

CHAPTER 2

LITERATURE REVIEW

2.1 Theoretical Background

2.1.1 Social Cognitive Career Theory (SCCT)

Social Cognitive Career Theory (SCCT) was developed by Lent et al. (1994) as a framework for understanding how individuals form career interests, make career choices, and pursue career-related actions. Drawing on Bandura's (1986) social cognitive theory, SCCT identifies three core cognitive constructs as the primary drivers of career behaviour: self-efficacy beliefs, outcome expectations, and personal goals. Outcome expectations, defined as beliefs about the rewards and consequences that will follow from engaging in particular career activities, are central to the formation of career intentions. Lent et al. (1994) demonstrated that individuals are significantly more motivated to pursue career actions when they hold positive expectations about the outcomes those actions will produce.

In the context of organisational application decisions, perceived employee benefits and career development opportunities represent outcome expectations, reflecting candidates' beliefs about the material and developmental rewards they anticipate from joining a specific organisation. When these expectations are favourable, candidates are more strongly motivated to apply. Gandasari et al. (2024) explicitly grounded their talent attraction model in SCCT, finding that both employee benefits and career development significantly predicted intention to apply, consistent with the theory's core predictions. The present study adopts SCCT as its primary theoretical foundation.

More recent appraisals reinforce the theory's relevance to talent attraction. Reviewing a quarter-century of evidence, Lent and Brown (2019) confirmed that outcome expectations remain among the most robust predictors within the choice model, influencing career goals both directly and indirectly through interests. Applied to job pursuit, this implies that when a prospective employer credibly conveys favourable outcomes, such as competitive benefits and clear development pathways, a candidate's goal to apply should strengthen accordingly. SCCT therefore provides not only a rationale for including employee benefits and career development as predictors, but also a theoretical expectation that these outcome-based attributes will exert comparatively strong effects on intention to apply.

2.1.2 Signaling Theory

Signaling theory was introduced by Spence (1973) to explain how information asymmetry in markets leads one party to rely on observable signals in order to draw inferences about qualities they cannot directly observe. In the recruitment context, job seekers typically lack complete information about what it is like to work at a particular organisation, and they therefore rely on observable organisational signals to form inferences about organisational values, culture, and employment quality (Backhaus & Tikoo, 2004). CSR activities function as signals that communicate an organisation's commitment to ethical conduct and social responsibility (Ikhida et al., 2021), whilst employer brand communications signal the quality and desirability of the employment experience (Lievens & Slaughter, 2016). The present study integrates signaling theory with SCCT to provide a comprehensive theoretical account of how all four independent variables operate to shape intention to apply.

Signalling theory has since been formalised as a four-element process comprising a sender, a signal, a receiver, and a feedback loop, in which the effectiveness of a signal depends on its observability and, critically, its credibility (Connelly et al., 2011). Two implications follow for talent attraction. First, signals that are costly to imitate, such as a sustained record of corporate social responsibility or a consistent employer brand, are more informative to candidates than easily copied claims. Second, when several signals compete for a candidate's attention, those perceived as more diagnostic of genuine employment quality tend to dominate the inference. This reasoning helps explain why concrete, reward-based attributes may outweigh broader image-based signals when candidates evaluate an employer, and it motivates the joint use of signalling theory and SCCT in the present model.

2.1.3 Employer Attractiveness and Intention to Apply

The two theories converge on a single linking construct: employer attractiveness. Employer attractiveness refers to the envisioned benefits a prospective employee associates with working for a specific organisation, and it is widely regarded as the central mechanism connecting organisational attributes to application intentions (Lievens & Slaughter, 2016; Dassler et al., 2022). Signalling theory explains how attributes become visible to candidates, whereas SCCT explains why favourable attributes translate into the motivation to act; employer attractiveness is where the two meet. In this study, the four employer attributes are therefore treated as antecedents of intention to apply that operate through their perceived attractiveness to internationally mobile Generation Z candidates, whose

cross-border options make relative attractiveness especially consequential (Dassler et al., 2022).

