# SOCIALLY RESPONSIBLE EMPLOYMENT: EXPECTATIONS OF NEW ENTRANTS IN HUNGARY

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Ensuring high-quality labour is crucial for companies, and socially responsible employment practices play a key role in attracting and retaining talent. This study examines the preferences of new labour market entrants regarding corporate social responsibility in employment. As organizations increasingly integrate CSR strategies, understanding how these initiatives align with the values of young professionals is essential for workforce sustainability and organizational success. The research was conducted in late 2024 and early 2025 through an online survey targeting Hungarian university students studying economics and business. The study explored students' perspectives on various socially responsible employment practices, such as benefits, hybrid work options, career development opportunities, and workplace atmosphere. Findings indicate that students prioritize a supportive work environment and meaningful internal communication. A strong positive correlation was observed employment practices, confirming their between kev interdependence. Gender differences emerged, with women valuing benefits more than men. Entrepreneurial experience influenced perceptions, as those without business experience rated socially responsible employment practices as more important. These insights can help companies tailor CSR policies to better meet the expectations of young professionals, ensuring both employee satisfaction and long-term business success.

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## 1 Introduction

It is crucial for companies to sustain high quality labour. One of the most important contibuting factors are providing socially responsible employment. This study explores the preferences of new entrants to the labor market regarding socially responsible employment practices. As organizations increasingly adopt corporate social responsibility (CSR) strategies, understanding how these practices resonate with younger workers is crucial. By examining the attitudes of recent graduates and job seekers, this research sheds light on the growing importance of sustainability, ethical behavior, and inclusive practices in shaping employment decisions. The findings contribute to the broader conversation on how companies can align their policies with the values of the next generation of professionals, ensuring both organizational success and societal well-being.

### 2 Literature review

Socially responsible employment can be defined by company practices and initiatives that have a positive impact on the physical working environment and the psychological well-being of employees (Turker, 2009). The World Business Council for Sustainable Development defines employer responsibility as "[...] the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life." (WBCSD, 2002). Since the 2010s the concept of sustainability has increasingly taken over the role of responsibility, and the term 'sustainable work' was coined. This concept is used to describe the life and working conditions that support workers active employment and engagement over the life course (Eurofound, 2015).

Attracting the right number of suitable future employees and preventing employees from leaving their jobs in a given period is becoming more and more challenging for companies (Nijs et al., 2014) partly because of changing employee expectations and workforce dynamics (Sparrow & Makram, 2015). University students, the new entrants in the labour market some of whom are already employed or soon will be searching for work are exceptionally important for employers in leading sectors, especially IT & telecom and the services sector in general.

According to an HR survey in Hungary (Randstad, 2024) 34% of companies were planning to increase the headcount in 2024. Some fast-growing sectors, such as power and utilities, IT & telecom, BSS and the services sectors were especially keen to attract new employees. High turnover is also often leading to employee replacement. The most sought-after skills are IT/technology, engineering and accounting/finance. The most frequent (88% of companies reported on this) obstacle when recruiting is unrealistic salary expectations, but work-life balance expectations are still relatively high (33%). Other HR challenges include retaining top performers and employee development (72% of companies reported on this), managing high turnover, ensuring employees' mental health and aligning flexible working-hours with the business needs.

Several employment surveys (Brandfizz, 2023; PwC, 2024) found that attractive salary and benefit packages remain the top need when choosing a workplace and the number one reason to switch workplaces. Among the Gen Z age range (between 18 – 24 years of age) 29% intended to switch and 19% switched workplaces in 2023 (Randstad, 2023). Besides base salary, work-life balance, supportive teams and leaders, opportunities to learn and career development and meaningful, value-creating work are the most important expectations for new entrants (PwC, 2024).

As the above survey results show both the demand, and the supply side of the labour market have certain expectations, and it is crucial to make sure that they intersect. In order to ensure intersection, companies need to measure their own socially responsible employment practices. One of the most widely used tool is the labour related disclosures of the GRI standard (Global Reporting Initiative [GRI], 2016). The disclosures cover the most vital issues of employment such as labour/management relations (402), occupational health and safety (403), training and education (404), diversity and equal opportunities (405) and non-discrimination (406). Indicators included in the disclosures specify the elements of socially responsible employment practices. The most important indicators are company communication, especially regarding major organizational changes; promoting occupational health and safety and providing such services; the organization's investment in training and paid educational leave; ratio of basic salary and remuneration of women and men.

