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Impact of Employer Branding on Employee Commitment and Satisfaction
Moderated by Generation X and Y

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Abstract
Current talent scarcity and a highly competitive labour market make employee retention essential for companies to achieve business success and growth. In order to maintain a competitive and stable workforce, organisations have adopted employer branding as a strategic tool for employee retention. A strong employer brand is characterized by social, economic, reputation, development and diversity value. Considering the dynamic and constantly changing nature of an organisation’s workforce, literature reveals that generational differences in values, preferences and demands concerning the workplace can occur. These differences can lead to different levels of employee commitment and satisfaction. The purpose of this dissertation is to explain how employer branding impact employee commitment and satisfaction. Further, this thesis aims to discover how these relationships are moderated by Generation X and Generation Y.

This dissertation was conducted through a quantitative approach and with a deductive reasoning. A survey was distributed among employees in two German companies operating in the medical engineering sector. A total of 255 responses constituted the sample of this research. The findings show a direct effect of social, economic, reputation, development and diversity value, on employee commitment. In addition, social, economic, reputation and development value were found to influence employee satisfaction. Regarding the moderating effect, Generation X and Y did not appear to influence the majority of these direct relationships. However, generation was found to have a direct effect on employee commitment and satisfaction. Hence, this dissertation adds original value by providing new insights and meaningful contributions to the theory of employer branding and generational cohorts.

Keywords
Employer Branding, Employee Commitment, Employee Satisfaction, Generational differences, Generation X, Generation Y, Generational cohort
Acknowledgements

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Kristianstad, 7 June 2019

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1. Introduction

The increased demand for highly skilled employees and a coexisting talent scarcity are reinforcing the competition among companies (Biswas & Suar, 2016; Aldousari, Robertson, Yajid, & Ahmed, 2017; Maheshwari, Gunesh, Lodorfos, & Konstantopoulou, 2017; Arasanmi & Krishna, 2019). Wilden, Gudergan and Lings (2010) found that the European population aged between 15 and 60 years will decrease from 62 % to 49 % by 2050, which adds to the increased competitive situation employers face regarding talent acquisition. In such a competitive environment, the attraction and retention of skilful employees have become key strategic priorities for many organisations as could lead to a competitive advantage and business success (Heilmann, Saarenketo, & Liikkanen, 2013; Jain & Bhatt, 2015; Maurya & Agarwal, 2018; Arasanmi & Krishna, 2019). The loss of highly qualified human capital results in the loss of intellectual assets, which, in turn, can risk companies’ future business success and competitiveness (Maheshwari et al., 2017; Maurya & Agarwal, 2018). Hence, employee turnover was identified as one of the largest costs for companies as demoralization and reduction of productivity in the current workforce are often concomitantly experienced (Gaylard, Sutherland, Viedge, 2005; Tanwar & Prasad, 2016a; Maheshwari et al., 2017). By reducing voluntary workforce turnover and thus improving retention, companies are able to save costs for the attraction and training of new employees (Chi & Gursoy, 2009; Schlager, Bodderas, Maas, & Cachelin, 2011; Jain & Bhatt, 2015). On average, it costs about one-and-a-half years of departing employees’ annual salary to attract new employees, which is more than the investments for the retention of the current workforce (Jain & Bhatt, 2015).

In order to maintain a competitive and stable workforce, organisations have adopted employer branding as a strategic tool for talent acquisition, development, and retention (Backhaus & Tikoo, 2004; Tanwar & Prasad, 2016a; Maurya & Agarwal, 2018; Theurer, Tumasjan, Welpe, & Lievens, 2018). Southwest Airlines has been acknowledged by literature to be a suitable benchmark for organisations in which managerial focus is put on the use of employer branding in order to retain employees and gain competitive advantage (Miles & Mangold, 2005). By motivating their employees to internalise and spread the desired brand image among customers and other stakeholders, the company achieved an average voluntary employee turnover of around 2.5 % in 2017, which is the lowest rate in the industry (Miles & Mangold, 2005; Spiegelberg, 2017). Employer branding was introduced by Ambler and Brown (1996:187) and defined as “the package of functional, economic and psychological benefits provided by
employment, and identified with the employing company”. This marketing strategy, which is applied to the field of human resource activities, communicates employment promises to potential and current employees about particular experiences and opportunities provided by an organisation (Edwards, 2009; Maheshwari et al., 2017; Matongolo, Kasekende, & Mafabi, 2018; Maurya & Agarwal, 2018). By establishing a strong employer brand that signals unique attributes of the company’s employment offerings, a firm can differentiate itself from its competitors and gain a powerful position in the competitive labour market (Ambler & Barrow, 1996; Davies, 2008; Love & Singh, 2011; Tanwar & Prasad, 2016b; Brusch, Brusch, & Kozlowski, 2018).

Companies ensuring that an authentic picture of their distinctive characteristics is accurately communicated to their current employees, can achieve high levels of employee commitment to their organisation and values (Ashforth & Mael, 1996; Backhaus & Tikoo, 2004; Festing & Schäfer, 2014; Backhaus, 2016; Kashyap & Rangnekar, 2016). Conversely, an inconsistent brand image is likely to lead to reduced job performance, organisational trust, and employee commitment, and thus increased voluntary turnover. According to Crewson (1997), employee commitment, also referred to as organisational commitment, is explained as the “identification and involvement with the firm, including acceptance of the organisation’s goals and values, eagerness to work hard, and desire to remain with the firm” (as cited in Backhaus & Tikoo, 2004:508). Committed employees are more dedicated to contributing to their employer’s overall business success and thus demonstrate a higher degree of productivity and motivation to perform (Meyer, Becker, & Vandenberghe, 2004; Özçelik, 2015; Backhaus, 2016). By enhancing these favourable attitudes of current employees, an organisation can increase employee retention and therefore reduce costs for acquiring new talents (Meyer et al., 2004; Schlager et al., 2011; Jain & Bhatt, 2015; Arasanmi & Krishna, 2019). While employer branding can facilitate employee commitment, it can also result in employee satisfaction (Heilmann et al., 2013; Tanwar & Prasad, 2016a; Brusch et al., 2018). According to Spector (1985), facets of employee satisfaction include supervision, pay, benefits, co-workers, promotion, communication, operating procedures, nature of work and contingent rewards. By attaining satisfaction in these facets, employees can achieve overall satisfaction at their workplace (Spector, 1985). Satisfied employees were found to have higher performance levels and positively influence customer satisfaction (Backhaus & Tikoo, 2004; Biswas & Suar, 2016). Additionally, by having satisfied employees, a company can improve voluntary turnover rates since dissatisfaction with the job and employer is associated with the intention to leave
(Davies, 2008; Wilden et al., 2010; Kashyap & Rangnekar, 2016). Since more committed and satisfied employees are essential indicators for better organisational performance, organisations should strive for enhancing these attitudes and mindsets through employer branding activities (Alniaçik, Cigerim, Akcin, & Bayram, 2011).

1.1 Problematisation

Current talent scarcity and a highly competitive labour market make employee retention a more relevant strategic tool for companies to achieve business success and growth than talent attraction (Gaylard et al., 2005; Festing & Schäfer, 2014). By achieving employee commitment through employer branding, companies can retain a competent and skilful workforce (Maheshwari et al., 2017). Literature indicates that the fit between employees’ and the organisational culture as well as the understanding of corporate values determine the level of employee commitment (Kimpakorn & Tocquer, 2009; Tanwar & Prasad, 2016a; Kashyap & Verma, 2018). Through effective employer branding, a company can facilitate the workforces’ internalisation of the corporate values and principles, and thus support an increase in employee commitment by making them align their behaviours with corporate goals (King & Grace, 2008; Kimpakorn & Tocquer, 2009; Sengupta, Bambel, & Singh, 2015; Slavkovic, Pavlovic, & Simic, 2018). According to Mowday, Steers and Porter (1979), commitment to one’s employer requires compatibility between employees’ personal goals and those of the organisation. Hence, commitment can be increased since employees aim to remain with the company in order to facilitate the achievement of these goals (Mowday et al., 1979). Besides value congruence and employees’ fit with organisational culture, consistency in communicating company's distinctive characteristics, both internally and externally, can result in increased employee commitment to an organisation (Ashforth & Mael, 1996; Edwards, 2009; Backhaus, 2016; Jacobs, Yu, & Chavez, 2016). Employees that enter a company and perceive a consistent brand experience will confirm their choice of employer and thus establish a bond to the company (Sengupta et al., 2015; Reis & Braga, 2016). This implies the need for companies to ensure the fulfilment of the employment offerings made in the recruiting process (Backhaus & Tikoo, 2004; Hess & Jepsen, 2009; Festing & Schäfer, 2014; Backhaus, 2016).

According to Tanwar and Prasad (2016b), an organisation with a strong employer brand is able to respond more effectively to employees’ needs and thus enhance their satisfaction levels. Satisfaction among employees can be increased by providing training and development
opportunities at the workplace (Schlager et al., 2011; Sengupta et al., 2015; Biswas & Suar, 2016; Tanwar & Prasad, 2016b). Further, an employer brand that promotes an empowering environment and a good mentoring culture within an organisation can facilitate employee satisfaction (Schlager et al., 2011). Employee satisfaction can also be enhanced by a company’s employer branding when promoting good salary, rewards, a fair number of holidays, and appropriate retirement benefits (Özçelik, 2015; Schlager et al., 2011; Heilmann et al., 2013; Matongolo et al., 2018). Additionally, research has found that companies which promote a strong team spirit, competent co-workers and a friendly and respectful environment through its employer brand can achieve higher levels of employee satisfaction (Gaylard et al., 2005; Schlager et al., 2011; Matongolo et al., 2018). Regarding the nature of their job, employees are satisfied when perceiving their tasks as challenging and varying (Backhaus & Tikoo, 2004; Bjerke, Ind, & De Paoli, 2007; Schlager et al., 2011; Biswas & Suar, 2016). With the help of a good reputation, companies can enhance employee satisfaction by creating a sense of pride among the workforce for being a part of the organisation (Schlager et al., 2011; Biswas & Suar, 2016; Tanwar & Prasad, 2016b; Slavkovic et al., 2018).

Considering the dynamic and constantly changing nature of an organisation’s workforce with elder employees gradually retiring and young university graduates starting their professional careers, literature reveals that generational differences in values, preferences and demands concerning the workplace can occur (Parry & Urwin, 2011; Kong, Wang, & Fu, 2015; Reis & Braga, 2016; Ruchika & Prasad, 2017). These differences can lead to different levels of employee commitment and satisfaction (Gursoy, Maier, & Chi, 2008). Hence, they pose challenges for an organisation’s corporate and human resource management regarding employer branding preferences (Özçelik, 2015; Kashyap & Rangnekar, 2016). Especially discrepancies between the preferences and values of Generation X and Generation Y were revealed by previous studies (Sengupta et al., 2015; Özçelik, 2015). Generation X prefers work centrality, power, career opportunities, and higher income levels (Sengupta et al., 2015; Özçelik, 2015; Reis & Braga, 2016). Whereas, Generation Y members are known for putting an emphasis on work-life balance, fulfilling individual values, training and development opportunities as well as mobility and autonomy in their careers (Ito, Brotheridge, & McFarland, 2013; Festing & Schäfer, 2014; Reis & Braga, 2016; Mičík & Mičudová, 2018). It has been observed that with Generation Y’s entrance into the workforce, employee turnover rates have become higher than before, which indicates that this generation is more likely to switch employers on a continuous basis and thus less loyal than Generation X employees (Festing &
Schäfer, 2014; Özçelik, 2015). Managers’ failure in adjusting their strategies to generational work-related differences and the demands of prospective generations entering the workplace, can lead to misunderstandings and miscommunication (Westerman & Yamamura, 2007). As a result, employee turnover may increase and thus impact companies’ sustained competitiveness and business success (Westerman & Yamamura, 2007). However, if organisations can manage to analyse, understand and address the generational differences, they can ensure a more effective way of attracting, managing, motivating, and retaining workforce (D’Amato & Herzfeldt, 2008). By effectively implementing employer branding strategies which consider the intergenerational distinctions, employees can become emotionally attached to the firm with the willingness to generate success of both themselves and their employer (Özçelik, 2015). Scholars generally agree that two generations currently dominate the workplace, namely Generation X and Generation Y (Anantatmula & Shrivastav, 2012; Becton et al., 2014). Hence, this study focuses on Generation X and Generation Y as influencing the relationship between employer branding and employee commitment, and employer branding and employee satisfaction.

Past research that has considered generational cohorts when assessing the effectiveness of employer branding, has mostly studied employer branding factors for attracting Generation Y, in comparison to other generations (e.g. Jain & Bhatt, 2015; Özçelik, 2015; Reis & Braga, 2016; Bejtkovský, 2017). However, these studies have to a greater extent based their empirical evidence of Generation Y on the student population, yet not on Generation Y employees (e.g. Qenani-Petrela, Schlosser & Pompa 2007; Terjesen, Vinnicombe, & Freeman, 2007; Jain & Bhatt, 2015; Bejtkovský, 2017). However, it is crucial for companies to address the needs and expectations of Generation Y members since the majority of them entered the workforce (Festing & Schäfer, 2014; Özçelik, 2015). Hence, this study answers the research call by Naim and Lenka (2018) who claimed that there is a need to examine the working Generation Y population. Other scholars have studied generational differences for the retention of employees in the context of psychological contracts and talent management instead of employer branding (e.g. Hess & Jepsen, 2009; Festing & Schäfer, 2014). While some studies have focused only on Generation Y employees when studying retention (e.g. Naim & Lenka, 2018), others included Generation X and Baby Boomers in order to identify work-related generational differences (c.f. Westerman & Yamamura, 2007; Hess & Jepsen, 2009; Festing & Schäfer, 2014). However, these studies have not investigated employee commitment and satisfaction. Therefore, this study also responds to the call for future research by Westerman and Yamamura (2007) who
point out the relevance of examining potential generational differences in employee commitment and satisfaction. While the concept of employer branding in the context of employee commitment and satisfaction has been studied in the past (c.f. Davies, 2008; Kimpakorn & Tocquer, 2009; Schlager et al., 2011; Hanin, Stinglhamber, & Delobbe, 2013; Ito et al., 2013; Lelono & Martidianty, 2013; Tanwar & Prasad, 2016b; Aldousari et al., 2017; Hoppe, 2018), these studies have not investigated the moderating effect of generation. Hence, this dissertation addresses the moderating role of Generation X and Generation Y on the relationships between employer branding and employee commitment, and employee satisfaction. This research contributes to the existing body of literature in employer branding by studying employee commitment and employee satisfaction with regards to generational cohorts.

1.2 Research questions

How does employer branding impact employee commitment and satisfaction?
How do Generation X and Generation Y impact the relationships between employer branding and employee commitment, and employee satisfaction?

1.3 Research purpose

The purpose of this dissertation is to explain how employer branding impacts employee commitment and satisfaction. Further, this thesis aims to discover how these relationships are moderated by Generation X and Generation Y.
1.4 Disposition

*Chapter 1* introduces this dissertation by explaining and arguing for the relevance of the research and its purpose.

*Chapter 2* argues for the chosen theoretical method which includes research approach, choice of method, choice of theory, the critique of sources and time horizon.

*Chapter 3* discusses the theories, namely Signalling, Motivation and Generational Theory, and concepts of employer branding, employee satisfaction and commitment, which have set the foundation for the hypotheses in this research.

*Chapter 4* argues for the chosen empirical method which includes research strategy, data collection, operationalisation, sample collection, data analysis, reliability and validity, and ethical considerations.

*Chapter 5* shows the results and analysis of this dissertation by presenting descriptive statistics of the variables used in this research, which is followed by the Spearman correlation matrix. Lastly, the Multiple Linear Regression tables with and without the moderating effect of Generation X and Y are presented and discussed in relation to the hypotheses.

*Chapter 6* starts with discussing the findings gathered in this research. Further, an overarching conclusion of the dissertation is presented, followed by theoretical contributions and practical implications of the thesis’ findings. The dissertation will be concluded by its limitations, followed by suggestions for future research.
2. Theoretical Method

This chapter argues for the research approach of the dissertation, followed by a critical review of the choice of method and choice of theory. Subsequently, the critique of sources is provided in order to demonstrate their validity. The chapter is concluded by presenting the time of horizon for this dissertation.

2.1 Research approach

This dissertation is based on previous research and existing theories, which are tested by empirical findings in order to confirm or disprove previous research (Bryman & Bell, 2015; Saunders, Lewis, & Thornhill, 2016). In line with a positivistic philosophy, this dissertation aims to explain how employer branding impact employee commitment and satisfaction, and how these relationships are moderated by Generation X and Generation Y. Positivism entails the principle of deductivism which is concerned with the development of hypotheses that are tested, and thus allow to produce law-like generalisations (Bryman & Bell, 2015; Saunders et al., 2016). Hence, a deductive research approach appeared to have the best fit for our research philosophy and purpose. A deductive strategy allows us to explain the causal relationships between employer branding, employee satisfaction and commitment, as well as the moderating effect of generations on these relationships. As the first step within a deductive approach, testable hypotheses about the relationship between two or more concepts need to be developed (Saunders et al., 2016). The development of hypotheses allows us to have a more objective and standardised research outcome (Bryman & Bell, 2015). Hypotheses are tested by collecting appropriate data to measure the underlying concepts, which either lead to confirmation or rejection of the hypotheses and thus determine how the final conclusions are defined (Saunders et al., 2016). Hence, 20 hypotheses have been derived from existing theory, which if found to be supported, prove the conclusion to be supported as well, and vice versa (Saunders et al., 2016).

2.2 Choice of method

In order to examine the suggested relationships, and thus answer our research questions, a deductive approach has been applied by developing hypotheses based on existing theory. This theory-testing approach is typically associated with a quantitative method which was applied in the present study (Bryman & Bell, 2015; Saunders et al., 2016). A quantitative method is particularly suitable when aiming to find certain relationships and for ensuring more
generalised results, which could not be sufficiently achieved with a qualitative method (Denscombe, 2016; Bryman & Bell, 2015). A qualitative method rather focuses on the knowledge created by individuals’ interpretation of the world than to investigate the already existing relationships of a phenomenon (Bryman & Bell, 2015). Hence, with a qualitative research method, it is not possible to generalise results since findings can be interpreted by scholars in various ways (Alvehus, 2014). Whereas, by using a quantitative method, it is feasible to collect a large amount of data that provides a holistic view which, in turn, presents findings that are objective and can be generalised to larger populations (Bryman & Bell, 2015; Saunders et al., 2016).

2.3 Choice of theory

In this thesis, the theoretical framework is based on three theories, namely Signalling Theory, Motivation Theory and Generational Theory. These theories have been used to understand the relation between the overarching concepts used in this thesis: Employer Branding, Employee Commitment and Employee Satisfaction. Signalling Theory is applied by companies to signal direct and indirect indication of intentions, goals and motives (Dögl & Holtbrügge, 2014), which can facilitate the creation of a strong employer brand and prevent the information asymmetry between the employer and its current workforce (Spence, 2002). When employees perceive symmetry in the promises being made by the employer and what they experience, employee commitment and satisfaction can be achieved (Tanwar & Prasad, 2016a). Hence, Signalling Theory is used as a foundation to understand the concept of employer branding in relation to employee commitment and satisfaction. Within the area of Motivation Theory, two distinct theories are used to explain the underlying reasons for the two concepts of employee commitment and satisfaction. The Self-Determination Theory (SDT) by Deci and Ryan (1985, 2000) serves as the theoretical basis for understanding triggers of employee commitment. This theory allows us to explain how different motivational mindsets such as intrinsic and extrinsic motivation can affect the degree to how an employee feels committed to an organisation (Gellatly, Hunter, Currie, & Irving, 2009). By linking these motivational mindsets to specific core needs employees seek to satisfy (Deci & Ryan, 1985, 2000), SDT helps to identify the causal relationship between employer branding and employee commitment. Hence, the theory serves as an appropriate tool for explaining how employer banding can influence employee commitment. The Two-Factor Theory by Herzberg, Mausner and Snyderman (1959) was used to understand which factors influence employee satisfaction. Since research has found that
satisfaction is a multidimensional construct which includes factors that are not equally important, the Two-Factor Theory categorises satisfaction factors within two different dimensions, motivator and hygiene factors (Matzler & Renzl, 2007). As this theory differentiates elements in the workplace which can lead to either employee satisfaction or employee dissatisfaction (Dartey-Baah & Amoako, 2011), it allows us to create a linkage to how employer branding can enhance employee satisfaction. Generational Theory serves as a tool to categorize the workforce, and thus make assumptions about a group’s values or preferences at work (Parry & Urwin, 2011). These generation specific values and preferences were found to have a crucial impact in the workplace since they affect employee satisfaction and commitment (Gursoy et al., 2008) and general attitudes at work (Chu, 2008; Chen & Choi, 2008). This theory provides an understanding of how organisations may increase levels of employee commitment and satisfaction by implementing an effective employer branding strategy in line with generational values and preferences at work (Chen & Choi, 2008; Reis & Braga, 2016). Hence, it was used to understand how Generation X and Generation Y moderate the suggested relationships between employer branding and employee commitment, and satisfaction.

