION

Respondent Characteristics

The questionnaire was distributed to members of Generation Z in Kendari City who met the inclusion criteria. Of the 253 responses received, 217 were found to be complete and suitable for analysis after screening for unanswered items, respondents outside the age range, respondents who had been employed by a state-owned enterprise, and careless response patterns. This number exceeds the minimum sample size of 155 respondents and falls within the target range of 200 to 250 respondents. An overview of respondent characteristics is presented in Table 1. Most respondents are aged between 22 and 25 years (54.4 percent) and hold a bachelor's degree (82.0 percent). Because none of them has ever been employed by a state-owned enterprise, their assessments reflect an image formed through mediated communication rather than through direct experience of working there. Percentages in Table 1 may not total exactly 100.0 because of rounding.

Table 1. Respondent Characteristics (n = 217)

Characteristic	Category	Frequency	Percentage (%)
Gender	Male	91	41.9
	Female	126	58.1
Age	18–21 years	74	34.1
	22–25 years	118	54.4
	26–28 years	25	11.5
Status	Final-year student	96	44.2
	Fresh graduate (< 1 year)	78	35.9
	Early-career worker (≤ 3 years)	43	19.8
Level of education	Diploma (D3)	21	9.7
	Bachelor's (S1)	178	82
	Master's (S2)	18	8.3

Source: Processed data, 2026.

Measurement Model Evaluation (Outer Model)

The measurement model was evaluated using SmartPLS 4 and covers convergent validity, reliability, and discriminant validity. Convergent validity at the indicator level was assessed first through outer loading values. As presented in Table 2, 26 of the 28 indicators have outer loadings above the 0.70 threshold, ranging from 0.705 to 0.869. Two indicators of the employer brand associations construct, namely X4 (0.689) and X12 (0.667), fall slightly below the threshold. Both were retained because they remain within the range of 0.40 to 0.70 and their removal would not meaningfully increase the AVE or the composite reliability of their construct, while the content of both items is still needed to preserve conceptual coverage of the economic value and application value dimensions (Hair et al., 2022).

Table 2. Outer Loading Values

Construct	Indicator	Outer loading	Remark
Employer Brand Associations (X)	X1	0.784	Valid
	X2	0.742	Valid
	X3	0.801	Valid
	X4	0.689	Retained
	X5	0.756	Valid
	X6	0.812	Valid
	X7	0.733	Valid
	X8	0.705	Valid
	X9	0.768	Valid
	X10	0.824	Valid
	X11	0.719	Valid
	X12	0.667	Retained
	X13	0.781	Valid
	X14	0.746	Valid
	X15	0.793	Valid
Employer Image (M)	M1	0.812	Valid
	M2	0.779	Valid
	M3	0.834	Valid
	M4	0.756	Valid
	M5	0.801	Valid
	M6	0.788	Valid
	M7	0.742	Valid
	M8	0.823	Valid
Employer Attraction (Y)	Y1	0.845	Valid
	Y2	0.812	Valid
	Y3	0.869	Valid
	Y4	0.783	Valid
	Y5	0.824	Valid

Source: Processed data, 2026.

Reliability and convergent validity were then examined at the construct level. As presented in Table 3, all constructs have Cronbach's alpha, rho_a, and composite reliability values above 0.88 and AVE values above 0.50. Internal consistency and convergent validity are therefore satisfied (Hair et al., 2022). AVE values ranging from 0.564 to 0.684 indicate that each construct explains more than half of the variance of its indicators. The employer brand associations construct records the lowest AVE, which is consistent with its position as the construct with the broadest conceptual coverage, since its fifteen items span five distinct value dimensions.

Table 3. Construct Reliability and Average Variance Extracted

Construct	Cronbach's α	rho_a	rho_c	AVE	Remark
Employer Brand Associations (X)	0.933	0.936	0.943	0.564	Reliable
Employer Image (M)	0.912	0.915	0.93	0.621	Reliable

Employer Attraction (Y)	0.884	0.888	0.915	0.684	Reliable

Source: Processed data, 2026.

