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The relationship between companies' corporate social responsibility (CSR) in the tech and software industry and their ability to attract employees: A logistic model and mediator analysis

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摘要

本文通过环境、社会和治理评分（总称 ESG 评分）的评分手段，分析了科技和软件行业内企业社会责任（CSR）实践与员工吸引力之间错综复杂的联系，并填补了此领域文献方面的空白。由于尖端技术和社会效应的独特结合，IT 和软件行业是研究 ESG 变量如何影响员工观点和承诺的绝佳环境。鉴于该行业在定义数字时代方面的关键地位。认识到环境、社会和治理问题与员工行动之间的联系对于当下环境至关重要。由此，本文作者提出了本次研究的问题：通过 ESG 衡量下的企业社会责任对科技和软件公司员工的吸引力有何影响？此外，为了最好地回答这个问题，本研究采用了中介效应分析法。因此，本研究通过该衡量方法，丰富了 ESG 与员工吸引力关系的研究结果。这些效应采用定量方法进行研究。报告通过集中分析 2018 年至 2021 年的数据（排除了动荡颠簸的 2020 年），全面评估了企业社会责任实践的情况及其对招聘人才可能产生的影响。为了确定相关性，本文采用了逻辑分析法。通过 Baron 和 Kenny 以及 Zhao、Lynch 和 Chen 的中介分析法，结果显示企业社会责任战略得分作为中介的重要性。研究结果表明，只有环境和社会因素对员工的吸引力有积极而显著的影响。而治理实践，至少对该行业而言，没有显著影响。此外，研究结果还表明，企业社会责任战略得分是环境和社会因素与员工吸引力之间的中介。总而言之，本研究进一步指出，ESG 评级在影响员工态度和决策方面超越了财务衡量标准，在价值观和影响力日益驱动职业选择的时代，ESG 评级是企业应对员工吸引力和承诺挑战的重要指南针。

关键词：员工吸引力、ESG 分数、企业社会责任（CSR）、正相关关系、中介效应、科技与软件行业

Abstract

This study analyzes and fills a gap in the literature review regarding complex interactions between corporate social responsibility (CSR) practices, measured through the consideration of environmental, social, and governance scores (ESG scores), and employees' attraction within the tech and software industry. Because of the unique combination of cutting-edge technology and social effects, the IT and software business is a perfect setting to investigate how ESG variables influence employee views and commitment. Given the industry's crucial position in defining the digital age, recognizing the link between ESG issues and employee actions is critical. From that, belongs the formulation of the research question behind this study: "How the CSR measured through ESG scores influence the employees' attraction to tech and software companies?" Furthermore, to best answer this question, this work takes into consideration the presence of a mediation effect. Thus, this study, with this evaluation, enriches the results obtained for the ESG and employees' attraction relationship. These effects are investigated using a quantitative method. The report thoroughly evaluates the landscape of CSR practices and their possible influence on recruiting talent by concentrating on data from 2018 to 2021, excluding the disruptive year 2020. To determine correlations, logistic analysis is utilized, whereas the results of the mediation analysis, which includes both the Baron and Kenny and the Zhao, Lynch, and Chen approaches, reveal the importance of the CSRstrategyscore as a mediator.

The findings underscore that only Environmental and Social factors have a positive and significant effect on the employees' attraction. While Governance practices, at least for this industry, do not have a significant effect on it. Moreover, the results demonstrate that CSRstrategyscore is a mediator between the ESG components and employees' attraction. To conclude, this study further states that ESG ratings go beyond financial measurements in impacting workers' attitudes and decisions. Moreover, it serves as a critical compass for firms navigating the challenges of employee attraction and commitment in an era where values and impact increasingly drive career choices.

Keywords: Employees' attraction, ESG scores, Corporate Social Responsibility (CSR), positive relationship, mediation effect, Tech and Software industry

1. Introduction

1.1 Background

The IT and software sector, a hub of innovation and change, occupies a pivotal location at the nexus of societal and technical progression. This sector not only changed how we communicate with the outside world, but it also has the power to influence the basic foundation of our future. The industry's relevance goes beyond simple economic transactions in this cyclone of technological advancement and digital disruption; it also has significant social, environmental, and ethical elements. Organizations are traversing uncharted territory that necessitates a balance between financial development and holistic responsibility in the digital and software sector, where rapid innovation and tough competition rule supreme. Enter the idea of ESG (environmental, social, and governance) considerations, which are now being taken into account more than ever by organizations. ESG principles examine an organization's influence on the environment, dedication to social well-being, and adherence to ethical business practices in addition to financial measures. The relationship between ESG ratings and employee attractiveness may not be as strong as it initially appears in the tech and software industry. Because of its concentration on cutting-edge technology, brisk work settings, and the attractiveness of entrepreneurial pursuits, the industry is frequently praised. However, a fundamental change is taking place below the surface, underscoring the crucial link between ESG factors and the sector's capacity to draw in, keep, and develop elite people.

Pushing the frontiers of what is possible and reinventing human connection with technology are characteristics of the tech and software sector. This sector depends on the inventiveness of its workers, utilizing experts' knowledge and ability to develop solutions that transform how we live, work, and communicate. Such an ecosystem naturally encourages the recruitment of professionals who are talented and motivated to advance change and development.

The IT and software sector has seen a rise in awareness of its influence on societal dynamics, environmental stewardship, and ethical issues in recent years. Companies in this industry are becoming aware that their activities have consequences that go well beyond the numbers on financial statements; they have the capacity to affect social cohesion, environmental sustainability, and technical ethics. As a result, the incorporation of ESG principles into corporate plans has gained traction and is no longer just a checkbox exercise but rather a strategic necessity in line with the revolutionary nature of the sector. The latter has matured, and so have the workforce's motives. Employees, especially those working in the internet and software industry, look for companies that share their values, promote ethical behavior, and impact the world for the better. Beyond monetary gain, the quest of meaning is increasingly being used as motivation. These goals may be achieved through the use of ESG principles, which provide employees a way to put their talents and efforts toward causes that align with their values. Thus, organizations now have a special duty to create settings that support responsible innovation and constructive change. ESG scores serve as a light that draws people who want to use their abilities to create positive change since they serve as a measure of an organization's adherence to these same ideals.

The current thesis sets out to investigate the unknown region of the connection between ESG scores and employees' attraction in the context of the tech and software industry's revolutionary character and the growing significance of ESG elements. The study aims to shed on the reasons that cause employees to favor businesses with high levels of Environmental, Social and Governance standards by exploring this complex interaction. In the context of an industry that serves as a benchmark for innovation, creativity, and societal transformation, the insights obtained have the potential to revolutionize our understanding of talent recruitment.

1.2 Contributions

The framework above already describes an interesting context, but to best understand the value of this research, it needs to consider the tech and software industry's actual and future economic role. Indeed, the latter already plays a pivotal role in nowadays economy and considering the trend observed in the last years, we can expect it will strengthen its position as a driver in the economic landscape. This trend does not directly imply that tech and software companies will represent, per se, the future of our economy. Several variables should be taken into consideration to better explain this phenomenon. Following the practice, it is known, that companies need good performance to be sustainable in the long run. Moreover, employees’ attraction is a factor that has a direct effect on the company's performance. Thus, firstly this study fills a gap in the literature regarding the relationship between ESG factors and employees’ attraction, evaluating the mediation effect of companies' CSR strategy scores. Lastly, this study implies that companies with the characteristics described previously can help to understand whether tech and software companies have basic factors with which they can keep their pivotal position in the markets and strengthen their role in the economic landscape across the next years.

1.3 Research Design, Methodology and Findings

The software and technology industry has demonstrated a growing commitment to environmental and social responsibility in recent years. Organizations in the sector are adopting CSR policies as a way to show that they are prepared to tackle concerns like diversity, inclusiveness, ethical sourcing, and environmental sustainability as technology becomes more and more integrated with social and environmental issues. The goal of the research design is to learn more about this industry and how these practices affect employees' impressions and attractiveness to their firms. An experienced and diversified workforce that aspires to contribute to cutting-edge technologies is well known for being drawn to the IT and software industries. Workers in this sector are frequently driven by factors other than money; they look for a feeling of meaning, influence, and alignment with the objectives of a company. This industry provides a rich environment for investigating the impact of CSR activities such as environmental, social engagement, and ethical governance practices on employee attraction, as these values-driven workers are drawn to these projects. Industry-wide emphasis on corporate social responsibility (CSR), and social practices increased in the years preceding 2020 and 2021. A greater emphasis was placed at this time on sustainability, diversity, openness, and stakeholder involvement in the tech and software business a sector renowned for its innovation and influence. The study assesses the landscape of CSR practices and their possible influence on employees' attractiveness in the absence of the disruptive impacts of the pandemic by using data from 2018 to 2021. Prioritizing environmental factors, social responsibility, and ethical governance practices became more widespread in the period selected. During this time, sustainability, diversity, openness, and stakeholder involvement received more attention in the IT and software industry, which is well-known for its innovation and influence. The decision to omit 2020 recognizes the special difficulties brought on by the worldwide pandemic, which resulted in hitherto unheard-of adjustments to workplace culture, commercial practices, and public agendas. The pandemic had a profound and revolutionary effect, making it a unique period marked by a major departure from standard organizational procedures. The study can prevent confounding effects and have a tighter focus on the issues under examination by excluding 2020. Adding 2021 to the post-pandemic phase gives us a chance to see how companies changed, developed, and adjusted their governance, social, and corporate social responsibility plans in reaction to the pandemic's aftermath.

The study makes use of descriptive statistics analysis, logistic analysis, and mediation analysis to sort out these complex interactions. The CSRstrategyscore, which captures the substance of CSR endeavours overall, is one of the crucial mediators in this study. The logistic analysis assists in identifying correlations between the independent variables (environmental, social, and governance scores) and the dependent variable (employee’s attraction). Mediation analysis, a two-step approach, reveals more insights into the mediating role of CSRstrategyscore. The first step is to evaluate the significance of the direct and indirect effects of the mediator on each independent variable and the dependent variable using a structural equation model. Once it is clear that these effects are significant, both Baron & Kenny's and Zhao, Lynch & Chen's techniques are used to examine the mediation effects. The study is complemented by Sobel and Monte Carlo tests, which give a thorough comprehension of the mediation effect.

Lastly, this research shows that only Environmental and Social practices have a positive significant effect on the employees' attraction, while for Governance factors, due to the not statistical significance, it is not possible to assert a connection between this variable and the employees' attractiveness. Furthermore, this study illustrates that companies' CSR strategy scores mediate the relationship between all the ESG factors and the employees’ attraction.

1.4 Structure

To address the goals underlined above, it is fundamental to set a clear pathway. This work is divided into seven chapters. The actual and so first chapter provides an overall understanding and introduction to this research. The following chapters: the second and third ones play a fundamental role in the overall study. Indeed, in Chapter Two it is reported the literature review and the consequential analysis of the literature gap. While in Chapter Three, it is described the hypotheses formulation. Once defined the hypotheses need to provide a clear research design and methodology description. These elements are included in Chapter Four. Then, the last three sections, Chapters Five, Six, and Seven are dedicated, respectively, to the discussion of analysis results, results implications, and the section in which are reported the conclusions.

2. Literature Review

2.1 Definition of the Tech and Software Industry

The technology (tech) industry is a dynamic and rapidly changing sector of the global economy that involves the research, development, manufacturing, and distribution of innovative products and services related to information technology, electronics, software, telecommunications, semiconductors E-commerce retail platforms, and hardware components & equipment. The technology industry is distinguished by its ongoing innovation, disruption, and revolutionary impact on a wide range of societal issues, from communication and entertainment to business operations and healthcare (Kile, 2016).

2.2 Corporate Social Responsibility (CSR)

2.2.1 Definition

Before reviewing the body of existing research, it is required to provide a definition of CSR to create a conceptualized research model. As some authors noted, there are various definitions and their interpretations are influenced by historical periods (Jones et al. 2005). Indeed, reviewing the literature it is possible to observe an evolution of this concept. The first theorization of CSR dates back to the 1950s when Bowen underlined that CSR is more than just a solution to society's issues; rather, it is a nice gesture of organizations toward the goodwill of society (Bowen, 1953). During the following decade thanks to the contribution of Keith Davis significant steps ahead were achieved. According to the author, CSR refers to "businessmen's decisions and actions taken for reasons that are at least partially beyond the firm's direct economic or technical interest" (Davis, 1960). Furthermore, the latter interpretation was refined in 1973. In this reviewed definition CSR is considered as a corporation's obligation to consider how a decision will affect the external social system as part of its decision-making process in a way that will produce social advantages in addition to the usual economic gains the firm pursues. Thus, when the society in which an organization operates declines, so does the organization (Davis, 1973). Another important contribution was given by Carroll. He operationalized CSR in terms of four, not mutually exclusive, stages of development, including economic, legal, ethical, and philanthropic requirements (Carroll, 1979). Following, according to Freeman introduced the idea that stakeholders are influenced by the process of organization to achieve their goals (Freeman, 1980). Later, in 2003, Hopkins expanded on the stakeholder-based definition of CSR and noted that it entails an organization treating its stakeholders with integrity and responsibility while also protecting its financial interests (Hopkins, 2003). More recently, Turker described CSR as corporate actions that go above and beyond a company's economic interests. Employees, customers, the government, social and non-social stakeholders were the main subjects of the author's research (Turker, 2009). In the scholarly literature, however, not all stakeholder groups have received the same amount of attention. The majority of the research has concentrated on the financial element of CSR because it has occasionally been studied from the standpoint of the enterprises' economy and other times from the perspective of consumers' preferences Rupp and Mallory (2015). CSR was described by Aguinis as context-specific CSR actions in terms of an organization's responsibilities to internal and external stakeholders (Aguinis, 2011). However, for a long time, one stakeholder group—the employees—who personally assess, evaluate, and carry out CSR initiatives on behalf of the firm received little attention. By taking into account the triple bottom line of economic, social, and environmental performance, El Akremi defined CSR as an organization's context-specific actions and policies that strive to improve the welfare of stakeholders (Akremi et al., 2015). Quite recently, following Sarkar and Searcy, CSR suggests that businesses must first take on their core economic responsibilities and then voluntarily go above and beyond the requirements of the law to conduct themselves ethically at all times. Moreover, once those companies reach the responsibilities and requirements described above, they need to consider how their decisions will affect society's various stakeholders while also advancing global sustainability Sarkar and Searcy (2016)

