Employer branding: A way to retain young employees

A qualitative study on how SMEs use employer branding in order to retain young employees in their organization and how it is perceived.

Business economics, 15 credits

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Abstract

Problem background: The voluntary turnover of employees is increasing, the baby boomer generation is retiring and the remaining jobs are to be filled with the workforce left behind, a workforce that is smaller in size. These younger generations (generation Y and Z) have different values and attitudes towards work, and they tend to switch jobs more frequently. This means that companies need to focus on retaining their personnel. This is particularly true for SMEs since they do not have the same resources to spend on attracting potential workers as larger corporations.

Purpose: The purpose of this study is to gain a better understanding of how SMEs use employer branding to retain young employees (18-30 years old) in their organization and how it is perceived.

Theoretical framework: Consists of theories regarding employer branding and organizational behaviour. These include signaling theory, functional and symbolic attributes, the seven brand value propositions and organizational reputation.

Methodology: The authors have used a deductive qualitative approach where a total of 14 semi structured interviews has been conducted. Seven of the interviews were performed on employees between the age of 18-30 years old from three different companies. The remaining seven were performed on management personnel from the same three companies. The respondents answered a questionnaire at the end of each interview.

Empirical results: Contains a summary of each company that were involved as well as what was discussed and uncovered in the interviews.

Analysis: It connects the empirical results and the theoretical framework. The found discrepancies and similarities are discussed and analyzed with the seven brand value propositions based on the theoretical framework.

Conclusion: It was concluded that there exists a discrepancy between Workers and Management when it comes to the time the Workers are willing to stay. It was also uncovered that development was an important aspect when it came to the young employees turnover intention as well as flexible schedules, support from management, salaries and varying work tasks. The reputation of the companies was also not accurate which in turn could affect the matching potential between organization and individual.

Keywords: Employer branding, Gen Z, Gen Y, HR, Marketing, Organizational behaviour, Organizational culture and Employee retention.
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1 Introduction

1.1 Problem background

The labour market of today is experiencing an increasing rate of voluntary turnover of employees (Casico, 2014). According to Lundin (2010) the Swedish labour force ranks the highest regarding switching jobs. Four out of ten Swedes who already has an employment are currently looking for a new job at a different company to advance in their career (Lundin, 2010). Meantime, the competition between organizations concerning the workforce is increasing (Maheshwari, Gunesh, Lodorfos, & Konstantopoulou, 2017; Backhaus, 2016; Drury, 2016; Wilden, Gudergan, & Lings, 2010; Näppä, Farshid & Foster, 2014). Backhaus (2016) explains this by the fact that the supply of high-quality workers is decreasing in many countries. The baby boomer generation is retiring, and the remaining jobs are to be filled with the workforce left behind, a workforce that is smaller in size (Drury, 2016). This workforce, gen Y and Z, is the most challenging to retain in a company since they demand more from their employer and are more likely to switch jobs compared to earlier generations (Harris, 2016; Deloitte, 2018). Deloitte (2018) states that generation Z and Y have a completely new set of values and preferences unseen in earlier generations. Gen Z and Y value a more flexible workplace, and puts a greater focus on how the company is actively working to help and improve society and the environment. These generations prefer when businesses and senior management is diverse. (Deloitte, 2018) Generation Y and Z value their own goals more than the company’s when it comes to career opportunities and skill development, which directly affects their intention to stay in the company or not. (Deloitte, 2018; Thompson & Gregory, 2012).

Simultaneously as the demand for more qualified jobs are increasing, the demand for jobs requiring less qualifications are decreasing due to digitalization and technological developments, for example jobs that are based on routine tasks. (Backhaus, 2016) As a result of the increased demand for quality workers, companies are forced to become more competitive regarding attracting and retaining high quality personnel within the organization. (Backhaus, 2016) Today, the digitalization affects almost all areas of business and is for many organizations the most important transformations to take into consideration (Hagberg, Sundström, & Egels-Zandén, 2016). A part of this is social media, which is used more frequently in employer branding and for recruitment purposes (Davison, Maraist & Bing, 2011). Potential employees can nowadays find and be affected by quick accessed information online, and be recruited via social media platforms which has become the norm of today’s society. Facebook, Twitter and LinkedIn are such platforms which companies are investing increasingly more resources into. (Davison et al., 2011) According to Twenge and Campbell (2008) generation Y have higher expectations on their employment compared to previous generations, partly due to easy access to information. If these expectations are not met, the intention to leave increases. Leaving companies with a challenging task to retain their employees. (Twenge & Campbell 2008) The power to attract and retain quality workers is therefore increasingly important for companies (Leekha & Sharma, 2014; Backhaus, 2016).