Discriminant validity was assessed using the heterotrait-monotrait ratio with a maximum threshold of 0.90. As presented in Table 4, all values between constructs fall below that threshold, ranging from 0.694 to 0.812. The highest value is found for the pair of employer image and employer attraction (0.812), which still meets the criterion although it approaches the threshold, consistent with their theoretical position as closely related constructs, the first cognitive and the second affective and evaluative. The three constructs are therefore empirically distinct and the measurement model is suitable for progression to structural model evaluation (Henseler et al., 2015).

Table 4. Discriminant Validity-Heterotrait-Monotrait Ratio (HTMT)

Construct	X	M	Y
X (Employer Brand Associations)	—		
M (Employer Image)	0.742	—	
Y (Employer Attraction)	0.694	0.812	—

Source: Processed data, 2026.

Collinearity and Common Method Bias Testing

Before interpreting the path coefficients, collinearity among predictor constructs was examined through inner VIF values with a threshold below 5 (Hair et al., 2022). The same values also served for the full collinearity assessment as a statistical test of common method bias, using the stricter criterion that all values remain below 3.3 (Kock, 2015). As presented in Table 5, all inner VIF values lie between 1.000 and 1.934 and all full collinearity VIF values lie between 1.958 and 2.386, so both criteria are met. Harman's single-factor test produced a single factor explaining 41.8 percent of the variance, below the 50 percent threshold. Taken together with the procedural controls applied from the instrument development stage onwards, common method bias is not judged to constitute a serious threat to the interpretation of these results.

Table 5. Collinearity Test (VIF) and Full Collinearity Assessment

Path / Construct	Inner VIF	Full collinearity VIF	Remark
X → M	1	2.104	Satisfied
X → Y	1.934	2.386	Satisfied
M → Y	1.934	1.958	Satisfied

Source: Processed data, 2026. Note: the full collinearity VIF values in the rows X → M, X → Y, and M → Y are the values for constructs X, M, and Y respectively.

Structural Model Evaluation (Inner Model)

Structural model evaluation begins with the coefficient of determination and predictive relevance obtained through the blindfolding procedure with an omission distance of seven. As presented in Table 6, employer brand associations explain 48.3 percent of the variance in employer image, while employer brand associations together with employer image explain 53.0 percent of the variance in employer attraction. Both Q^2 values are greater than zero, namely 0.294 and 0.348, indicating that the model has predictive relevance for both endogenous constructs. The model also records an SRMR of 0.061, below the 0.08 threshold, indicating acceptable model fit.

Table 6. R-square and Q-square Values

Endogenous construct	R^2	Category	Q^2	Remark
Employer Image (M)	0.483	Moderate	0.294	Relevant
Employer Attraction (Y)	0.53	Moderate	0.348	Relevant

Source: Processed data, 2026.

Effect size was computed to assess the contribution of each predictor construct to its endogenous construct, using the categories small (0.02), medium (0.15), and large (0.35). As presented in Table 7, the effect of employer brand associations on employer image is large ($f^2 = 0.934$), the effect of employer image on employer attraction is medium ($f^2 = 0.330$), whereas the direct effect of employer brand associations on employer attraction is small ($f^2 = 0.062$). This pattern provides an initial indication that the contribution of employer brand associations to employer attraction operates more through the formation of employer image than directly.

Table 7. Effect Size (f-square)

Path	f^2	Category
X → M	0.934	Large
X → Y	0.062	Small
M → Y	0.33	Medium

Source: Processed data, 2026.

Hypothesis Testing

The significance of path coefficients was tested using the bootstrapping procedure with 5,000 subsamples. A hypothesis is accepted when the sign of the coefficient matches the hypothesised direction and the t-statistic exceeds 1.96 with p below 0.05. A summary of the tests of the three direct effects (H1, H2, and H3) together with the indirect effect through employer image (H4) is presented in Table 8. All four hypotheses proposed are supported by the data.

Table 8. Hypothesis Testing Results-Path Coefficients and Indirect Effect

Hyp.	Path	β (O)	STDEV	t	p	Decision
H1	X → M	0.695	0.041	16.951	< 0.001	Accepted
H2	M → Y	0.548	0.069	7.942	< 0.001	Accepted
H3	X → Y (direct)	0.231	0.076	3.039	0.002	Accepted

H4	X → M → Y (indirect)	0.381	0.055	6.927	< 0.001	Accepted
—	X → Y (total)	0.612	0.05	12.24	< 0.001	—

Source: Processed data, 2026.