2.2.2 CSR Measurement

Above, it has been underlined several interpretations of the CSR concept. Therefore, it is not difficult to imagine that there are also several ways to measure it. To address the goal of this study the CSR/ESG-inspired approach will be used. Laws and regulations have historically been guidelines established by governments and their agencies. According to Torres, Jain, and Leka, this suggests a hierarchical vision of public governance in which governments play a command and control function. Enforcement is generally carried out through sanctions meant to deter people from wrongdoing because they are afraid of the repercussions (Torres et al., 2022). This strategy has been used to date to drive concerns relating to labor and working conditions, and when it has been used, it has produced a baseline for minimum standards (ILO, 2019). The way that organizations react to and carry out legislation is likewise complicated. Businesses have trouble adhering to traditional laws because of the extensive bureaucracy involved (MacEachen et al., 2016). Large multinational corporations can intentionally choose their operating locations to stay away from places with strict legislative requirements (Bueno, 2017). Businesses can frequently campaign for revisions if they are unhappy with the way the law is currently written (Lyon et al., 2018). The issue goes beyond merely breaking the law. To verify that they have followed the wording of the law, organizations can adopt a "tick the box" or cosmetic compliance strategy (Landau, 2019). This entails adopting laws merely on the surface in order to "appear" compliant without actually being so Perezts and Picard (2015). Inspection-based regulatory oversight may increase effective compliance, but the effect may diminish as soon as the oversight is discontinued Wu and van Rooij (2021). Given these concerns, there are numerous limitations to using legislation as a standalone regulatory mechanism. In this regard, governments are depending on the cooperation of stakeholders and corporate actors more and more. A milder kind of control is often the result (Perez et al., 2019). Comply or explain' rules, financial incentives, and self-regulation, such as voluntary commitments and corporate or industry-led codes of conduct, are a few examples of soft regulation (Steurer, 2013). This regulating infrastructure closes "the numerous governance gaps for which hard law is either non-existent or is weakly enforced" (Rasche, 2010). Soft regulation is a complementary instrument to governmental action rather than a substitute (Locke, et al., 2013). Unless accompanied by additional enforcement mechanisms, such as government intervention and pressure from other stakeholders, private self-regulation is less effective (Mensi-Klarbach et al., 2021); (Bowen, 2019); Soft regulation has been closely linked to CSR programs at the corporate level. Although the study and application of CSR are not new, there has been an "explosion" in interest in CSR since the late 1990s and early 2000s due to social movement pressure, corporate scandals, and a growing awareness of the challenges associated with global sustainability Zwetsloot and Ripa (2012); Carroll and Shabana (2010). Many businesses have responded by including social commitments with an ethical foundation as a component of their responsibilities. The discussion has changed to the idea of corporate sustainability and its operationalization as ESG components due to increased interest in the business case for CSR and its integration into investment decisions (Pollman, 2021); (Eccles, et al., 2020);.

In the past 20 years, there has been a noticeable rise in the notion that businesses should participate in CSR or ESG efforts. As they don't have a common meaning, both phrases continue to be hotly debated (Pollman, 2021). Given the duration of CSR this is a little surprising (Sheehy, 2015); (Lee, 2008). The World Business Council for Sustainable Development (WBCSD), the European Union (EU), the Organization for Economic Co-operation and Development (OECD), and the International Labour Organization (ILO) are just a few multilateral organizations that have gone above and beyond by developing CSR definitions that have been adopted in practice. In a sense, the field has become more normalized as a result of these efforts. The concrete operationalization of how various stakeholders perceive what should be included in responsible business conduct is provided by CSR/ESG instruments. As companies looked for a "golden rule" to implement CSR/ESG projects, hundreds of new standards have developed, and the flood has occasionally left managers and CEOs uncertain about how to handle new challenges. CSR/ESG instruments are typically created by outside parties, deployed within and across industries, regions, and governments, and frequently overseen by unbiased organizations (Rasche, 2009). Frameworks, standards, and ratings/indices are often used to categorize CSR/ESG instruments (GRI, 2022b); (Siew, 2015). While standards exist in the form of formal documentation that defines rules and specifications on what to do and declare, frameworks refer to concepts or recommendations on how sustainability issues should be managed and communicated. Ratings/indices, on the other hand, are a third-party assessment of a company's ESG performance (Torres et al., 2023). Six major areas are added by Ripa and Herrero to further broaden the classification: codes of conduct and ethical standards, audits and management systems, sustainability and social reporting, and lastly social and environmental investment Ripa and Herrero (2012). Despite the lack of clarity and empirical verification, the relevance of these frameworks, standards, and indices has quickly increased. Recent initiatives have shown that there is a growing global consensus on the fundamental norms of corporate behavior when it comes to social issues, including a number of working conditions (Waas, 2021); (Perez et al., 2019). For instance, the 'ESG Industry Materiality Map' from MSCI, a leading global provider of ESG data, includes supply chain labor, health and safety, human capital development, and labor management as significant themes (MSCI, 2022). Labor practices, employee health and safety, employee engagement, diversity, and inclusion are all identified by the Sustainability Accounting Standards Board a global standard-setter for sustainability reporting, as substantial concerns within its human capital dimension (SASB, 2022). The white paper on evaluating stakeholder capitalism by the World Economic Forum identifies measurements for topics like dignity and equality, health and wellness, future skills, employment, and wealth creation (WEF, 2020). In order to understand CSR/ESG challenges in practice, frameworks, standards, and rating/indices are essential. They have "recognizable and reproducible" behavioral effects Goel and Cragg (2005). Their use promotes the development of an ethical workplace culture within businesses and provides company-specific, answerable, publicly available CSR/ESG data (Maon et al., 2010). Working conditions and labor difficulties can be improved with the help of CSR/ESG instruments. They might be able to assist businesses in new areas of interest, such as employee welfare, beyond simply adhering to legal requirements (Torres et al., 2023).

The Environmental, Social, and Governance (ESG) components make up the aggregate of the three major operational facets that make up an organization's ESG score. When assessing a company's level of accountability for these concerns, rating agencies often incorporate measurements. As a result, the idea behind the ESG score is to reward businesses that engage in CSR, unintentionally encourage other businesses to step up their CSR efforts, provide investors with the tools and assessments they need to engage in ethical, socially responsible investing, and encourage increased CSR-related disclosure and reporting from businesses (Torres et al, 2023).

2.3 Employees Attraction

2.3.1 Definition

As evidenced above, there is no unique definition of CSR. Since the latter is a multilayered, multidisciplinary concept, to address the scope of this work, we need to focus this research on micro-CSR and, more particularly, on employees at all organizational levels. In order to ensure minimal disputes with the stakeholders and maximum loyalty from them, organizations are utilizing CSR to develop their ties with them (Mahmoud et al., 2017); (Jones et al., 2017); (Ali et al., 2010). CSR is divided into internal and external categories according to existing research (Bridoux et al., 2016); Schons and Steinmeier (2016); Basil and Erlandson (2008); (Brammer et al., 2007); (Peterson, 2004). Internal CSR is focused on internal operations and internal stakeholders of the company. External CSR activities involve external entities and are directed at external stakeholders. Some authors such as Heslin, Ochoa and Zhou highlighted the strategic importance of CSR for business performance Heslin and Ochoa (2008) and (Zhou et al. 2018). While other researchers have noted the significance of internal CSR metrics on employee engagement Mitonga-Monga and Hoole (2018); Shen and Zhang (2019); Schons and Steinmeier (2016); (Al-bdour et al., 2010); Eweje and Bentley, (2006). According to social identity theory and CSR research, a company's CSR practices could create a strong employee-company (E-C) fit and organizational identity to achieve strong employee attraction/commitment, which in turn results in better performance and lower turnover Mitonga-Monga and Hoole (2018); (Harvey et al., 2017); (Mahmoud et al., 2017). Organizational commitment and its impact on work behavior (such as labor turnover, job performance, and employee health) are important at a time when businesses are becoming more and more interested in employee attraction, retention, and development as a form of competitive advantage (Zhou et al., 2018). This can explain why research on CSR is increasingly focusing on how it affects various stakeholders, such as employees (O'Connor et al., 2017); (Hameed et al., 2016); Shen and Zhang (2019). Employees are an important stakeholder group for any socially responsible organization, but the majority of CSR research focuses on external stakeholders like customers and investors Luo and Bhattacharya, (2006); (Lichtenstein et al., 2004). This neglects the significance of employees as a key stakeholder group for any socially responsible organization Shen and Zhang, (2019); (Larson et al., 2008). The majority of the current CSR research emphasizes organizational identification as an important CSR outcome since it is a fundamental construct that predicts the organization's image and legitimacy (Hao et al., 2018); (Liu et al., 2017); (Hameed et al., 2016). A positive correlation between CSR and organizational identity has been discovered by Collier and Esteban (2007), Rodrigo and Arenas (2008), (Hameed et al. 2016); De Roeck and Farooq (2018). The latter author has recognized CSR as having an impact on staff attraction and turnover intentions Farooq et al. (2019). According to Shen and Zhang, CSR causes a number of mediators that affect organizational commitment since it entails a variety of actions conducted by businesses that are aimed at various stakeholder groups Shen and Zhang, (2019). Despite that, there are few studies conducted over the past ten years, that revealed employees are concerned with organizational activities that support external stakeholders because they view these activities as crucial to building a positive social image Shen and Zhang (2019); Rogers and Ashforth (2017). Following social identity theory, if an organization is regarded as highly prestigious by society, which compels employees' identification needs with their organization, the goal of enhancing one's self-esteem is achieved by members of that organization Rogers and Ashforth, (2017); Ashforth and Mael (1989). As a result of the external CSR's perceived prestige employees identify with their organization Shen and Zhang (2019).

2.3.2 Social-identity Theory

Through improved reputation, CSR can have an impact on both current and prospective employees (Hameed et al., 2016); (Turker, 2009); Albinger and Freeman (2000). According to research (Trivellas et al., 2019); (Turker, 2009), organizations would want to attract people who share their values and ideas. This has been found to increase employees’ work satisfaction and a sense of belonging to the organization. This is referred to as social-identity theory (SIT) (Tajfel, 1974). Following, in accord to the same author, social identity is formed when a person aspires to adhere to the numerous norms and traditions of a community (Farooq et al. 2019); Rogers and Ashforth (2017), (Hameed et al. 2016), Ashforth and Mael (1989). Therefore, it is possible to consider organizational identity to be fundamentally a subtype of social identification Ashforth and Mael, (1989); Rogers and Ashforth, (2017). An individual becomes identified with an organization after they recognize the beneficial qualities of the organization as expressed by its current employees, policies, and practices. High organizational identification can drive employee behavior such as organizational dedication Shen and Zhang (2019); Shen and Benson (2016); (Hameed et al., 2016); Marin and Ruiz (2007); (Dutton et al., 1994)

2.3.3 Maslow’s Hierarchy of Needs Theory

Maslow's Hierarchy of Requirements Theory, which was first presented in 1943, proposes a hierarchy of five requirements within each person: physiological needs, safety needs, social needs, esteem needs, and self-actualization needs (Huitt, 2007). These needs are divided into two categories: esteem needs and self-actualization needs. Depending on the situation, the urgency of these demands varies, but it has a substantial impact on employees' attractiveness to the company and functions as a motivating factor for attachment (Hameed et al., 2016). Maslow asserted that people are motivated by unmet needs, with physiological and safety needs making up the fundamental lower-order needs that include things like job security, workplace health and safety, and employee contribution recognition Shen and Benson (2016); (Hameed et al., 2016). Maslow also believed that people are motivated by their own goals and aspirations. On the other side, social, esteem, and self-actualization wants are included in the higher-order needs. Individuals often fulfill these higher demands, which affects how they feel about themselves (El Akremi et al., 2018).

Employees who identify with their organization are better equipped to build strong, long-lasting bonds with it and feel a sense of belonging. Organizational identification is at its height when a person's other identities are less prominent than their identity as a member of the organization (Dutton et al. 1991); (Farooq et al. 2019). Furthermore, this identification is accentuated when an individual's self-concept and perceived organizational identity have a number of characteristics (Farooq et al., 2019); (El Akremi et al., 2018). As a result, when a company engages in Corporate Social Responsibility (CSR) projects that benefit both its workers and the larger society, it increases the appeal of employees to the company. Employees may believe their company is socially conscious (Farooq et al., 2019), and joining such a company meets their innate want to raise their self-esteem, a requirement categorized as an esteem need by Maslow (Farooq et al., 2019, Bartel, 2001).

According to the following framework, businesses with excellent internal and external CSR experience high levels of organizational identification, attraction and commitment due to positive employee attitudes, employee pride, and employee satisfaction De Roeck and Farooq (2018); Mitonga-Monga and Hoole (2018); (Zhou et al., 2018); (Gond et al., 2017); (Hameed et al., 2016).

2.3.4 Measurement

Employees are a company's most valuable resource (Zingales, 2000). Given that it has an impact on a company's operations, morale, and culture, the interaction between CEOs and employees ought to be taken seriously Barnes and Cheng (2023). According to Guiso, the importance of perceived corporate culture might be crucial to business value (Guiso et al., 2015). Barnes and Cheng illustrate that a CEO with high employee approval will affect business value by analyzing employee ratings of CEOs. A strong CEO-employee relationship is a crucial aspect of corporate culture that can improve business performance Barnes and Cheng (2023). For instance, Guiso reports that Tobin's Q and return on sales are positively correlated with the managerial honesty seen by employees as measured by surveys (Guiso et al. 2015). A strong working relationship between the CEO and the staff is also viewed by the staff as having a favorable culture, which increases employee satisfaction and, consequently, productivity. According to Akerlof and McGregor, in their respective studies, happier workers are more likely to recognize and internalize the company's goals, which can lead to greater efficiency Akerlof and Yellen (1986); McGregor and Cutcher-Gershenfeld (1960). Since more satisfied employees are more likely to try to keep their jobs, a higher degree of employee satisfaction may also increase employee retention Shapiro and Stiglitz, 1984); (Akerlof, 1982). Furthermore, a positive relationship between the CEOs with the “TOP CEO award” and employees, assists also in attracting future talent because existing employees are more likely to promote the company to their friends Barnes and Cheng (2023).

2.4 Literature Review Gap

The delicate interplay between employees' attraction to firms and their impression of Corporate Social Responsibility (CSR) programs is a major lacuna in the available literature. While studies have been conducted to investigate the impact of CSR on various organizational outcomes, there has been little direct research on how CSR activities influence employees' attraction to their employing organization. This disparity highlights the importance of doing a thorough examination of the link between these two critical components. This research attempts to fill this hole by giving light on the mechanisms through which CSR efforts increase employees' attraction to the firm. This study will help to have a better understanding of how CSR programs can boost organizational attractiveness and develop a stronger sense of commitment among employees by exploring employees' perceptions and attitudes.