2.4 Critique of sources

For this dissertation, mainly scientific articles retrieved from Google Scholar and Summon@HKR, as well as literature were used in order to provide reliable insights for the understanding and relevance of the research topic. The journal ranking of the Association of Business Schools (ABS) from 2018 (Academic Journal Guide, 2018) is used in this dissertation for critically reviewing the used articles. The ABS ranking system is based on a peer review process which is carried out by the Scientific Committee of subject experts. Table 1 shows the different ratings ABS included in its ranking system:

<table>
<thead>
<tr>
<th>ABS Rating</th>
<th>Meaning of Quality Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>4*</td>
<td>World-elite journals of the finest quality and undisputed relevance.</td>
</tr>
<tr>
<td>4</td>
<td>Top journals in the field with high submission and low acceptance rates and highest citation impact factor.</td>
</tr>
<tr>
<td>3</td>
<td>Highly regarded journals with good submission rates and very selective in what they publish and medium citation impact factor.</td>
</tr>
<tr>
<td>2</td>
<td>Acceptable standard journals with modest citation impact factor.</td>
</tr>
<tr>
<td>1</td>
<td>Modest standard journals with low citation impact factor.</td>
</tr>
</tbody>
</table>

*Table 1: Ranking of Articles from ABS Ranking System*
In total, 131 articles and 15 academic books were used in this dissertation. Of these 131 articles, 95 were published in high-quality scientific journals listed in the ABS Academic Journal Guide 2018. Hence, the remaining 36 articles are not considered by ABS to be qualified enough to appear in the Guide as recognized journals. However, these articles were found to be often cited by other articles published in journals which are considered by ABS. The allocation of the used journals covered by the ABS Journal Guide to the different ratings is presented in Table 2:

<table>
<thead>
<tr>
<th>ABS 2018</th>
<th>Number of cited articles</th>
<th>Percentage of articles</th>
</tr>
</thead>
<tbody>
<tr>
<td>4*</td>
<td>10</td>
<td>10.5 %</td>
</tr>
<tr>
<td>4</td>
<td>14</td>
<td>14.7 %</td>
</tr>
<tr>
<td>3</td>
<td>22</td>
<td>23.2 %</td>
</tr>
<tr>
<td>2</td>
<td>32</td>
<td>33.7 %</td>
</tr>
<tr>
<td>1</td>
<td>17</td>
<td>17.9 %</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>95</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*Table 2: ABS Ranking 2018*

The table shows that among the 95 used articles, 48.4 % have been published in world-elite, top- and highly regarded journals, which indicates that these articles are of high quality. Whereas, 51.6 % of the articles cited have been published in acceptable standard and modest standard journals.

### 2.5 Time horizon

In literature two different time horizons are defined: cross-sectional and longitudinal (Bryman & Bell, 2015; Saunders *et al.*, 2016). Since this study examines two particular phenomena, firstly, the direct effect of employer branding on employee commitment and satisfaction, and secondly, the moderating effect of generations on these direct relationships at a particular point of time, it is considered to be of cross-sectional nature (Saunders *et al.*, 2016). A cross-sectional design is typically applied when research projects are time constrained, meaning that they do not allow sufficient time to conduct a longitudinal study (Saunders *et al.*, 2016). Time constraints are experienced as well when writing this dissertation since it is written within 10 weeks’ time, and thus a cross-sectional research has been deemed most suitable.
3. Literature Review

This chapter aims to present the main theories used in this dissertation. Firstly, the Signalling Theory serves as a tool to explain the underlying aims of employer branding. Secondly, within the chapter of Motivation Theory two distinct theories, namely SDT and the Two-Factor Theory, are presented in detail. While SDT is used to explain the underlying reason for employee commitment, the Two-Factor-Theory serves as a tool to clarify the concept of employee satisfaction. Lastly, the Generational Theory is presented in order to define the different characteristics and values of both Generation X and Generation Y. All of these theories were particularly useful in explaining the relationships of interest, and thus will set the basis for the hypothesis development and the research model.

3.1 Signalling Theory

Signalling Theory, as it is used in Human Resource Research, is rooted in the economics research of Spence (1973) on job market signalling. The theory has been widely used to examine the information asymmetry between two parties caused by knowledge disparity (Taj, 2016). Typically, one party serves as a sender who decides on whether and how to communicate certain information, and the other party functions as the receiver who chooses on how to interpret the signals (Connelly, Certo, Ireland, & Reutzel, 2011). Spence’s (2002) underlying idea behind the job market signalling model is that potential employees have attributes that are unobservable for the employer, which may influence individual’s productivity and thus employer’s value on the job. Hence, he argued that the employing organisation bases its hiring decisions on signals such as educational certificates of the applicants (Spence, 2002). While Spence (1973, 2002) views the issue of signalling from an employer’s perspective, organisational researchers (e.g. Rynes, 1991; Wanous, 1992) extended his work by including the applicant’s perspective. According to Rynes (1991), job applicants strive for reducing the existing information asymmetry between them and the employing company. Hereby, they rely on signals from the organisation when drawing conclusions about corporate values, intentions and characteristics (Rynes, 1991). The signals used for this purpose provide information about what the working life might be like in the company (Suazo, Martínez, & Sandoval, 2009; Wilden et al., 2010). Since these signals can affect the decision-making process of potential employees, it is crucial for companies to provide accurate and clear information (Taj, 2016), in order to help future employees to develop an accurate perception of the organisation (Suazo et al., 2009). While the majority of human resource scholars have based their studies on the
signalling theory in the context of talent attraction and recruitment processes (e.g. Suazo et al., 2009; Bergh, Ketchen, Boyd, & Bergh, 2010; Celani & Singh, 2011), recent research has also applied the theory to employer branding (e.g. Wilden et al., 2010; Celani & Singh, 2011; Taj, 2016; Alshathry, Clarke, & Goodman, 2017). However, the studies covering employer branding rather focus on potential than current employees, which makes them neglect the crucial workforce retention process. According to Dögl and Holtbrügge (2014), the need for signalling occurs typically in competitive environments where organisations compete for scarce resources. Due to talent scarcity and an increased demand of highly skilled workforce, companies face the challenge of retaining their current employees (Biswas & Suar, 2016; Maheshwari et al., 2017; Theurer et al., 2018), which requires them to acknowledge the relevance of authentic signalling within the employer branding context (Taj, 2016).

3.1.1 Employer Branding

By signalling a strong employer brand, a company aims to generate an image of the organisation as a distinct and desirable workplace among its current employees (Taj, 2016). Therefore, employer branding has emerged as a strategy of employers to differentiate themselves from their competitors (Ewing, Pitt, De Bussy, & Berthon, 2002; Taj, 2016). Applying signalling theory to the context of employer branding, an information asymmetry prevails between the employer and its current workforce (Spence, 2002). Hence, the organisation represents the sender of brand signals which are received and interpreted by existing employees. Therefore, how employees perceive the provided signals are based on personal experiences and preferences, which influences the outcomes such as employees’ behaviours and attitudes towards the organisation (Schlager et al., 2011). Effective employer branding requires the company to clearly communicate their unique employment offerings and values to their employees by sending signals in a distinct and authentic manner (Taj, 2016; Erkmen, 2018). When employees perceive brand signals to be clear, credible and consistent, they are able to better internalise and understand the brand through enhanced brand credibility (Karanges, Johnston, Lings, & Beatson, 2018; Theurer et al., 2018). Furthermore, if the employer brand is explicitly communicated through a strong signal, companies can avoid potential ambivalent meanings and misinterpretations by employees, and thus unintended outcomes (Suazo, Martinez, & Sandoval, 2011). Hence, the factors that impact the interpretation of signals by the employees are crucial for companies since they strive for maximizing the intended interpretation in order to develop desired employee attitudes and behaviours (Taj, 2016) such as employee commitment and satisfaction (Tanwar & Prasad, 2016a). The brand signals are
likely to have an effect on the attitudes of potential and existing employees, even though these attitudes will be shaped by direct experience of the brand values (Wilden et al., 2010; Erkmen, 2018; Karanges et al., 2018). By communicating a firm’s values, policies and intentions through a strong employer brand, a company is able to overcome existing employees’ experienced risks and uncertainties, and thus facilitate employee satisfaction and commitment to the organisation (Wilden et al., 2010; Erkmen, 2018).

Existing employees have the possibility to either gather information about the company through internal sources, e.g. supervisors, or external sources such as corporate reputation (Alshathry et al., 2017). While building this corporate knowledge, employees may increase familiarity with the organisation and create a more comprehensive picture of how others perceive the employer (Alshathry et al., 2017). It is in the interest of the company to ensure that the information gathered by employees lead to positive associations with the employer brand in order to increase employee retention (Alshathry et al., 2017). However, some associations which existed prior to entering the company may be confirmed after the experience, whereas others will be modified, and new associations will be created (Alshathry et al., 2017). In order to reduce negative associations with the employer brand, organisations need to ensure that the signals convey information about characteristics that distinguish themselves from their competitors to create a corporate image of a unique employer in employees’ minds (Backhaus & Tikoo, 2004; Dögl & Holtbrügge, 2014). These signals should always be used to influence employees’ decisions and behaviours in favour of the company (Dögl & Holtbrügge, 2014). Signal content that has been found to determine a strong employer brand is characterized by social, economic, reputation, development and diversity value (Ambler & Barrow, 1996; Schlager et al., 2011; Alniaçık & Alniaçık, 2012; Reis & Braga, 2016; Tanwar & Prasad, 2016b; Slavkovic et al., 2018). Social value is assessed by a strong team spirit, competent co-workers, as well as a friendly and respectful environment among superiors and subordinates (Gaylard et al., 2005; Schlager et al., 2011; Matongolo et al., 2018). High economic value comprises monetary and non-monetary variables such as a good salary, rewards, a fair number of holidays and appropriate retirement benefits (Özçelik, 2015; Schlager et al., 2011; Heilmann et al., 2013; Matongolo et al., 2018). Reputation value includes aspects such as well-known products, good firm reputation among friends and a good brand that is considered to strengthen one’s résumé (Schlager et al., 2011). Development value refers to training and development opportunities as well as an empowering environment and a good mentoring culture within an organisation (Schlager et al., 2011; Ito et al., 2013; Reis & Braga, 2016). Ultimately, diversity value
encompasses job characteristics such as challenging and varying tasks (Bjerke et al., 2007; Schlager et al., 2011; Biswas & Suar, 2016).

By applying the Signalling Theory to the concept of employer branding, awareness of the signal content’s relevance was raised and additionally five specific values were identified in literature. These values can be internally conveyed by a company to build a strong employer brand and therefore influence employees’ decisions and behaviours in favour of the organisation, namely employee satisfaction and commitment (Ambler & Barrow, 1996; Dögl & Holtbrügge, 2014; Reis & Braga, 2016; Slavkovic et al., 2018).

3.2 Motivation Theory

Motivation refers to the aspects of activation and intention, such as energy, persistence, direction and equifinality, and it has been a preeminent concern in many areas as it is crucial for generating production (Deci & Ryan, 1985, 2000). In the present study, this theory is used in order to assess employee satisfaction and commitment to the employer. Motivation is founded in the idea that people’s actions are driven by different factors which can be based on their own will to execute specific actions or external pressure (Deci & Ryan, 1985, 2000). The comparison between internal motivation and external pressure has revealed that intrinsic motivation results in more confidence, excitement and interest, which in turn becomes apparent through increased performance, creativity and endurance (Deci & Ryan, 2000). As the construct of motivation has been studied from various perspectives, Pinder (1998) developed the following definition of motivation in a work context: “Work motivation is a set of energetic forces that originates both within as well as beyond an individual’s being, to initiate work-related behaviour, and to determine its form, direction, intensity, and duration” (as cited in Meyer, 2014:37). Drawing upon the differences between external and internal motivation, research introduced the SDT which focuses on different kinds of motivation that can be apparent at any given time (Deci & Ryan, 1985, 2000).

Deci and Ryan’s SDT (1985, 2000) is an approach to human motivation and personality integration which emphasises the inner resources needed for personality and behavioural development (Ryan, Kuhl, & Deci, 1997). The theory is based on the assumption that human beings congenitally strive for developing and growing to their fullest potential (Ryan & Deci, 2000), which has been found to play an evident role when understanding employee commitment.
to an organisation (Deci & Ryan, 2000; Meyer et al., 2004). A framework which explains how different combinations of perceived internal and external control produce different motivational states is provided by the theory (Gellatly et al., 2009). It also suggests a series of motivational mindsets ranging from intrinsic motivation to extrinsic motivation (Gellatly et al., 2009). While intrinsic motivation leads to primarily self-determined, autonomous activities which are undertaken for one’s own sake, extrinsic motivation results in activities primarily controlled by others (Gellatly et al., 2009). Both motivations were found to generate employee commitment, but to different levels (Meyer et al., 2004), which will be addressed in chapter 3.2.1. By studying people’s innate needs for self-motivation and growth tendencies, SDT identified three psychological needs: competence, relatedness and autonomy (Deci & Ryan, 1985, 2000). Competence describes the need to have an influence on one’s outcomes and environment (Greguras & Diefendorff, 2009). The need is fulfilled when employees perceive their capabilities and resources as sufficient to achieve their objectives and accomplish their tasks (Meyer, 2014). The need for relatedness is satisfied when employees feel connected with and appreciated by others (Greguras & Diefendorff, 2009; Meyer, 2014). Whereas, autonomy includes the need to exercise control over one’s own actions, meaning that they perceive their actions as freely chosen and consistent with their personal values (Greguras & Diefendorff, 2009; Meyer, 2014). The fulfilment of these needs was found to play a crucial role for psychological growth, optimal functioning, work engagement and well-being (Deci & Ryan, 1985, 2000). One’s individual ability to satisfy these needs determines the degree to which he or she develops to his or her fullest potential (Greguras & Diefendorff, 2009). Literature points out that fulfilling one’s core needs of competence, relatedness and autonomy (Deci & Ryan, 1985) can be linked to the nature of employees’ commitment mindsets (Meyer & Maltin, 2010), which will be explained in chapter 3.2.1. While SDT distinctly focuses on task-related intrinsic and extrinsic factors of motivation, another motivational theory addresses the influence work activities and the nature of one’s job have on motivation and performance, namely the Two-Factor Theory of Motivation (Steers, Mowday, & Shapiro, 2004).

The Two-Factor Theory of Motivation, developed by Herzberg et al. (1959), describes how employees’ motivation is connected to their satisfaction. This theory suggests that satisfaction and dissatisfaction are two distinct entities which are caused by different work-related factors (Richmond & McCroskey, 1979; Rust, Stewart, Miller, & Pielack, 1996; Sell & Cleal, 2011; Furnham, Eracleous, & Chamorro-Premuzic, 2009). Hence, dissatisfaction does not represent the opposite of satisfaction, but no dissatisfaction. Likewise, the opposite of satisfaction is the
absence of satisfaction (Richmond & McCroskey, 1979; Steers et al., 2004; Hur, 2017). Herzberg et al. (1959) label the factors that are related to satisfaction as motivators, whereas hygiene factors refer to the aspects which can make employees dissatisfied. Motivators are considered as intrinsic factors of the work, such as development, achievement, recognition and responsibility (Richmond & McCroskey, 1979; Steers et al., 2004; Furnham et al., 2009). The hygiene factors, however, are the extrinsic aspects of work which can lead to dissatisfaction if they are not met. These factors refer, for instance, to working conditions, policy, salary, interpersonal relations and supervision (Richmond & McCroskey, 1979; Furnham et al., 2009; Hur, 2017). When hygiene factors are satisfied, these factors can eliminate dissatisfaction and work-related restrictions, but they do only lead to short-term motivation (Raziq & Maulabakhsh, 2015). Whereas, motivators were found to have a long-term effect on motivation as they convert no satisfaction to satisfaction by creating positive feelings towards employees’ work (Richmond & McCroskey, 1979; Steers et al., 2004; Hur, 2017). The present study will exclude the concept of dissatisfaction but will consider both motivators and hygiene factors when investigating employee satisfaction.

3.2.1 Employee Commitment

Although, organisational scholars have widely agreed upon the benefit for companies to have a committed workforce, there has been a lack of consensus on the meaning of commitment (Meyer, 2014). However, the concept of employee commitment in this study is understood through the well-established three-component model developed by Meyer and colleagues, given its relative dominance within the literature of employee commitment (Allen & Meyer, 1990; Meyer & Allen, 1991, Meyer & Allen, 1997; Meyer & Herscovitch, 2001). Distinguishing among the different mindsets which are presumed to characterize commitment, the scholars identified three different components of commitment: affective commitment (desire), normative commitment (obligation) and continuance commitment (perceived cost) (Allen & Meyer, 1990; Meyer & Herscovitch, 2001). By labelling these mindsets as components rather than types of commitment, it was acknowledged that employees can experience all three to different degrees (Meyer, 2014). Likewise, their implications for on-the-job work behaviours can vary as a function of the specific mindset, even though all three negatively influence voluntary employee turnover (Meyer & Herscovitch, 2001; Meyer, Stanley, Herscovitch, & Topolnytsky, 2002). Although the three different components of commitment can be measured separately, the present study assesses commitment as one concept and therefore does not draw a distinction between them.
Drawing a link between SDT and the construct of commitment, literature states that the satisfaction of the core needs – namely competence, relatedness and autonomy (Deci & Ryan, 1985) – as defined within SDT can be linked to the nature of employees’ commitment mindsets (Meyer & Maltin, 2010). If the context in which employees work meets these needs, employees’ intention to remain can be increased and thus a strong affective commitment to the organisation is created (Meyer, 2014). In contrast, when employees’ needs are not satisfied, social obligations (normative commitment) and perceived costs (continuance commitment) may be the only reasons why they stay with their employer (Meyer, 2014). Another link between SDT and commitment can be drawn based on the evidence that both may be extended in order to provide explanations for any form of intentional behaviour such as turnover or attendance (Meyer et al., 2004; Meyer, 2014). Meyer et al. (2004) identified that intrinsic and extrinsic motivation may influence commitment, and thus either strengthen or weaken the various mindsets. Employees with a strong affective commitment to their organisation tend to experience intrinsic motivation (Meyer et al., 2004; Gagné, Chemolli, Forest, & Koestner, 2008; Gagné, Forest, Gilbert, Aubé, Morin, & Malorni, 2010; Meyer, Stanley, & Parfyonova, 2012). Employees who constantly experience autonomy at work are likely to develop intrinsic motivation, and thus a high level of affective commitment to their employer (Meyer, 2014). On the contrary, employees who have a strong continuance commitment and only stay with their organisation due to lacking alternatives or other possible costs for leaving tend to experience extrinsic motivation (Meyer et al., 2004; Gagné et al., 2010; Meyer et al., 2012). Whereas, a strong normative commitment of employees is likely to involve intrinsic motivation in their daily tasks (Meyer et al., 2004; Gagné et al., 2008; Gagné et al., 2010; Meyer et al., 2012). Since literature reveals that the nature and degree of employees’ organisational commitment may also have an impact on their motivational states during task performance, the causality between commitment and motivation can be considered to be reciprocal (Meyer, 2014).