The type of mediation was determined following the typology of Zhao, Lynch, and Chen (2010), which bases its classification on the significance of the indirect effect and the status of the direct effect once the mediator is included in the model. The results in Table 8 show that the indirect effect is significant ($\beta = 0.381$; $t = 6.927$; $p < 0.001$) and that the direct effect also remains significant with the same sign ($\beta = 0.231$; $t = 3.039$; $p = 0.002$). The role of employer image is therefore classified as complementary mediation, that is, partial mediation running in the same direction as the direct effect. The proportion of the total effect transmitted through the mediator, expressed as the variance accounted for, is 62.3 percent, meaning that almost two-thirds of the effect of employer brand associations on employer attraction operates through the formation of employer image.

Discussion

The first hypothesis is supported: employer brand associations have a positive and significant effect on employer image, with the largest path coefficient in the model ($\beta = 0.695$) and an effect size classified as large ($f^2 = 0.934$). This finding is consistent with the employer knowledge framework of Cable and Turban (2001), in which the attributes an organization communicates are first absorbed into an overall impression before they influence any decision. It is also consistent with signalling theory (Spence, 1973): for a group of respondents, none of whom have ever worked in a state-owned enterprise, associations conveyed through recruitment communication, media coverage, and the accounts of others constitute virtually the only material from which an impression of the organization can be constructed. The magnitude of this coefficient is therefore not an isolated result but a logical consequence of the informational position of external candidates, who have no direct experience against which to test the signals they receive.

Examined more closely, the magnitude of this path can be explained through the causal chain postulated by signalling theory. Spence (1973) distinguishes signals from indices: a signal is an attribute its holder can alter, and it therefore carries informational value only to the extent that imitating it is costly. The five dimensions formulated by Berthon et al. (2005) satisfy that condition to differing degrees, since economic value in the form of pay and job security constitutes a high-cost signal that competing employers cannot easily imitate, whereas interest value and social value are more readily claimed in promotional material.

Backhaus and Tikoo (2004) place this process within the framework of employer brand equity, in which associations form knowledge, knowledge forms image, and image yields competitive value. The first element of that chain is informational and therefore the most proximal to the formation of image. The largest path coefficient, on the relationship from X to M, is thus not an isolated finding but a logical consequence of the conceptual proximity between the content of a signal and the impression formed from it.

The second hypothesis is likewise supported: employer image has a positive and significant effect on employer attraction ($\beta = 0.548$; $f^2 = 0.330$). This finding confirms the core proposition of social identity theory (Tajfel & Turner, 1979; Turban & Greening, 1997), namely that individuals are drawn to organisations whose image reinforces their self-concept. Its meaning becomes sharper when read alongside the instrumental-symbolic framework of Lievens and Highhouse (2003). Attraction to an employer is not a direct function of the objective attributes of the job but of the symbolic traits ascribed to the organisation, that is, of what working there would signify about the person who works there. For a generation that assesses employment in terms of meaning and identity (Deloitte, 2025), employer image functions as the vehicle through which such symbolic meaning is carried. The result accords with Sivertzen et al. (2013), Rampl and Kenning (2014), and Siem et al. (2026).

The theoretical explanation of this path becomes sharper when the propositions of social identity theory are brought together with the conception of attraction advanced by Highhouse et al. (2003). Tajfel and Turner (1979) hold that individuals derive part of their self-concept from membership of the groups to which they belong, and that they therefore prefer groups whose distinctiveness is positively valued. Turban and Greening (1997) extended that proposition to the pre-entry stage: a candidate who has not yet joined an organisation performs an anticipatory identification, that is, imagines what membership would signify about themselves. Employer image supplies the raw material for that imagining, since it is precisely the set of symbolic traits ascribed to the organisation. Highhouse et al. (2003) in turn formulate attraction as an attitude composed of an affective evaluation, an intention to pursue, and an intention to recommend, all three of which presuppose a prior image of the object being evaluated. The medium effect size on this path therefore reflects a relationship between constructs that are conceptually sequential rather than merely correlated.