3. Hypothesis Development

3.1 Effect of Environmental Factors on Employees' Attraction

Sustainability and environmental stewardship are becoming essential components of organizational strategy and identity in the modern business world. Organizations are under increased pressure to incorporate environmental considerations into their operations as society places a greater emphasis on the necessity for ecologically responsible practices. In this regard, this research aims to analyze an understudied but crucial aspect: the connection between the attractiveness of an organization to employees and its high environmental factors. This study's main premise states that businesses with a strong commitment to environmental sustainability are more likely to recruit employees. The basis for this theory is the shifting expectations of the workforce of today. The younger workers generations are more and more aware and worried about the environmental impact of their companies. They see businesses that actively implement sustainability as being morally upright as well as progressive and in line with global aspirations. High environmental variables, such as green programs, eco-friendly laws, and sustainable business practices, are regarded as outward signs of an organization's commitment to tackling urgent environmental issues. Numerous aspects of organizational attractiveness, including pay, professional advancement prospects, and work-life balance, have been studied in depth. The impact of environmental elements on organizational attraction, however, is yet largely unexplored. Our hypothesis fills this gap by asserting that an organization's appeal to both potential and present employees can be considerably boosted by a strong commitment to environmental sustainability. Employee perception of companies with strong environmental characteristics is that they are socially conscious and mission-driven, according to our predictions. Such organizations are probably recognized as industry leaders, able to make a difference that goes beyond monetary benefits. Employees are predicted to be more drawn to companies that share their worries about the environment and actively work to preserve it in order to link their work with their personal values. It is thought that building a sense of commitment and belonging depends on the values of an individual and the values that the organization exhibits. This study's ramifications go beyond what can be understood theoretically. The knowledge gathered is advantageous to organizations because it may help them make strategic decisions about human resource management. Organizations could improve their ability to recruit and retain top people by deliberately stressing environmental sustainability, giving them a competitive advantage in the talent market. This study also supports the global push for sustainability and encourages businesses to act proactively to protect the environment. To sum up, this hypothesis serves as the foundation for a thorough investigation of the understudied connection between positive environmental characteristics and employee attractiveness. The goal of this work is to advance knowledge of organizational attractiveness dynamics in the modern corporate environment by shining light on this link.

Hypothesis I: Environmental factors have a positive influence on employees’ attraction.

3.2 Effect of Social Factors on Employees' Attraction

The function of social elements in influencing employees' views and attitudes is a thread of growing importance in the complex web of organizational dynamics. The value of developing a feeling of community, encouraging camaraderie, and creating a sense of belonging at work is highlighted by the changing corporate landscape. By examining the probable link between various social variables in firms and the level of employees' attraction to those organizations. This work aims to explore this mostly unexplored area.

Thus, a key hypothesis is that companies with strong social engagement programs will attract employees with higher levels of attractiveness. This theory's underlying tenets are the changing demands of the workforce and the nature of work itself. The value of deep social connections made at work has increased as work environments become more diverse and distant and as the lines between work and home life become hazier. Today's workers look for surroundings that provide possibilities for social engagement, personal development, and a strong sense of belonging rather than just a paycheck. Companies can gain a distinct advantage in luring and keeping great personnel if they proactively recognize and respond to these changing needs. Although previous research has recognized the importance of social elements in promoting employee engagement and well-being, the explicit connection between these characteristics and organizational attraction is still a subject that needs more exploration. This study's hypothesis states that businesses that promote community building, establish strong social ties, and foster collaborative settings are more likely to produce positive employee views. It is hoped that these positive perceptions will lead to greater levels of attraction to the organization. Employees are expected to view companies with strong social engagement programs as places where they can build important connections, work effectively with others, and find fulfillment outside the confines of their daily duties. Employees seeking total job satisfaction are likely to have a favorable opinion of organizations that make an effort to build a friendly and inclusive culture, promote open communication, and offer opportunities for connections on both a professional and personal level. Different aspects of social dynamics may have an impact on what makes employees attractive. Examples include mentoring programs that facilitate career advancement and interdepartmental cooperation that promotes links between different functional areas. Additionally, programs that promote diversity and inclusion can have a big impact on luring workers who appreciate inclusive workplaces by ensuring a varied and equal atmosphere. In conclusion, the hypothesis serves as the driving force for the research of the promising relationship between various social elements and employee attraction. This study seeks to shed light on the complexities of this relationship in order to provide organizations with useful knowledge they can use to customize their work environments to meet the changing needs of modern employees.

Hypothesis II: Social factors have a positive influence on employees’ attraction.

3.3 Effect of Governance Factors on Employees' Attraction

The role of governance variables in influencing employees' views and organizational experiences has come into sharper focus in the complex web of organizational dynamics. In the modern corporate world, moral behavior, openness, and accountability within businesses are increasingly valued. By examining the probable link between governance elements present in firms and the level of employees' attraction to those organizations, this investigation seeks to navigate this terrain. This study's main premise states that firms with strong governance processes are more likely to foster higher levels of employees'attraction. The discerning expectations of employees and the current evolution of company culture serve as the foundation for this notion. The importance of ethical issues and a dedication to good governance practices has increased as firms function in an interconnected world. As stakeholders, employees care about the moral foundations of the companies they work for in addition to their financial success. The idea is that businesses with clear governance structures and high ethical standards will encourage good employee impressions, which will lead to greater levels of attraction. The significance of ethical governance in boosting organizational reputation and stakeholders' trust is acknowledged by existing research, but the precise relationship between these elements and employees' attraction is comparatively understudied. According to the theory, businesses that put a high priority on ethical governance, openness, and accountability foster an environment where staff members see the company as having solid morals and a dedication to upholding the law. It is anticipated that this view will increase employees' feelings of attraction. Employees are anticipated to perceive institutions with excellent governance processes as having a solid ethical foundation, fostering trust and strengthening the alignment of their own values with those of the firm. Employees who are looking to join companies that uphold high ethical standards can view positively the development of a transparent and accountable culture, supported by clear governance structures. Different dimensions within the governance sphere are crucial in affecting employee attractiveness. Employee attitudes may be greatly influenced, for example, by the existence of unambiguous codes of conduct, ethical training programs, and methods for reporting unethical activity. Whistleblower protections, employee involvement in decision-making, and clear decision-making procedures can all contribute to a culture where workers feel respected and safe. In conclusion, the hypothesis acts as a lighthouse for the exploration of the complex terrain of the favorable correlation between governance parameters and employee attractiveness. This analysis aims to provide firms with useful insights they can use to develop an ethical and transparent culture that appeals to the modern workforce by revealing the complexities of this association.

Hypothesis III: Governance factors have a positive influence on employees' attraction.

3.4 The Mediation effect of CSRstrategyscore

The impact of Corporate Social Responsibility (CSR) on employees' attitudes and organizational commitment has drawn significant attention in the complex world of organizational dynamics. As businesses become more aware of the many advantages of CSR, a crucial question arises: what processes underlie the link between CSR and employee attraction? By examining the mediating function of CSRstrategyscore—a thorough evaluation taking into account the presence of the sustainability committee, stakeholder engagement, CSR sustainability report, ESG reporting scope, and adherence to SDG principles—this investigation forays into unknown areas. This study's main hypothesis states that CSR activities and employees' attraction to their firms are mediated by CSRstrategyscore. The justification for choosing the CSRstrategyscore as a potential mediator is based on theories with roots in organizational behavior and social psychology. A comprehensive assessment that may encompass all aspects of a company's CSR strategy is necessary given the complicated web of relationships between CSR, organizational characteristics, and employee attitudes. The diversity of an organization's CSR activities measured with ESG approach, is captured by CSRstrategyscore, which consists of diverse elements including the sustainability committee, stakeholder involvement, CSR sustainability report, ESG reporting scope, and alignment with SDG principles. Each element influences how the company views its entire CSR approach, which affects how appealing the company is to employees. Due to its potential to account for the underlying mechanisms by which CSR activities influence employee attraction, CSRstrategyscore can be conceptualized as a mediator. The existence of a sustainability committee demonstrates the organization's dedication to strategically directing its CSR initiatives. This demonstrates how organizational principles and social and environmental responsibilities are in line, which can increase the organization's appeal to workers who respect these values. The engagement of stakeholders highlights the organization's willingness to feedback from various stakeholders, a sign of a transparent and inclusive culture. Employees are drawn to organizations that embrace different viewpoints and encourage free discussion, which eventually makes the company more appealing. The organization's commitment to openness, responsibility, and moral behavior is shown in the CSR sustainability report and the ESG reporting scope. Employees appreciate companies that are open about their CSR initiatives and show a dedication to upholding moral standards. The inclusion of these factors in CSRstrategyscore improves employees' impressions of the organization's commitment and authenticity. Lastly, adherence to SDG principles denotes a company's support for international sustainable development goals. Employees who are motivated by a sense of purpose and the desire to be a part of companies having a beneficial impact on society and the environment may find this alignment to be quite compelling. By directing the effects of CSR activities on employee attraction, the parts of the CSRstrategyscore function as mediators. Employees evaluate and internalize the company's CSR strategy using the social cognition theory as a guide, producing perceptions that influence their attitudes and behaviors. The complex structure of CSRstrategyscore captures the company's all-encompassing CSR strategy, influencing employees' sense of self, sense of pride, and commitment to the company. Finally, the hypothesis acts as a roadmap for investigating the complex interactions between CSR, CSRstrategyscore, and employee attraction. This study aims to provide a thorough knowledge of the mechanisms through which ESG factors affect employees' attitudes and organizational commitment by revealing the mediation function of CSRstrategyscore. The chosen elements of the CSRstrategyscore are consistent with theoretical viewpoints on organizational behavior and social psychology, highlighting the complex ways in which CSR has an attraction-enhancing effect on potential employees.

Hypothesis IV: CSRstrategyscore mediates the relationship between Environmental factors and employees’ attraction.

Hypothesis V: CSRstrategyscore mediates the relationship between Social factors and employees’ attraction.

Hypothesis VI: CSRstrategyscore mediates the relationship between Governance and employees’ attraction.

4. Methodology, Data and Variable Measurement

4.1 Research Design and Methodology

4.1.1 Research Design

The goal of this study is to investigate how corporate social responsibility practices are changing in the context of the technology and software business, which informed the choice of both industry and time period. The technology sector, which is well-known for its quick innovations and revolutionary effects on many industries, provides an appropriate context for examining the connection between environmental, social, and governance factors with the employees' attraction. This research design explores the reasoning behind the choice of the software and technology industry and the particular time frame for data collection. The innovative culture, worldwide reach, and progressive nature of the computer and software business define it. With its influence on almost every facet of life, this industry has emerged as a key player in contemporary commerce. This industry's intrinsic qualities fit the study's goals, which makes it a good fit for examining the impact of environmental, social, and governance elements on employee attractiveness. Observing the impact that the tech and software industry has on individuals, communities, and the environment it is possible to investigate the ways in which CSR activities, environmental, social engagement, and ethical governance practices impact employees' attitudes and dedication within this dynamic business. The software and technology industry has demonstrated a growing commitment to environmental and social responsibility in recent years. Organizations in the sector are adopting CSR policies as a way to show that they are prepared to tackle concerns like diversity, inclusiveness, ethical sourcing, and environmental sustainability as technology becomes more and more integrated with social and environmental issues. The goal of the research design is to learn more about this industry and how these practices affect employees' impressions of and attractiveness to their firms. An experienced and diversified workforce that aspires to contribute to cutting-edge technologies is well known for being drawn to the IT and software industries. Workers in this sector are frequently driven by factors other than money; they look for a feeling of meaning, influence, and alignment with the objectives of a company. This industry provides a rich environment for investigating the impact of CSR activities, environmental, social engagement, and ethical governance practices on employee attraction and commitment, as these values-driven workers are drawn to these projects. Industry-wide emphasis on corporate social responsibility (CSR), social practices increased within years 2018 to 2021. A greater emphasis was placed at this time on sustainability, diversity, openness, and stakeholder involvement in the computer and software business a sector renowned for its innovation and influence. The study is to assess the landscape of CSR practices and their possible influence on employees' attractiveness in the absence of the disruptive impacts of the pandemic by using data from 2018 to 2021, with the exclusion of 2020 data. Prioritizing corporate social responsibility (CSR) through environmental factors, social responsibility, and ethical governance practices has become more widespread in these years. During this time frame, sustainability, diversity, openness, and stakeholder involvement received more attention in the IT and software industry, which is well-known for its innovation and influence. The purpose of the study is to assess the state of CSR practices and their possible influence on hiring decisions in the event that the disruptive impacts of the pandemic do not occur. Data from 2018 to 2021 are included in the analysis. The decision to omit 2020 recognizes the special difficulties brought on by the worldwide pandemic, which resulted in hitherto unheard-of adjustments to workplace culture, commercial practices, and public agendas. The pandemic had a profound and revolutionary effect, making it a unique period marked by a major departure from standard organizational procedures. The study can prevent confounding effects and have a tighter focus on the issues under examination by excluding 2020. Adding 2021 to the post-pandemic phase gives to the research a chance to see how companies changed, developed, and adjusted their governance, social, and environmental practices in reaction to the pandemic's aftermath.

4.1.2 Methodology

This study uses a quantitative approach to investigate its purpose. Thus, it wants to find out how CSR activities, measured through ESG scores influence the attraction of employees in the tech and software industry. The gathered data were undergone statistical analysis to determine correlations and possible mediators. One such mediator is the CSRstrategyscore, which encapsulates the overall essence of corporate social responsibility initiatives. Logistic analysis and mediation analysis are two of the suitable statistical methods that will be used to analyze the data. The correlations between the dependent variable (employee attraction) and the independent variables (environmental, social, and governance scores) will be determined with the aid of logistic analysis. The mediating function of CSRstrategyscore in the correlations between these variables and employees' attraction will be further investigated through mediation analysis. The latter was persecuted through a two-step analysis. Firstly, it was tested on all the components of CSR, according to this study measurement, environmental, social, and governance scores, the structural equation model. This technique allowed us to study and observe the significance of the direct and indirect effect of the mediator on both the dependent variable and each of the independent variables. Then, found out that all the effects are significant, this study evaluates the indirect effect according to Sobel and Monte Carlo tests and finally considered the two different methodologies: Baron & Kenny approach and Zhao, Lynch & Chen's approach to demonstrate the mediation effect. To sum up, the research design and methodology have been carefully chosen to explore the complex connections among environmental, social, and governance factors and employees' attractiveness in the fast-paced software and IT sector. Because of the industry's transforming nature and the chosen time range, this presents an ideal framework for comprehending the complex effects of these elements on employee dedication and attitudes.