2.2 Intention to Apply

Intention to apply is defined as the extent to which a potential employee is motivated to pursue a job at a specific organisation (Carlini et al., 2019). It represents the primary behavioural intention that directly precedes the actual submission of a job application and constitutes the main outcome variable in talent attraction research. Within SCCT, intention to apply corresponds to the personal goal construct, shaped by the individual's outcome expectations regarding the target organisation (Lent et al., 1994). A stronger intention to apply reflects higher motivation to pursue employment and is associated with a greater likelihood of actual application behaviour.

This study measures intention to apply using five items adopted directly from Appendix 1 of Gandasari et al. (2024). Each respondent evaluates the specific organisation they identified at the beginning of the survey, ensuring that responses reflect concrete application intentions towards a real employer.

2.3 Corporate Social Responsibility (CSR)

Corporate social responsibility (CSR) is defined as the responsibility of companies to develop and implement policies and practices that address the three pillars of ecological, economic, and social sustainability, maximising positive outcomes for all stakeholder groups beyond the requirements of legislation (Carlini et al., 2019). Through signaling theory, CSR activities function as observable signals that communicate an organisation's commitment to ethical conduct,

environmental stewardship, and community welfare to prospective candidates (Spence, 1973).

Research consistently demonstrates that Generation Z individuals, characterised by heightened environmental awareness and social consciousness, are attentive to organisations' CSR activities when evaluating potential employers (Vieira et al., 2024). Ikhida et al. (2021) found a positive and significant direct association between CSR perception and joining intention amongst millennial candidates, and Thang et al. (2022) confirmed a comparable positive effect amongst Generation Z job seekers in Vietnam. In the study by Gandasari et al. (2024), CSR did not produce a statistically significant direct effect on intention to apply, although it exerted a strong indirect influence through employer brand. Because the present study tests direct relationships using multiple linear regression, CSR is included as a direct independent variable predicting intention to apply, consistent with the theoretical basis provided by signaling theory and the empirical findings of Ikhida et al. (2021) and Thang et al. (2022). More recent evidence reinforces this: examining the environmental, social, and economic aspects of corporate social responsibility, Song et al. (2024) found that a firm's prosocial orientation raises perceived employer attractiveness and, through it, job pursuit intention, so the consequences of a credible CSR record extend beyond reputation to the applicant pipeline itself.

Beyond its signalling function, CSR is increasingly read as a marker of value congruence between candidate and employer. Evidence from graduating job seekers shows that a firm's prosocial orientation raises perceived employer attractiveness, which in turn strengthens job pursuit intention, and that this pathway

is stronger when candidates see the organisation's values as aligned with their own (Song et al., 2024; Kristof-Brown et al., 2023). The effect is not uniform, however: candidates discount CSR claims they judge to be superficial, so the credibility of the signal matters as much as its presence (Connelly et al., 2011). CSR therefore tends to be most influential when it is authentic and value-congruent, a condition that may not hold evenly across an internationally diverse cohort.

2.4 Employer Brand

Employer brand is defined as the set of beliefs held by prospective employees about an organisation's attributes as an employer, encompassing both tangible and intangible dimensions such as working environment, organisational culture, product and service quality, promotional opportunities, and job security (Cable & Turban, 2001). Employer brand serves as a complex organisational signal that differentiates one organisation from its competitors in the labour market and creates a distinct employment value proposition in the minds of candidates (Backhaus & Tikoo, 2004).

The relationship between employer brand and intention to apply is amongst the most consistently supported findings in the talent attraction literature. Wijaya et al. (2023) demonstrated that employer brand is a primary determinant of candidates' application decisions. Soeling et al. (2022) confirmed this link in an Indonesian sample, where employer brand attractiveness increased intention to apply, with organisational reputation acting as a mediator. Gandasari et al. (2024) identified employer brand as one of the strongest predictors of Generation Z candidates' intention to apply in their Indonesian sample. Based on signaling theory and prior empirical evidence, a positive employer brand perception is expected to

significantly increase SolBridge undergraduate students' intention to apply. Beyond its direct effect, employer brand also operates indirectly: Thang and Trang (2024) showed that a strong brand shapes an organisation's image and reputation, which in turn drives intention to apply, while Halová and Müller (2024) demonstrate that the way this brand is communicated, particularly through social media, is itself a decisive factor for Generation Z candidates.