Previous studies revealed a positive relationship between employer branding and employee commitment (e.g. Kimpakorn & Tocquer, 2009; Hanin et al., 2013; Ito et al., 2013; Lelono & Martidan, 2013). Hence, it is stated that the signals of the employer brand have a direct effect on employee commitment (Schlager et al., 2011; Backhaus, 2016; Slavkovic et al., 2018). By considering the five values of employer branding, the following hypotheses on the relationship between employer branding and employee commitment were developed. Among the five values, Schlager et al. (2011) found that social value has the strongest positive impact on organisational commitment. The nature of social value can determine whether an employee is
going to be committed or leave the company (Kashyap & Verma, 2018). Companies which support a respectful environment, friendly relationships among co-workers, and a ‘people-first’ attitude can enhance employee commitment (Schlager et al., 2011; Kashyap & Verma, 2018). Furthermore, factors such as having good relationships with superiors and co-workers were found to be crucial for enhancing organisational commitment (Gaylard et al., 2005; Kashyap & Verma, 2018). In turn, employees can feel connected and appreciated by others in the organisation, thus fulfilling their need for relatedness, but also enhancing their commitment (Greguras & Diefendorff, 2009; Meyer, 2014). Conversely, when experiencing supervisory behaviours such as intimidating subordinates, using aggressive body language, humiliating subordinates publicly or withhold critical information, employees tend to be less committed to the organisation (Kashyap & Verma, 2018). In line with these findings, social value is expected to be positively related to employee commitment, and thus the following hypothesis is proposed:

Hypothesis 1: Social value will have a strong impact on employee commitment.

Another aspect which is considered to be a predictor of employee commitment is the economic value of an organisation (e.g. Özçelik, 2015; Tanwar & Prasad, 2016b). A firm’s economic value is associated with the economic benefits the employer provides the workforce with (Kashyap & Verma, 2018). Being a part of economic value, above average salary, compensation package, job security and promotional opportunities were found to support higher levels of employee commitment (Berthon, Ewing, & Hah, 2005). Moreover, a fair number of holidays and appropriate retirement benefits were considered to be part of an organisation’s economic value, and thus enhance organisational commitment (Özçelik, 2015; Schlager et al., 2011; Heilmann et al., 2013; Matongolo et al., 2018). Since the base salary is seen to represent the recognition of the employee’s value to the organisation, it also reflects the employee’s importance to the company (Monteiro de Castro, Neto, Ferreira, & Da Silva Gomes, 2016). If companies manage to offer competitive remuneration and recognition to their workforce, they can facilitate employee behaviours and attitudes which are in favour of the company, such as higher intention to remain with the employer and thus employee commitment (Kashyap & Verma, 2018). Although research considers economic value as a predictor of employee commitment, it has not been stated to what extent it influences employee commitment. Hence, as it is presumed that this value, in relation to the other values, is less important for employee commitment, the following hypothesis can be formulated:
Hypothesis 2: Economic value will have a weak impact on employee commitment.

Aside from providing a high economic value, companies can enhance employee commitment by offering good reputation value (Meyer et al., 2004; Schlager et al., 2011; Dögl & Holtbrügge, 2014). Companies that invest in creating a good reputation or well-known products can facilitate employee commitment (Schlager et al., 2011). Reputation value through a strong employer brand was found to potentially create a positive organisational image and identity among employees (Edwards, 2009; Schlager et al., 2011; Dögl & Holtbrügge, 2014; Tanwar & Prasad, 2016). In turn, when employees perceive the employer brand as positive and contributing to their self-esteem, they are more likely to identify with the brand and the organisation (Dutton, Dukerich, & Harquail, 1994; Kimpakorn & Tocquer, 2009). Consequently, as the sense of identification with the company increases, so does employee commitment (Crewson, 1997, as cited in Backhaus & Tikoo, 2004). In addition, Kimpakorn and Tocquer (2009) found that employees’ perception of their employer brand and thus their organisational commitment is shaped by how they experience the brand in their day-to-day work life. Good reputation value can further support the internalisation of corporate values and principles, and thus foster an increased employee commitment (King & Grace, 2008; Sengupta et al., 2015; Tanwar & Prasad, 2016; Slavkovic et al., 2018). Moreover, by communicating its distinctive characteristics through employer branding, a company can differentiate itself from competition as well as create the image of a desirable workplace among its workforce, and thus achieve high levels of organisational commitment (Ashforth & Mael, 1996; Festing & Schäfer, 2014; Kashyap & Rangnekar, 2016; Taj, 2016). Considering that reputation value was found to be a strong indicator for employee commitment (Schlager et al., 2011; Dögl & Holtbrügge, 2014), the following is hypothesised:

Hypothesis 3: Reputation value will have a strong impact on employee commitment.

Research also argues for a positive relationship between development value and employee commitment (Schlager et al., 2011; Tanwar & Prasad, 2016a; Kashyap & Verma, 2018). Development value, through training, mentoring and an empowering environment, is a crucial aspect for employee commitment (Hadi & Ahmen, 2008). By providing employees with development value, employees become motivated to remain with the organisation for a longer duration, which, in turn, makes them want to be committed to the organisation (Hadi & Ahmen, 2018). Armstrong (2009) also highlights the relevance of training and development since they develop a sense of progression among the workforce, which enhances organisational
commitment (as cited in Tanwar & Prasad, 2016b). Employees showed a greater willingness to engage themselves in their work, which led to increased commitment to the organisation when they perceive the company to support their careers (Kong et al., 2015). Opportunities for career growth and the development of a favourable working environment are therefore indicators for employee commitment (Kong et al., 2015). A previous study has found that any kind of development value provided by the organisation is strongly related to employee commitment (Kashyap & Verma, 2018). The preceding discussion leads to the development of the following hypothesis:

Hypothesis 4: Development value will have a strong impact on employee commitment.

Besides the previously mentioned values, scholars have also found diversity value to be of importance for employee commitment (Schlager et al., 2011). The extent to which employees perceive their work as challenging and varying will influence the level of employee commitment (Agarwal & Ramaswami, 1993; Schlager et al., 2011). Allen and Meyer (1990) claimed that an individual’s feelings of competence would be reinforced most, among other factors, by job challenge. If one’s core need for competence is satisfied, favourable mindsets such as employee commitment can be enhanced (Meyer & Maltin, 2010). Since empirical findings show a modest impact of employer’s diversity value on employee commitment, its influence is expected to be weak. Hence, the following hypothesis is proposed:

Hypothesis 5: Diversity value will have a weak impact on employee commitment.

Having addressed how the five values of employer branding impact employee commitment, the following chapter discusses how these values, in turn, impact employee satisfaction.

3.2.2 Employee Satisfaction

Employee satisfaction has gained considerable attention from researchers and practitioners alike during the past decades (Chi & Gursoy, 2009; Kosteas, 2011; Curtis & Glacken, 2014). The increased interest in the concept of employee satisfaction can be partly explained by the fact that it is interconnected with employee behaviour (Davies, 2008; Kosteas, 2011). Scholars have found that employees who are satisfied are less likely to leave a company, are less absent, and show increased productivity at work (Backhaus & Tikoo, 2004; Chi & Gursoy; 2009; Kosteas, 2011; Curtis & Glacken, 2014). By investigating job satisfaction, companies can reveal employees’ work-related preferences and thereby engage in employee retention (Kosteas, 2011). Employees who are satisfied with their current job are more likely to stay,
which consequently results in lower turnover rates (Kosteas, 2011). The level of satisfaction an employee perceives within his or her job is indicated by a range of job characteristics such as the work challenges and variation (Sell & Cleal, 2011), as well as the social environment (Antoncic & Antoncic, 2011). Locke (1976) defined an employee’s satisfaction as “a pleasurable or a positive emotional state resulting from the appraisal of one’s job” (as cited in Saari & Judge, 2004:396). When defining satisfaction, Locke (1976) emphasised the importance of affection and cognition which refers to one’s feeling or thinking. Hence, when employees evaluate their job, they include both what they think and feel about their job (Saari & Judge, 2004). The level of satisfaction is also determined based on how employees perceive their own abilities (Sell & Cleal, 2011).

In order to assess employee satisfaction, literature has widely adopted Herzberg’s (Herzberg et al., 1959) Two-Factor Theory of Motivation (e.g. Richmond & McCroskey, 1979; Rust et al., 1996; Matzler & Renzl, 2007; Raziq & Maulabakhsh, 2015). This motivational theory differentiates elements in the workplace that can lead to either employee satisfaction or employee dissatisfaction (Dartey-Baah & Amoako, 2011). Drawing upon the motivators and hygiene factors of the Two-Factor Theory of Motivation, recent studies have emphasised contradicting aspects of satisfaction since hygiene factors were found to be predictors of employee satisfaction (e.g. Saari & Judge, 2004; Gaylard et al., 2005; Davies, 2008; Antoncic & Antoncic, 2011; Kashyap & Verma, 2018). With respect to the comprehensive body of literature on employee satisfaction, the current study considers both motivators and hygiene factors as facets of employee satisfaction.

Research has found that one of the most notable facets of employee satisfaction is the nature of the work itself (Saari & Judge, 2004; Antoncic & Antoncic, 2011). This facet includes the variety, challenges, and scope of the work (Saari & Judge, 2004; Schlager et al., 2011), which the Two-Factor Theory of Motivation refers to as a motivator of employee satisfaction (Herzberg et al., 1959). Further, relationships among employees, but also those between employees and supervisors, have been identified as two facets of employee satisfaction (Spector, 1985; Gaylard et al., 2005; Antoncic & Antoncic, 2011; Kashyap & Verma, 2018). While more recent studies have argued that employee relationships are a facet of satisfaction (e.g. Gaylard et al., 2005; Antoncic & Antoncic, 2011; Kashyap & Verma, 2018), Herzberg et al. (1959) considered this facet to be a hygiene factor which can only lead to either dissatisfaction or no dissatisfaction. Besides employee relationships, several scholars claimed
hygiene factors such as salary, promotion, benefits and rewards to be crucial for employee satisfaction (Antoncic & Antoncic, 2011; Özçelik, 2015). Further, operating procedures and communication were found to be facets of employee satisfaction (Spector, 1985; Tanwar & Prasad, 2016a). These facets refer to the cleanliness of communication and policies within the company (Spector, 1985), which can also be considered as hygiene factors (Herzberg et al., 1959).

Research has identified employee satisfaction as the desired positive outcome of employer branding (Schlager et al., 2011; Tanwar & Prasad, 2016b). Hence, it is stated that the signals of the employer brand have a direct effect on employee satisfaction (Schlager et al., 2011; Backhaus, 2016; Slavkovic et al., 2018). By considering the following five values of employer branding, the hypotheses on the relationship between employer branding and employee satisfaction are developed. With regards to the social value of employer branding, literature has found that this dimension influences employee satisfaction (Saari & Judge, 2004; Bjerke et al., 2007; Schlager et al., 2011). Employees’ relationships with co-workers and supervisors are identified to be important aspects when assessing employee satisfaction (Saari & Judge, 2004; Bjerke et al., 2007; Schlager et al., 2011; Gaylard et al., 2015). When employees perceive the feelings of support, trust and openness among co-workers and supervisors, higher levels of employee satisfaction will be achieved (Humphrey, Nahrgang, & Morgeson, 2007; Davies, 2008). Further, a good organisational climate and culture can enhance employee satisfaction (Antoncic & Antoncic, 2011). It has also been found that employees who are dissatisfied with a company’s social value are more likely to leave the organisation (Kashyap & Verma, 2018). Hence, the social value of a company and the level to which employees perceive satisfaction will determine whether they remain with the organisation or leave (Kashyap & Verma, 2018). Hence, the following hypothesis reads as follows:

**Hypothesis 6: Social value will have a strong impact on employee satisfaction.**

Another value that emerged as a satisfier among employees is the economic value provided by an organisation (Steers et al., 2004; Antoncic & Antoncic, 2011; Schlager et al., 2011; Kashyap & Verma, 2018). A higher salary, in general, was identified as being directly related to increased employee satisfaction (Schlager et al., 2011). Besides the base salary, receiving financial rewards and recognition were found to be important predictors of employee satisfaction (Steers et al., 2004; Kashyap & Verma, 2018). Furthermore, the benefit structure within a company was revealed to be an indicator of satisfaction (Tanwar & Prasad, 2016a). If
the workforce perceives its employer to offer fair and attractive benefits such as paid time off, medical coverage or an appropriate number of holidays, employees were found to be more satisfied (Schlager et al., 2011; Tanwar & Prasad, 2016a). While monetary aspects play a crucial role for employee satisfaction, non-monetary factors, such as job security, are also positively related to employee satisfaction (Antoncic & Antoncic, 2011; Tanwar & Prasad, 2016a). This means that employees feel satisfied when they perceive themselves to be secure in pursuing their work in the future. The preceding discussion leads to the development of the following hypothesis:

**Hypothesis 7: Economic value will have a strong impact on employee satisfaction.**

The reputation value of an organisation has been identified by literature as another important indicator for employee satisfaction (Antoncic & Antoncic, 2011; Biswas & Suar, 2016; Tanwar & Prasad, 2016b; Slavkovic et al., 2018). This finding can be explained by the feeling of pride among employees when working for a company with a favourable reputation (Alniaçik et al., 2011; Heilmann et al., 2013; Sengupta et al., 2015; Tanwar & Prasad, 2016b). When friends and family positively evaluate the employer’s image, employee satisfaction was found to be enhanced (Tanwar & Prasad, 2016b). Companies which enjoy positive reputations are considered to provide reinforced self-esteem to their employees, which makes the workforce more satisfied with their work (Alniaçik et al., 2011). A positive corporate image and reputation affect employees’ attitudes and behaviours towards their employer (Alniaçik et al., 2011). Hence, organisational reputation is positively related to satisfaction and negatively related to employee turnover, which makes it to a strategic resource and provides a significant competitive advantage to an organisation (Alniaçik et al., 2011). In line with these findings, reputation value is expected to strongly influence employee satisfaction and thus the following hypothesis is proposed:

**Hypothesis 8: Reputation value will have a strong impact on employee satisfaction.**

Aside from the previously mentioned values, research has found development value to be one of the most evident factors for employee satisfaction (Schlager et al., 2011; Tanwar & Prasad, 2016b). Training and development opportunities provided by the organisation have a direct link to employee satisfaction (Gaylard et al., 2005; Antoncic & Antoncic, 2011; Schlager et al., 2011; Matongolo et al., 2018). These opportunities are especially important to employees as they create a sense of progression, which results in higher levels of satisfaction (Schlager et al., 2011; Tanwar & Prasad, 2016b). Companies which ensure that employees experience learning
through several development programs as well as assess and support each employee’s development or career needs will enhance employee satisfaction (Tanwar & Prasad, 2016b; Matongolo et al., 2018). Further, training and development through workshops and conferences were found to impact employee satisfaction (Tanwar & Prasad, 2016b). Considering that development value has been identified as one of the strongest predictors of employee satisfaction (Schlager et al., 2011; Tanwar & Prasad, 2016b), the following hypothesis is proposed:

**Hypothesis 9:** Development value will have a strong impact on employee satisfaction.

Lastly, diversity value has emerged as another predictor of employee satisfaction (Saari & Judge, 2004; Bjerke et al., 2007; Schlager et al., 2011; Tanwar & Prasad, 2016b). Satisfaction with the nature of the work itself – including job challenge, autonomy, variety, and scope – was found to significantly influence overall satisfaction (Saari & Judge, 2004). Hence, challenging tasks, a broad variety of tasks and interesting job characteristics are seen as influential for employee satisfaction (Backhaus & Tikoo, 2004; Bjerke et al., 2007; Schlager et al., 2011; Zaniboni, Truxillo, & Fraccaroli, 2013). By ensuring that work is as interesting and challenging as possible, companies can ensure increasing levels of satisfaction among their employees (Saari & Judge, 2004). Literature does not only reveal that diversity value is positively related to employee satisfaction (Saari & Judge, 2004; Bjerke et al., 2007; Schlager et al., 2011; Tanwar & Prasad, 2016b), but also explains that it may lead to negative outcomes such as job overload or stress (Humphrey et al., 2007). Although, research considers diversity value as a predictor of employee satisfaction, it has not been stated to what extent it influences employee satisfaction. Hence, it is presumed that diversity value has a weak positive impact on employee satisfaction and thus the following hypothesis is proposed:

**Hypothesis 10:** Diversity value will have a weak impact on employee satisfaction.

Since the aim of this dissertation is also to explain how Generation X and Y impact the relationships between employer branding and employee commitment, and employee satisfaction, the following chapter will, at last, argue for the influence of these two generations on the hypotheses H1 to H10. While the relationships suggested in these hypotheses are all considered as positive, the impact of Generation X and Y will either strengthen or weaken the positive relationships. Hence, the following discussion is based on these positive relationships and does not focus on the strength of the previously hypothesised relationships.
3.3 Generational Theory

Due to the shifting age composition of the workforce, literature points out that there is a need for organisations to understand age-related differences in work behaviours, attitudes and values in order to deal with the future workforce (Rhodes, 1983). Scholars have argued that individuals who are born within the same historical period and the same socio-cultural context, share characteristics, values and attitudes since they experience similar events which shape their lives (Festing & Schäfer, 2014). This is in line with Mannheim (1952) who originally highlighted the relevance of generations as a guide to understand the structure of social movements. According to Mannheim (1952), a set of historical events and related cultural phenomena lead to the identification of a distinct generation. In a general sense, a generational cohort is defined as “a set of individuals entering a system at the same time” who are “presumed to have similarities due to shared experiences that differentiate them” (Mason & Wolfinger, 2001, as cited in Parry & Urwin, 2011:82). Hence, the definition of a cohort serves as an indicator of the underlying environmental factors that have an impact on the attitudes and behaviours of a specific generational cohort (Rhodes, 1983). Rhodes (1983) suggested in her review that the age-related differences may be caused by different factors such as cohort effects, age effects and period effects. While age effects can develop over time, cohort effects occur as a result of the effect of environment or personal experiences (Rhodes, 1983). If differences in work-related attitudes were caused by age effects, younger adults would be expected to become more equal to older adults as they age (Rhodes, 1983). However, if cohort (or generational) effects influence these differences, these attitudes and differences between age cohorts would be presumed to remain relatively stable (Rhodes, 1983).

Generational groups have been widely adopted by scholars and practitioners within Marketing and Human Resource literature as a mean to make assumptions about a group’s values or preferences (Parry & Urwin, 2011). Although, the precise definition of generational groups varies across studies, in terms of the birth years, scholars have widely agreed upon common generation labels which group the individuals based on their shared set of values and attitudes (D’Amato & Herzfeldt, 2008; Parry & Urwin, 2011; Costanza, Badger, Fraser, Severt, & Gade, 2012; Becton, Walker, & Jones-Farmer, 2014). Among these labels are Veterans (1925-1942), Baby Boomers (1943-1960), Generation X (1961-1980), Generation Y (1981-1999) and Generation Z (2000-2012) (D’Amato & Herzfeldt, 2008; Parry & Urwin, 2011; Costanza et al., 2012). As empirical support for the values and beliefs associated with each generation is lacking
(Becton et al., 2014), they are primarily presented as stereotypes in this dissertation. Although, they are stereotypes, there is a wealth of evidence in literature that generational values related to work have a crucial impact in the workplace since they are found to affect employee satisfaction and commitment (Gursoy et al., 2008) and general attitudes at work (Chu, 2008; Chen & Choi, 2008). When identifying differences in work-related preferences and priorities between the generations, companies may contribute to building an employer brand within each generational group (Reis & Braga, 2016). With the help of a generation-specific employer branding, companies can satisfy employees’ needs and thus increase employee satisfaction and commitment (Chen & Choi, 2008). Hence, this study will present Generation X and Y based on their distinct characteristics and work-related values and preferences. These characteristics are then used to derive the moderating impact of Generation X and Generation Y on the positive relationships suggested in H1 to H10, which were previously presented in chapter 3.2.1 and 3.2.2.