4.2 Data Collection and Sample

To test the six hypotheses of this work, the data were collected from reliable and widely used databases by authors of the current literature. Thus, the environmental, social, and governance scores data were gathered on Refinitiv. Furthermore, all the firm-level variables like revenues, size (total assets), ROA, ROE, market capitalization, age, and the mediator variable that is the CSRstrategyscore were collected on the latter database too. Lastly, to evaluate the enterprises in which there is a CEO that received the "TOP CEO award", the data were acquired using the Glassdoor database. The current study data collection results in a sample of 100 firms from 2018 to 2021 excluding 2020 for a total of 300 observations. All the firms operate in the tech and software industry and in five different sectors. These five sectors are Software & IT services, Semiconductors, Telecommunication, E-commerce and Technology Hardware & Equipment. Hence, the sample is composed of 44% of companies in the Software & IT software sector, 10%

in the Semiconductors sectors, 8% in the Telecommunication sector, 15% in the E-commerce sector, and 23% in the Technologies Hardware & Equipment sector.

Table 1
Industry table

Industry	Freq.	Percent	Cum.
E-commerce	45	15.00	15.00
Semiconductors	30	10.00	25.00
Software & IT Services	132	44.00	69.00
Technology Hardware & Equipment	69	23.00	92.00
Telecommunications	24	8.00	100
Total	300	100.00	

4.3 Variables and Measurement

4.3.1 Dependent Variable - Glassdoor “TOP CEO Award”

Glassdoor aggregates the reviews that are made anonymously on its website by both current and past workers. Employees are given the choice to assess their CEOs in three ways: approve, disapprove, or have no opinion. Subsequently, Glassdoor releases a ranking of the top CEOs based on the proportion of employee approval. The CEO may be eligible to win the yearly award if their approval rate as a percentage exceeds a certain level. The threshold is set by Glassdoor based on the number of companies and CEO approval rates. There is no ex-ante disclosure of the threshold. Employees are therefore agnostic as to whether their CEO will be honored in a given year, ex-ante. Certain years see the announcement of the top CEOs chosen by employees in June, while other years see it in March. Based on employee reviews from the previous calendar year, the list was created. Employee reviews from June 2015 to May 2016, for instance, are used in the June 2016 list. The 100 highest-ranked CEOs are listed from 2017 to 2021, and the top 50 CEOs are listed from 2013 to 2016. Employee approval of a CEO is 70% on average, according to Glassdoor, but 92% on average for those on the top CEO list. Only recommendations from former workers who left the firm in the current or previous year are taken into consideration for the workers' Choice Awards for Top CEOs, even though Glassdoor accepts ratings from past employees within five years of leaving a company. This allays fears that an employee evaluation is intended for the CEO of the past rather than the present. Glassdoor pulls in employee feedback from full-time, part-time, commission-based, and freelance workers, both past and present. Intern reviews are not included in the sample. A firm has to have at least 1000 workers and at least 100 employee ratings in a year in order for its CEO to be considered for the top CEO list. Additionally, the business itself has to receive at least three stars overall from customers. The company as a whole has a star rating ranging from one to five. Employee choice eliminates Firm A's CEO from consideration for the top CEO award if Firm A receives an overall rating of one or two stars out of five. Glassdoor takes this precautionary action to cut out reviews that could be fake from their analysis. Information from the writing and rating parts of the reviews is also required. This reduces the worry that a company is flooding its reviews since it means a reviewer needs to take the time to write about the business and CEO. In order to make sure that reviews are not wildly out from the norm, Glassdoor also looks at reviews from the previous year. Since the integrity of employee evaluations is the foundation of Glassdoor's whole business model, the company follows these protocols to preserve its reputation. According to Green and Zhou (2019), the average employee review score for companies is about three stars, which always worries about potential bias in these evaluations. Furthermore, according to Liu et al. (2019), reviews on Glassdoor have demographics that are comparable to those reported by the US United States Census Bureau. Considering that and the literature it is possible to use this measurement to evaluate the employees’ attraction. It is important to specify, that in order to make this measurement in this research it was introduced a dummy variable. Thus, if the CEO of a company has been rewarded with the “TOP CEO award”, TCs is equal to 1, otherwise, it is equal to 0.

4.3.2 Independent Variables – Environmental, Social and Governance Scores

This research delves into the complex world of the technology and software sector, examining the relationship between employees' attractiveness and corporate social responsibility measured through Environmental, Social, and Governance (ESG) ratings. To have a better understanding, it is fundamental to go into great detail about each of these factors to understand its applicability, how to operationalize it, and how it could affect workers' attitudes and dedication. Crucial to ESG is the Environmental Score, which measures how committed a company is to sustainable resource use and the environment assigning it a value from 1 to 100. The Environmental score is extremely important in the IT and software sector, which is driven by innovation and disruption. This score includes a variety of activities, such as reducing carbon emissions, using energy effectively, and managing trash in an ethical manner. High-scoring IT and software companies on the environmental rating scale show a strong dedication to reducing their environmental impact. This might entail making investments in clean energy, putting energy-saving techniques into place, and establishing sustainable supply chain tactics. Employees are more likely to be drawn to companies that share their values and support a sustainable future, especially in the IT industry where environmental concern is typically embedded. The possible effect of a higher Environmental score on hiring staff is also discussed. Studies indicate that those who place high importance on environmental responsibility can have a closer bond with companies that put sustainability first. Employees hoping to make a significant impact and match their personal ideals with their work life may be drawn to companies with high environmental ratings. Consequently, it seems that in the IT and software industry, a strong Environmental score would have a favorable effect on workers' desire to work for these companies. Moreover, within the technology and software sector, an organization's dedication to promoting an inclusive and socially conscious work environment may be gauged by looking at its Social Score. This score encompasses a wide range of activities for each company, from stakeholder interactions and community participation to diversity and inclusion programs, and set for them a value from 1 to 100. The Social Score takes center stage in an industry that embraces diversity and prospers from teamwork. Tech and software companies with high social ratings not only cultivate an inclusive and diverse staff, but they also meaningfully interact with stakeholders and communities. This might be collaborations with neighborhood nongovernmental organizations (NGOs), educational campaigns, or volunteer programs that enable staff members to make constructive contributions to society. Organizations that place a high priority on social responsibility are likely to attract workers looking for a feeling of purpose and community participation. The influence that a higher Social Score may have on hiring new staff is also discussed. Strong social support systems (SS) not only support a healthy corporate culture but also speaks to workers' needs for a complete work experience. When working for companies that actively address social issues and place a high value on a people-centric approach, employees are more likely to have a feeling of pride and belonging. Finally, regarding the Governance Score. It is composed of three pillars, that are accountability, openness, and ethical behavior. In the IT and software sector, where moral behavior and ethical standards are highly valued, the Governance Score (GS) is a major consideration. This score assesses, placing a value from 1 to 100, how well a company follows moral principles. Therefore, it evaluates if it has strong governance structures, and what measures are in place to stop wrongdoing. High governance ratings for IT and software companies demonstrate a dedication to moral behavior. They emphasize the interests of stakeholders, maintain open and transparent decision-making procedures, and put in place measures to prevent unethical behavior. Companies that maintain strong ethical standards and cultivate a trusting atmosphere are more likely to draw in employees in this field, who are frequently motivated by a sense of integrity. The possible effect of a higher GS on hiring staff is also discussed. Organizational culture is mostly shaped by trust and ethical behavior, which affects employees' dedication and impressions. High GS score companies are more likely to develop an accountable culture where workers feel safe, appreciated, and in line with the company's moral principles. The research delves into the Environmental, Social, and Governance (ESG) aspects, navigating the complex terrain of the tech and software business. An organization's dedication to sustainability, diversity, and moral governance is reflected in every variable. The desire of employees to work for companies that share their beliefs makes these characteristics crucial factors in attracting new hires. These factors, which range from social involvement and ethical behavior to environmental initiatives, resulting in influence how employees in the software and technology sector perceive and feel committed to the company.

4.3.3 Control Variables

This study acknowledges the need to control for any confounding aspects while examining the complex link between Environmental, Social, and Governance (ESG) ratings and employees' attractiveness within the fast-paced tech and software business. These control variables are essential for improving the validity and accuracy of the results because they guarantee that the strong and unadulterated links between the ESG scores and workers' attraction continue to exist. This study examines the complicated relationship between Environmental, Social, and Governance (ESG) evaluations and workers' attractiveness within the fast-paced IT and software industry, while acknowledging the necessity of controlling for any confounding factors. These control factors ensure that the robust and pure relationships between the ESG scores and employees' attraction remain in place, which is crucial for enhancing the validity and accuracy of the results. An organization's operational capabilities and strategic choices are significantly influenced by its size, as measured by its total assets. Larger companies in the IT and software sectors could have more money to devote to ESG projects. By including size as a control variable, it is acknowledged that organizational size may have an impact on how ESG policies are implemented as well as how personnel see these practices. It is conjectured that larger companies may have greater resources available to pursue comprehensive ESG initiatives, which might affect their ability to attract top talent. Return on Equity (ROE) and Return on Assets (ROA), two financial performance metrics, are essential control variables in this research. These measures shed light on how profitable and resource-efficient a firm is. In order to take into consideration the possible impact of financial performance on hiring decisions, ROA and ROE are included. Strong financial results may encourage companies to engage in ESG programs, which will increase their attractiveness to workers who respect ethical and economic behavior. Another important control variable is the Debt-to-Equity (DE) ratio, which represents the percentage of debt to equity in an organization's capital structure. It displays the financial leverage and risk management techniques of a firm. The fact that DE is included indicates that financial leverage may have an effect on ESG practices and, in turn, on hiring decisions. It is expected that companies with lower DE ratios would be more able and willing to devote resources to ESG activities, which will increase their appeal to potential workers. The market capitalization, or Mrkcap, is a key control variable in the fast-moving, highly volatile software and IT business. It displays the total market value of the outstanding shares of a corporation. The integration of Mrkcap acknowledges the possible impact of investor sentiment and market perception on ESG practices and, consequently, on recruiting talent. Stronger ESG policies and an improved reputation may be linked to a larger market capitalization, which would attract more top talent to the company. Measured by the number of years it has been in existence, an organization's age is an important control variable. The possible impact of organizational maturity on the integration of ESG and employee attractiveness is acknowledged by this variable. It's possible that older companies have more experience creating thorough ESG standards and building a solid reputation for ethical behavior. Therefore, it is hypothesized that more established companies may have more robust ESG procedures, which would enhance their ability to recruit talent. By include these control variables, the analysis of this study is more rigorous and thorough, allowing for the detection of subtle associations and a greater comprehension of the dynamics influencing employees' attraction to the tech and software industries.

4.3.4 Mediator – CSRstrategyscore

The CSR Strategy Score is a key mediator in the complex investigation of the interactions between employees' attractiveness, organizational dynamics, and Environmental, Social, and Governance (ESG) scores in the fast-paced tech and software business. This mediator, which has its roots in the broad framework of Corporate Social Responsibility (CSR), acts as a link between the broad ESG ratings and their real impact on hiring attractiveness. An organization's comprehensive approach to CSR activities is captured by the CSRstrategyscore, which translates its basic beliefs into workable plans that logically fit with ESG guidelines and take into account relevant social and environmental issues. In essence, this mediator shows how deeply a company's CSR initiatives and strategies are entwined. A special scoring mechanism is used in the operationalization of the CSRstrategyscore to highlight its applicability in the context of the tech and software industries. Assigning a score between E (lowest) and A (highest) to indicate the degree of an organization's commitment to and integration of CSR strategies is known as operationalizing the CSRstrategyscore. This study then converts these ratings into a standardized scale from

1 to 5, where E is equal to 1 and A is equal to 5, to guarantee consistency and comparability.

This mediator is composed of many dimensions:

1) Existence of a Sustainability Committee: The organization's commitment to integrating sustainability concerns into strategic decision-making is demonstrated by the existence of a dedicated sustainability committee. A higher CSRstrategyscore indicates that these committees are actively involved in directing and creating CSR efforts.
2) Stakeholder Engagement: In order to understand stakeholders' expectations and concerns, effective CSR programs need proactive engagement with them. A higher CSRstrategyscore is achieved by organizations who actively include stakeholders in designing their CSR goals, demonstrating their responsiveness to societal requirements.
3) CSR Sustainability Reporting: An organization's dedication to informing stakeholders about its progress and effect is indicated by the accountability and transparency exhibited via regular CSR reporting. A high CSRstrategyscore indicates how committed the company is to responsibility and openness.
4) ESG Reporting Scope: Adopting thorough ESG reporting shows a full grasp of the relationships between environmental, social, and governance concerns. Businesses with a wide range of ESG reporting demonstrate a responsible and well-rounded strategy, which raises their CSRstrategyscore.
5) Aligning with the Sustainable Development Goals (SDGs) of the United Nations demonstrates an organization's global outlook and awareness of the larger social context. A higher CSRstrategyscore denotes this alignment, which shows a willingness to go beyond particular projects and support more general sustainable development goals.

A key mediator in this study approach is the CSRstrategyacore. It functions as a medium through which the strategic fabric of a business is woven with the incorporation of ESG principles, hence impacting the recruitment of people. The mediator enables the conversion of intangible ESG principles into actions that align with the values and goals of the workforce.

The several mechanisms that underlie the mediation process are as follows:

1) Clarity of Values: An organization's values are more clearly expressed through practical CSR initiatives when it has a higher CSRstrategyscore. This transparency increases workers' understanding of the company's dedication to ethical behavior, which in turn affects their appeal.
2) Impact Sensation: Workers gravitate toward companies where their efforts result in significant social and environmental benefits. A high CSRstrategyscore increases workers' sense of influence since they see their work as essential to achieving larger social objectives.
3) Identity Alignment: Employees at companies with high CSRstrategyscores frequently have a strong feeling of purpose and identity. Employees find more attractive when their identities are aligned because they see themselves as part of a company that actively promotes change.

As underlined above, the CSRstrategyscore serves as an essential intermediary that captures the deliberate conversion of ESG principles into successful CSR endeavors. This mediator creates a link between the intangible components of ESG ratings and concrete actions, which affects the attractiveness of employees by promoting values such as clarity, impact, and identity congruence. The mediator's usefulness and depth within the context of the IT and software business are further enhanced by its unique scoring system, which provides a nuanced view of the complex dynamics at play.