Conceptually, employer brand is multidimensional. Berthon et al. (2005) distinguished interest, social, economic, development, and application value as the dimensions through which candidates judge an employer's attractiveness, several of which overlap with the benefit and career-development attributes examined separately in this study. This overlap is consequential: when employer brand is measured alongside more specific reward attributes, part of its apparent influence can be absorbed by those attributes, a possibility tested directly in the present analysis. A systematic review of employer attractiveness likewise concludes that brand perceptions rarely operate in isolation and are best understood in combination with the concrete inducements an employer offers (Dassler et al., 2022).

2.5 Employee Benefits

Employee benefits are defined as a total reward package comprising both tangible components, such as salary, bonuses, and stock options, and intangible components, such as work-life balance, flexible work arrangements, and social status, provided by an organisation to its employees (Yoopetch et al., 2021). Within SCCT, perceived employee benefits represent outcome expectations, reflecting candidates' beliefs about the material and non-material rewards they anticipate from joining a specific organisation. When candidates perceive a prospective employer

as offering generous and competitive benefits, their outcome expectations become more favourable, increasing their motivation to apply (Lent et al., 1994).

Tumasjan et al. (2020) demonstrated a significant positive effect of perceived salary and benefits on candidates' intention to apply. Gandasari et al. (2024) confirmed a significant positive relationship between perceived employee benefits and intention to apply amongst Generation Z candidates in Indonesia, consistent with SCCT's prediction that favourable outcome expectations motivate career-related intentions. In terms of aspects, benefits span tangible components such as salary and bonuses and intangible components such as work-life balance and family provisions, and their consequences reach beyond attraction to sustained motivation and retention once employment begins.

The influence of benefits also reflects the priorities of the cohort under study. Evidence on Generation Z consistently ranks financial security, work-life balance, and tangible support among the foremost considerations when evaluating employers (Ma & Fang, 2024; Mahmoud et al., 2021). Framed within SCCT, these preferences indicate strong, clearly formed outcome expectations around benefits, which should make favourable benefit perceptions a reliable driver of intention to apply. The consequences of benefits, moreover, extend beyond attraction to later satisfaction and retention, underscoring their strategic role across the talent lifecycle (Yoopetch et al., 2021).

2.6 Career Development

Career development is defined as the process through which both individuals and their employers manage various tasks, behaviours, and experiences within and across jobs and organisations over time, with implications for

employees' professional growth and work-related identity (Creed & Hood, 2019). In the talent attraction context, perceived career development refers to candidates' beliefs about the extent to which a prospective employer provides structured pathways, training, mentoring, and promotional opportunities that support long-term professional advancement (Gandasari et al., 2024). Career development functions as an outcome expectation within SCCT, representing one of the primary anticipated rewards that candidates seek from organisational membership.

Career development is a particularly salient construct for Generation Z candidates, who are distinguished by their desire for rapid career progression (Gandasari et al., 2024; Mahmoud et al., 2021). Sparrow and Makram (2015) demonstrated that organisations that actively communicate career development programmes attract significantly larger and more qualified applicant pools. Gandasari et al. (2024) found career development to be amongst the strongest predictors of intention to apply in their Generation Z sample, consistent with SCCT's propositions. Rani and Suneja (2026) add that Generation Z increasingly expects development to be delivered through structured, technology-enabled learning and clear progression pathways, so employers that make these aspects visible are more likely to convert interest into an application.

The salience of career development for this generation is closely tied to expectations of continuous, technology-enabled learning. Ma and Fang (2024) find that Generation Z job seekers actively assess the developmental and digital-learning opportunities an employer signals during the search stage, treating them as evidence of the organisation's investment in their future. Interpreted through SCCT, visible development pathways raise candidates' outcome expectations regarding

professional growth, while person-organisation fit theory suggests that such pathways also signal alignment with a generation that prioritises advancement (Kristof-Brown et al., 2023). This convergence provides a strong theoretical basis for expecting career development to be among the most influential attributes.

2.7 Previous Research

Table 2.1 below summarises the previous studies that form the empirical basis of this research.