3.3.1 Generation X

Based on their life experience, Generation X is stereotyped as being sceptical towards corporations and are usually unimpressed by authority (Cennamo & Gardner, 2008; Benson & Brown, 2011; Becton et al., 2014; Lu & Gursoy, 2016). Although the members of this generation have been characterized as less loyal towards organisations compared to their parents (Cennamo & Gardner, 2008; Benson & Brown, 2011), research has revealed that good relationships with supervisors and co-workers are essential for their employee commitment and satisfaction (Benson & Brown, 2011). Moreover, they were found to value supportive relationships at work, and the sense of being important to their employer (Benson & Brown, 2011). Therefore, Generation X employees who experience role conflict or lacking support from co-workers and supervisors are more likely to be unsatisfied and uncommitted to their employer, thus more willing to quit (Benson & Brown, 2011). Since it is found that good relationships with supervisors and co-workers, as well as a supportive environment are valued by Generation X, the following hypothesis is proposed:

Hypothesis 11: Generation X will strengthen the positive relationships between social value and employee commitment (H1), and social value and employee satisfaction (H6).

Generation X members are believed to be financially self-reliant and are known as risk takers, since they are more likely to leave their employer for a higher salary and better benefits (Benson & Brown, 2011; Becton et al., 2014). For this reason, Generation X employees do not consider
job security as important since they are less loyal to their organisation and can easily capitalize from new job opportunities (Benson & Brown, 2011; Reis & Braga, 2015). Generation X was found to value a good compensation package, including a high salary and promotion (Benson & Brown, 2011). Research found that they considered promotions and advancement opportunities to be limited when these were not provided regularly and to the desired extent (Hess & Jepsen, 2009; Benson & Brown, 2011; Reis & Braga, 2015). Although scholars have found Generation X members to not value job security (Benson & Brown, 2011), research has shown that the monetary benefits provided by the employer are fundamental for employee commitment and satisfaction (Benson & Brown, 2011; Becton et al., 2014; Reis & Braga, 2015). Hence, it is hypothesised:

Hypothesis 12: Generation X will strengthen the positive relationships between economic value and employee commitment (H2), and economic value and employee satisfaction (H7).

Research has argued for Generation X employees having an individualistic perspective, and valuing self-development and a fair compensation package (e.g. Gursoy, Chi, & Karadag, 2013; Reis & Braga, 2015). However, not much emphasis has been put on the extent to which Generation X employees value a good company reputation. Since very limited research provides insights on Generation X employees’ perception of reputation value, it is presumed that this value is less relevant for Generation X employees’ commitment and satisfaction. The presumption is based on empirical findings which showed that members of this generation rather strive to accomplish their own desires than the organisational goals (Benson & Brown, 2011; Becton et al., 2014; Lu & Gursoy, 2016) and therefore might not value a company’s reputation as much as the other values. Further, they are found to be sceptical towards corporations (Cennamo & Gardner, 2008; Benson & Brown, 2011; Becton et al., 2014; Lu & Gursoy, 2016), which might result in them not regarding a company’s reputation as true. Based on the preceding discussion, the following hypothesis is proposed:

Hypothesis 13: Generation X will weaken the positive relationships between reputation value and employee commitment (H3), and reputation value and employee satisfaction (H8).

Although, Generation X has been characterized as individualistic and less loyal to organisations (Cennamo & Gardner, 2008; Hess & Jepsen, 2009; Benson & Brown, 2011; Anantatmula & Shrivastav, 2012), Cheah, Chong, Yeo and Pec (2016) found that Generation X employees’ satisfaction and commitment to their employer is positively affected by training and development, knowledge sharing, and task orientation. Considering their experience with
inflation and high unemployment rates, Generation X puts a great amount of effort and value in their own growth and development, rather than the success of their employer (Benson & Brown, 2011; Anantatmula & Shrivastav, 2012). Therefore, they are perceived to have a higher determination and ambition level (Benson & Brown, 2011). In line with these findings from previous research, it is presumed that development value is of high importance for Generation X. Hence, the following hypothesis is proposed:

*Hypothesis 14: Generation X will strengthen the positive relationships between development value and employee commitment (H4), and development value and employee satisfaction (H9).*

With regard to findings which stereotype Generation X as creative and as a group that seeks for growth and skill development opportunities (Gursoy et al., 2013; Reis & Braga, 2015), it can be argued that this generation puts an emphasis on job characteristics such as challenging and varying tasks (Bjerke et al., 2007; Schlager et al., 2011; Biswas & Suar, 2016). However, Generation X members were found to look for challenging tasks in order to enhance personal growth and development, which can be connected to their preferences for development value (Gursoy et al., 2013). Although some characteristics argue for Generation X employees’ appreciation for diversity value (Bjerke et al., 2007; Schlager et al., 2011; Biswas & Suar, 2016), limited empirical findings regarding the relationship between the generation and this specific value were found. Hence, the following hypothesis is presumed:

*Hypothesis 15: Generation X will weaken the positive relationships between diversity value and employee commitment (H5), and diversity value and employee satisfaction (H10).*

### 3.3.2 Generation Y

Generation Y members are known for favouring teamwork, believing in collective action, as well as demonstrating a strong will to achieve goals and accomplishing tasks with great spirit since they are seen as good collaborators (Gursoy et al., 2008; Gursoy et al., 2013). This might be explained by them having functioned in school groups or organised sports team from a very young age (Gursoy et al., 2008). Hence, they enjoy the social aspect at work, which includes a good relationship with their co-workers and superiors, and thus good teamwork (Chen & Choi, 2008; Anantatmula & Shrivastav, 2012; Kuron, Lyons, Schweitzer, & Ng, 2015; Özçelik, 2015). With regard to work-related relationships, Generation Y members appreciate frequent meetings and constructive feedback from their supervisors (Gursoy et al., 2008). Further, Generation Y members like to be recognized and respected by their supervisors and co-workers since they perceive themselves as putting much effort into their job (Gursoy et al., 2008).
Therefore, they expect their supervisors to know each employee by name and provide personal attention to everyone (Gursoy et al., 2008). Moreover, employees from Generation Y were found to value strong leadership in the workplace since they expect their supervisors to serve as mentors and role models (Gursoy et al., 2013). Based on the previously mentioned characteristics, it is presumed that social value will influence Generation Y employees’ commitment and satisfaction. Hence, the following hypothesis is proposed:

**Hypothesis 16: Generation Y will strengthen the positive relationships between social value and employee commitment (H1), and social value and employee satisfaction (H6).**

A common stereotype of Generation Y is associated with them valuing leisure more than other generations (Meriac, Woehr, & Bannister, 2010; Becton et al., 2010). Hence, work-life balance was found to be among the most important motivators for Generation Y employees (Kong et al., 2015). Compared to older generations such as the Baby Boomers, for Generation Y work is something that needs to be done for survival and for being able to live, which implies that life outside work is far more essential to them than their work life (Gursoy et al., 2013). In line with this finding, another stereotype which characterizes Generation Y members involves a low degree of loyalty towards their employer (Becton et al., 2014). Reduced employee loyalty can be caused by them having entered the workforce in an era where downsizing, layoffs and offshoring were common phenomena among organisations (Becton et al., 2014). As a result of reduced loyalty and the willingness to leave a job when better opportunities arise, the career paths of Generation Y are likely to involve multiple jobs across various organisations (Becton et al., 2010). An explanation for this finding is that Generation Y members tend to look for other opportunities since they are considered to be comfortable with change and do not attach great value to job security within their careers (Becton et al., 2010; Winter & Jackson, 2016). Along these lines, it was found that Generation Y value rapid career advancement more than life-long employment (Özçelik, 2015). Furthermore, money and financial rewards were revealed by previous studies to be weaker motivators among Generation Y employees (Crumpacker & Crumpacker, 2007, as cited in Kong et al., 2015). Considering the generational characteristics of Generation Y putting a low emphasis on job security and financial rewards, as well as showing low levels of loyalty towards their employer, it can be assumed that they do not expect their organisation to provide economic value. Hence, it is not expected that economic value will influence Generation Y employees’ commitment and satisfaction and thus the following hypothesis is proposed:
Hypothesis 17: Generation Y will weaken the positive relationships between economic value and employee commitment (H2), and economic value and employee satisfaction (H7).

Literature reveals a common stereotype for Generation Y as they were found to perceive their jobs primarily as means to build a career résumé (Lamm & Meeks, 2009). This is in line with their strong desire to quickly advance and develop their career, and their lacking loyalty and long-term commitment towards their employer (Anantatmula & Shrivastav, 2012; Becton et al., 2014; Kong et al., 2015). Although there is lacking empirical evidence on Generation Y employees’ perception of reputation value provided by organisations, they are presumed to strengthen the relationships hypothesised in H3 and H8:

Hypothesis 18: Generation Y will strengthen the positive relationships between reputation value and employee commitment (H3), and reputation value and employee satisfaction (H8).

Another common stereotype for Generation Y deals with their appreciation of lifelong learning (Becton et al., 2010). This is related to them being highly educated and ambitious, and thus highly value opportunities for career growth and advancement (Chen & Choi, 2008; Anantatmula & Shrivastav, 2012; Kong et al., 2015). Kong et al. (2015) found that Generation Y employees are more likely to increase their commitment and satisfaction levels at work when they perceive their companies are supporting their careers. Even though Generation Y members typically self-manage their careers, they expect their employers to provide them with effective career support (Gursoy et al., 2013). While Generation Y employees strive for clear directions and support from their supervisors, they also appreciate an empowering environment at work which gives them a certain level of freedom (Kong et al., 2015). In line with their demand for career growth is their appreciation of training and mentoring programs (Cennamo & Gardner, 2008; Parry & Urwin, 2011). Hence, Generation Y employees are more likely to develop satisfaction and commitment when experiencing high levels of mentoring and support from their employer (Kong et al., 2015). Further, Gursoy et al.’s (2013) findings revealed that satisfaction and commitment are positively related to a consistency of employees’ abilities and career expectations at an organisation. If Generation Y employees perceive that their career expectations do not match their abilities, they are more likely to seek opportunities at another employer (Gursoy et al., 2010; Özçelik, 2015). This is in line with them exhibiting a higher voluntary turnover rate than Generation X (Kowske, Rasch, & Wiley, 2010). Based on the demands for career growth and advancement among Generation Y employees, the following hypothesis is presumed:
Hypothesis 19: Generation Y will strengthen the positive relationships between development value and employee commitment (H4), and development value and employee satisfaction (H9).

According to Mitchell (1998), Generation Y is characterized by the highest racial and ethnic diversity compared to the other five generational groups (as cited in Becton et al., 2014). As a result, they are expected to value diversity and change (Patterson, 2005, as cited in Becton et al., 2014). Since Generation Y members are comfortable with change, they tend to constantly seek better career opportunities (Becton et al., 2010). Additionally, Generation Y employees are considered to strive for challenging jobs which offer them growth opportunities, constant skill development and increased responsibility (Gursoy et al., 2013). Gursoy et al.’s (2013) findings also suggest that this generation shows greater out-of-the-box behaviour and is more likely to challenge conventional norms at work compared to Generation X. In line with Generation Y members’ demands for career growth and advancement, is their need for intellectual challenges and meaningful jobs as well as their desire to make a difference (Chen & Choi, 2008; Becton et al., 2014; Kong et al., 2015; Özçelik, 2015). They like challenges because they were found to prefer performing tasks that really matter (Gursoy et al., 2008). If companies fail to provide interesting tasks and a variety in daily work, it may increase boredom among Generation Y employees, which in turn leads to employee withdrawal behaviour (Kuron et al., 2015). Hence, it can be presumed that Generation Y employees value diverse and challenging tasks, which in turn can facilitate employee commitment and satisfaction. Therefore, the following hypothesis is proposed:

Hypothesis 20: Generation Y will strengthen the positive relationships between diversity value and employee commitment (H5), and diversity value and employee satisfaction (H10).

An overview of the relationships previously suggested in the hypotheses is provided in Appendix 1.
3.4 Research Model

Based on the preceding literature review, the research model presented in Figure 1 was developed. The key concepts are Employer Branding, Employee Commitment and Employee Satisfaction. Employee Commitment and Satisfaction are defined as the outcomes which are conceptualised to be positively affected by the five values of Employer Branding. The relationships between Employer Branding and Employee Commitment, and Employee Satisfaction are further moderated by Generation X and Generation Y.

![Figure 1: Research Model](image-url)
4. Empirical Method

This chapter argues for the research strategy of the dissertation, followed by the presentation of data collection and operationalisation of the variables. Subsequently, information about the sample selection and data analysis is provided. The chapter is concluded by presenting the reliability and validity of this study, as well as the ethical issues that were considered while collecting and analysing the data.

4.1 Research strategy

A research strategy is seen as a plan of how a researcher will approach answering his or her research question (Saunders et al., 2016). The choice of research strategy is, therefore, closely linked to the research question and purpose (Saunders et al., 2016). Among all the different research designs, a survey study appeared to be most feasible for our dissertation, considering the deductive, cross-sectional research approach. A survey study is a common strategy in business and management research and is typically used to answer research questions starting with what, who, where, how much and how many (Saunders et al., 2016). Hence, a survey is most suitable for our study and helps us answer our research questions: “How does employer branding impact employee commitment and satisfaction? How do Generation X and Generation Y impact the relationships between employer branding and employee commitment, and employee satisfaction?”.

Survey strategies including questionnaires allow to simultaneously gather standardised data from a sizeable population in an economical manner (Saunders et al., 2016). Questionnaires further provide an efficient way of collecting a large amount of data since each individual is able to respond to the same questions at the same time (Saunders et al., 2016). These quantifiable data can be analysed through the use of descriptive statistics, which helps us to identify possible reasons for specific relationships that occur between variables (Bryman & Bell, 2015; Saunders et al., 2016). Hence, a survey approach enables us to examine causalities of the previously suggested direct relationships between Employer Branding and Employee Commitment, and Employee Satisfaction, as well as to identify the moderating effect of Generation X and Y on these relationships. Aside from the benefits a survey strategy provides, there are drawbacks such as the limit to the number of questions a questionnaire should contain in order to prevent respondents from quitting (Saunders et al., 2016).
4.2 Data collection

In this dissertation, secondary data such as scientific articles and books have been used to develop our hypotheses and argue for the in chapter 3 suggested relationships between the chosen concepts. In order to test the hypotheses, primary data have been collected by using a quantitative data collection technique, namely a survey, using an electronically administrated questionnaire. Prior to using the survey questionnaire to collect data, it was firstly pilot tested in order to avoid misinterpretations of the statements and wrong translations, which could negatively affect the results. The pilot test was conducted on people who are similar to the targeted respondents in terms of being employed at a company. Pilot testing was used since it helps to maximize the reliability and validity of the data collected (Saunders et al., 2016). Various organisations such as municipalities, insurance and banking firms, universities and auditing firms have been contacted via E-mail or phone. However, these companies either refused in getting involved in the study or did not respond. Through personal contacts which enabled the possibility of access to companies, two German companies operating within the industry sector of medical engineering were acquired as organisations willing to participate in our survey. The questionnaire was sent via E-mail to the Human Resource department of the two companies, which then distributed the survey within their own company. In order to be able to check for differences between the two samples and distinguish the two datasets, two different links were sent to the companies. The companies were provided with the questionnaire in both German and English since their employees have different native languages. The survey questionnaire can be found in Appendix 3 (English) and 4 (German). The survey was open for participation from 13th – 17th of May 2019. Three days after the survey opening a reminder was sent to the employees in order to attract their attention again and raise the probability of a higher response rate. In total, 1012 employees were contacted via E-mail, of which 313 participated in the survey. Due to uncertainties in the response rates received by the companies, the questionnaire was simultaneously distributed through social media. However, since the level of participants was higher for the companies than for social media (156 participants) as well as the data gathered from social media was more heterogeneous in terms of industry sector, it was decided to exclude this set of data. Further, it is excluded since it is more relevant to explain the impact of employer branding on employee commitment and satisfaction on the sample of employees working in the same industry than on employees working in different industries. This is based on the fact that employer branding activities communicate employment promises
to employees about opportunities provided by an organisation (Edwards, 2009; Maurya & Agarwal, 2018), which results in various branding activities depending on each industry sector.

4.3 Operationalisation

Responses to each item used for measuring the three concepts of employee commitment, employee satisfaction and employer branding were measured on a Seven-point Likert scale from $1 = \text{strongly disagree}$ to $7 = \text{strongly agree}$, as the scale extremes. The details of the total scales including the items used to measure Employee Commitment, Employee Satisfaction and Employer Branding are provided in Appendix 2. Variables which are coded as dummy variables consider $1 =$ values being within the category, whereas $0 =$ values being not within this category. For example, $1 =$ Bachelor and $0 =$ Not Bachelor. The following chapters present why and how the different dependent, independent, moderating and control variables are assessed in this study.

4.3.1 Dependent variables

*Employee Commitment*

The present study assesses commitment as one concept which does not distinguish between but includes the three components of affective, normative and continuance commitment. The concept of *Employee Commitment* was measured based on the Organisational Commitment Questionnaire (OCQ) by Mowday *et al.* (1979) from which we adopted five items of organisational commitment. This scale has been extensively used in literature and thus has been acknowledged among scholars as an adequate and stable tool to assess employee commitment (Allen & Meyer, 1990). Originally, Mowday *et al.* (1979) included 15 items, however, since some of those appeared to be redundant and ambiguous, ten items were excluded. In order to ensure an overarching measurement of the concept, four items inspired by Allen & Meyer’s (1990) three commitment scales were added. As a result, nine items which capture employees’ individual perception of commitment were used. Each item represents possible feelings that individuals might have about the organisation they work for, thus include their personal perceptions about their employer. The reliability testing has revealed that the nine-question instrument has adequate reliability (0.832).
Employee Satisfaction

Employee Satisfaction was measured by adopting ten items of the Job Satisfaction Survey developed by Spector (1985). The scale consists of nine subscales which were used since both motivators and hygiene factors of satisfaction were included (Herzberg et al., 1959). The subscales refer to Supervision, Pay, Benefits, Co-workers, Promotion, Communication, Operating procedures, Nature of work and Contingent rewards. The Job Satisfaction Survey consists of 36 items, however, since some items were similar in their meaning and due to time constraints, 26 items were excluded. In order to ensure that each subscale is measured holistically, two items inspired by Harter, Hayes and Schmidt (2002) and one item by Slavkovic et al. (2018) were added. The items by Harter et al. (2002) were included in the following subscales, co-workers and communication. Whereas, the item by Slavkovic et al. (2018) was categorised in the subscale nature of work. The total scale of employee satisfaction comprises 13 items which capture employees’ individual perception of satisfaction. One of the 13 items was reverse coded since it was stated in a negative way. The reliability testing has revealed that the 13-question instrument has adequate reliability (0.849).

4.3.2 Independent variables

Employer Branding

Employer Branding was assessed based on the measurement instrument Schlager et al. (2011) developed for the concept. Hereby, the scholars partly applied the items of the Employer Attractiveness Scale by Berthon et al. (2005) which measure the perceived employer branding for potential employees. Scholars widely agreed upon that the Employer Attractiveness Scale by Berthon et al. (2005) is the only validated scale existing in the current literature for identifying the attractiveness dimensions of an employer brand, and thus most of the previous studies used it for this purpose (e.g. Lelono & Martdianty, 2013; Alniaçık & Alniaçık, 2012; Reis & Braga, 2016; Tanwar & Prasad, 2016b; Kashyap & Verma, 2018). Schlager et al. (2011) included three of their five subscales: economic value, development value and social value, since in the study by Berthon et al. (2005) these items were found to be most suitable for assessing employee attitudes. Hence, it was decided to use the measurement instrument by Schlager et al. (2011). Aside from these three items Schlager et al. (2011) added two more dimensions: diversity value and reputation value, as previous studies identified them as major influences of employee attitudes. In order to adapt Berthon et al.’s (2005) scale to current employees, Schlager et al. (2011) slightly revised the original items. In the present research, eight items developed by Berthon et al. (2005) were used and adapted to Schlager et al.’s (2005)
five dimensions of employer branding, namely social value, economic value, reputation value, development value and diversity value. In addition, two items by Schlager et al. (2011) were used to ensure a holistic measurement of the concept. Although Berthon et al. (2005) used 25 items in their study, this study included only eight of their items in order to allow the participants to complete the survey within a maximum of six minutes, as well as to prevent respondents from quitting (Saunders et al., 2016). According to Bryman and Bell (2015), shorter questionnaires are more likely to achieve higher response rates than longer ones. In total, ten items were used to measure the concept of employer branding, where each of the values was measured by two items. These ten items capture how employees perceive the signals sent by the organisation through employer branding. Although, these items may be perceived as being closely related to the items for measuring employee satisfaction, the ten items for employer branding focus on how employees perceive the signals sent by the organisation through employer branding rather than employees’ individual perception of satisfaction. While the Cronbach’s Alpha test for social value revealed an adequate reliability $\alpha = 0.693$, it showed inadequate reliability for economic value $\alpha = 0.297$. Cronbach’s Alpha values are considered to be quite sensitive to the number of items in the scale (Pallant, 2010). Therefore, we additionally tested the inter-item correlation for the items of economic value, which is suggested by Pallant (2010). According to Clark and Watson (1995), the inter-item correlation value should ideally range between 0.15 and 0.5, which could be achieved by the items of economic value (0.183). Further, the sample showed an adequate reliability for reputation value $\alpha = 0.641$, development value $\alpha = 0.814$, and diversity value $\alpha = 0.69$.