5. Results

5.1 Descriptive Statistics

An extensive review of the major variables in the dataset is provided in this section. The collection contains data on 300 organizations, and different financial, environmental, social, and governance elements have been examined to learn more about their features. Grasp the nature and distribution of these variables requires a grasp of the statistics presented here. The TCs variable, which represents the compensation for the top CEO, is a binary variable with values of 0 and 1. This variable, according to the literature review, is a measure of employees' attraction. The dataset's statistics show the mean of TCs value is 0.283 with a standard deviation of 0.451. This suggests that the CEOs of about 28.3% of the firms are managed by CEOs rewarded as top CEOs, with a consequential positive effect on employees' attraction. Due to its dichotomous character, this variable serves as an essential discriminator when examining executive remuneration systems. The mean and standard deviation for the environmental variable are 28.967 and 32.054, respectively. With values ranging from 0 to 98, this variable assesses a company's environmental performance. The large spread suggests that the corporations' various environmental practices. The Social variable, with a mean of 49.213 and a standard deviation of 24.875, measures social characteristics. This rating measures a company's social effect and ranges from 1 to 98. The dataset's average social score shows a modest level of social involvement. A standard deviation of 24.557 and an average score of 48.217 are displayed, in Table 2, for the governance component. Variations in governance structures and policies are highlighted by companies' governance practices, which are rated from 4 to 97. The Revenues variable, which shows a mean of 16043.17 and a substantial standard deviation of € 45326.42 for companies' revenue generating, captures this information. The vast range of revenue statistics reflects the dataset's diversified economic performance. According to the size of the firm, evaluated through the firms' evaluation of their total assets, the average value is € 25444.31 with a standard deviation of € 61438.45. This variable, which has a range of € 6.69 to € 369940.1, highlights the organizational scale variability in the dataset. The negative mean of ROA is -0.163, and the standard deviation is 0.2823. This financial indicator ranges from -2.684 to 0.981 and reflects changes in the profitability of businesses relative to their total assets. The average value for the ROE variable is -0.182, while the standard deviation is 1.111. This measure, which ranges from -9.533 to 3.7, shows changes in a company's profitability in relation to its equity. The average value of the DE variable, which represents the debt-to-equity ratio, is -9.569, and its standard deviation is 182.59. This statistic, which ranges from -3159.654 to 100.2616, highlights variations in the debt arrangements of the organizations. Market capitalization, shown by MRKcap, has a significant standard deviation of € 238462.8 and an average value of € 73900.27. This variable illustrates the varied market values of the firms with a range from € 22.54 to € 2073257. The age of firms is represented by the Age variable, which shows an average age of 35.34 years and a standard deviation of 27.937. This statistic, which ranges from 6 to 173 years, reveals the variety of company maturity levels. The range of CSRstrategyscores is from 1 to 5, with a mean score of 2.83 suggesting a modest overall propensity for CSR methods. The standard deviation of 1.19 indicates that the scores are somewhat spread around the mean, indicating that the organizations place various amounts of attention on CSR policies. The observed minimum CSR approach score is 2, with a maximum CSR strategy score of 5. The first is the lowest within the organizations in the sample and reflects the least attention on CSR efforts, while the latter is the highest possible, demonstrating a dedication to CSR ideals.

The important variables in the dataset are insightfully summarized in this descriptive analysis, highlighting the variety of the firms' financial, environmental, social, and governance features. These statistics contribute to a comprehensive knowledge of the dataset by serving as the basis for additional exploratory and inferential analysis.

Table 2

Descriptive Statistics

Variable	Mean	Std. Dev.	Min	Max
TCs	0.283	0.451	0	1
Environmental	28.967	32.054	0	98
Social	49.213	24.875	1	98
Governance	48.217	24.557	4	97
Revenues	16043.17	45326.42	0.03	397426.7
Size	25444.31	61438.45	6.69	369940.1
ROA	-0.163	0.2823	-2.684	.981
ROE	-0.182	1.111	-9.533	3.7
DE	-9.569	182.59	-3159.654	100.2616
MRKcap	73900.27	238462.8	22.54	2073257
Age	35.34	27.937	6	173
CSRstrategyscore	2.83	1.19	2	5
N	300			

5.2 Logistic Regression

This section shows and thoroughly evaluates the findings from the logistic regression models used to look at the connections between various independent variables and the desired outcome: the employees' attention. The models are methodically built to evaluate the unique and combined contributions of particular independent variables with control variables, the year-fixed effect, and one mediator. The research refers to these models as "M0" through "M4" in order to indicate the various combinations that were evaluated. M0, this model, which serves as a benchmark for comparison, only includes the control variables. While M1 also includes the control variables but combines them with the independent variable Environmental. Following, M2 is composed of all control variables and considers such as the independent variable the Social factors. Then, the M3 model combines the control variables with the independent variable Governance. Lastly, M4 is the comprehensive model that incorporates the combined effect of all control variables and the three independent variables Environmental, Social, and Governance.

The coefficients for each independent variable in each model shed light on how each one influences the result variable. Notably, according to Table 3. Environmental factors appear to be positively correlated with the employees' attraction in Models M1 (1.0798) and M4 (1.0509), according to the coefficient of Environmental in both. Furthermore, the results for both models look to be significant, with respective M1 at 1% ($p<0.001$) level and M4 at 5% level ($p<0.05$).

The Social coefficient for Model M2 (2.4749) emphasizes the outcome's considerable positive effect from social elements. Also, for this variable, the results for both models look to be significant, thus M2 is significant at the level of 1% ($p<0.001$) level and M4 (1.0610) at the level of 5% level ($p<0.05$). Lastly, the Governance coefficient (1.0311) in Model M3 denotes a favorable correlation between governance elements and the result. In this case, the results show that in M3, the positive relationship between the independent variable and the dependent variable is significant at the level of 10% ($p<0.1$). Whereas, in M4 the coefficient is still positive (1.0176), but there is no statistical significance (Ying et al. 2002)

It is easier to grasp the effects of each independent variable when using the odds ratios derived from the exponentiated coefficients. Thus, in Model M1, the odds ratio for Environmental (1.0798) indicates that the probability of the outcome rises by around 7.9% for every one-unit increase in the environmental component.

The odds ratio for Social (2.4749) in Model M2 indicates that an increase in the social component is associated with a 147.4% increase in the likelihood that the event would occur. While, in Model M3, where Governance is the main independent variable, the odds ratio is 1.0311. According to this chances ratio, the probability of the result rises by around 3.1% for every unit increase in the governance component. Lastly, in Model M4, the odds ratio of Environmental (1.0509), and Social (1.0610) shows that a one-unit increase in the environmental component results in an increase in the probability of the outcome of 5.1%. While a one-unit increase in social factors raises the probability of the outcome by 6.1% (Ying et al. 2002).

Regarding the overall fit of the models, they are evaluated using the likelihood ratio chi-square statistic (LR -$\chi 2$). Model M4 has the greatest LR-$\chi 2$ score (277.24), suggesting the best overall match. The modified R-squared values shed light on the percentage of variation in the result that can be accounted for by the models. The adjusted R-squared for Model M4 is the highest (0.775), meaning that it accounts for around 77.5% of the variation. Moreover, the robustness of the results is enhanced by the inclusion of year-fixed effects, which guarantee that any temporal differences are taken into account in the study (Ying et al. 2002).

In conclusion, these regression findings provide a thorough knowledge of both the individual and combined effects of the independent and control variables on the result. The results indicate that the outcome is statistically related to exclusively environmental and social factors, with model M4 reflecting the most extensive collection of components. Therefore, Hypothesis I and Hypothesis II are met while Hypothesis III is rejected. These results add to our understanding of the phenomena under study by offering important new insights into the interactions between these factors.

Table 3
Regression Results Odds Ratio

	Controls M0	M1	M2	M3	Full M4
Environmental		1.0798***			1.0509**
		0.9805			0.9778
Social			2.4749***		1.0610**
			0.7888		0.9745
Governance				1.0311*	1.0176
				0.8435	0.9804
Revenues	1.0012***	1.0001	1.0001	1.0001**	1.0000
	0.9999	0.9999	0.9999	0.9999	0.9999
Size	0.9999	1.0000	1.0000	0.9999	1.0000
	0.9999	1.0000	0.9999	0.9999	0.9999
ROA	6.8415	5.0068	33.3247	7.7586	13.7069
	0.5221	0.094	0.0836	0.1105	0.0531
ROE	1.4711	1.0551	1.0938	1.2949	0.9894
	0.5221	0.6531	0.5904	0.5112	0.6161
DE	1.2415	1.0010	1.0170	1.0199	1.0007
	0.7091	0.9729	0.9532	0.9662	0.9848
MRKcap	1.0000	1.0000	1.0000	1.0000	1.0000
	0.9999	0.9999	0.9999	0.9999	0.9999
Age	0.9999	1.0011	0.9931	0.9944	0.9898
	0.8886	0.9871	0.9868	0.9873	0.9838
CSRstrategyscore Fixed Effect	Yes	Yes	Yes	Yes	Yes
Year Fixed Effect	Yes	Yes	Yes	Yes	Yes
LR-x^2	249.85	270.17	270.31	253.27	277.24
Adj R^2	0.697	0.755	0.755	0.702	0.775
N	300	300	300	300	300

*** $p < 0.001$, ** $p < 0.05$, * $p < 0.01$

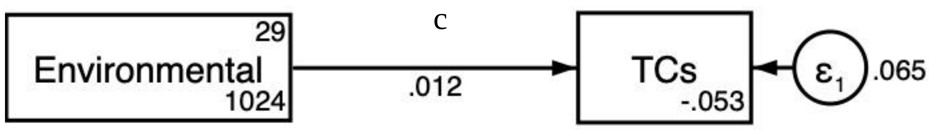
5.3 Mediator Analysis

5.3.1 The Mediation Effect of CSRstrategyscore between Environmental and Employees' Attraction

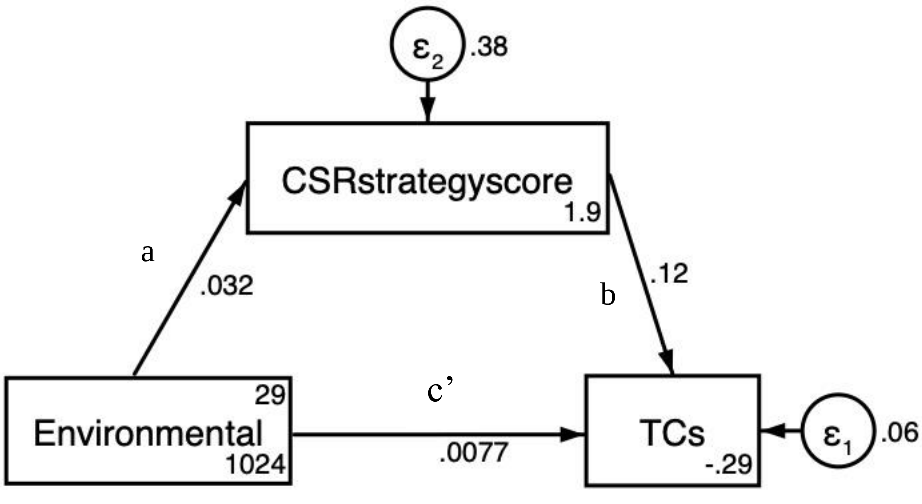
Figure 1

Structural Model 1

A) Model with Total Effect



B) Model with Mediation Design



*** p < 0.001, ** p < 0.05, * p < 0.01

According to Henseler, the application of bootstrapping with 1000 resamples allows for the computation of standard errors and t-statistics, which may be utilized to assess the statistical significance of the route coefficients (Henseler et al. 2009). As part of the study, the computation of bootstrapping confidence intervals for standardized regression coefficients is performed simultaneously. All of the direct effects depicted in Figure 1B exhibit statistical significance at the level of 0.001. The outcome of the percentile bootstrap at a 95% confidence interval is likewise depicted in Table 4 and it shows that the value zero (0) is not included in its range (0.002 – 0.006). The latter implies that the null hypothesis is rejected. Hence, the findings of this study provide support for Hypothesis IV.

Furthermore, Figure 1A illustrates the comprehensive impact (c) of Environmental scores on TCs.

Figure 1B illustrates the comprehensive impact of CSRstrategyscore on TCs, which is comprised of both the direct effect (c') and the indirect impacts (ab). The calculation of the latter involves multiplying the route coefficients for each of the paths in the mediational chain.

The utilization of bootstrapping enables the examination of mediation theories Preacher and Hayes (2008). The present analysis used 1000 resamples to obtain 95% confidence intervals (using the percentile method) for the mediators. According to the findings shown in Figure 1A and Table 4, it is evident that Environmental scores exert a substantial overall influence on TCs ($c = 0.012$ $t = 24$). Upon the inclusion of mediators (Fig. 1B), the impact of Environmental scores declines, however, it continues to exert a substantial direct influence on TCs ($c' = 0.008$; $t = 8$). Consequently, this outcome provides support for Hypothesis IV. Moreover, to strengthen the results above a Sobel test and robustness check have been evaluated. Table 4 shows that the Sobel test is significant at the level of 1%, while to test the robustness, this study uses two additional models. First, Baron and Kenny's approach to testing mediation and lastly Zhao, Lynch & Chen’s approach to test mediation.

Baron and Kerry’s approach is divided into three steps:

1. Analyze path a, coefficient 0.032 with statistical significancy at the level of 1%
2. Analyze path b, coefficient 0.123 with statistical significancy at the level of 1%
3. Analyze path c’, coefficient 0.008 (rounded value) with statistical significancy at the level of 1%

Thus, according to the authors, because Step 1, Step 2 and Step 3 as well as for the Sobel test, Table 4, are significant, it is possible to assert the presence of a mediation effect Baron and Kenny (1986).

Whereas, according to Zhao, Lynch & Chen's approach, because c' path (0.008) and Monte Carlo test are significant at the level of 1% and their coefficient point in the same direction, it is possible to assert the presence of a mediation effect (Zhao et al. 2010).

The aforementioned discoveries indicate that the study model demonstrates considerable indirect impacts of CSRstrategyscore on TCs. As a result, the findings presented in Table 4 indicate that as theorized in Hypothesis IV, CSRstrategyscore serves as a partial mediator in the association between Environmental scores and TCs.