The third hypothesis is supported, albeit with the smallest coefficient and effect size among the three direct paths ($\beta = 0.231$; $f^2 = 0.062$). Employer brand associations still contribute directly to employer attraction through elements that operate without the mediation of an overall impression, particularly instrumental attributes such as remuneration, job security, and the geographical spread of placements, which can be evaluated on their own terms without being converted into a symbolic judgement. In the context of a regional labour market in which 62.07 percent of those employed work in the informal sector (Badan Pusat Statistik Provinsi Sulawesi Tenggara, 2025), the attractiveness of formal and secure employment does not depend on how such employment is imagined. The small size of this coefficient therefore does not indicate that the instrumental mechanism is inoperative, but rather that most of the effect has already been channelled through the symbolic pathway.

This direct path is best explained through the distinction Cable and Turban (2001) draw between the three components of employer knowledge. Familiarity and image are cognitive in character, whereas some instrumental attributes are evaluated directly against a candidate's own circumstances without passing through symbolic interpretation. The meta-analysis of Chapman et al. (2005) records precisely this pattern, in that job and organisational attributes retain a direct correlation with attraction alongside perceptual variables. Lievens and Highhouse (2003) explain why that direct contribution is nonetheless smaller: instrumental attributes are largely shared across employers within a single sector and therefore possess little differentiating power, while symbolic attributes are the ones that set organisations apart. In a labour market whose formal alternatives are limited, the instrumental attributes of state-owned enterprises are attractive but not distinctive, and it is that lack of distinctiveness which restricts the size of the direct path.

The fourth hypothesis, which constitutes the core novelty of this study, is also supported. The indirect effect of employer brand associations on employer attraction through employer image is significant ($\beta = 0.381$) and indeed larger than its direct effect ($\beta = 0.231$), with both significant and running in the same direction, so that the mediation is classified as complementary. The variance accounted for of 62.3 percent shows that almost two-thirds of the total effect is transmitted through the image mechanism. This finding addresses the first gap identified in the introduction: employer image is not an antecedent standing alongside employer brand associations, as it has been treated in much previous research, but the pathway along which the effect of communicated associations travels towards attraction. The question of how employer branding works therefore receives an empirical answer, namely largely through the formation of a coherent impression of the organisation, and to a smaller extent through the direct appeal of instrumental attributes.

Viewed theoretically, the classification of complementary mediation carries a more specific meaning than the mere statement that mediation is partial. The significance of both paths in the same direction indicates that two mechanisms operate side by side rather than cancelling one another out, namely the symbolic mechanism explained by social identity theory and the instrumental mechanism that operates directly. The proportion of 62.3 percent indicates their relative weight, namely that in the context of state-owned enterprises the symbolic mechanism is the more dominant. That dominance can be understood from the informational position of these organisations: state-owned enterprises are highly visible in public discourse yet offer external candidates little verifiable information about daily working life, so the gap is filled by inference. Where an organisation is less visible and information is more readily verifiable, that proportion need not be the same. It is this difference in informational condition that makes testing the mediation model in the state-owned enterprise domain theoretically meaningful rather than a mere replication in a different population.

The theoretical contribution of this study accordingly lies in bringing together three frameworks that have largely been used separately in employer branding research. Ambler and Barrow (1996) together with Berthon et al. (2005) specify the content of what an organisation communicates as an employer; Cable and Turban (2001) explain how that content is processed into knowledge and impression; and Tajfel and Turner (1979) together with Highhouse et al. (2003) explain why particular impressions give rise to attraction. The mediation model tested here arranges all three into a single sequence that can be examined empirically: communicated associations function as signals, those signals form an employer image, and it is that image which generates the attitude of attraction. The question of the effectiveness of employer branding therefore shifts from whether communication has an effect to the question of through which mechanism that effect operates and under what informational conditions the mechanism is active.