4.3.3 Moderating variables

Generation X and Y

Previous research found that how the employer brand is perceived may vary across different generations (Jain & Bhatt, 2015). Generation X and Y are considered as generations as such and are assessed through an open question asking for the participants’ year of birth. Based on their year of birth, the respondents have been categorized in line with the definition of generation by years, Generation X (1961-1980), Generation Y (1981-1999). While Generation X was coded as 0, Generation Y was coded as 1.
4.3.4 Control variables

**Gender**

Gender was included as a control variable since research points out the differences between males and females when considering job mobility and willingness to work (Becton *et al.*, 2014). Furthermore, women have been found to be more committed to (Benson & Brown, 2011) and satisfied with their employer compared to males (Kosteas, 2011; Tanwar & Prasad, 2016b). Research has also revealed that the perception of employer branding may change between genders (Jain & Bhatt, 2015), and thus have a direct effect on employee satisfaction (Tanwar & Prasad, 2016b). Gender was assessed as a dichotomous variable, where male was coded as 1 and female as 0.

**Ethnicity**

According to Andolsek and Stebe (2004), the cultural dimension plays a crucial role in the formation of employee commitment. Culture influences how employees will evaluate the quality of work and what is required by them to develop feelings of commitment to their organisations (Andolsek & Stebe, 2004). This is in line with Saari & Judge’s (2004) findings which implied that cultural factors and nationality can affect employee attitudes such as job satisfaction. Thus, supporting the relevance of ethnicity to be included as a control variable. Ethnicity was measured by asking the respondents to state their nationality since nationality was found to one of the characteristics important for assessing ethnic identification (Burton, Nandi, & Platt, 2010). Ethnicity was measured as a dichotomous variable where 1 was coded as German and 0 as Non-German. Since the sample showed that 91.2 % of the respondents are German, it was not relevant to distinguish between German and Non-German. Hence, ethnicity will not be used as a control variable in the statistical tests.

**Education level**

Since research has found that the level of education has a significant impact on employee satisfaction (Tso, Liu, & Li, 2015), this study controls for the education level of employees. Particularly, employees with higher education were in general more satisfied (Tso *et al.*, 2015). This control variable is assessed by asking the respondent about their highest level of education completed. Inspired by Tso *et al.* (2015), this study used four predefined answers, namely Bachelor, Master, PhD and Other. The four predefined education levels were coded as dummy variables. Since the sample showed that only 16.03 % of the respondents have a Master’s degree and 1.15 % have a PhD degree, it was not relevant to include these variables in the statistical
tests, which is the reason for why we excluded them. Although Education Other was mentioned by 56.49 % of the participants, the variable was excluded from the statistical tests since it appeared to not explain the dependent variables when adding it to the regression analysis. However, Bachelor, which constitutes 26.34 % of the respondents, was included as it was found to explain the dependent variable.

Organisational tenure
Organisational tenure refers to how long an employee has been employed in an organisation (Ng & Feldman, 2013). Years of experience within an organisation was chosen as a control variable because previous research has shown that workers with different levels of experience are likely to be interested in different job characteristics (Zaniboni et al., 2013). The scholars’ findings revealed that job features which increase work-related knowledge and skills such as task variety are more attractive for younger and less experienced workers (Zaniboni et al., 2013). Whereas, older workers with a certain level of experience do not value to perform a greater number of tasks since they do not focus on further career advancement and have already gained the necessary work-related skills and knowledge (Zaniboni et al., 2013). Organisational tenure was assessed by asking the respondents in which year they started to work for their current employer. Organisational tenure was measured by subtracting the entering date from 2019.

Job position
Respondents were asked about their position at the company since previous research argues that employees’ job position has a significant impact on employee satisfaction (Tso et al., 2015). The satisfaction of top managers was found to be lower than middle managers, whereas, employees with lower positions showed even lower levels of satisfaction (Tso et al., 2015). Job position refers to employees post of duty and is measured by asking the respondents about their current position at the company. Inspired by Tso et al. (2015), three answers were predefined, namely Top Manager, Middle Manager and Employee without being responsible for subordinates. The three predefined categories were coded as dummy variables. Since the sample showed that only 1.9 % of the respondents are top managers, it was decided to not control for this variable. Middle managers, accounting for 23.3 % of the respondents, did not explain the variance in the dependent variables and were therefore not included in the regression analysis. However, employee without being responsible for subordinates, which accounts for 74.8 % of the
respondents, was included as a control variable since it appeared to explain the dependent variable.

**Department**

The respondents were asked in which department they are currently working in since previous research revealed that employees tend to assess their workplace based on different factors including the department they work for (Lee & Way, 2010). Thus, illustrating that the department itself has an impact on overall job satisfaction (Lee & Way, 2010). In order to gather consistent data and facilitate the data analysis, the departments have been predefined (Bryman & Bell, 2011). The predefined departments are *Marketing, Category and Sales, IT, Controlling/Finance, HR, Customer Service, Production, Research and Development* and *Other*. The nine predefined departments were coded as dummy variables. The sample showed that the respondents work in the predefined departments. However, a high number of participants for each department was not achieved and thus made it irrelevant to control for. Hence, this study does not control for the different departments.

### 4.4 Sample selection

The impact of employer branding on employee commitment, and satisfaction has been mainly studied in the context of the service industry such as insurance (e.g. Schlager *et al.*, 2011; Lelono & Martidiany, 2013), healthcare (e.g. Becton *et al.*, 2014, Hoppe, 2016) hospitality (e.g. Kimpakorn & Tocquer, 2009) and IT (e.g. Tanwar & Prasad 2016a, 2016b). For this study, an industry within the manufacturing sector, namely the medical engineering industry was chosen. We conducted a survey with two different German companies that are operating in this specific industry. The two companies are similar since they are both large corporations, family-owned and situated in the same area in Germany. Although the access to these companies was convenient due to the support of personal contacts, this particular industry proves to be an interesting context for this study since we found a lack of research in this industry. As we conduct an online survey, access to Internet and a computer is required to participate in the survey. Hence, employees without these accesses could not be contacted, which resulted in a total sample of 392 employees in company 1 and 620 employees in company 2. In total, 1012 employees were contacted via E-mail, of which 313 participated in the survey. Hence, a response rate of 30.9 % was achieved. After data collection the answers were checked with regards to completeness, which resulted in reducing the number of usable responses to 255,
indicating a new response rate of 25.2 %. According to Bryman and Bell (2015), a certain amount of non-responses will occur when conducting a survey since some individuals are not contactable, and others will refuse to cooperate or quit the survey before having completed it.

4.5 Data analysis

Data in raw form provide only little information, and therefore have to be processed and analysed (Saunders et al., 2016). In order to analyse the quantitative data, gathered via eSurvey Creator, the raw data set has first been exported to Excel where it was coded into a complete data set. A Crosstabulation including the two companies and the control variables showed that no major differences between the single datasets were found. Based on this finding and the commonalities the two companies share, we treated the two datasets as one. By removing incomplete answers and out-of-range values, it was ensured that all errors were removed from the entire data set. Furthermore, one question was reverse coded since it was stated in a negative way. Afterwards, the corrected data set was imported to the quantitative data analysis software IBM SPSS Statistics. Within SPSS several tests were performed. Firstly, to test the internal reliability of the data, a Cronbach alpha test has been used for all dependent and independent variables. Secondly, the distribution of each control variable was verified in order to identify the relevance of each variable for our study. Thirdly, the normality of the scale variables, namely employer branding, employee commitment and employee satisfaction has been tested by using the one-sample Kolmogorov-Smirnov test in order to use either a Pearson or Spearman correlation matrix. Since the majority of the variables did not show a normal distribution, a Spearman correlation test was performed to test the possible correlation between the variables used in this research. According to Saunders et al. (2016), the smaller the absolute size of a sample, the less closely its distribution will be to normal distribution. Hence, the sample of 255 participants used in this dissertation is not sufficient to perform a Pearson correlation. Lastly, a multiple regression analysis was conducted with the aim to test H1 to H10 of the dissertation. In this study, the significance level is accepted at 10 % (p < 0.1). To be able to either identify H1 to H10 as supported or not supported, for this thesis, it was defined that a relationship which shows a significance level between 0 and 0.01 is considered as strong, and between 0.01 and 0.1 is considered as weak. The hypotheses for the direct effect were tested by adding control and independent variables in the first regression model. In order to test the moderating effect of generations on the relationships between employer branding and employee commitment, and satisfaction, a second multiple regression analysis was performed stepwise (H11 to H20). The
first step consisted exclusively of the control variables. Secondly, the independent variables and generation were added, whereas the third step considered the control and independent variables, but also includes the moderating variables. When testing the effect of the moderating variables, we first checked the significance of the model, and thereafter if the moderating variables are significant. This provides support for a significant impact of the moderating variables on the relationships between the independent and dependent variables. Secondly, in order to assess the strengthening or weakening effect of the moderating variables, we plot the two-way interaction effects (Dawson, 2014). The plots consist of slopes which can either be steep or shallow. In relation to each other, a steep slope in the graph indicates a strengthening effect of the moderating variables, whereas a shallow slope indicates a weakening effect.

4.6 Reliability and Validity

Once the data have been collected, measures such as reliability and validity are essential to judgements about the quality of research (Saunders et al., 2016). Reliability of data refers to the consistency and replication of concept measures (Bryman & Bell, 2015). Reliability is given if a researcher replicates an existing research design and achieves the same findings (Saunders et al., 2016). Whether research is reliable or not can be determined by considering one of the three factors: stability, internal reliability or inter-observer consistency (Bryman & Bell, 2015). To ensure the internal reliability of our data, a Cronbach Alpha test has been conducted on the dependent and independent variables. A Cronbach’s alpha coefficient varies between 1 and 0, where a value of at least 0.60 is typically considered to denote an acceptable level of internal reliability (Hair, Black, Babin, & Anderson, 2010). While reliability is a necessary key characteristic of research quality, it is not sufficient by itself to guarantee good-quality research since the quality of research also depends on its validity (Saunders et al., 2016). Validity is concerned with the appropriateness of the measures used, that is they measure what they are intended to, and thus assess the specific concept being studied (Saunders et al., 2016). Moreover, validity refers to the accuracy of the analysed results and generalisability of the findings (Saunders et al., 2016). All previously suggested hypotheses have been derived from existing literature, which increases the validity of the dissertation. Moreover, the scales and items used in the survey to measure the overarching concepts were either retrieved completely from or at least inspired by earlier quantitative research papers which measured the same concepts. Each of the scales and items has been tested before. As an indicator for validity, the number of citations of the selected scales has been drawn on. While Spector’s Job Satisfaction
Survey (1985) was cited 2174 times according to Google scholar, the article which included the OCQ by Mowday et al. (1979) was cited 11259 times. Although Schlager et al. (2011) were only cited 131 times according to Google scholar, Berthon et al.’s (2005) Employer Attractiveness Scale, which Schlager et al. (2011) based their own scale on, was cited 957 times. Previous studies further acknowledged that Berthon et al.’s (2005) is the only validated scale existing in the current literature for identifying the attractiveness dimensions of an employer brand and is thus the most used scale for this purpose (e.g. Reis & Braga, 2016; Tanwar & Prasad, 2016b; Kashyap & Verma, 2018).

4.7 Ethical considerations

As our dissertation involves human participants, ethical concerns have emerged while designing our research, as well as while collecting and analysing our data. Ethics in general refer to the behavioural norms guiding the research conduct in relation to the rights of those who are the subject of the research project or are influenced by it (Saunders et al., 2016). Hence, we considered several principles which were developed to recognise ethical issues occurring in many different research approaches (Bryman & Bell, 2015; Saunders et al., 2016). In this thesis, a quantitative research has been conducted through the use of a survey study using an electronically administrated questionnaire. When sending the survey questionnaire to the companies, a detailed explanation of the aim of the study as well as a short presentation of us were provided. Therefore, the principle of informed consent was fulfilled as participants were provided sufficient information and assurances about taking part in the survey, which insured the understanding and consent of the implications of participation (Bryman & Bell, 2015; Saunders et al., 2016). The companies were informed in advance that the results from the survey will be part of our dissertation. However, we assured them that the collected data will be treated confidentially and anonymously, and thus cannot be traced back to any individual or the company itself. Hence, we ensured the confidentiality of data and the maintenance of anonymity of those taking part in our survey, which in turn upheld the privacy of the respondents (Bryman & Bell, 2015; Saunders et al., 2016). As a result, the reliability of data may be enhanced since the respondents may feel more comfortable when answering the questions truthfully (Saunders et al., 2016).
5. Results and Analysis

This chapter presents the results of this research and the findings based on the statistical data analysis run in SPSS. In this data analysis descriptive statistics, correlations and Multiple Linear Regressions are included which are presented and analysed. This chapter is concluded by a summary of the analysis that presents an overview of the support and non-support of the hypotheses in this dissertation.

5.1 Descriptive Statistics

The descriptive statistics present an overview of the empirical data used in this analysis. In studies where human participants are involved, it is prior to conducting other tests, useful to control if the values included in the descriptive statistics are in line with this study (Pallant, 2010). The descriptive statistics presented in Table 3 include the dependent variables, independent variables, moderating variable as well as the control variables.

<table>
<thead>
<tr>
<th>Dependent Variables</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean/Percentage</th>
<th>Std. Deviation</th>
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</tbody>
</table>

Table 3: Descriptive Statistics
For this study, in total 255 respondents participated in the survey. However, missing values for some of the control variables were identified as presented in Table 3. The dependent variables include employee commitment and employee satisfaction. In Table 3, it is shown that the employees, based on a Seven-point Likert scale, feel committed to their employer on an average of 4.43. Further, the employed respondents were satisfied at an average of 4.90.

The independent variables used in this dissertation are social value, economic value, reputation value, development value and diversity value. Table 3 shows that the respondents perceive social value provided by their employer with an average of 5.46 on a Seven-point Likert scale. The average perception of economic value provided by the employer appeared to be 4.78. While reputation value of their employer was perceived with an average of 5.34 by the participants, development value was evaluated with an average of 4.44. Lastly, diversity value was perceived with an average of 5.26 by the respondents.

The moderating variable, generation, consists of Generation X and Generation Y. Out of the 255 respondents, 60.23 % were identified to belong to Generation Y, whereas the remaining 39.77 % are members of Generation X.

In this thesis, four control variables have been used, namely gender, education level, organisational tenure and job position. Table 3 shows that 59.1 % of the respondents were male, which means that the remaining 40.9 % were female. While 26.34 % of the participants finished their Bachelor’s degree, 16.03 % completed their Master’s degree. With 1.15 % of the respondents, PhD graduates represented the smallest education group. The participants who finished other education levels than a Bachelor, Master or PhD degree constituted 56.49 % of the sample. The respondent group ranged in organisational tenure between 0 and 41. 0 indicates that the respondents have been working for their employing organisation for less than one year. On average the participants show an organisational tenure of 7.76 years. A standard deviation of 7.71 shows a wide variety of tenure length among the respondents. While 1.91 % of the 255 participants indicated to hold a position on a top management level, 23.28 % were middle managers. Employees without responsibility for subordinates appeared to represent the biggest job position group by accounting for 74.81 % of the respondents.
5.2 Spearman Correlation Matrix

In order to explore the strength and direction of a relationship between the variables used in a study, a Spearman correlation test was performed (Pallant, 2010). Since the majority of the variables used in this research did not show a normal distribution, a Spearman correlation instead of a Pearson correlation was used. The correlation matrix shows how two variables are correlated. The strength of the relationship is shown by the numeric value, whereas the direction of the relationship depends on whether the numeric value is positive or negative (Pallant, 2010). Positive correlations indicate that an increase in one variable leads to an increase in the other variable, whereas negative correlations show that if one variable increases, the other decreases (Pallant, 2010).

The Spearman correlation matrix, presented in Table 4, shows the correlation between the dependent variables, independent variables, moderating variable and control variables. According to Pallant (2010), the relationship between the independent and dependent variables should preferably not correlate at a lower level than 0.3 and not at a higher level than 0.7, indicating that they strongly correlate with each other. The independent variables in this study correlate with employee commitment at levels between 0.407** and 0.622**, whereas they correlate at levels between 0.479** and 0.638** with employee satisfaction. This indicates that there is a significant positive relationship between the five values of employer branding and employee commitment, and employee satisfaction. Hence, the more positively employees perceive the five values provided by their employer, the more they are satisfied and committed to the organisation. Social value was found to have the weakest correlation on employee commitment among the independent variables (0.407**), which means that a change in the perception of social value will have the least change employee commitment. The strongest correlation on employee commitment in comparison to the other independent variables has reputation value (0.622**). In relation to employee satisfaction, reputation value is found to be significantly positive at the lowest level among the independent variables (0.479**). Whereas, development value is significantly positive at the highest level (0.638**). Further, the matrix shows a significantly positive correlation among all the independent variables, but at different levels. This indicates that if one value increases, so does the other, but to various extent. Generation was found to negatively correlate with employee commitment (-0.279**) and economic value (-0.134**), indicating that there is a significant difference between Generation
X and Generation Y. Hence, Generation X is positively correlated with employee commitment and economic value, whereas Generation Y has a negative correlation.

Table 4 shows that respondents with a Master’s degree have a significant positive correlation with employee commitment (0.132*), which indicates that participants without a Master’s degree negatively correlate with commitment. Furthermore, there is a significant positive correlation between Master level and social value (0.156*), Master level and economic value (0.169**) and Master level and diversity value (0.168**). This means that there is a negative relationship between employees without a Master’s degree and the three values. As shown in Table 4, there is a significant negative correlation between education other and social value (0.164**). This demonstrates that employees who finished other education levels than Bachelor, Master or PhD degree perceive social value provided by their employer negatively. Additionally, there is a significant negative correlation between organisational tenure and employee satisfaction (-0.198**), which indicates that the longer the employees have been working for their employer, the less satisfied they are. Further, organisational tenure is negatively correlated with social value (-0.178**). This demonstrates that the longer the employees have been working for the same organisation, the more negative they perceive social value provided by their employer. It is also shown that organisational tenure has a significant negative correlation with development value (-0.160**), which indicates that as the organisational tenure increases, the perception of development value by the employees decreases. While there is a significant positive correlation between top manager and employee commitment (0.208**), employee without being responsible for subordinates is negatively correlated with employee commitment (-0.259**). Further, middle manager has a significant positive correlation with employee commitment (0.199**), but it indicates a weaker relationship than the one between top manager and employee commitment. This indicates that employees who are not top managers or middle managers will have a negative relation to employee commitment. Whereas, employees who are responsible for subordinates have a positive relationship with employee commitment. While top manager is positively correlated with employee satisfaction (0.142*), employee without being responsible for subordinates is negatively correlated with employee satisfaction (-0.148*). Hence, top managers are more satisfied than employees without being responsible for subordinates. As presented in Table 4, top manager has a significant positive correlation with development value (0.155*), whereas middle manager is also positively correlated with development value, but to a stronger extent (0.183**). In contrast to this, employee without being responsible for subordinates was found
to be negatively correlated with development value (-0.227**). This indicates that employees who are neither top nor middle managers are negatively correlated with development value. Whereas, employees who are responsible for subordinates have a positive relation to development value. Moreover, there is a significant positive correlation between middle manager and diversity value (0.168**), whereas employee without being responsible for subordinates shows a negative correlation with diversity value (-0.195**). Hence, employees who are not middle managers have a negative relation to diversity value, whereas employees who are responsible for subordinates are positively correlated with diversity value.
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*p < 0.01**; p < 0.05*; p < 0.1†
5.3 Multiple Linear Regression

Multiple Linear Regression was used to assess the strength of the relationship between the independent variables, social, economic, reputation, development and diversity value, and the dependent variables, namely employee commitment and satisfaction. Further, a Multiple Linear Regression was performed stepwise to determine the moderating effect of generation on the relationship between the independent and dependent variables. Hence, the hypotheses of this dissertation were tested with the help of regression analyses. Within the regression analyses, the independent variables were tested for multicollinearity since it does not contribute to a good regression model (Pallant, 2010). Multicollinearity exists when the variables are highly correlated \((r = 0.7\) and above) (Pallant, 2010). The collinearity diagnostics are performed as part of the multiple regression procedure and the relevant results are presented as VIF value in the table labelled Coefficients. VIF values above 10 would indicate multicollinearity (Pallant, 2010), which is not the case in this study since the highest VIF value was 7.08. Since no multicollinearity exists between the used variables, one regression analysis was performed for the direct effects of the five values of employer branding on employee commitment (H1 to H5), whereas the direct effects on employee satisfaction (H6 to H10) were tested in another one. Similarly, the moderating effects on employee commitment (H11 to H15) were tested in one regression analysis, whereas the moderating effects on employee satisfaction (H16 to H20) were tested in another one.