Table 4
Summary of mediating effect tests

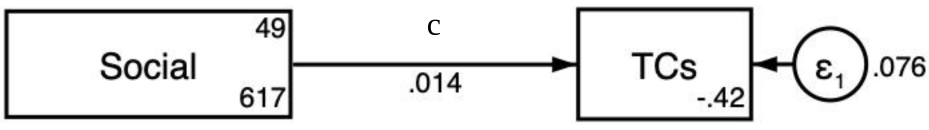
Total effect of Enviromental on TCs (c)		Direct effect of Envoronmental on TCS		Indirect effects of Environmental on TCs					
Coeffiicent	t-vale	Coeffiicent	t-value		Point Estimate	Sobel	Monte Carlo	Percentile Bootstrap 95% confidence interval	
								Lower	Upper
0.012***	24***	0.008***	8***	a*b	0.004***	0.004***	0.004***	0.002	0.006

5.3.2 The Mediation Effect of CSRstrategyscore between Social and Employees' Attraction

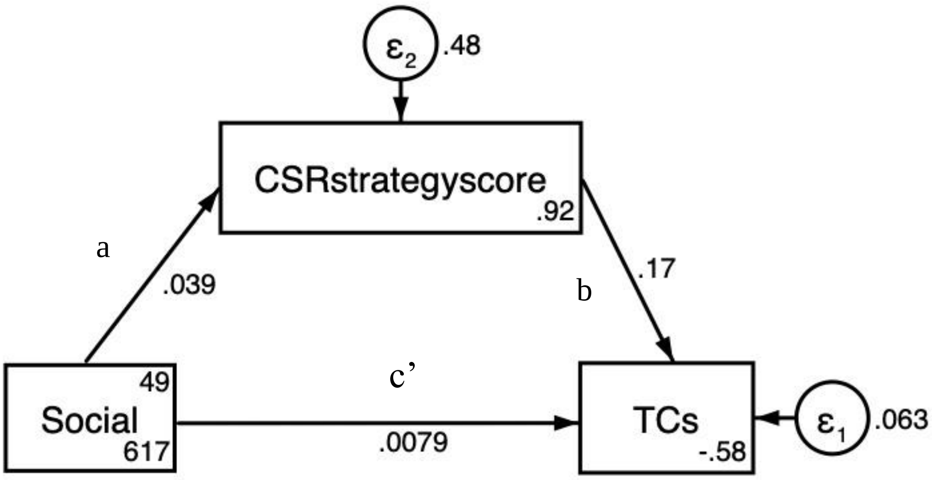
Figure 2

Structural Model 2

A) Model with Total Effect



B) Model with Mediation Design



*** p < 0.001, ** p < 0.05, * p < 0.01

According to Henseler, the application of bootstrapping with 1000 resamples allows for the computation of standard errors and t-statistics, which may be utilized to assess the statistical significance of the route coefficients (Henseler et al. 2009). As part of the study, the computation of bootstrapping confidence intervals for standardized regression coefficients is performed simultaneously. All of the direct effects depicted in Figure 2B exhibit statistical significance at the level of 0.001. The outcome of the percentile bootstrap at a 95% confidence interval is likewise depicted in Table 5 and it shows that the value zero (0) is not included in its range (0.004 – 0.009). The latter implies that the null hypothesis is rejected. Hence, the findings of this study provide support for Hypothesis V.

Furthermore, Figure 2A illustrates the comprehensive impact (c) of Social scores on TCs.

Figure 2B illustrates the comprehensive impact of CSRstrategyscore on TCs, which is comprised of both the direct effect (c') and the indirect impacts (ab). The calculation of the latter involves multiplying the route coefficients for each of the paths in the mediational chain.

The utilization of bootstrapping enables the examination of mediation theories (Preacher & Hayes, 2008). The present analysis used 1000 resamples to obtain 95%

confidence intervals (using the percentile method) for the mediators. According to the findings shown in Figure 2A and Table 5, it is evident that Social scores exert a substantial overall influence on TCs (c = 0.014 t = 14). Upon the inclusion of mediators (Fig. 2B), the impact of Social scores declines, however, it continues to exert a substantial direct influence on TCs (c′ = 0.008; t = 8). Consequently, this outcome provides support for Hypothesis V. Moreover, to strengthen the results above a Sobel test and robustness check have been evaluated. Table 5 shows that the Sobel test is significant at the level of 1%, while to test the robustness, this study uses two additional models. First, Baron and Kenny's approach to testing mediation, and lastly Zhao, Lynch & Chen’s approach to test mediation. Baron and Kerry’s approach is divided into three steps:

1. Analyze path a, coefficient 0.039 with statistical significance at the level of 1%
2. Analyze path b, coefficient 0.17 with statistical significance at the level of 1%
3. Analyze path c’, coefficient 0.008 (rounded value) with statistical significance at the level of 1%

Thus, according to the authors, because Step 1, Step 2 and Step 3 as well as for the Sobel test (Table 5), are significant, it is possible to assert the presence of a mediation effect Baron and Kenny (1986).

Whereas, according to Zhao, Lynch & Chen’s approach, because c’ path (0.008) and Monte Carlo test are significant at the level of 1% and their coefficient point in the same direction, it is possible to assert the presence of a mediation effect (Zhao et al. 2010).

The findings above, also in this case, indicate that the study model demonstrates considerable indirect impacts of CSRstrategyscore on TCs. As a result, the output presented in Table 5 indicates that as theorized in Hypothesis V, CSRstrategyscore serves as a partial mediator in the association between Social scores and TCs.

Table 5
Summary of mediating effect tests

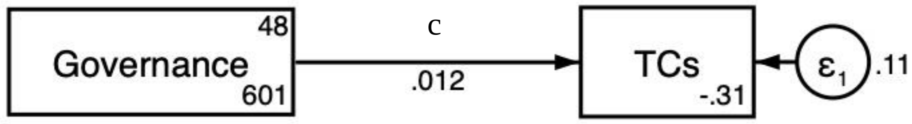
Total effect of Social on TCs (c)		Direct effect of Social on TCS		Indirect effects of Social on TCs					
Coeffiicent	t-vale	Coeffiicent	t-value		Point Estimate	Sobel	Monte Carlo	Percentile Bootstrap 95% confidence interval	
								Lower	Upper
0.014***	14***	0.008***	8***	a*b	0.006***	0.006***	0.006***	0.004	0.009

5.3.3 The Mediation Effect of CSRstrategyscore between Governance and Employees' Attraction

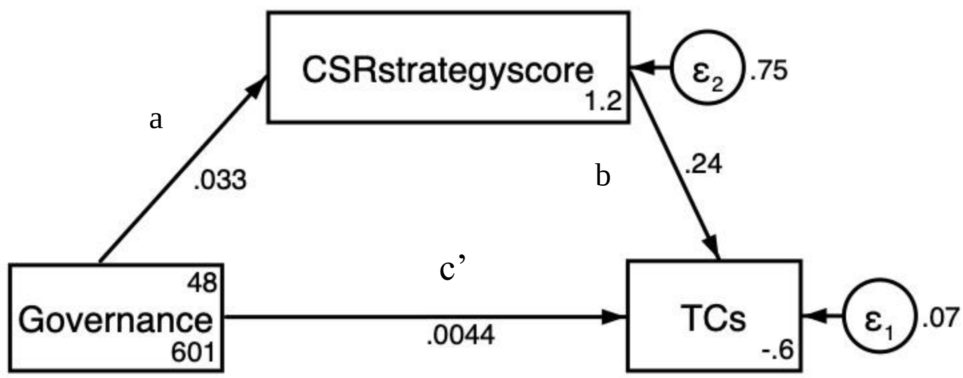
Figure 3

Structural Model 3

A) Model with Total Effect



B) Model with Mediation Design



According to Henseler, the application of bootstrapping with 1000 resamples allows for the computation of standard errors and t-statistics, which may be utilized to assess the statistical significance of the route coefficients (Henseler et al. 2009). As part of the study, the computation of bootstrapping confidence intervals for standardized regression coefficients is performed simultaneously. All of the direct effects depicted in Figure 3B exhibit statistical significance at the level of 0.001. The outcome of the percentile bootstrap at a 95% confidence interval is likewise depicted in Table 6 and it shows that the value zero (0) is not included in its range (0.006 – 0.01). The latter implies that the null hypothesis is rejected. Hence, the findings of this study provide support for Hypothesis VI.

Furthermore, Figure 3A illustrates the comprehensive impact (c) of Governance scores on TCs.

Figure 3B illustrates the comprehensive impact of CSRstrategyscore on TCs, which is comprised of both the direct effect (c') and the indirect impacts (ab). The calculation of the latter involves multiplying the route coefficients for each of the paths in the mediational chain.

The utilization of bootstrapping enables the examination of mediation theories (Preacher & Hayes, 2008). The present analysis used 1000 resamples to obtain 95% confidence intervals (using the percentile method) for the mediators. According to the findings shown in Figure 3A and Table 6, it is evident that Governance scores exert a substantial overall influence on TCs (c = 0.012 t = 12). Upon the inclusion of mediators (Fig. 3B), the impact of Governance scores declines, however, it continues to exert a substantial direct influence on TCs (c′ = 0.004; t = 4). Consequently, this outcome provides support for Hypothesis VI. Moreover, to strengthen the results above a Sobel test and robustness check have been evaluated. Table 6 shows that the Sobel test is significant at the level of 1%, while to test the robustness, this study uses two additional models. First, Baron and Kenny's approach to testing mediation, and lastly Zhao, Lynch & Chen’s approach to test mediation. Baron and Kerry’s approach is divided into three steps:

1. Analyze path a, coefficient 0.033 with statistical significance at the level of 1%
2. Analyze path b, coefficient 0.24 with statistical significance at the level of 1%
3. Analyze path c’, coefficient 0.004 (rounded value) with statistical significance at the level of 1%

Thus, according to the authors, because Step 1, Step 2 and Step 3 as well as for the Sobel test (Table 6), are significant, it is possible to assert the presence of a mediation effect Baron and Kenny (1986).
Whereas, according to Zhao, Lynch & Chen’s approach, because c’ path (0.004) and Monte Carlo test are significant at the level of 1% and their coefficient point in the same direction, it is possible to assert the presence of a mediation effect (Zhao et al. 2010).
The findings above, also in this case, indicate that the study model demonstrates considerable indirect impacts of CSRstrategyscore on TCs. As a result, the output presented in Table 6 indicates that as theorized in Hypothesis VI, CSRstrategyscore serves as a partial mediator in the association between Governance scores and TCs.

Table 6
Summary of mediating effect tests

Total effect of Governance on TCs (c)		Direct effect of Governance on TCS		Indirect effects of Governance on TCs					
Coeffiicent	t-vale	Coeffiicent	t-value		Point Estimate	Sobel	Monte Carlo	Percentile Bootstrap 95% confidence interval	
								Lower	Upper
0.012***	12***	0.004***	4***	a*b	0.008***	0.008***	0.008***	0.006	0.01

6. Discussion

6.1 Theoretical Implications

This research redefines the theoretical comprehension of the Environmental, Social, and Governance (ESG) framework within the specific context of employee attraction. When compared to the non-significant Governance element, the statistical importance of Environmental and Social aspects poses a challenge to traditional interpretations of ESG. This observation underscores the intricate influence of ESG factors on employee views and commitment. The results of this study highlight the theoretical significance of the Environmental and Social aspects within the Environmental, Social, and Governance (ESG) framework when analyzing employees' attraction. The aforementioned aspects have considerable importance, indicating that they possess more influence on talent attraction when compared to the Governance component. The rearrangement of significance discussed here has significant consequences for both the theory of environmental, social, and governance (ESG) and the practice of organizations. Furthermore, this research sheds light on a transformation occurring within the theoretical framework pertaining to employee attraction. The significance of values alignment has been widely acknowledged for a considerable period of time Akhouri and Chaudhary (2019). However, the increasing importance placed on Environmental and Social variables indicates a shift in the values that influence talent-related decision-making Malhotra and Pachauri (2023). In contemporary times, it has become imperative for organizations to regard environmental sustainability and social responsibility as integral facets that contribute to their overall appeal Huang and Qiu (2023). The lack of statistical significance of Governance in relation to employee attraction prompts a reevaluation of its theoretical significance. Although the significance of governance in ensuring the general well-being and longevity of an organization cannot be undermined, our findings indicate that its influence on the attraction of talent may be more indirect or influenced by other variables. This finding calls into question the previously held beliefs on the extent to which Governance directly attracts potential workers Barnes and Cheng (2023) .

6.2 Managerial Implications

The study's theoretical findings above hold significant strategic implications for businesses in the short term and long term. Organizations may be required to readjust their ESG strategy in order to emphasize the Environmental and Social aspects, in order to fit with the values and expectations of potential talent. The aforementioned realignment has the potential to function as a competitive advantage in the recruitment of individuals who place a high value on these particular aspects Malhotra and Pachauri (2023). Considering the statistical relevance of Environmental and Social aspects in the attraction of employees, it is imperative for firms to proactively incorporate these components into their corporate ethos and practices Weston and Nnadi (2021). Highlighting sustainability projects, environmental accountability, and social effects can operate as compelling factors for potential workers. In order to develop and effectively convey an engaging Environmental, Social, and Governance (ESG) story that is consistent with the organization's core values it is recommended that managers engage in collaboration with the Human Resources (HR) and Corporate Social Responsibility (CSR) departments Jayne and Dipboye (2004). Thus, organizations should emphasize recruitment tactics that are aligned with the shifting values of potential employees. Customizing recruiting procedures to emphasize an organization's dedication to environmental sustainability and social responsibility can profoundly resonate with individuals who prioritize these aspects. It is important to provide training for hiring managers in order to enhance their ability to effectively articulate the embodiment of organizational values Schuler, R. S., & Macmillan, I. C., (1984). Although talent attraction, according to this study's findings, is not primarily influenced by governance, it nonetheless plays a crucial role in ensuring the general health and viability of an organization. It is imperative for managers to establish and maintain robust governance systems in order to uphold ethical standards, assure compliance, and facilitate effective decision-making Almashhadani, M. and Almashhadani, H. (2023). Governance plays a fundamental role in bolstering the appeal of Environmental and Social projects. Therefore, it is recommended that organizations allocate resources toward the implementation of staff training and awareness initiatives aimed at enhancing comprehension of Environmental, Social, and Governance (ESG) concepts. This has the potential to build a collective ethos centered around common principles and active participation in environmental and social endeavors. Moreover, it is imperative for managers to perceive Environmental, Social, and Governance (ESG) factors as valuable assets that can provide a competitive advantage within the talent market (Widyantoro et al. 2022). Organizations that successfully distinguish themselves via their environmental and social efforts have the ability to recruit talent that is aligned with their purpose and driven by principles. The utilization of ESG differences should be employed in employer branding and recruiting marketing initiatives. Managers should also maintain a continual monitoring and adaptive approach to their strategy, acknowledging the ever-evolving nature of both the talent market and environmental, social, and governance (ESG) factors. It is important to conduct regular evaluations of the correlation between environmental, social, and governance (ESG) standards and the ability to recruit employees. The ability to adapt and be flexible in implementing environmental, social, and governance (ESG) initiatives is crucial for maintaining a competitive edge in the recruitment and retention of highly skilled individuals. Finally, the successful integration of environmental, social, and governance (ESG) considerations and the ability to recruit talented individuals necessitate a collaborative effort among many organizational departments, such as Human Resources (HR), Corporate Social Responsibility (CSR), Marketing, and Leadership. It is imperative for managers to cultivate cross-functional collaboration in order to provide a comprehensive approach to environmental, social, and governance (ESG) initiatives, as well as talent acquisition methods. The collective endeavor has the potential to optimize the influence of environmental, social, and governance (ESG) activities on the attractiveness of organizations (Duane, 2023).