# 3 Methodology

The research took place in late 2024 and early 2025, during which an entrepreneurial questionnaire was used to find out about the entrepreneurial propensity of Hungarian students studying economics and business at higher education level. The students were able to access the questionnaire via the internet, and the questionnaires had been compiled in line with GDPR regulations and the university's ethical standards, so the answers could not be traced back to the respondents. Prior to the study, a pilot survey had been conducted to see if students had a clear understanding of the questions. The (35) students participating in the pilot study did not indicate that they had any questions about the content of the questionnaire, so the questions were sent out unchanged. The questionnaire included mainly close-ended questions, typically composed of metric and categorical variables. As a metric scale, the 7-point Likert scale was used. Since this is a proprietary questionnaire, the authors will also report the results of the adequacy testing of the questions in the studies presented. The compilation of the questionnaire is shown below.

Table 1: The structure of the questionnaire

Group I Sample specification	Group II Entrepreneurial behaviour	Group III Participation in entrepreneurial training	Group IV Entrepreneurial characteristics
Gender Age Level of education of the respondents Do they have their own business?	Characteristics of own business In case of not owning a business, factors determining entrepreneurial intention	Out of class activities Curricular participation Entrepreneurial inspiration	Entrepreneurial mindset Entrepreneurial intention Socially responsible employment

Source: authors' own table

The questionnaire was distributed online, so it was not possible to measure willingness to respond. 516 students have participated in the survey. At the time of the survey, there were around 18 000 students studying at the university. To calculate the minimum sample size, the researchers used the Yamane formula (Yamane, 1967), which at the 95% confidence level was:

# 1. Formula (p=0.05)

$$N = N = N + N *(e^2)$$

Source: Yamane (1967)

 $N=18\ 000\ students$ ,  $18\ 000/\ (1+18\ 000*0.05*0.05) = 400$ . The total number of respondents was higher, so the sample size can be considered adequate. The analysis has been carried out by using SPSS version 29. Single and multiple sample tests were used: frequency, mean, analysis of variance, cross-tabulation, correlation, independent sample t-test.

In this short analysis, the researchers present the students' views on socially responsible employment. The following research questions were formulated in relation to the current study:

RQ1: What employment practices do students consider important in relation to socially responsible employment?

RQ2: What is the relationship between these practices? Do they reinforce or weaken each other?

RQ3: Is the perception of employment practices affected by gender, age and whether someone has or has had a business?

#### 4 Results

First, sample specifications are presented. Table 2 shows sample specifications:

Specifications N (person) Male: 208 Male: 40.3 Gender Female: 308 Female: 59.7 HEVT1: 166 HEVT: 32.2 Level of education BA: 309 BA: 59.9 MA: 41 MA: 7.9 No: 438 No: 84.9 Do/Did the respondents have their own business? Yes: 78 Yes: 15.1

Table 2: Sample specification (N,%)

Source: authors' own table

<sup>&</sup>lt;sup>1</sup> HEVT – Higher Education Vocational Training

The average age of respondents was 21.42 years, with a standard deviation of 1.74 years. The data in the table show that women are over-represented in the study. More than half of those surveyed had not yet completed basic training and more than 5 times as many had no entrepreneurial experience at the time of the survey. Cross tabulation analyses showed that women and men differed significantly in whether they had ever worked in their own business (Chi-square: 13.304 df: 1 sign.: 0.000 p<0.05). 77.9% of men and 89.6% of women had no such experience. However, there was no significant difference in the dimensions of level of education and own business (Chi-square: 5.792 df: 2 sign.: 0.055 p>0.05).