5.3.1 Direct effect

Direct effect addresses the first ten hypotheses predicting the relationship between the five values of employer branding and employee commitment, and satisfaction.

5.3.1.1 Employee Commitment

Table 5 presents the regression model \((n = 255)\) for the relationships between the independent variables, social, economic, reputation, development and diversity value, and the dependent variable, employee commitment. The table shows that Model 1 is significant \((F\text{-value} = 30.983^{***})\). The Adjusted \(R^2\) in this model is 0.515, which indicates that the independent variables and two control variables explain 51.5 % of the variance in the dependent variable, employee commitment. The model also shows that the highest VIF value is below 10 \((VIF = 1.826)\), which explains that there is no multicollinearity between
the variables in Model 1. Hence, the results presented in the model can be considered as reliable (Pallant, 2010). The control variables which were found to be significant are organisational tenure and employee without being responsible for subordinates. Whereas, gender and employees with a Bachelor’s degree are not significant, thus no relationship exists between these variables and employee commitment. Organisational tenure appears to have a positive relationship with employee commitment, but at a low significance level (0.088†). This indicates that the longer employees work at the same workplace the more committed they are. Further, employee without being responsible for subordinates is found to have a strong significant relationship with employee commitment, however, this relationship is found to be negative (-0.11*). This means that employees without being responsible for subordinates have a negative impact on employee commitment.

With regards to the independent variables, the standardised beta values present the number of standard deviations that change the dependent variable if a deviation by one unit would occur in the independent variables (Pallant, 2010). To be able to either identify the hypotheses as supported or not supported, for this thesis, it was defined that a relationship which shows a significance level between 0 and 0.01 is considered as strong, and between 0.01 and 0.1 is considered as weak. Model 1 shows that there is a strongly significant positive relationship between social value and employee commitment (0.148**). This indicates that a change in the perception of social value by one standard deviation unit, employee commitment will increase by 0.148 standard deviation units. Due to the high significance level below 0.01, Model 1 shows support for hypothesis 1, which predicts that social value will have a strong impact on employee commitment. Although previous research has found that this value has the strongest impact on employee commitment (Schlager et al., 2011), the findings of this research show that social value has a strong, but not the strongest, impact on employee commitment. Nevertheless, this finding indicates that a respectful environment, friendly relationships among co-workers, and a ‘people-first’ attitude in an organisation can lead to increased employee commitment (Schlager et al., 2011; Kashyap & Verma, 2018).

The model also shows that economic value has a significant relationship with employee commitment, however, this relationship is found to be positive but weak (0.099†). This means that employees’ perception of economic value has a positive but weak influence on their commitment to the organisation. Since the significance level is above 0.01, hypothesis
2 which predicts that economic value has a weak impact on employee commitment is supported. This finding is in line with previous research stating that economic value, which is associated with the economic benefits provided by the employer, has an impact on employee commitment (e.g. Berthon et al., 2005; Özçelik, 2015; Tanwar & Prasad, 2016a). Nevertheless, for employees working in the industry sector of medical engineering, economic value is found to have a weak impact on employee commitment, which supports the second hypothesis of this thesis. Hence, this finding shows that the economic value is not as important for employee commitment as the other values of employer branding.

Model 1 presents that reputation value, in relation to the other values in the table, has the strongest significant positive impact on employee commitment (0.419***), which indicates that a change in the perception of reputation value will increase employee commitment by 0.418 standard deviation units. Hence, this impact is stronger than those of the other values of employer branding. Due to the high significance level below 0.01, this finding supports hypothesis 3 which predicts a strong relationship between reputation value and employee commitment. Similarly, research states that by creating a good reputation value, companies can facilitate employee commitment (Schlager et al., 2011). Hence, reputation value was found to be a strong indicator of employee commitment (Schlager et al., 2011; Dögl & Holtbrügge, 2014). However, among the other values, reputation value is found to have the strongest impact on employee commitment, indicating that a good reputation and identification with the company will increase employees’ commitment (Schlager et al., 2011; Kimpakorn & Tocquer, 2009).

The regressions model reveals that development value has a weak, but positive significant relationship with employee commitment (0.112†). This indicates that development value has an impact on employee commitment, even though this impact is found to be weak. If a change in the perception of development value occurs, employee commitment will increase by 0.112 standard deviation units. Since the significance level is above 0.01, hypothesis 4 which predicts that development value will have a strong impact on employee commitment is not supported. This contradicts previous research which states that any kind of development value, which refers to training, mentoring and an empowering environment, provided by a company has a strong impact on employee commitment (Kashyap & Verma, 2018). The data show that there is a weak relationship between development value and commitment for employees working in the medical engineering sector. Hence, the
opportunities for development and growth, provided by the employer, might not be as important as predicted for employee commitment.

In Model 1, a significant value of (0.139*) in the relationship between diversity value and employee commitment is shown. This demonstrates that the more positive the perceived diversity value provided by the employer, the more committed employees are to the organisation. Due to the low significance level above 0.01, hypothesis 5 is supported as it predicts that diversity value will have a weak impact on employee commitment. This indicates that challenging and varying work tasks are not as important for employee commitment as social and reputation value. Further, this finding is in line with previous research which argues that employee commitment is influenced by the extent to which employees perceive diversity value (Schlager et al., 2011). Having addressed the relationships between the five values of employer branding and employee commitment, the following section analyses the values in relation to employee satisfaction.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Std. B</th>
<th>Std. E</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Independent variables</strong></td>
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<td></td>
</tr>
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<td>Social value</td>
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<td>0,049</td>
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<tr>
<td>Economic value</td>
<td>0,099†</td>
<td>0,053</td>
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<tr>
<td>Reputation value</td>
<td>0,419***</td>
<td>0,049</td>
</tr>
<tr>
<td>Development value</td>
<td>0,112†</td>
<td>0,038</td>
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<tr>
<td>Diversity value</td>
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<td>0,053</td>
</tr>
<tr>
<td><strong>Control variables</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td>-0,035</td>
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</tr>
<tr>
<td>Bachelor</td>
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<td>0,099</td>
</tr>
<tr>
<td>Organisational Tenure</td>
<td>0,088†</td>
<td>0,006</td>
</tr>
<tr>
<td>Employee w/o responsible for subord.</td>
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<td>0,108</td>
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<tr>
<td><strong>Constant</strong></td>
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<tr>
<td>F-value</td>
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<td></td>
</tr>
<tr>
<td>Adj. R²</td>
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<td></td>
</tr>
<tr>
<td>VIF value, highest</td>
<td>1,826</td>
<td></td>
</tr>
</tbody>
</table>

n=255

Note: p < 0.001***; p < 0.01**; p < 0.05*; p < 0.10†

*Table 5: Multiple Linear Regression Employee Commitment*
5.3.1.2 Employee Satisfaction

Table 6 presents the regression model (n = 255) for the relationships between the independent variables, social, economic, reputation, development and diversity value, and the dependent variable, employee satisfaction.

The table shows that Model 2 is significant (F-value = 41.407*** and that 58.9 % of the variance in the dependent variable employee satisfaction is explained by the independent variables, social, economic, reputation, development value, and the control variable, organisational tenure (Adjusted R² = 0.589). The highest VIF value in the model is below 10 (VIF = 1.826), which explains that there is no multicollinearity between the variables in the models. Hence, the results presented in the model can be considered as reliable (Pallant, 2010). Among the control variables, organisational tenure is the only variable which has a significant impact on employee satisfaction, although it is negative and has a low significance level (-0.093*). This indicates that the longer the employees have been working for their employer, the less satisfied they are. Hence, if organisational tenure increases by one standard deviation unit, employee satisfaction will drop by 0.093 standard deviation units. On the contrary, gender, Bachelor and employees without being responsible for subordinates do not show significance, and thus no relationship exists between these variables and employee satisfaction.

Referring to the standardised Beta value of the independent variables, Model 2 shows that social value has a strongly significant positive relationship with employee satisfaction (0.253***). Hence, the more positive the perception of social value provided by the employer, the more satisfied the employees. This demonstrates that if the perceived social value increases by one standard deviation unit, employee satisfaction will increase by 0.253 standard deviation units. Due to the significance level below 0.01, support is provided for hypothesis 6 which predicts a strong positive relationship between social value and employee satisfaction. This finding is in line with previous research which states that social value has a direct impact on employee satisfaction (Saari & Judge, 2004; Bjerke et al., 2007; Schlager et al., 2011). Employees’ relationships with co-workers and supervisors (Schlager et al., 2011; Gaylard et al., 2015) as well as the feelings of support, trust and openness among co-workers and supervisors were found to lead to higher levels of employee satisfaction (Humphrey, Nahrgang, & Morgeson, 2007; Davies, 2008). Similar
to Schlager et al. (2011), this study revealed that social value has the second strongest impact on employee satisfaction.

Model 2 shows that economic value has a strongly significant positive impact on employee satisfaction (0.163**). Although a strong significance is shown, it is yet lower than those of social, reputation and development value. Hence, the more positive the perceived economic value, the more satisfied the employees working within the medical engineering sector. This indicates that if the perceived economic value increases by one standard deviation unit, employee satisfaction will increase by 0.163 standard deviation units. Due to the significance level below 0.01, hypothesis 7 which suggests a strong positive relationship between economic value and employee satisfaction, is supported. This is supported by previous studies which claimed economic value, including salary, financial rewards and the company’s benefit structure, to be a satisfier among employees (Steers et al., 2004; Schlager et al., 2011; Kashyap & Verma, 2018). However, Schlager et al. (2011) found that economic value has the third strongest impact on employee satisfaction, whereas in the present study this value was among the five values identified as having the fourth strongest impact.

The regression model further presents that reputation value has a strongly significant positive relationship with employee satisfaction (0.217***). Therefore, the more positive the perceived reputation value provided by the organisation, the more satisfied the employees. This demonstrates that if the perceived reputation value increases by one standard deviation unit, employee satisfaction will increase by 0.217 standard deviation units. The significance level below 0.01 provides support for hypothesis 8 which predicts a strong positive relationship between reputation value and employee satisfaction. This is supported by literature which has found reputation value to be another important indicator for employee satisfaction (Antonacci & Antoncic, 2011; Biswas & Suar, 2016; Tanwar & Prasad, 2016b; Slavkovic et al., 2018). An explanation for this finding is given based on the positive influence of a good corporate image on employees’ behaviours and attitudes (Tanwar & Prasad, 2016b).

In Model 2, it is shown that development value has a strongly significant positive influence on employee satisfaction (0.325***). Hence, the more positive the perceived development value, the more satisfied the employees working within the medical engineering sector.
This indicates that if the perceived development value increases by one standard deviation unit, employee satisfaction will increase by 0.325 standard deviation units. Due to the significance level below 0.01, hypothesis 9 which suggests a strong positive relationship between development value and employee satisfaction, is supported. Similarly, previous studies revealed training and development opportunities as part of development value to be directly linked to employee satisfaction (Gaylard et al., 2005; Antoncic & Antoncic, 2011; Schlager et al., 2011; Matongolo et al., 2018). In line with the finding of this study, Schlager et al. (2011) found that development value is among the five values the strongest predictor of employee satisfaction.

The regression model does not show any significant impact of perceived diversity value on employee satisfaction (0.08). Hence, it is the only value among the five values of employer branding which does not have a significant positive relationship with employee satisfaction. Due to lacking significance, no support for hypothesis 10 is provided which predicts a weak positive relationship between diversity value and employee satisfaction. This finding appears to contradict previous studies which claim diversity value, including job challenge, autonomy, variety, and scope, to be a facilitator employee satisfaction (Saari & Judge, 2004; Bjerke et al., 2007; Schlager et al., 2011; Tanwar & Prasad, 2016b). Schlager et al.’s (2011) results showed a significant positive impact of diversity value on employee satisfaction, even though it was found to have the weakest influence among the five values of employer branding. However, the finding of this study shows that there is no relationship between diversity value and employee satisfaction. Having addressed the direct relationships between the five values of employer branding and employee commitment, and satisfaction, the following section will analyse the findings concerning the moderating effect of generation.
5.3.2 Moderating effect

In order to assess the suggested relationships predicted in H11 to H20, the moderating effect of Generation X and Generation Y was tested. The moderating effect is tested by including moderating variables in the regression analysis. The moderating variables were created by multiplying each independent variable with generation, which resulted in five multiplicative variables of generation and social, economic, reputation, development and diversity value. The consequence of merging variables is that the regression analysis, consisting of moderating variables, tend to show high multicollinearity (Pallant, 2010). This can be explained by a high correlation between the variables merged for the moderating variable or if the moderator is coded as a dummy variable (Iacobucci, Schneider, Popovic, & Bakamitsos, 2016). Since the regression analysis for the moderating variables showed high VIF values, the independent variables were standardised before creating the moderating variables. Table 7 presents the moderating effect of the generations on the relationship between the independent variables and employee commitment. Whereas, Table 8 shows the moderating effect of generation on the relationship between the five values of employer branding and employee satisfaction. Since the variable generation was coded as a dummy variable, Generation X = 0 and Generation Y = 1, the variables consider the values which are coded as 1 in the regression. Hence, the regression

---

**Table 6: Multiple Linear Regression Employee Satisfaction**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Std. B</th>
<th>Std. E</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Independent variables</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social value</td>
<td>0.253***</td>
<td>0.041</td>
</tr>
<tr>
<td>Economic value</td>
<td>0.163**</td>
<td>0.044</td>
</tr>
<tr>
<td>Reputation value</td>
<td>0.217***</td>
<td>0.041</td>
</tr>
<tr>
<td>Development value</td>
<td>0.325***</td>
<td>0.032</td>
</tr>
<tr>
<td>Diversity value</td>
<td>0.08</td>
<td>0.044</td>
</tr>
<tr>
<td><strong>Control variables</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td>-0.044</td>
<td>0.075</td>
</tr>
<tr>
<td>Bachelor</td>
<td>0.007</td>
<td>0.083</td>
</tr>
<tr>
<td>Organisational Tenure</td>
<td>-0.093*</td>
<td>0.005</td>
</tr>
<tr>
<td>Employee w/o responsible for subord.</td>
<td>-0.045</td>
<td>0.09</td>
</tr>
<tr>
<td>Constant</td>
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</tr>
<tr>
<td>F-value</td>
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<td></td>
</tr>
<tr>
<td>Adj. R²</td>
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</tr>
<tr>
<td>VIF value, highest</td>
<td>1.826</td>
<td></td>
</tr>
</tbody>
</table>

n=255

Note: p < 0.001***; p < 0.01**; p < 0.05*; p < 0.10†
tables below present the analysis for the moderating variable of for Generation Y, whereas Generation X, which is coded as 0, will show the opposite for this sample. This was confirmed by performing a regression analysis where Generation X was coded as 1 and Generation Y as 0. The plotted two-way interaction effects were considered when assessing the strengthening or weakening effect of the moderating variables, Generation X and Y. In relation to each other, a steep slope in the graph indicates a strengthening effect of the moderating variables, whereas a shallow slope indicates a weakening effect.

Since the two dependent variables, employee commitment and satisfaction, were combined in one hypothesis for each value of employer branding and generation (H11 to H20), the findings of the moderating effect on the dependent variables will thus jointly be analysed after having reported all the results.

5.3.2.1 Employee Commitment
Table 7 presents the regression model (n = 255) for the moderating effect of generation on the relationships between the independent variables, social, economic, reputation, development and diversity value, and the dependent variable, employee commitment.

The table shows that the regression model is significant (F-value = 21.004***). The Adjusted R² for the moderating effect of generation is 0.542, which indicates that social value (0.162*), reputation value (0.43***), development value (0.258*), generation (-0.21***), and the moderating variable of diversity value x generation (0.265*), explain 54.2% of the variance in the dependent variable, employee commitment. With regards to the regression analysis without the moderating variables, an R² change of 0.012 shows that the moderating variables, in addition, explain 1.2% of the variance in employee commitment. Although, the Sig. F Change shows that generation does not statistically contribute to the model (0.236), the regression analysis is significant for the whole model. The highest VIF value in the model is below 10 (VIF = 7.08), which explains that there is no multicollinearity between the variables in the models. Hence, the results presented in the model can be considered as reliable (Pallant, 2010). Although the highest VIF value can be considered as high, this can be explained by a high correlation between the independent and the moderating variables. Hence, high VIF values are found to be common for regression analyses which consist of moderating variables (Pallant, 2010). No significant values were found for the control variables, which indicates that there is no relationship
between the control variables and employee commitment. Further, while social, reputation and development value were found to have a positive significant relation to employee commitment, generation was found to have a strong significant negative relationship with commitment. This indicates that these values have a positive impact on employee commitment and that there are significant differences between Generation Y and Generation X employees working in the medical engineering sector. While Generation Y has a negative relationship with employee commitment, Generation X is found to have a positive relationship with commitment.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Std. B</th>
<th>Std. E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Control variables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender</td>
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<tr>
<td>Bachelor</td>
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<td>Organisational Tenure</td>
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<tr>
<td>Employee w/o responsible for subord.</td>
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<td>0.113</td>
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<tr>
<td>Social value</td>
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<tr>
<td>Economic value</td>
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</tr>
<tr>
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</tr>
<tr>
<td>Development value</td>
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<td>Diversity value</td>
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<tr>
<td>Generation</td>
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<td>Moderating variables</td>
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<tr>
<td>Social value x Generation</td>
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<td>Economic value x Generation</td>
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<td>VIF value, highest</td>
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</tr>
<tr>
<td>Sig. F Change regr. w/o interaction effect</td>
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<td></td>
</tr>
<tr>
<td>Sig. F Change regr. w/ interaction effect</td>
<td>0.236</td>
<td></td>
</tr>
</tbody>
</table>

Table 7: Multiple Linear Regression Moderating Employee Commitment

With regards to the standardised Beta value of the moderating variables, Model 3 shows that hypotheses 11 and 16 are not supported since there is no significance for the moderating effect of generation, neither for Generation X nor Y, on the relationship
between social value and employee commitment (0.011). The table also shows that there is no significant moderating effect of generation on the relationship between economic value and employee commitment. Hence, the regression model does not provide support for hypotheses 12 and 17. Further, in Model 3, no significance for the moderating effect of generation on the relationship between reputation value and employee commitment is found (-0.044) was found. Consequently, the model does not support hypotheses 13 and 18. Table 7 also shows no significant moderating effect of generation on the relationship between development value and employee commitment. Therefore, no support is found for hypotheses 14 and 19.