7. Conclusions

7.1 Limitations

The results of this investigation pertain exclusively to the technology and software sector throughout the designated period of time (2018-2021, 2020 excluded). While the sector exhibits traits of innovation and a workforce driven by values, it is important to take caution when extrapolating these findings to other industries or other time periods. Furthermore, the choice to remove 2020 data for the period in the analysis could be a drawback. This consideration has been motivated by the unprecedented disruptions produced by the COVID-19 pandemic. While the current study maintains its emphasis on the pre-pandemic and post-pandemic settings, it is suggested that future research should investigate the impact of the pandemic on ESG priorities and the recruitment of talent.

The research utilizes ESG ratings as quantitative indicators of environmental, social, and governance concerns. The ratings shown in this analysis are susceptible to fluctuations due to differences in methodology and data sources, thereby influencing the outcomes. Subsequent investigations may benefit from the inclusion of supplementary qualitative methodologies or the exploration of other measuring strategies. Moreover, the sample size utilized in this study, while considerable, may not encompass the complete range of diversity within the technology and software business. This research may not completely capture the diverse range of ESG practices and attractiveness dynamics exhibited by smaller enterprises or startups. Yet, the study posits a homogenous understanding of environmental, social, and governance (ESG) aspects within the workforce. Diverse perspectives on environmental, social, and governance activities might give rise to differing interpretations, hence warranting more investigation in future study endeavors. Finally, the findings show that CSRstrategyscore mediates the relationship between ESG factors and employees' attraction. However, the coefficients in the mediation analysis are relatively small. Thus, due to the latter, the mediation effect may not have a meaningful impact on the real world.

7.2 Future Research

The previously discussed implications present potential avenues for further investigation in the future. Academic researchers have the ability to explore the intricate mechanisms through which environmental and social elements have an effect on employee attractiveness. This investigation has the potential to bolster the theoretical underpinnings of ESG-related studies by providing insights into the distinct impact that Governance may have in attracting talent, as compared to other aspects. Furthermore, subsequent investigations may utilize longitudinal data to monitor the progression of environmental, social, and governance (ESG) aspects and their impact on the attraction of employees over an extended duration. This methodology would enable scholars to evaluate the evolving relevance of Governance over time and to reflect the dynamic characteristics of the technology and software sector. Comparative analyses conducted across several industries have the potential to yield useful insights into the varying impact of environmental, social, and governance (ESG) issues on employee attractiveness across distinct sectors. An examination of the reasons for the varying degrees of emphasis placed on certain environmental, social, and governance (ESG) components within different businesses may provide valuable insights into the contextual elements at play. Another potential line of research is examining the influence of organizational culture in mediating the connection between environmental, social, and governance (ESG) elements and employee attractiveness. This study aims to investigate the potential correlation between a values-driven culture and the enhanced effectiveness of Environmental, Social, and Governance (ESG) efforts in influencing talent-related decision-making processes. Finally, further investigations may expand the scope of inquiry beyond attraction to encompass the impact of environmental, social, and governance (ESG) aspects on the retention of employees. Gaining insight into the influence of ESG practices on employee commitment and tenure may offer employers a more holistic understanding of their effects on the workforce.

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Summary

The IT and software industry, known for its dynamic and transformative nature, holds a central position at the intersection of societal and technological advancement. The aforementioned industry has not only revolutionized our means of external communication, but it also possesses the capacity to shape the fundamental underpinnings of our next endeavors. The industry's significance extends beyond just economic transactions within the context of rapid technological progress and digital disruption. It encompasses noteworthy social, environmental, and governance dimensions. Organizations are currently navigating unfamiliar terrain that requires them to strike a delicate equilibrium between financial growth and comprehensive accountability within the digital and software industry, characterized by fast innovation and intense competition. The concept of ESG (environmental, social, and governance) has gained significant prominence in contemporary organizational practices. Organizations are increasingly recognizing the need to incorporate ESG factors into their decision-making processes. ESG principles encompass the evaluation of an organization's impact on the natural environment, commitment to societal welfare, and adherence to ethical business conduct, alongside financial metrics. The correlation between ESG ratings and employees' attraction, in the tech and software business, may exhibit a weaker association than first perceived. The industry is often commended for its focus on advanced technology, fast-paced work environments, and the allure of entrepreneurial endeavors. Nevertheless, a significant shift is occurring beneath the surface, highlighting the essential connection between environmental, social, and governance (ESG) aspects and the industry's ability to attract, retain, and cultivate top-tier individuals.

Moreover, this industry is distinguished by its pursuit of pushing the boundaries of what is deemed feasible and its capacity to redefine human interaction via the utilization of technology. Its success relies on its workforce, using the expertise and skills of professionals to create innovative solutions that revolutionize many aspects of our lives, professional endeavors, and modes of communication. This environment inherently fosters the attraction of skilled workers who possess skills and drive to promote progress and growth.

In recent years, there has been an increasing recognition of the impact of the IT and software business on societal dynamics, environmental stewardship, and ethical considerations. Organizations operating within this particular sector are increasingly recognizing the broader implications of their actions, extending beyond just financial indicators. These entities possess the potential to impact social integration, ecological durability, and technological morality. Consequently, there has been an increasing adoption of ESG principles in business strategies, which is no longer perceived as a mere procedural requirement, but rather as a strategic imperative that aligns with the transformative character of the industry. The latter has undergone maturation, and therefore, the motives of the workers have also evolved. Employees, particularly those employed in the internet and software sector, seek organizations that align with their core principles, foster ethical conduct, and contribute positively to society. In addition to financial benefits, the pursuit of purpose is progressively being employed as a driving force. The attainment of these objectives can be facilitated by the use of Environmental, Social, and Governance (ESG) principles, which allow personnel the opportunity to channel their skills and endeavors into endeavors that are congruent with their own beliefs. Consequently, it is incumbent upon enterprises to provide environments that foster responsible innovation and facilitate positive transformation. ESG scores function as a beacon that attracts individuals who are motivated to leverage their skills in order to drive constructive transformation, given that these ratings serve as a metric for assessing an organization's commitment to these same principles.

This research aims to explore the unexplored domain of the relationship between Environmental, Social, and Governance (ESG) scores and employees' attraction within the context of the dynamic nature of the technology and software sector and the increasing importance of ESG factors. This analysis seeks to elucidate the factors underlying workers' preference for organizations that exhibit elevated levels of Environmental, Social, and Governance standards, through an examination of the intricate dynamics involved in this phenomenon. Within the framework of an industry that acts as a standard for pioneering advancements, imaginative thinking, and social change, the acquired insights possess the capacity to fundamentally remodel our comprehension of talent acquisition.

The above framework provides a compelling setting; nonetheless, in order to fully comprehend the significance of this research, it is necessary to examine the current and prospective economic contributions of the technology and software sector.

Undoubtedly, the latter (referring to a specific entity previously mentioned) currently assumes a crucial function within the contemporary economy. In addition, based on the observed pattern over recent years, it is reasonable to anticipate that its influence as a catalyst within the economic sphere will continue to grow. This tendency does not necessarily indicate that technology and software firms will inherently constitute the future of our economy. To provide a more comprehensive understanding of this occurrence, it is important to analyze other variables. Based on established conventions, it is widely acknowledged that organizations must exhibit strong performance in order to maintain long-term sustainability. Furthermore, the level of employee attraction is a critical determinant that directly impacts the overall success of the organization. This study addresses a gap in the existing literature by examining the correlation between environmental, social, and governance (ESG) aspects and workers' attraction. Additionally, it investigates the potential mediating role of firms' corporate social responsibility (CSR) strategy scores. Finally, this study suggests that companies possessing the aforementioned characteristics can provide insights into the fundamental factors that enable tech and software companies to maintain their crucial position in the markets and enhance their influence in the economic landscape in the coming years.

As mentioned above, one of the primary objectives of this research is to examine the frequently disregarded correlation between a corporation's dedication to environmental sustainability and its appeal to its workforce. Thus, Hypothesis I posits that environmental elements exert a positive impact on the level of employee attraction.

The foundation of this argument is based on the changing demands of modern labor. Younger generations have a growing concern over the ecological footprint of the organizations they are employed. Organizations that proactively adopt sustainable practices are commonly seen as possessing ethical integrity, displaying forward-looking tendencies, and aligning themselves with worldwide ambitions. Organizations that demonstrate a commitment to tackling pressing environmental issues are often characterized by a range of environmental factors, including the implementation of green initiatives, the adoption of eco-friendly policies, and the incorporation of sustainable business practices.

Considerable scholarly investigation has been dedicated to examining several facets of organizational attractiveness. However, the influence of environmental elements on this particular dimension has received limited attention in the existing literature. This hypothesis addresses the existing research gap by suggesting that a firm’s dedication to environmental sustainability may greatly augment an organization's attractiveness to both prospective and existing personnel. Moreover, the dynamic nature of the contemporary business environment underscores the significance of social factors in influencing the viewpoints and dispositions of employees. This research investigates the relatively understudied area of the relationship between different social elements inside firms and employees' degrees of organizational attraction. Hence, Hypothesis II posits that social elements exert a positive impact on the level of attraction experienced by employees. Also here, the justification for this idea is rooted in the shifting requirements of the modern labor market and the dynamic characteristics of work. The increasing diversity and distant nature of businesses, along with the blurring of boundaries between work and home life, have heightened the importance of cultivating a feeling of community, camaraderie, and belonging in the workplace. Contemporary workers exhibit a need for work settings that provide avenues for social interaction, individual development, and a profound sense of inclusion, surpassing the conventional emphasis on monetary remuneration. Organizations that actively acknowledge and address these changing demands have the potential to gain a significant edge in attracting and maintaining highly skilled individuals. Although previous studies have recognized the significance of social elements in fostering employee engagement and well-being, there is a lack of studies exploring the direct correlation between these characteristics and organizational attractiveness. The present hypothesis suggests that organizations that place emphasis on fostering community, cultivating strong social connections, and creating collaborative environments are more inclined to elicit positive attitudes among employees, hence resulting in increased levels of attraction.

Lastly, regarding governance practices, the importance of governance elements in influencing employee attitudes and organizational experiences has become increasingly prominent in the contemporary business environment. Thus, this work wants to investigate the relationship between governance aspects inside firms and the degree of employee attraction towards these entities, an area that has received limited attention in previous research. Therefore, Hypothesis III posits that governance characteristics exert a positive impact on the level of employee attraction. The basis of this argument is grounded in the perceptive anticipations of modern employees and the dynamic characteristics of corporate culture. In the context of a more linked global landscape, the topics of ethics, transparency, and accountability have garnered amplified scrutiny inside organizational settings. Employees, as stakeholders, exhibit a vested interest not just in the financial prosperity of an organization but also in its ethical foundations.

The present hypothesis suggests that firms that have strong governance systems are more inclined to foster increased levels of employee attraction. While previous studies have acknowledged the significance of ethical governance in enhancing the reputation of organizations and fostering trust among stakeholders, there is still a need for more investigation into the precise connection between these characteristics and the attractiveness of employees. The idea posits that organizations that place emphasis on ethical governance, transparency, and accountability foster an atmosphere in which workers regard the company as embodying robust moral values and a dedication to legal compliance. This notion, consequently, amplifies workers' sentiments of attraction. To strengthen the analysis, this research investigated the possible mediating function of CSR strategy score, which encompasses a complete assessment of the sustainability committee, stakeholder involvement, CSR sustainability report, ESG reporting scope, and adherence to SDG principles. Thus, the following Hypotheses: Hypothesis IVa posits that the mediating role of CSR strategy score exists in the link between environmental conditions and workers' attraction. Hypothesis IVb posits that the mediating role of CSR strategy score exists in the link between social elements and workers' attraction. Hypothesis IVc posits that the mediating role of CSR strategy score exists in the link between governance and workers' attraction.

To address the objectives above mentioned, it is required to design a methodology to get further insights into this particular sector and examine the impact of ESG practices on employees' perceptions and their appeal to their respective organizations. The IT and software sectors are widely recognized for attracting a skilled and diverse workforce that is motivated to make significant contributions to cutting-edge technologies. Employees in this particular industry often exhibit motivations beyond financial incentives, as they want a sense of purpose, influence, and congruence with the organizational goals. The industry under consideration offers a fertile ground for examining the effects of corporate social responsibility (CSR) initiatives, environmental and social involvement, and ethical governance practices on employee attractiveness and commitment. This is because individuals who prioritize values are inclined towards participating in such endeavors. There was a notable rise in the prioritization of corporate social responsibility (CSR) and social activities across several industries in the year leading up to 2021. During this period, there was a heightened focus on sustainability, diversity, openness, and stakeholder engagement within the technology and software industry, which is well recognized for its groundbreaking advancements and significant impact. The objective of this study is to evaluate the scope of corporate social responsibility (CSR) initiatives and their potential impact on employee attractiveness, specifically focusing on the period from 2018 to 2021, prior to the disruptive effects of the pandemic. The prevalence of prioritizing corporate social responsibility (CSR), social responsibility (SDGs), and ethical governance practices had a notable increase in the years leading up to 2021. During this period, there has been an increased focus on sustainability, diversity, openness, and stakeholder participation within the IT and software business, renowned for its capacity for innovation and significant impact. The objective of this study is to evaluate the current status of corporate social responsibility (CSR) activities and their potential impact on hiring choices, assuming that the disruptive effects of the pandemic are absent. The analysis incorporates data spanning from 2018 to 2021, with the exclusion of 2020 due to the unique challenges posed by the global pandemic which led to unprecedented adaptations in workplace dynamics, business strategies, and societal priorities. The pandemic has had a significant and transformative impact, resulting in an exceptional era characterized by a substantial deviation from conventional organizational protocols. By eliminating the data from the year 2020, the study may effectively mitigate confounding effects and maintain a more precise and targeted investigation of the issues at hand. The inclusion of the year 2021 in the post-pandemic period affords us an opportunity to see the modifications, advancements, and adaptations made by corporations in their governance, social, and corporate social responsibility strategies in response to the consequences of the pandemic.