Table 2.1 Previous Research

Title and Author	Research Method	Research Findings
"How to attract talents? The role of CSR, employer brand, benefits and career development" (Gandasari, Tjahjana, Dwidienawati & Ichsan, 2024)	Quantitative; n = 324; Generation Z; Indonesia	Employer brand, employee benefits, and career development significantly and positively influence intention to apply. CSR does not directly affect intention to apply but strongly influences employer brand. SCCT is confirmed as a valid framework for talent attraction.
"Generation Z Job Seekers in Vietnam: CSR-Based Employer Attractiveness and Job Pursuit Intention" (Thang, Rowley, Mayrhofer & Anh, 2022)	Quantitative; SEM; n = 382; Generation Z; Vietnam	CSR-based employer attractiveness significantly and positively influences Generation Z job seekers' job pursuit intention, supporting CSR as a credible organisational signal in an emerging market context.
"The Power of E-Recruitment and Employer Branding on Indonesian Millennials' Intention to Apply for a Job" (Wijaya, Mustika, Bulut & Bukhori, 2023)	Quantitative; Survey; Millennials; Indonesia	Employer branding, together with e-recruitment, significantly and positively influences candidates' intention to apply, confirming employer brand as a key driver of application decisions.
"The Effects of Employee Learning, Knowledge, Benefits, and Satisfaction on Employee Performance and Career Growth in the Hospitality Industry" (Yoopetch, Nimsai &	Quantitative; Survey; Hospitality employees; Thailand	Employee benefits are significantly and positively associated with employee satisfaction and career growth, establishing their centrality as an organisational attractiveness construct in the

Kongarchapatara, 2021)		Asian labour market.
"The Strategic Intersection of HR and CSR: CSR Motive and Millennial Joining Intention" (Ikhide, Timur & Ogunmokun, 2021)	Quantitative; Survey; Millennials	CSR activities are positively associated with joining intention amongst millennial candidates. Perceived authenticity of CSR motives strengthens the effect on joining intentions.

Source: Compiled from prior literature; primary reference Gandasari et al. (2024).

2.8 Hypothesis Development

2.8.1 The Effect of Corporate Social Responsibility on Intention to Apply

Based on signaling theory, CSR activities communicate an organisation's values and ethical commitments to prospective candidates who cannot directly observe internal organisational attributes (Spence, 1973). When candidates perceive that an organisation actively engages in environmental protection, community development, and sustainable practices, they receive a favourable signal about the organisation's character as a potential employer. Ikhide et al. (2021) found a significant positive direct relationship between CSR perception and joining intention amongst millennial candidates, and Thang et al. (2022) reported a comparable positive effect amongst Generation Z job seekers in Vietnam. Generation Z individuals, characterised by strong environmental and social consciousness, are particularly receptive to CSR signals when evaluating potential employers (Vieira et al., 2024). Although Gandasari et al. (2024) did not find a significant direct effect of CSR on intention to apply in their Indonesian sample, the SolBridge context, with its higher proportion of internationally exposed Generation Z students, is expected to exhibit a direct CSR effect consistent with Ikhide et al. (2021) and Thang et al. (2022). In the researcher's view, an internationally mobile Generation Z cohort such as that at SolBridge is exposed to

global debates on climate and social justice more directly than a single-country sample, so a visible CSR record should act as a stronger differentiating signal when these students choose between otherwise comparable employers. On this basis, the following hypothesis is proposed:

H1: The perception of corporate social responsibility has a positive and significant influence on undergraduate students' intention to apply.

2.8.2 The Effect of Employer Brand on Intention to Apply

Employer brand serves as a multidimensional organisational signal that communicates information about the working environment, organisational culture, product and service excellence, and employment security to candidates who are evaluating a prospective employer (Cable & Turban, 2001; Backhaus & Tikoo, 2004). A favourable employer brand creates a positive organisational identity that distinguishes the employer from competitors and motivates candidates to pursue employment opportunities. Wijaya et al. (2023), Soeling et al. (2022), and Gandasari et al. (2024) all confirmed the significant positive influence of employer brand on application decisions. The researcher further argues that, for students who typically assess distant employers online rather than through direct contact, a coherent employer brand is often the clearest information available before applying, which should make it a decisive cue for this sample. On this basis, the following hypothesis is proposed:

H2: The perception of employer brand has a positive and significant influence on undergraduate students' intention to apply.