In Model 3, significance for the moderating effect of generation on the relationship between diversity value and employee commitment is found for employees working within the medical engineering sector (0.265*). Figure 2 visualizes the plotted interaction effects between diversity value and employee commitment and therefore makes it possible to determine whether the moderating variable strengthens or weakens the relationship suggested in hypothesis 5. In this case, it is found that the slope representing Generation Y is steep, which indicates that this generation strengthens the relationship between diversity value and employee commitment. Whereas, the shallow slope for Generation X demonstrates a weakening effect of this generation on the relationship between diversity value and employee commitment. Even though the effect of Generation X is still positive, as indicated by the positive scale in the plot, it is weaker in comparison to the one of Generation Y, demonstrated by the shallower slope. Hence, Model 3 partly supports hypotheses 15 and 20 which suggest that Generation X will weaken, and Generation Y will strengthen the relationship between diversity value and employee commitment. This is supported by literature, which found that Generation X members are creative and seek variety (Gursoy et al., 2013; Reis & Braga, 2015), although not to the same extent as Generation Y. Further, this finding is in line with previous studies since they argue that diversity value is essential for Generation Y in a workplace in order to facilitate employee commitment (Kuron et al., 2015).
5.3.2.2 Employee Satisfaction

Table 8 presents the regression model (n = 255) for the moderating effect of generation on the relationship between the independent variables, social, economic, reputation, development and diversity value, and the dependent variable, employee satisfaction.

Table 8 shows that the regression model for the moderating effect of generation on employee satisfaction is significant for employees working in the medical engineering sector (F-value = 26.37***). Model 4 further presents that 60% (Adjusted R² = 0.6) of the variance in the dependent variable of employee satisfaction is explained by social value (0.221**), economic value (0.282**), development value (0.484***), generation (-0.103*), as well as the moderating variable of economic value x generation (-0.167*) and development value x generation (-0.164†). The R² change of 0.014 indicates that generation explains an additional 1.4% of the variance in employee satisfaction. However, based on the Sig. F Change value generation does not provide a statistically significant contribution to the model (0.114). Although, the model is significant as a whole. Since the highest VIF value of Model 4 is below 10 (VIF = 7.08), there is no multicollinearity between the variables used in these models. According to Pallant (2010), this indicates that the results of the models can be considered as reliable. Further, it was found that, among the control variables, organisational tenure is the only variable which has a significant impact on employee satisfaction, even though it is negative and has a low significance level (-0.118*). This indicates that the longer the employees have been working for their employer, the less satisfied they are. While, social, economic and development value were found to have a
positive significant impact on employee satisfaction, generation was found to have a negative significant impact. This indicates that these values have a positive impact on employee satisfaction and that there are significant differences between Generation X and Generation Y in relation to employee satisfaction. Generation Y is found to have a negative relationship with employee satisfaction, whereas, Generation X has a positive relationship with employee satisfaction.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Std. B</th>
<th>Std. E</th>
</tr>
</thead>
<tbody>
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<td>Control variables</td>
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</tr>
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<tr>
<td>Bachelor</td>
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</tr>
<tr>
<td>Moderating variables</td>
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</tr>
<tr>
<td>Social value x Generation</td>
<td>0.063</td>
<td>0.087</td>
</tr>
<tr>
<td>Economic value x Generation</td>
<td>-0.167*</td>
<td>0.091</td>
</tr>
<tr>
<td>Reputation value x Generation</td>
<td>0.109</td>
<td>0.098</td>
</tr>
<tr>
<td>Development value x Generation</td>
<td>-0.164†</td>
<td>0.104</td>
</tr>
<tr>
<td>Diversity value x Generation</td>
<td>0.11</td>
<td>0.111</td>
</tr>
<tr>
<td>Constant</td>
<td>1.2*</td>
<td>0.507</td>
</tr>
<tr>
<td>F-value</td>
<td>26.37***</td>
<td></td>
</tr>
<tr>
<td>Adj. R^2</td>
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<tr>
<td>VIF value, highest</td>
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<tr>
<td>Sig. F Change regr. w/o interaction effect</td>
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</tr>
<tr>
<td>Sig. F Change regr. w/ interaction effect</td>
<td>0.114</td>
<td></td>
</tr>
</tbody>
</table>

Table 8: Multiple Linear Regression Moderating Employee Satisfaction

Referring to the standardised Beta value of the moderating variables, Model 4 does not show a significance for the effect of the moderating variable, generation, on the relationship between social value and employee satisfaction (0.063). Hence, this model does not provide support for hypotheses 11 and 16 which suggest that Generation X and Y will strengthen the positive relationship between social value and employee satisfaction.
Model 4 provides a significant value for the moderating effect of generation on the relationship between economic value and employee satisfaction (-0.167*). Figure 3 visualizes the plotted interaction effects between economic value and employee satisfaction and therefore makes it possible to determine whether the moderating variable strengthens or weakens the relationship suggested in hypothesis 7. In this case, it is found that the slope representing Generation X is steep, which indicates that this generation strengthens the relationship between economic value and employee satisfaction. Whereas, the shallow slope for Generation Y demonstrates a weakening effect of this generation on the relationship between this value and satisfaction. Even though the effect of Generation Y is still positive, as indicated by the positive scale in the plot, it is weaker in comparison to the one of Generation X, demonstrated by the shallower slope. Hence, Model 4 partly supports hypotheses 12 and 17 since Model 3 did not support the moderating effect for these hypotheses. While Generation X is known for valuing good compensation packages and monetary benefits (Benson & Brown, 2011; Reis & Braga, 2015), financial rewards were found to be weak motivators for Generation Y employees (Crumpacker & Crumpacker, 2007, as cited in Kong et al., 2015). This is in line with the finding provided by Model 4.

![Figure 3: Interaction Effects of Economic value and Employee Satisfaction](image)

In Model 4 no significant moderating effect of generation on the relationship between reputation value and employee satisfaction is found (0.109). Therefore, this model does not provide support for hypotheses 13 and 18.

Model 4 shows that generation has a significant moderating effect on the relationship between development value and employee satisfaction for employees working in the
medical engineering sector (-0.164†). This effect appears to be weaker than the moderating effect of generation on the relationship between economic value and satisfaction. Figure 4 visualizes the plotted interaction effects between development value and employee satisfaction and therefore makes it possible to determine whether the moderating variable strengthens or weakens the relationship suggested in hypothesis 9. In this case, it is found that the slope representing Generation X is steep, which indicates that this generation strengthens the relationship between development value and employee satisfaction. Whereas, Generation Y weakens this relationship since the graph shows a shallower slope. Even though the effect of Generation Y is still positive, as indicated by the positive scale in the plot, it is weaker in comparison to the one of Generation X, demonstrated by the shallower slope. Hence, Model 4 provides partly support for hypothesis 14 which predicts that Generation X will strengthen the relationship between development value and employee satisfaction. However, Model 3 which shows the moderating effect of generation on the relationship between development value and employee commitment, did not support this hypothesis. This finding is in line with previous studies which state that Generation X employees are more satisfied when being provided with training and development opportunities by their employer (Cheah et al., 2016). Further, Model 4 does not support hypothesis 19 since it suggested that Generation Y will strengthen the relationship between development value and employee satisfaction. Likewise, Model 3 did not provide support for hypothesis 19. This finding contradicts previous research since Generation Y was found to appreciate lifelong learning (Becton et al., 2010) and career growth (Chen & Choi, 2008; Kong et al., 2015).

Figure 4: Interaction Effects of Development value and Employee Satisfaction
In Model 4 no significant moderating effect of generation on the relationship between diversity value and employee satisfaction is found (0.11). Hence, this model does not support hypotheses 15 and 20. However, Model 3 provides partly support for hypotheses 15 and 20.

After having reported all the results of the regression analyses on the moderating effect of generation on the relationships between the five values of employer branding and employee commitment, and satisfaction (H11 to H20), the findings will be analysed in the following.

Firstly, our research does not reveal any significant moderating effect of generation, neither for Generation X nor Y, on the relationships between social value and employee commitment, and satisfaction, and thus does not support hypotheses 11 and 16. Similarly, hypotheses 13 and 18 are not supported by this study since neither Generation X nor Y was found to have a moderating influence on the relationships between reputation value and employee commitment, and satisfaction. This might suggest that Generation X and Y employees working in the medical engineering sector are too similar in their perceptions of social and reputation value provided by their employer, as well as in the way these values influence their commitment and satisfaction. Hence, a distinction made between the two generations regarding social and reputation value might not be relevant for the sample used in this dissertation. According to Cennamo & Gardner (2008), commonalities between employees of different generations should be acknowledged. This is important since common generational stereotypes were found to be not always consistent with workplace behaviours (Becton et al., 2014).

Secondly, Generation X was found to strengthen the positive relationship between economic value and employee satisfaction, whereas Generation Y appeared to weaken this positive relationship. These findings are in line with literature on the characteristics of Generation X which states that a good compensation package is important for employees in order to remain with a company (Benson & Brown, 2011; Reis & Braga, 2015). Whereas, Generation Y members are characterized as appreciating a work-life balance more than the economic benefits provided by the employer (Kong et al., 2015). Accordingly, Kong et al. (2015) found that money and financial rewards are weak motivators among Generation Y employees. The findings of this research might also suggest that the preference for economic value increases with age and experience, indicating that a high salary and
financial rewards are not important for employee satisfaction at lower career stages. Although generation showed a moderating effect on the relationship between economic value and employee satisfaction, no significant moderating effect was identified on the relationship with commitment. Hence, hypotheses 12 and 17 were only partly supported for employee satisfaction. This may demonstrate that Generation X and Y employees do neither show any differences in their perceptions of economic value nor in the way this value affects their commitment.

Thirdly, while Generation X appeared to strengthen the positive relationship between development value and employee satisfaction, Generation Y was found to weaken this positive relationship, which resulted in partly supporting hypothesis 14 for employee satisfaction. On the one hand, this finding is in line with previous studies which revealed that training and development, knowledge sharing, and task orientation positively influence Generation X employees’ satisfaction (Cheah et al., 2016). On the other hand, it contradicts existing literature which states that Generation Y employees feel more satisfied with their chance to get a better job and develop their career (Kowske et al., 2010). This contradiction might suggest that there is a difference between various career stages for employees working in the medical engineering sector. For instance, Generation Y members, in their early years of employment may not prioritise promotion or training and development, but rather value diverse and challenging work tasks. Although this study revealed a significant moderating effect of generation on the relationship between development value and employee satisfaction, no significant effect was found for this relationship with commitment, and thus hypothesis 19 was not supported.

Lastly, it was found that Generation X weakens, and Generation Y strengthens the positive relationship between diversity value and employee commitment. These results indicate differences between Generation X and Y employees in the perception of diversity value as well as in the way this value influences their commitment. Hence, this finding is in line with previous research which states that Generation X employees find challenging and varying tasks important (Bjerke et al., 2007). Although, it is not mentioned to what extent diversity value impacts Generation X employees’ commitment, this research found a weak moderating effect. This might suggest that employees from Generation X do not as strongly prioritise diversity value at a later career stage as they did at earlier stages of their careers. Further, the result for Generation Y is aligned with previous research stating that this
generation is comfortable with change (Becton et al., 2010) and finds challenging task essential in a workplace (Kuron et al., 2015). Additionally, Generation Y employees favour diversity value as it creates opportunities for personal development and enhancement (Chen & Choi, 2008). While a significant impact of generation was found on the relationship between diversity value and commitment, no moderating effect was identified on the relationship with satisfaction. This indicates that generational differences are neither found in the perception of diversity value nor in the way this value affects employee satisfaction. Therefore, hypotheses 15 and 20 are partly supported for employee commitment.

5.4 Summary of analysis

This chapter is initiated by presenting the descriptive statistics of the dependent variables, independent variables, moderating variables as well as the control variables. Further, a Spearman correlation test was performed in order to examine the relationship between all the variables used in this study. The multiple regression analyses were conducted in order to see how the independent variables, social, economic, reputation, development and diversity value, affect the dependent variables, employee commitment and employee satisfaction. Hence, these analyses showed either support or no support for hypotheses 1 to 10. Lastly, the moderating variables were added to the regression analysis in order to test the moderating effect of Generation X and Y on the direct relationships between the independent and dependent variables. In addition, the interaction effects between the independent and dependent variables were plotted for the significant moderating variables to assess the strengthening or weakening effect and thus provide support, partly support or no support for hypotheses 11 to 20. Besides supporting or not supporting the hypotheses of this study, the regression analyses provided additional findings, which will be addressed in the following chapter. A summary of the hypotheses’ outcome is presented in Table 9.
<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Impact</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 Social value → Employee Commitment</td>
<td>Strong</td>
<td>Supported</td>
</tr>
<tr>
<td>H2 Economic value → Employee Commitment</td>
<td>Weak</td>
<td>Supported</td>
</tr>
<tr>
<td>H3 Reputation value → Employee Commitment</td>
<td>Strong</td>
<td>Supported</td>
</tr>
<tr>
<td>H4 Development value → Employee Commitment</td>
<td>Strong</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H5 Diversity value → Employee Commitment</td>
<td>Weak</td>
<td>Supported</td>
</tr>
<tr>
<td>H6 Social value → Employee Satisfaction</td>
<td>Strong</td>
<td>Supported</td>
</tr>
<tr>
<td>H7 Economic value → Employee Satisfaction</td>
<td>Strong</td>
<td>Supported</td>
</tr>
<tr>
<td>H8 Reputation value → Employee Satisfaction</td>
<td>Strong</td>
<td>Supported</td>
</tr>
<tr>
<td>H9 Development value → Employee Satisfaction</td>
<td>Strong</td>
<td>Supported</td>
</tr>
<tr>
<td>H10 Diversity value → Employee Satisfaction</td>
<td>Weak</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H11 Gen X - social value and employee commitment (H1), and social value and employee satisfaction (H6)</td>
<td>Strengthen</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H12 Gen X - economic value and employee commitment (H2), and economic value and employee satisfaction (H7).</td>
<td>Strengthen</td>
<td>Partly supported for satisfaction</td>
</tr>
<tr>
<td>H13 Gen X - reputation value and employee commitment (H3), and reputation value and employee satisfaction (H8)</td>
<td>Weaken</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H14 Gen X - development value and employee commitment (H4), and development value and employee satisfaction (H9)</td>
<td>Strengthen</td>
<td>Partly supported for satisfaction</td>
</tr>
<tr>
<td>H15 Gen X - diversity value and employee commitment (H5), and diversity value and employee satisfaction (H10)</td>
<td>Weaken</td>
<td>Partly supported for commitment</td>
</tr>
<tr>
<td>H16 Gen Y - social value and employee commitment (H1), and social value and employee satisfaction (H6)</td>
<td>Strengthen</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H17 Gen Y - economic value and employee commitment (H2), and economic value and employee satisfaction (H7)</td>
<td>Weaken</td>
<td>Partly supported for satisfaction</td>
</tr>
<tr>
<td>H18 Gen Y - reputation value and employee commitment (H3), and reputation value and employee satisfaction (H8)</td>
<td>Strengthen</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H19 Gen Y - development value and employee commitment (H4), and development value and employee satisfaction (H9)</td>
<td>Strengthen</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H20 Gen Y - diversity value and employee commitment (H5), and diversity value and employee satisfaction (H10)</td>
<td>Strengthen</td>
<td>Partly supported for commitment</td>
</tr>
</tbody>
</table>

*Table 9: Results Hypothesis Overview*
6. Discussion and Conclusion

The dissertation is concluded by discussing the research findings, followed by an overarching conclusion. Furthermore, this final chapter argues for the theoretical contributions and practical implications of this thesis. Lastly, the limitations of the present research are presented, as well as suggestions for future research are provided.

6.1 Discussion

The purpose of this dissertation was to explain how employer branding impacts employee commitment and satisfaction. Further, this thesis aimed to discover how these relationships are moderated by Generation X and Generation Y. Previous research states that companies can achieve favourable outcomes such as employee commitment and satisfaction by signalling a strong employer brand (Wilden et al., 2010; Erkmen, 2018). A strong employer brand is attained by communicating five values of employer branding, namely social, economic, reputation, development and diversity value (Schlager et al., 2011; Tanwar & Prasad, 2016b) which can facilitate employee commitment and satisfaction (Ashforth & Mael, 1996; Brusch et al., 2018). This study found a significant impact of social, economic, reputation, development and diversity value on employee commitment. Whereas, all the values of employer branding, except for diversity value, were found to have a significant impact on employee satisfaction. Since previous research argues for generational differences in values, preferences and demands concerning the workplace (e.g. Parry & Urwin, 2011; Ruchika & Prasad, 2017), this study predicted that Generation X and Generation Y will affect the direct relationships between employer branding values and employee commitment, and satisfaction. Nevertheless, the present study only showed a significant moderating effect of generation on the relationships between diversity value and employee commitment, as well as between economic and development value, and employee satisfaction. This indicates that in this study, only differences between the two generations in the perception of these three values and the values’ impact on employee commitment and satisfaction were found for employees working in the medical engineering sector. Hence, the two generations in this sample appeared to be similar in how they perceive the remaining values as well as what makes them committed to their employer and satisfied at their workplace. Even though literature provides mixed results on the extent of differences and similarities among employees of different generations (Anantatmula & Shrivastav, 2012), both should be acknowledged (Cennamo & Gardner, 2008). Especially
the acknowledgement of similarities is crucial since common generational stereotypes were found to be not always consistent with workplace behaviours (Becton et al., 2014). The findings of this study can also be explained by previous research which revealed extensive similarities between different career stages and generational cohorts (Hess & Jepsen, 2009). Similarities and differences between generation may differ on account of different dimensions such as attitudes, psychology, motivation and the disposition to work (Anantatmula & Shrivastav, 2012).

Since past research based their empirical evidence of Generation Y employees on the student population (e.g. Qenani-Petrela, Schlosser & Pompa 2007; Terjesen, Vinnicombe, & Freeman, 2007; Jain & Bhatt, 2015; Bejtkovský, 2017), it might explain the differences in the findings of this study and those of previous studies. It can be assumed that students’ perception of employer branding values and thus the level of commitment and satisfaction may change after having entered the workplace. Although generation, for the majority of suggested relationships, was not found to have a moderating impact, generation as an independent variable appeared to have a significant direct effect on employee commitment and satisfaction. This demonstrates that differences between Generation X and Y in this sample exist in the way they feel committed and satisfied at their workplace (Gursoy et al., 2008). In this study, Generation X employees feel a greater level of commitment and satisfaction compared to Generation Y employees. This is consistent with scholars who found that employee turnover rates have increased tremendously since Generation Y entered the workforce, indicating that they are more likely to switch organisations and are thus less committed (Festing & Schäfer, 2014; Özçelik, 2015). This, in turn, is explained by the lower satisfaction of Generation Y employees since it has been found that dissatisfaction with the workplace and employer is associated with the intention to leave (Davies, 2008; Wilden et al., 2010; Kashyap & Rangnekar, 2016). Additionally, the findings of this study are aligned with previous research which states that the level to which different generations are committed to and satisfied with their employer is based on their career stage (Hess & Jepsen, 2009). Similarly, another interesting finding of the present study suggests that the longer employees have been working for their employer within the medical engineering sector, the less committed and satisfied they feel. Hence, it is suggested that organisations should consider managing employee experiences across different career stages, since the level to which employees value employment offerings and perceive commitment and satisfaction may change over time (Hess & Jepsen, 2009).
6.2 Overarching conclusion

The purpose of this dissertation was to explain how employer branding impact employee commitment and satisfaction. Further, this thesis also aimed to discover how these relationships are moderated by Generation X and Y. Therefore, a survey was conducted within two German companies operating in the medical engineering sector. Due to a lack of research in the field of generational differences in preferences concerning the five values of employer branding, and the impact on employee commitment and satisfaction, this study provides some interesting findings. In line with previous research, the direct effects of social, economic, reputation, development and diversity value on employee commitment were found. Additionally, relationships between social, economic, reputation and development value and employee satisfaction were discovered. Regarding the moderating effect, Generation X and Y did not appear to influence the majority of these direct relationships. The findings showed that generation had a moderating effect on the relationships between diversity value and employee commitment, as well as economic and development value, and employee satisfaction. Hence, the overall pattern for the moderating effect on the suggested relationships between the independent and dependent variables show that there are greater similarities between Generation X and Generation Y than differences. These findings provided the answers to the research questions of the present dissertation. Although generation was not found to have a moderating effect, it was revealed that generation as an independent variable has a direct effect on employee commitment and satisfaction.