In this study, to evaluate the intricate interrelationships between ESG practices and employees' attraction, statistical analysis, logistic analysis, and mediation analysis are use to reached the underlined previous goal. Deeply, the CSRstrategyscore, a key factor in this study, serves as a significant mediator in assessing the overall effectiveness of CSR initiatives. Logistic analysis is a statistical method employed to discern associations between independent factors, namely environmental, social, and governance difficulties, and the dependent variable of employee attractiveness. The utilization of mediation analysis, employing a two-step technique, provides a deeper understanding of the mediating influence of CSR strategy score. The initial stage involves assessing the importance of the mediator's direct and indirect impacts on both the independent variables and the dependent variable through the utilization of a structural equation model. After establishing the significance of these effects, researchers employ both Baron & Kenny's and Zhao, Lynch & Chen's methodologies to analyze the mediation effects. The analysis is enhanced by the inclusion of Sobel and Monte Carlo tests, which provide a comprehensive understanding of the mediation effect. All the data used in those analyses were collected from a variety of reputable sources, such as Refinitiv for ESG scores and other significant firm-level factors, while the CEO awards data were collected on Glassdoor.

The study started by collecting data from established and extensively utilized databases, so guaranteeing the dependability and precision of the information. The ESG scores, which comprise the environmental, social, and governance components, were acquired from Refinitiv. Concurrently, variables pertaining to the business, including sales, size (measured by total assets), return on assets (ROA), return on equity (ROE), market capitalization, age, and the mediator variable, CSRstrategyscore, were obtained from the identical database. Moreover, information pertaining to organizations whose Chief Executive Officers (CEOs) were recipients of the esteemed "TOP CEO award" was retrieved from the Glassdoor platform.

The sample consisted of 100 enterprises, including the time period from 2018 to 2021, excluding the year 2020. These companies worked only within the technology and software business, which may be further categorized into five main sectors: Software & IT services, Semiconductors, Telecommunication, E-commerce, and Technology Hardware & Equipment. Thus, to address its goal, this work considers the "TOP CEO Award" as the dependent variable and the environmental, social and governance scores as the independent variable. While, the firm level variables, such as: sales, size (measured by total assets), return on assets (ROA), return on equity (ROE), market capitalization, and age represent the control variables. Finally, CSRstrategyscore was the variable taken into consideration to evaluate its possible effect as the mediator between dependent and independent variables.

The recipients of the "TOP CEO award" are selected through an evaluation process that relies on employee feedback from the preceding calendar year. The announcement of the awardees typically occurs in either June or March. The technique employed by Glassdoor assures that the award is based solely on recommendations provided by former workers who departed from the firm during the current or preceding year. This approach effectively mitigates the influence of assessments pertaining to prior CEOs on the final results. In order to meet the criteria for evaluation, a firm must possess a minimum workforce of 1000 people and garner no less than 100 employee reviews during a given year. Furthermore, it is imperative that the organization attains a minimum overall rating of three stars out of five, which should take into account evaluations from both employees and customers. In order to enhance protection against deceptive reviews, Glassdoor takes into account both the written content and rating components of the reviews. The organization analyzes assessments from the preceding year in order to verify that evaluations are consistent with customary trends. The implementation of rigorous processes is necessary to uphold the credibility of employee assessments, which play a pivotal role in Glassdoor's business framework.

The employee evaluations available on Glassdoor exhibit a correspondence with the demographic features as recorded by the United States Census Bureau, so enhancing the legitimacy of the data employed in this study. In order to operationalize the dependent variable, a binary variable was established. In the event that a company's Chief Executive Officer (CEO) has received recognition in the form of the "TOP CEO award," the variable TCs is assigned a value of 1. Conversely, if the CEO has not been honored with the award, the variable TCs is assigned a value of 0.

Whereas, regarding the independent variables, this study assesses the Environmental Score evaluating a company's dedication to sustainable resource utilization and environmental accountability, delivering a numerical value within the range of 1 to 100. In the ever-evolving field of information technology and software development, the forces of innovation and disruption play a pivotal role, hence underscoring the importance of the Environmental Score. The concept comprises a range of actions, such as the reduction of carbon emissions, the promotion of efficient energy usage, and the implementation of ethical waste management practices. While, the Social Score is a metric within the Environmental, Social, and Governance (ESG) framework that assesses an organization's dedication to promoting inclusivity and social awareness. Also this variable utilizes a numerical scale ranging from 1 to 100 to give values representing the organization's performance in these areas. Within the realm of the technology sector, a substantial Social Score serves as an indicator of a company's proficiency in cultivating diversity, actively involving stakeholders, and making valuable contributions to the surrounding community. These organizations are able to attract individuals who are motivated by a sense of purpose and a desire to connect with society, which in turn influences their inclination to seek employment with these enterprises. Lastly, the Governance Score evaluates a company's commitment to moral ideals, encompassing accountability, openness, and ethical behavior. This aspect is measured on a scale ranging from 1 to 100. In the field of technology, where ethical considerations assume significant importance, a substantial Governance Score indicates a commitment to upholding moral principles, ensuring openness, and prioritizing the interests of stakeholders. This characteristic appeals to those who are driven by principles of integrity and ethical conduct. Regarding the mediator variable, the CSR Strategy Score plays a crucial role in examining the intricate relationships among employees' attraction, ESG scores within the rapidly evolving tech and software industry. CSRstrategyscore is a measure that encapsulates an organization's all-encompassing approach to corporate social responsibility (CSR) initiatives. It involves translating the organization's fundamental principles into practical strategies that align logically with environmental, social, and governance (ESG) rules. Fundamentally, this mediator demonstrates the profound interconnection between a company's corporate social responsibility (CSR) activities and its strategic approach. The process of operationalizing the CSR strategy score involves assigning a rating ranging from E (representing the lowest level) to A (representing the greatest level) in order to assess an organization's level of dedication to and incorporation of corporate social responsibility (CSR) initiatives. The ratings obtained in this survey are afterwards transformed into a standardized scale ranging from 1 to 5, with a value of 1 assigned to E and a value of 5 assigned to A. This standardization process ensures consistency and facilitates comparisons.

According to the findings of this this study, it is possible to assert that only Environmental and Social practices have a statistically significant positive impact on employees' attraction. However, in the case of Governance factors, the lack of statistical significance prevents us from establishing a definitive link between this variable and employees' attractiveness. Moreover, this study demonstrates that the scores of firms' corporate social responsibility (CSR) strategies operate as a mediator in the connection between various environmental, social, and governance (ESG) factors and the level of employee attractiveness. Furthermore, the results underscore the theoretical importance of including the Environmental and Social dimensions within the Environmental, Social, and Governance (ESG) framework when examining the factors that influence employees' attraction to an organization. The aforementioned factors have significant relevance, suggesting that they exert more effect on talent acquisition in comparison to the Governance component. The reordering of importance examined in this discourse holds substantial implications for both the environmental, social, and governance (ESG) theory and the operational procedures of various organizations. Moreover, this study illuminates a paradigm shift taking place in the theoretical construct of the phenomenon of employee attraction. The recognition of the importance of values alignment has been generally recognized for a significant duration, as stated by Akhouri and Chaudhary (2019). The growing significance attributed to Environmental and Social factors signifies a change in the values that impact decision-making connected to talent, as noted by Malhotra and Pachauri (2023). In the present day, it is crucial for firms to recognize environmental sustainability and social responsibility as essential components that enhance their overall attractiveness. According to Huang and Qiu (2023). The absence of statistical significance in the relationship between Governance and employee attraction necessitates a reassessment of its theoretical importance. The importance of governance in promoting the overall welfare and sustainability of an organization should not be underestimated. However, this research suggests that its impact on talent acquisition may be less direct and potentially impacted by other factors. The discovery made by Barnes and Cheng (2023) raises doubts about the previously established notions on the degree to which Governance directly appeals to prospective employees. Those theoretical conclusions presented in the paper have substantial strategic implications for firms in both the short and long term. Organizations may need to realign their ESG strategy to prioritize the Environmental and Social dimensions, in order to align with the beliefs and expectations of prospective personnel. The realignment indicated above has the potential to provide a competitive advantage in attracting individuals who prioritize these specific qualities (Malhotra & Pachauri, 2023). Given the statistical significance of environmental and social factors in employee recruitment, it is crucial for organizations to deliberately integrate these elements into their corporate values and operational strategies. According to the research conducted by Weston and Nnadi (2021). Emphasizing sustainability initiatives, environmental responsibility, and social impact can serve as persuasive incentives for prospective employees. It is advisable for managers to actively participate in collaborative efforts with the Human Resources (HR) and Corporate Social Responsibility (CSR) departments to cultivate and proficiently communicate a compelling Environmental, Social, and Governance (ESG) narrative that aligns with the fundamental principles of the firm. Jayne and Dipboye (2004) conducted a study.

Therefore, it is imperative for firms to prioritize recruiting strategies that are in accordance with the evolving values of prospective workers. Tailoring recruitment processes to highlight an organization's commitment to environmental sustainability and social responsibility can significantly connect with candidates who prioritize these dimensions. The provision of training for recruiting managers is crucial in order to strengthen their capacity to effectively express the embodiment of corporate values. Schuler and Macmillan (1984) While the study's findings indicate that talent recruitment is not largely driven by governance, it remains a vital factor in maintaining the overall well-being and sustainability of a company. The establishment and maintenance of solid governance systems by managers is of utmost importance in order to sustain ethical standards, ensure compliance, and promote effective decision-making (Almashhadani & Almashhadani, 2023). The function of governance is crucial in enhancing the attractiveness of Environmental and Social initiatives. Hence, it is advisable for businesses to dedicate resources towards the development of staff training and awareness programs with the objective of improving understanding of Environmental, Social, and Governance (ESG) principles. There is a possibility for the establishment of a shared ethical framework and increased engagement in environmental and social initiatives. Furthermore, it is crucial for managers to recognize Environmental, Social, and Governance (ESG) elements as significant resources that might confer a competitive edge in the talent market (Widyantoro et al., 2022). Organizations that effectively differentiate themselves via their environmental and social initiatives possess the capacity to attract talent that shares their mission and is motivated by ethical values. Employer branding and recruiting marketing strategies should incorporate the usage of ESG distinctions. Managers must use a persistent monitoring and adaptive attitude towards their strategy, recognizing the dynamic nature of the talent market and environmental, social, and governance (ESG) concerns. Regular reviews of the association between environmental, social, and governance (ESG) norms and their impact on staff recruitment are of paramount importance. The capacity to adjust and demonstrate flexibility in the execution of environmental, social, and governance (ESG) activities is of paramount importance in sustaining a competitive advantage in the attraction and retention of highly talented personnel. The achievement of effectively incorporating environmental, social, and governance (ESG) factors, as well as the capacity to attract skilled individuals, requires a collective endeavor involving various departments within an organization, including Human Resources

(HR), Corporate Social Responsibility (CSR), Marketing, and Leadership. The cultivation of cross-functional collaboration is of utmost importance for managers in order to establish a complete strategy towards environmental, social, and governance (ESG) activities, as well as talent acquisition strategies. According to Duane (2023), the collaborative effort holds the capacity to enhance the impact of environmental, social, and governance (ESG) initiatives on the appeal of firms.

To conclude, it is important to consider that the findings of this study are only applicable to the technology and software industry throughout the specified timeframe (2018-2021, excluding 2020). Although the industry has characteristics of innovation and a workforce motivated by values, it is crucial to use prudence when generalizing these observations to other sectors or different temporal contexts. Moreover, the decision to exclude the 2020 data throughout the period of study may provide a potential limitation. The impetus for this deliberation has been prompted by the unparalleled disruptions caused by the COVID-19 epidemic. While the present study retains its focus on the settings before and after the epidemic, it is recommended that future research should explore the effects of the pandemic on environmental, social, and governance (ESG) priorities and the acquisition of skilled personnel.

The study employs ESG ratings as objective measures of environmental, social, and governance issues. The ratings shown in this research are subject to variability as a result of variations in methodology and data sources, which can therefore impact the results. Future research might potentially enhance their findings by including additional qualitative approaches or by exploring other measurement procedures. Furthermore, it should be noted that the sample size employed in this study, although substantial, may not fully represent the entire spectrum of diversity present in the technology and software industry. The present study may not comprehensively encompass the wide array of environmental, social, and governance (ESG) practices and the dynamics of attractiveness demonstrated by smaller firms or startups. However, the research proposes a uniform comprehension of environmental, social, and governance (ESG) factors among employees. The presence of diverse viewpoints about environmental, social, and governance activities may lead to varying interpretations, hence necessitating further inquiry in future research attempts. The results of the study indicate that the mediating role of CSR strategy score is evident in the association between ESG elements and workers' attraction. Nevertheless, the coefficients observed in the mediation study exhibit a rather modest magnitude. Therefore, as a result of the aforementioned factors, it is possible that the mediation effect may not exert a significant influence on real-world outcomes.

The implications that have been previously highlighted offer prospective opportunities for further research exploration. Academic scholars has the capacity to investigate the complex mechanisms through which environmental and social factors influence employee attractiveness. This inquiry possesses the capacity to enhance the theoretical foundations of ESG-related research by offering valuable insights into the specific influence that Governance may exert in recruiting talent, in comparison to other factors. Moreover, future inquiries may leverage longitudinal data to track the development of environmental, social, and governance (ESG) factors and their influence on employee attractiveness over an extended period of time. This technique facilitates the assessment of the changing significance of Governance over time and allows for the examination of the dynamic attributes of the technology and software industry. The potential for valuable insights into the differential influence of environmental, social, and governance (ESG) concerns on employee attraction across diverse sectors may be derived through comparative evaluations undertaken across many industries. A comprehensive analysis of the factors influencing the differential levels of importance assigned to specific environmental, social, and governance (ESG) aspects across diverse enterprises might yield significant perspectives on the contextual factors involved. A further avenue for investigation is exploring the role of corporate culture in moderating the relationship between environmental, social, and governance (ESG) factors and employee attraction. The objective of this study is to examine the possible association between a culture that prioritizes values and the improved efficacy of Environmental, Social, and Governance (ESG) initiatives in influencing decision-making processes connected to talent. Ultimately, future studies have the potential to broaden the range of examination beyond mere attraction, to incorporate the influence of environmental, social, and governance (ESG) factors on employee retention. Examining the impact of environmental, social, and governance (ESG) initiatives on employee commitment and tenure may provide businesses with a comprehensive comprehension of their implications for the workforce.

Future research prospects in this topic encompass the exploration of the influence of environmental and social elements on employee attractiveness, particularly in comparison to governance issues. Longitudinal studies provide the capacity to monitor the dynamic significance of governance within the technology industry as it evolves through time. Comparative assessments conducted across several industries can offer valuable insights into the distinct impacts of environmental, social, and governance (ESG) factors. Further investigation might be conducted to examine the potential influence of corporate culture on the association between environmental, social, and governance (ESG) aspects and the ability to recruit talented individuals. Furthermore, it is recommended that future research endeavors investigate the potential influence of environmental, social, and governance (ESG) activities on the retention of employees. This would contribute to a comprehensive comprehension of the implications of such programs on the whole workforce.