Practically, these findings carry a direct implication for the management of employer branding within state-owned enterprises. The 1.4 million registrants recorded in the 2025 joint recruitment programme (Forum Human Capital Indonesia, 2025) cannot be read as an indicator of branding success, because volume of applications and quality of image are distinct quantities. What determines attraction is not the reach of recruitment publicity but the extent to which the communicated value proposition coheres into a consistent impression of what working for the organisation is actually like. Communication that emphasises the prestige of the institution without conveying the substance of daily work, career pathways, and opportunities for learning risks producing familiarity without image, and it is image, not familiarity, that carries almost two-thirds of the effect. The development of an employer value proposition that explicitly addresses the development and interest dimensions most valued by Generation Z (Deloitte, 2025), the use of authentic employee narratives in place of institutional publicity alone, and the maintenance of consistency between the message conveyed and the experience encountered during selection therefore deserve consideration as elements of recruitment strategy.

This study has a number of limitations that should be considered in interpreting its results. The cross-sectional design limits causal inference; all variables were measured through self-perception and may therefore carry method bias, although statistical testing indicates that the risk is under control; coverage of a single city limits generalisation, particularly since the structure of the Southeast Sulawesi labour market is not representative of regions with more developed formal sectors; and state-owned enterprises were assessed as a single category, so variation in image between sectors such as banking, energy, and transport could not be captured. The R^2 of employer attraction of 0.530 also indicates that around half of the variance is still explained by factors outside the model. Future research is advised to adopt a longitudinal design, to compare state-owned with private and multinational employers, to test the five dimensions of employer brand associations separately in order to identify which dimensions are most influential, and to consider further variables such as person-organisation fit, employer familiarity, or social media engagement as additional mediators or moderators.

CONCLUSION

This study examined the role of employer image as the mechanism transmitting the effect of employer brand associations on employer attraction among Generation Z in Kendari, Southeast Sulawesi, towards state-owned enterprises. All four hypotheses proposed are supported by the data. Employer brand associations have a positive and significant effect on employer image ($\beta = 0.695$) and on employer attraction ($\beta = 0.231$); employer image has a positive and significant effect on employer attraction ($\beta = 0.548$); and the indirect effect of employer brand associations on employer attraction through employer image is significant ($\beta = 0.381$). Because the direct and indirect effects are both significant and run in the same direction, the role of employer image is classified as complementary mediation with a variance accounted for of 62.3 percent.

The principal conclusion is that employer image is not an outcome standing alongside employer attraction, but the main pathway along which the effect of communicated employer brand associations travels towards the interest of young candidates. Almost two-thirds of the effect of employer brand associations on employer attraction operates through the formation of an overall impression of the organisation, while the remainder operates through the direct appeal of instrumental attributes. This finding extends the application of the employer knowledge framework and signalling theory to the context of state-owned enterprises in a developing economy by positioning employer image as an explanatory mechanism rather than as a parallel antecedent.

The practical implication is that the effectiveness of employer branding is determined not by the volume of applications a recruitment programme attracts but by the coherence of the image that programme produces. Publicity that maximises reach without conveying the substance of working life risks forfeiting most of its potential effect on the attraction of the talent the organisation actually seeks. The formulation of an employer value proposition that addresses the development and interest dimensions valued by Generation Z, the use of authentic employee narratives, and consistency between message and selection experience therefore need to become an explicit part of the recruitment strategy of state-owned enterprises. Taking into account the limitations of the cross-sectional design, the coverage of a single city, and the treatment of state-owned enterprises as a single category, future research is advised to adopt a longitudinal design, to extend coverage across cities and employer types, and to test the dimensions of employer brand associations separately.

REFERENCES

Ambler, T., & Barrow, S. (1996). The employer brand. Journal of Brand Management, 4(3), 185–206.

Backhaus, K., & Tikoo, S. (2004). Conceptualizing and researching employer branding. Career Development International, 9(5), 501–517. https://doi.org/10.1108/13620430410550754

Badan Pusat Statistik. (2025). Keadaan ketenagakerjaan Indonesia Februari 2025 (Berita Resmi Statistik). Jakarta: Badan Pusat Statistik.

Badan Pusat Statistik Provinsi Sulawesi Tenggara. (2025). Keadaan ketenagakerjaan Sulawesi Tenggara Februari 2025 (Berita Resmi Statistik). Kendari: BPS Provinsi Sulawesi Tenggara.

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

Cable, D. M., & Turban, D. B. (2001). Establishing the dimensions, sources and value of job seekers' employer knowledge during recruitment. Research in Personnel and Human Resources Management, 20, 115–163.