2.8.3 The Effect of Employee Benefits on Intention to Apply

Within SCCT, perceived employee benefits function as outcome expectations, representing candidates' anticipated material and non-material rewards from joining an organisation (Lent et al., 1994; Yoopetch et al., 2021). When candidates perceive that an organisation offers competitive and comprehensive benefits, their expectation of positive outcomes from employment increases, strengthening their motivation to apply. Tumasjan et al. (2020) and Gandasari et al. (2024) both confirmed the positive effect of perceived benefits on application intentions amongst candidates evaluating prospective employers. The researcher contends that undergraduates approaching graduation, who are about to move from financial dependence to their first salaried role, are especially attentive to the tangible security that a strong benefits package represents, so favourable benefit perceptions should translate directly into a higher intention to apply. On this basis, the following hypothesis is proposed:

H3: The perception of employee benefits has a positive and significant influence on undergraduate students' intention to apply.

2.8.4 The Effect of Career Development on Intention to Apply

Perceived career development represents an outcome expectation within the SCCT framework, reflecting candidates' beliefs about the professional growth and advancement opportunities an organisation provides (Lent et al., 1994; Creed & Hood, 2019). Generation Z candidates strongly prioritise organisations that offer clear and structured career development pathways (Gandasari et al., 2024; Mahmoud et al., 2021). Sparrow and Makram (2015) demonstrated that communicating career development programmes significantly attracts external talent. Gandasari et al. (2024) found career development to be amongst the strongest

predictors of intention to apply in their Generation Z sample, consistent with SCCT's propositions. The researcher reasons that business undergraduates at an international school invest in their studies precisely to accelerate their careers, so an employer that visibly supports long-term development speaks directly to the goal that motivated their education and should be the most persuasive attribute of all. On this basis, the following hypothesis is proposed:

H4: The perception of career development has a positive and significant influence on undergraduate students' intention to apply.

2.9 Research Framework

Figure 2.1 presents the research framework of this study. The framework draws on Social Cognitive Career Theory (Lent et al., 1994) and Signaling Theory (Spence, 1973) to propose four direct relationships between independent variables and the dependent variable. Corporate Social Responsibility (H1) and Employer Brand (H2) are grounded in signaling theory as observable organisational attributes that communicate quality and values to prospective candidates. Employee Benefits (H3) and Career Development (H4) are grounded in SCCT as outcome expectations that motivate candidates' career intentions. All four relationships are hypothesised to be positive and direct. The framework is adapted from Gandasari et al. (2024) and applied to the context of undergraduate students at SolBridge International School of Business.

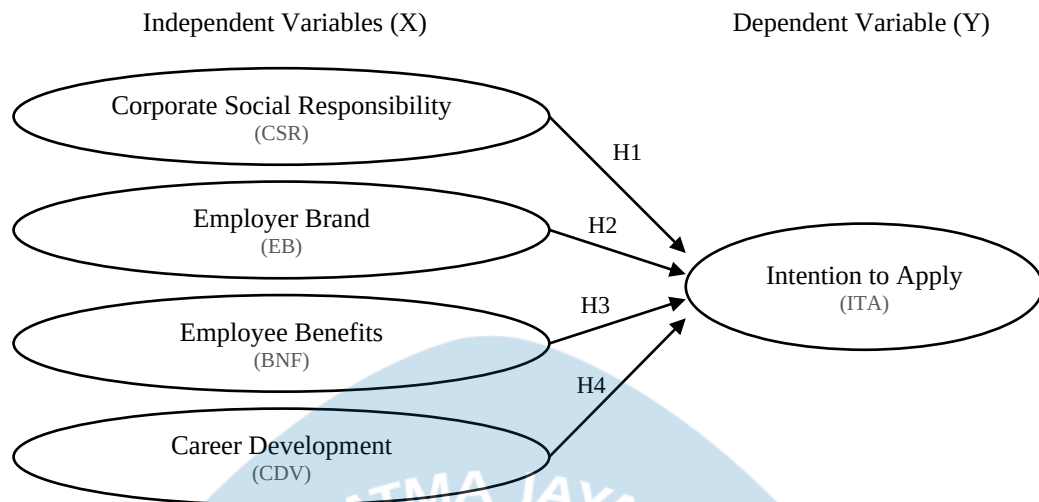


Figure 2.1 Research Framework

Source: Adapted from Gandasari et al. (2024). Theoretical basis: Social Cognitive Career Theory (Lent et al., 1994) and Signaling Theory (Spence, 1973).