This has long been seen as especially true for SMEs (Deshpande & Gilhar, 1994) and the main problem for SMEs and their employer branding is the fact that they are not as well-known on the job market as larger organizations (Williamson, Cable & Aldrich 2002). This effectively means that the retaining of employees is vital for SMEs in order to stay relevant and to be viewed as a legitimate organization (Long, Ajagbe & Kowang, 2014). Not being
able to spend the same amount of resources as larger organizations on building a legitimate employer brand means that SMEs needs to find other methods of attracting and retaining personnel (Munro, 2018).

1.2 Problem discussion

Attracting and retaining quality employees has long been recognized as being critical to the performance of the organization (Barber, 1998; Ryenes, 1991; Johanson & Johrén, 2017; George, 2015). George (2015) states that companies with a low and stable employee retention are shown to perform better, partly due to being able to retain competent personnel within the company. Blake (2006) claims that one of the largest costs, regardless of the type of organization, is their employee turnover. According to Johanson and Johrén (2017) a high employee turnover can sometimes cost 1.5 million SEK depending on the circumstances, which affects a company’s profitability. Employee turnover may be affected by the trust employees have in their superiors (Zeffane & Ban Melhem, 2017) and there is strong evidence that employee attitudes affects turnover intention (Dirks & Ferrin, 2002; Canipe, 2006; DeConinck, 2011; Mulki, Jaramillo & Locander, 2008; Harhara, Singh & Hussain, 2015). These attitudes are in turn influenced by the culture in the workplace (Schein, 2010). A low employee turnover can work as a quality indicator, which can be used as a marketing tool for the company, making it more competitive (Sokro, 2012).

Hiltrop (1999) predicted that there will be a shortage of high quality workers meeting the requirements growing industries will need. Hiltrop (1999) further argued that the focus for many organizations will in the future therefore be to attract and retain high quality personnel. Attracting and retaining talent was seen as increasingly important when job mobility was increasing in the early 90's (Hiltrop, 1999). In the time, switching jobs was seen as something negative and a sign of insecurity (Martin, 1997). However according to Martin (1997), in the late 90's it was starting to be perceived as a not so feckless behaviour anymore. It could even be seen as something positive that gives the impression of a modern and forward-looking personality. Though, as mentioned earlier, occasionally switching jobs is today considered the norm, partly due to internet (Davison et al., 2011).

The rise of the internet was according to Hiltrop (1999) considered the beginning of a new way to allow technologies and other methods to target and attract high quality personnel, therefore winning the war for talent. This ability to attract and retain quality workers, which is increasingly important (Leekha & Sharma, 2014; Backhaus, 2016), has its foundation in a strong employer brand (Näppä et al., 2014). Similar to the results of Tanwar and Prasad (2016) who came to the conclusion that there is a positive relationship between employer branding and employee retention in a multinational company (MNC). This is confirmed by Katiyar and Saini (2016) who says that employer branding is one of the keys in order to win the war for talent. High employee turnover in the organization can result in raised employee costs and a decrease in productivity and competitiveness (Tanwar & Prasad, 2016). Employees are considered one of the most important resources in a company (Ulfsdotter Eriksson, 2013), which is why the art of retaining employees can be crucial for a company’s future success (Ulfsdotter Eriksson, 2013). The ability to attract employees does not matter for a company’s profitability or growth, though the ability to attract and retain employees is directly connected to a company’s net value (Fjällborg, 2017). In order to retain employees it is important to keep them satisfied with their job or else they will start to consider other opportunities for employment (Coomber & Barribal, 2007; Hayes et al., 2006; Hellman, 1997). Actively working towards creating a great employer brand is crucial, especially to
retain young employees since they are more likely to switch jobs (Harris, 2016; Deloitte, 2018). Cennamo and Gardner (2008) says that if companies want to retain the younger generations, giving them flexibility between work and life is the key to success. This is confirmed by Tulgan (2009) and Twenge, Campbell, Hoffman, and Lance (2010) who also states that these generations are more focused on their own work/life balance than previous generation. Twenge et al. (2010) recommends companies to follow the steps of the large companies like Google, where vacation and leisure time is given as a bonus, or as a treat for working at the company for a certain amount of time. This kind of bonus is shown to be much more motivating compared to more traditional ways, especially for the younger generation (Twenge et al., 2010).