In the survey, students had to answer questions such as which socially responsible employment practices they consider important for socially responsible employment. They had to rate the importance of the concept on a seven-point Likert scale. The value of one being 'not at all important', and a value of seven being 'very important'. As it was mentioned earlier, the questionnaire was not validated, so the reliability of these questions was checked using a split half method. The Spearman-Brown coefficient was 0.917, which was accepted as adequate by the authors. Table 3 shows the mean and standard deviation of student opinions:

Table 3: Socially responsible employment practices (N, M, SD)

Socially responsible employment practices	N	M	SD
Benefits	516	5.47	1.741
Hybrid work (such as flexible work)	516	5.61	1.573
Secure and pleasant physical work environment	516	5.78	1.540
Pleasant work atmosphere	516	5.82	1.590
Individual development and career plans	516	5.42	1.526
Health development plans	516	5.14	1.710
Meaningful and effective internal communication	516	5.85	1.564

Source: authors' own table

The low value of the standard deviations shows that the students surveyed were unanimous in their opinions about the socially responsible practices. Students rated a pleasant work atmosphere (M: 5.82) and meaningful and effective internal communication (M: 5.85) most important while health programs were the least important (M: 5.14). Benefits were rated as very important by 248, hybrid work by 248, a safe environment by 308, a pleasant working atmosphere by 328, individual training and career plans by 203, health programmes by 175 and meaningful communication by 336.

The impact of these practices on each other has also been analysed. The correlation analysis showed that these practices have a very strong positive correlation. A very strong positive correlation was found, for example, between benefits and hybrid work (r: 0.789), communication (r: 0.736), or pleasant work atmosphere (r: 0.799). Similarly strong relationships were found between individual training and hybrid work (r: 0.738), a secure physical work environment (r: 0.769), or communication (r: 0.779). It has been confirmed that all socially responsible employment practices listed in Table 3 induced a positive correlation with each other in the study.

It has also been analysed whether the perception of these practices is influenced by respondents' gender, age and entrepreneurial experience.

By gender, the independent samples t-test for benefits only confirmed a significant difference (t: -2.709 df: 404.129 p<0.05), with women feeling more strongly (M: 5.64) than men (M: 5.21) about the importance of this.

The correlation test by age was only significant for communication, but even in this case the r value showed only a very low positive correlation (r: 0.099 sign.? 0.025 p<0.05).

Finally, students' opinions differed for each practice in terms of entrepreneurial experience, meaning that those who had not yet had a business considered the options listed more important than those who already had one. Admittedly, these results can only be treated with caution, as those with no entrepreneurial experience were significantly over-represented in the sample.

# 5 Discussion and conclusions

This study explored the preferences of university students entering the labour market regarding socially responsible employment practices. The findings indicate that students prioritize a supportive and pleasant work atmosphere as well as meaningful internal communication, suggesting that these factors play a crucial role in their workplace expectations. A strong positive correlation was observed among key employment practices, confirming their interdependence. Additionally, gender differences were found, with women valuing benefits more than men. Entrepreneurial experience also influenced perceptions, as students without

business experience rated socially responsible employment practices as more important.

The results align with previous research that highlights the growing importance of socially responsible employment in attracting and retaining talent (Turker, 2009). The literature emphasizes the need for companies to offer sustainable working conditions to support long-term employee engagement (Eurofound, 2015), which is consistent with our findings that students place high importance on a positive work environment and career development opportunities. Additionally, prior studies (Randstad, 2024; PwC, 2024) underline that attractive salary and benefits remain top priorities for young workers, reinforcing our observation that benefits were particularly important to female respondents. However, while the literature often highlights work-life balance as a crucial factor (Sparrow & Makram, 2015), our study found that students were more focused on internal communication and workplace atmosphere. This deviation may be attributed to generational shifts in workplace expectations or the specific cultural context of Hungarian university students.

Based on the findings, our broad practical recommendations for companies to tailor their CSR policies to align with the expectations of young professionals by prioritizing workplace atmosphere and effective internal communication strategies to foster engagement and job satisfaction. Offering flexible work arrangements and career development programs to enhance employee retention.

While the study provides valuable insights, certain limitations must be acknowledged. First, the sample was limited to Hungarian university students studying economics and business, which may limit the generalizability of the findings to other disciplines or countries. Second, the survey relied on self-reported data, which may introduce bias or social desirability effects. Future studies could expand on this research by conducting comparative analyses across different countries and academic disciplines to determine whether similar preferences exist in other cultural and professional contexts.

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