Chapman, D. S., Uggerslev, K. L., Carroll, S. A., Piasentin, K. A., & Jones, D. A. (2005). Applicant attraction to organizations and job choice: A meta-analytic review of the correlates of recruiting outcomes. Journal of Applied Psychology, 90(5), 928–944. https://doi.org/10.1037/0021-9010.90.5.928

Cohen, J. (1988). Statistical power analysis for the behavioral sciences (2nd ed.). Hillsdale: Lawrence Erlbaum Associates.

Deloitte. (2025). 2025 Gen Z and Millennial Survey: Living and working with purpose in a transforming world. London: Deloitte Global.

Forum Human Capital Indonesia. (2025). Hasil akhir Rekrutmen Bersama BUMN 2025. Jakarta: Forum Human Capital Indonesia.

Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2022). A primer on partial least squares structural equation modeling (PLS-SEM) (3rd ed.). Thousand Oaks: SAGE Publications.

Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. Journal of the Academy of Marketing Science, 43(1), 115–135. https://doi.org/10.1007/s11747-014-0403-8

Highhouse, S., Lievens, F., & Sinar, E. F. (2003). Measuring attraction to organizations. Educational and Psychological Measurement, 63(6), 986–1001. https://doi.org/10.1177/0013164403258403

Kicheva, T. (2019). Enhancing organizational attractiveness for young talents through employer branding. International Conference on Creative Business for Smart and Sustainable Growth (CreBUS 2019).

Kock, N. (2015). Common method bias in PLS-SEM: A full collinearity assessment approach. International Journal of e-Collaboration, 11(4), 1–10. https://doi.org/10.4018/ijec.2015100101

Kock, N., & Hadaya, P. (2018). Minimum sample size estimation in PLS-SEM: The inverse square root and gamma-exponential methods. Information Systems Journal, 28(1), 227–261. https://doi.org/10.1111/isj.12131

Lievens, F., & Highhouse, S. (2003). The relation of instrumental and symbolic attributes to a company's attractiveness as an employer. Personnel Psychology, 56(1), 75–102. https://doi.org/10.1111/j.1744-6570.2003.tb00144.x

Podsakoff, P. M., MacKenzie, S. B., Lee, J.-Y., & Podsakoff, N. P. (2003). Common method biases in behavioral research: A critical review of the literature and recommended remedies. Journal of Applied Psychology, 88(5), 879–903. https://doi.org/10.1037/0021-9010.88.5.879

Preacher, K. J., & Hayes, A. F. (2008). Asymptotic and resampling strategies for assessing and comparing indirect effects in multiple mediator models. Behavior Research Methods, 40(3), 879–891. https://doi.org/10.3758/BRM.40.3.879

Rampl, L. V., & Kenning, P. (2014). 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

Sathish, A. S., & Indradevi, R. (2026). Attracting value driven talent through sustainable recruitment practices. Discover Sustainability.

Siem, T. T., Nguyen, H. T. T., My, D. H., & Van, T. T. T. (2026). From branding to belonging: How employer image and social identity shape organizational attractiveness. Social Sciences and Humanities Open.

Sivertzen, A.-M., 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

Spence, M. (1973). Job market signaling. The Quarterly Journal of Economics, 87(3), 355–374. https://doi.org/10.2307/1882010

Tajfel, H., & Turner, J. C. (1979). An integrative theory of intergroup conflict. In W. G. Austin & S. Worchel (Eds.), The social psychology of intergroup relations (pp. 33–47). Monterey: Brooks/Cole.

Theurer, C. P., Tumasjan, A., Welpe, I. M., & Lievens, F. (2018). Employer branding: A brand equity-based literature review and research agenda. International Journal of Management Reviews, 20(1), 155–179. https://doi.org/10.1111/ijmr.12121

Turban, D. B., & Greening, D. W. (1997). Corporate social performance and organizational attractiveness to prospective employees. Academy of Management Journal, 40(3), 658–672. https://doi.org/10.2307/257057

Zhao, X., Lynch, J. G., & Chen, Q. (2010). Reconsidering Baron and Kenny: Myths and truths about mediation analysis. Journal of Consumer Research, 37(2), 197–206. https://doi.org/10.1086/651257