6.3 Theoretical contributions

The present dissertation provides two major contributions to theory. The first contribution refers to the direct effect of the five values of employer branding on employee commitment and satisfaction, where in the majority of cases this study confirmed the results of previous research (e.g. Schlager et al., 2011; Tanwar & Prasad, 2016b). Secondly, the current study to the moderating effect of Generation X and Y on the relationships between the five values of employer branding and employee commitment, and satisfaction. While the direct effect of employer branding on employee commitment and satisfaction has been studied in the past (e.g. Davies, 2008; Kimpakorn & Tocquer, 2009; Aldousari et al., 2017; Hoppe, 2018), the moderating effect of generation has, to the best of our knowledge, not been investigated in this specific context. Although generation, to a greater extent, was not found to have an
impact on the suggested direct relationships, the present study revealed that it has a direct
effect on employee commitment and satisfaction. This indicates that there are differences
between Generation X and Y employees in their commitment and satisfaction. Secondly,
this study contributes to theory by adding new insights on Generation Y employees in the
field of employer branding. Previous research on employer branding has mostly studied
Generation Y for the attraction of employees (e.g. Jain & Bhatt, 2015; Bejtkovský, 2017).
Hence, these studies have to a greater extent based their empirical evidence of Generation
Y on the student population. Further, this study contributes to existing literature by finding
that employees’ organisational tenure positively affects employee commitment and
negatively affects employee satisfaction. Another contribution refers to the negative
influence of employees without being responsible for subordinates on employee
commitment.

6.4 Practical implications

By having examined the impact of employer branding on employee commitment and
satisfaction, this dissertation provides valuable insights to enhance the organisations’
understanding of employer branding. The findings of this study suggest that by providing
the workforce with social, economic, reputation, development and diversity value,
companies can facilitate employee commitment. Likewise, it was found that if employees
perceive social, economic, reputation and development value provided by their employer,
their satisfaction levels can be increased. With higher levels of commitment and satisfaction
among their workforces, organisations are able to reduce voluntary turnovers, improve
retention, and thus save costs for the attraction and training of new employees (Chi &
Gursoy, 2009; Schlager, Bodderas, Maas, & Cachelin, 2011; Jain & Bhatt, 2015). Hence,
it can be concluded that if a company manages to establish a strong employer brand, it is
able to increase employee retention and therefore can gain a powerful position in the labour
market (Ambler & Barrow, 1996; Davies, 2008; Love & Singh, 2011).

In this study, Generation X and Y were predicted to moderate the relationships between the
five values of employer branding and employee commitment, and satisfaction. However,
in the majority of cases, no generational differences in preferences and values at the
workplace which affect the employees’ commitment and satisfaction were found. This
reflects the finding of Becton et al. (2014) who states that the popular generational
stereotypes are not always consistent with workplace behaviours. Therefore, the present results suggest that organisation should be aware of these findings and thus should not implement HR strategies that are based on the unique value and characteristics of each generation. As such, literature argued that the cost of tailoring HR activities to each generation may outweigh the potential benefits (Kowske et al., 2010). Nevertheless, since the present research revealed that there are differences in how employment offerings are valued by the employees based on the career stage, organisations should acknowledge that employee commitment and satisfaction at their workforce may change over time (Hess & Jepsen, 2009).

### 6.5 Limitations

While the current study reveals some interesting results, several limitations should be noted. One limitation refers to the research design of this study. Although a cross-sectional design was suitable for the settings of this study, the time constraints resulted not only in difficulties in collaborating with companies but also in a limited number of answers on the survey. Another limitation refers to the generalisability of this study. Since the present study gathered data from two companies within the same industry, the generalisability of the findings can be questioned. A further limitation considers the lack of consensus in research about the definition and characteristics of the two generations, which in the present study limited the authors in the hypotheses’ development. Additionally, one could criticise the lacking empirical support for the values and beliefs associated with each generation (Becton et al., 2014), which resulted in considering these values and characteristics rather as stereotypes than generalisable aspects. In spite of these limitations, this dissertation provides new insights and meaningful contributions to the theory of employer branding and generational cohorts.

### 6.6 Future research

A few limitations which emerge from the current study offer opportunities for future research. Although this research has considered only two outcomes of employer branding (employee commitment and satisfaction), literature suggests various other favourable outcomes such as employees’ performance and productivity or the intention to stay with the company. Therefore, future research can test the effect of employer branding practices on other organisational outcomes. Further, instead of focusing on stereotyped generational
differences, future research could test the impact of individual characteristics, values and perceptions of employees on the relationship between employer branding values and employee commitment, and satisfaction. Additionally, to build upon the findings of this study, future research could test the moderating effect of the employer branding values on the relationships between generation and employee commitment, and satisfaction. This would further explore if the values have an impact on different generations’ commitment to and satisfaction with the workplace. In order to identify if the results of this dissertation can be generalised, the study should be replicated in different nations and industry sectors.
References


Kaiser & Regjepaj


### Appendix 1: Hypotheses Overview

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 Social value → Employee Commitment</td>
<td>Strong</td>
</tr>
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<td>H2 Economic value → Employee Commitment</td>
<td>Weak</td>
</tr>
<tr>
<td>H3 Reputation value → Employee Commitment</td>
<td>Strong</td>
</tr>
<tr>
<td>H4 Development value → Employee Commitment</td>
<td>Strong</td>
</tr>
<tr>
<td>H5 Diversity value → Employee Commitment</td>
<td>Weak</td>
</tr>
<tr>
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<td>Strong</td>
</tr>
<tr>
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<td>Strong</td>
</tr>
<tr>
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</tr>
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<td>Strong</td>
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<td>Strengthen</td>
</tr>
<tr>
<td>H12 Gen X - economic value and employee commitment (H2), and economic value and employee satisfaction (H7)</td>
<td>Strengthen</td>
</tr>
<tr>
<td>H13 Gen X - reputation value and employee commitment (H3), and reputation value and employee satisfaction (H8)</td>
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</tr>
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<td>H14 Gen X - development value and employee commitment (H4), and development value and employee satisfaction (H9)</td>
<td>Strengthen</td>
</tr>
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<td>H15 Gen X - diversity value and employee commitment (H5), and diversity value and employee satisfaction (H10)</td>
<td>Weaken</td>
</tr>
<tr>
<td>H16 Gen Y - social value and employee commitment (H1), and social value and employee satisfaction (H6)</td>
<td>Strengthen</td>
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<td>H17 Gen Y - economic value and employee commitment (H2), and economic value and employee satisfaction (H7)</td>
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<td>H18 Gen Y - reputation value and employee commitment (H3), and reputation value and employee satisfaction (H8)</td>
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<td>Strengthen</td>
</tr>
<tr>
<td>H20 Gen Y - diversity value and employee commitment (H5), and diversity value and employee satisfaction (H10)</td>
<td>Strengthen</td>
</tr>
</tbody>
</table>
Appendix 2: Operationalisation

Please answer the following questions:

1. I am: Female/Male
2. I was born in (year): *
3. What is your nationality?
4. What is your highest level of education completed?
   - Bachelor
   - Master
   - PhD
   - Other
5. In which year did you start working for your current employer?
6. Which hierarchical position are you currently holding in your company?
   - Top manager
   - Middle manager
   - Employee without being responsible for subordinates
7. Which department are you currently working in?
   - Marketing
   - Category and Sales
   - IT
   - Controlling/Finance
   - HR
   - Customer Service
   - Production
   - Research & Development
   - Other

Please rate the following statements on a scale from "Strongly disagree" to "Strongly agree" *

**Employer Branding**

**Reputation value**
11. The company in which I work positively stands out in relation to other companies.
12. Other people think the company where I work is a good place to work in.

**Economic value**
13. Employees in the company are paid above the average (on a monthly basis).
14. Job security is provided within the company.

**Social value**
15. Relationships among co-workers in my company are good.
16. Relationships with supervisors in my company are good.

**Development value**
17. There are opportunities for promotion in the company.
18. The company I work in invests in training of its employees. (Schlager et al., 2011)

**Diversity value**
19. The company I work in offers a variety of work activities.
20. The tasks provided at the company are challenging.

**Employee Commitment**
1. I’m willing to put in effort beyond what is normally expected in order to help the company to be successful.
2. I talk about this company to others as a great company to work for.
3. I would be happy to spend the rest of my career with this company. (Allen & Meyer, 1990)
4. I would accept any type of job assignment in order to keep working for this company.
5. I find that my values and the company’s values are similar.
6. I feel that I have too few options to consider leaving this company. (Allen & Meyer, 1990)
7. I care about the fate of this company.
8. I do feel I belong to my company. (Allen & Meyer, 1990)
9. I feel obligated to remain with my current company. (Allen & Meyer, 1990)

**Employee Satisfaction**

**Pay**
1. I feel appreciated by the company when I think about what they pay me.
2. I feel satisfied with my chances for salary increases.

**Promotion**
3. There is a chance for promotion if I do well on my job

**Supervision**
4. My supervisor is competent in doing his/her job.
5. My supervisor treats me in a fair way.

**Benefits**
6. I am satisfied with the benefits I receive.

**Contingent rewards**
7. I feel my efforts are fairly rewarded.

**Operating procedures**
8. I find it difficult to do a good job due to my company’s rules and procedures. (reverse coded)

**Co-workers**
9. I like the people I work with.
10. My colleagues seem to care about me as a person. (Harter et al., 2002)

**Nature of work**
11. I like doing the things I do at work.
12. I have all the necessary conditions and resources for doing my job. (Slavkovic et al., 2018)

**Communication**
13. I know what is expected of me at work. (Harter et al., 2002)
Appendix 3: Survey English

Survey Employer Branding

Page 1

Dear participant,

We are students at Kristianstad University and are conducting a survey on the influence of employer branding on employee commitment and satisfaction.

It will take approximately 4-6 minutes to complete the following questionnaire. All responses are anonymous and the data collected will be treated confidentially for the sole use of our master's thesis.

If you decide on participating in this survey, please answer all questions as honestly as possible, from your personal perspective and try to answer even if you feel uncertain.

Your participation will be highly appreciated!

Thank you for taking your time to support us.

Albulena Regjepaj & Michelle Kaiser

Page 2

I am:

☐ Female
☐ Male

The year I was born in: *

What is your nationality?
What is your highest level of education completed?

- Bachelor
- Master
- PhD
- Other

In which year did you start working for your current employer?

__________________________

Which hierarchical position are you currently holding in your company?

- Top manager
- Middle manager
- Employee without being responsible for subordinates

Which department are you currently working in?

- Marketing
- Category and Sales
- IT
- Controlling/Finance
- HR
- Customer Service
- Production
- Research and Development
- Other
### Page 3

Please rate the following statements on a scale from "Strongly disagree" to "Strongly agree" **

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree</th>
<th>Neither agree or disagree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company in which I work positively stands out in relation to other companies.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Other people think the company where I work is a good place to work in.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Employees in the company are paid above the average (on a monthly basis).</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Job security is provided within the company.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Relationships among co-workers in my company are good.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>

### Page 4

Please rate the following statements from "Strongly disagree" to "Strongly agree" **

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree</th>
<th>Neither agree or disagree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relationships with supervisors in my company are good.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>There are opportunities for promotion in the company.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>The company I work in invests in training of its employees.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>The company I work in offers a variety of work activities.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>The tasks provided at the company are challenging.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>
Page 5

Please rate the following statements from "Strongly disagree" to "Strongly agree".

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly disagree</th>
<th>Neither agree or disagree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I'm willing to put in effort beyond what is normally expected in order to help the company to be successful.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>I talk about this company to others as a great company to work for.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>I would be happy to spend the rest of my career with this company.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>I would accept any type of job assignment in order to keep working for this company.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>I find that my values and the company's values are similar.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>

Page 6

Please rate the following statements from "Strongly disagree" to "Strongly agree".

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly disagree</th>
<th>Neither agree or disagree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I feel that I have too few options to consider leaving this company.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>I care about the fate of this company.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>I do feel I belong to my company.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>I feel obligated to remain with my current company.</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>
### Page 7

**Please rate the following statements from "Strongly disagree" to "Strongly agree"**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly disagree</th>
<th>Neither agree or disagree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I feel appreciated by the company when I think about what they pay me.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>I feel satisfied with my chances for salary increases.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>There is a chance for promotion if I do well on my job.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>My supervisor is competent in doing his/her job.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>My supervisor treats me in a fair way.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>I am satisfied with the benefits I receive.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>I feel my efforts are fairly rewarded.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>

### Page 8

**Please rate the following statements from "Strongly disagree" to "Strongly agree"**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly disagree</th>
<th>Neither agree or disagree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I find it difficult to do a good job due to my company's rules and procedures.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>I like the people I work with.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>My colleagues seem to care about me as a person.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>I like doing the things I do at work.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>I have all the necessary conditions and resources for doing my job.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>I know what is expected of me at work.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>
Appendix 4: Survey German

Umfrage Employer Branding

Page 1

Sehr geehrter Teilnehmer.in,

Wir sind zwei Studentinnen der Kristianstad University in Schweden, die gerade ihre Masterarbeit verfassen. Hierzu führen wir eine Umfrage zum Thema "Einfluss der Arbeitgeberattraktivität auf Mitarbeiterbindung und -zufriedenheit" durch.

Die Teilnahme an der Umfrage wird ca. 4-6 Minuten in Anspruch nehmen. Die Antworten und daraus gewonnene Daten werden anonym und vertraulich behandelt, und dienen ausschließlich dem Zwecke unserer Masterarbeit.

Wenn Sie sich entschließen, an dieser Umfrage teilzunehmen, möchten wir Sie bitten alle Fragen so ehrlich wie möglich und aus Ihrer persönlichen Perspektive zu beantworten. Bitte versuchen Sie die Fragen auch zu beantworten, wenn Sie sich nicht sicher sind.

Wir schätzen es sehr, dass Sie an unserer Umfrage teilnehmen und uns hierbei bei unserer Masterarbeit unterstützen.

Vielen Dank und freundliche Grüße
Michelle Kaiser und Albulena Regjepaj

Page 2

Ich bin:

☐ Weiblich
☐ Männlich

In welchem Jahr sind Sie geboren? *

☐ Bachelor
☐ Master
☐ PhD
☐ Other
Welche Position im Unternehmen besetzen Sie derzeit?

☐ Top Management (Bereichsleiter oder höher)
☐ Mitteres Management (Teamleiter, Abteilungsleiter etc.)
☐ Mitarbeiter ohne Führungsverantwortung

In welcher Abteilung arbeiten Sie?

☐ Marketing
☐ Vertrieb
☐ IT
☐ Controlling/Finanzbereich
☐ HR
☐ Customer Service
☐ Produktion
☐ Forschung und Entwicklung
☐ Andere
**Bitte beantworten Sie folgende Statements auf einer Skala von "Stimme überhaupt nicht zu" bis "Stimme vollkommen zu"**

<table>
<thead>
<tr>
<th>Stimme überhaupt nicht zu</th>
<th>Stimme weder zu noch nicht zu</th>
<th>Stimme vollständig zu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Das Unternehmen, für das ich arbeite, hebt sich positiv von anderen Unternehmen ab.</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Andere Leute denken, dass das Unternehmen, für das ich arbeite, ein guter Arbeitgeber ist.</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Die Mitarbeiter in meinem Unternehmen werden überdurchschnittlich bezahlt (auf monatlicher Basis).</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Mein Arbeitgeber bietet sichere Arbeitsplätze.</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Die Beziehungen unter Arbeitskollegen sind gut.</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>

---

**Bitte beantworten Sie folgende Statements auf einer Skala von "Stimme überhaupt nicht zu" bis "Stimme vollkommen zu"**

<table>
<thead>
<tr>
<th>Stimme überhaupt nicht zu</th>
<th>Stimme weder zu noch nicht zu</th>
<th>Stimme vollkommen zu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Die Beziehungen zwischen Mitarbeitern und Vorgesetzten sind gut.</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Mein Arbeitgeber bietet mir Möglichkeiten, beruflich weiterzukommen bzw. aufzusteigen.</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Das Unternehmen, für das ich arbeite, investiert in die Weiterbildung seiner Mitarbeiter.</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Das Unternehmen, für das ich arbeite, bietet seinen Mitarbeitern eine Vielzahl an unterschiedlichen Aufgaben und Jobs.</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Die angebotenen Aufgaben bei meinem Arbeitgeber sind anspruchsvoll.</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>
**Bitte beantworten Sie folgende Statements auf einer Skala von "Stimme überhaupt nicht zu" bis "Stimme vollkommen zu"**

<table>
<thead>
<tr>
<th>Stimme überhaupt nicht zu</th>
<th>Stimme weder zu noch nicht zu</th>
<th>Stimme vollkommen zu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ich bin bereit, mehr Einsatz als normalerweise erwartet wird, zu zeigen, um zum Erfolg meines Arbeitgebers beizutragen.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ich bezeicne das Unternehmen, für das ich arbeite, gegenüber anderen Leuten als einen tollen Arbeitgeber.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ich würde mich freuen, wenn ich den Rest meiner beruflichen Laufbahn für meinen Arbeitgeber tätig sein könnte.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ich würde jeden Job annehmen, um bei meinem Arbeitgeber weiterhin tätig sein zu können.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ich finde, dass meine persönlichen Wertvorstellungen mit denen meines Arbeitgebers übereinstimmen.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Bitte beantworten Sie folgende Statements auf einer Skala von "Stimme überhaupt nicht zu" bis "Stimme vollkommen zu"**

<table>
<thead>
<tr>
<th>Stimme überhaupt nicht zu</th>
<th>Stimme weder zu noch nicht zu</th>
<th>Stimme vollkommen zu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ich denke, dass ich zu wenige Alternativen habe, um meinen Arbeitgeber zu verlassen.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Das Wohlergehen meines Arbeitgebers ist mir wichtig.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ich fühle mich als Teil dieses Unternehmens.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ich fühle mich verpflichtet, bei meinem Arbeitgeber zu bleiben.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Bitte beantworten Sie folgende Statements auf einer Skala von "Stimme überhaupt nicht zu" bis "Stimme vollkommen zu".

<table>
<thead>
<tr>
<th>Stimme überhaupt nicht zu</th>
<th>Stimme weder zu noch nicht zu</th>
<th>Stimme vollkommen zu</th>
</tr>
</thead>
<tbody>
<tr>
<td>ich finde meine Arbeit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>gern gerne geschätzt,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>wenn ich an mein</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gehalt denke.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ich bin zufrieden mit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>meinen Aussichten auf</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gehaltsanstiege.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>es gibt für mich die</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aussicht auf</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beförderung, wenn ich</td>
<td></td>
<td></td>
</tr>
<tr>
<td>meinen Job gut mache.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>meine Vorgesetzte/r</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ist geeignet für</td>
<td></td>
<td></td>
</tr>
<tr>
<td>seinen/ihren Job.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>meine Vorgesetzte/r</td>
<td></td>
<td></td>
</tr>
<tr>
<td>behandelt mich fair.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ich bin zufrieden mit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>den Arbeitgeberleistungen</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Fitnessangebote,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gesundheitsangebote,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Versicherungen,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>bezahlte Urlaube,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rentenleistungen,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Abfindungen etc.), die</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ich erhalte.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ich finde, dass meine</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bemühungen ausreichend</td>
<td></td>
<td></td>
</tr>
<tr>
<td>honoriert werden.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Bitte beantworten Sie folgende Statements auf einer Skala von "Stimme überhaupt nicht zu" bis "Stimme vollkommen zu"*

<table>
<thead>
<tr>
<th>Stimme überhaupt nicht zu</th>
<th>Stimme weder zu noch nicht zu</th>
<th>Stimme vollkommen zu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Viele der unternehmensweiten Regeln und Prozesse erschweren es mir, einen guten Job zu machen.</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Ich mag die Leute, mit denen ich arbeite.</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Meine Arbeitskollegen scheinen sich für mich als Person zu interessieren.</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Ich mag die Aufgaben, die ich in meinem Job erledige.</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Ich habe alle notwendigen Ressourcen zur Verfügung, um meinen Job zu machen.</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Ich weiß, was von mir in meinem Job erwartet wird.</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>