A number of studies have discovered a connection between job satisfaction and organizational culture (Passos, Dias-Neto & Silva Barreto, 2012; Zavalova & Kucherov, 2010). Organizational culture is shown to greatly affect gen Y and Z and their intention to stay (Westerman & Yamamura, 2007). However there is a gap in the existing employer branding research regarding understanding how to retain employees (Wilden et al., 2010), which has led to companies nowadays having trouble retaining talented employees (Fjällborg, 2017), especially young employees since they are more likely to leave the organization (Harris, 2016; Costanza et al., 2012). According to a survey conducted by ManPowerGroup (2018), 45% of companies worldwide are experiencing a shortage of competent personnel. This is the highest recorded number in twelve years. Sweden, with 42% of companies saying they are experiencing a shortage of competent personnel, is close to the global average. In a survey conducted by Bibby Financial Services (2017) it is reported that SMEs all over the world lacks talented employees. Almost 50 % of the respondents worldwide stated that a shortage of skilled labour is the greatest challenge faced by SMEs (Gough, 2017).

We have a large workforce that is retiring, that is leaving a shortage of competent personnel and gap that needs to be filled with a new workforce. This new workforce have a completely different set of values, preferences and expectations and are much harder to retain. This indicates a gap and a need for further research in the field of employee retainment regarding young employees. This has been the foundation for the purpose and importance of this thesis.

1.3 Purpose

The purpose of this study is to gain a better understanding of how SMEs use employer branding to retain young employees (18-30 years old) in their organization and how it is perceived.

1.4 Delimitations

The first delimitation regards the aspect of attracting versus retaining talent. This study is focusing more on retaining talent and not on attracting talent, since much of the previous research regarding employer branding has a tendency to focus more on attracting new talent (e.g., Katiyar & Saini, 2016; Backhaus, 2016; Leekha & Sharma, 2014; Hiltrop, 1999), indicating a research gap.

The generational aspect is the second delimitation. Generation Y and Z have different interests, goals, values and preferences when regarding employment than older generations (Harris, 2016; Deloitte, 2018; Cennamo & Gardner, 2008; Westerman & Yamamura, 2007; Myrdén & Kelloway, 2015; Thompson & Gregory, 2012; Twenge & Campbell, 2008). These
generations are more likely to switch jobs and are harder to retain within the company (Harris, 2016). In this thesis the authors have therefore limited themselves to investigating how organizations work to retain personnel between the age of 18 - 30 years old (born between 1989-2000).

Earlier studies have found how competence and development of an organization’s competitive advantage are strongly correlated. However the development of competence within SMEs differs from how it develops within larger organizations. (Szczepańska-Woszczyna, 2014) In this day and age there is a fierce competition to attract employees. The ability to retain employees with the right competence is harder than it has ever been before. (Al Badawy, Fahmy & Magdy, 2017) Especially SMEs have a hard time attracting and retaining employees (Simon, 2018) and for that reason this study focuses on SMEs as it is more difficult for them to attract and retain personnel of the right quality. For the sake of keeping variables constant, all companies are located in Sweden.
2 Theoretical framework

In order to properly understand the different aspects of employer branding it is important to understand the greater surrounding circumstances. Employer branding possess a rather individual perspective, it is about matching the company with the employee and how to do it. Whereas organizational behaviour regards to a larger and wider perspective and relates to all the theories mentioned before it. Theories regarding organizational behaviour is important in order to get a more complete and deeper understanding of employer branding.

Employer branding is defined as “the package of functional, economic, and psychological benefits provided by employment, and identified with the employing company” (Ambler & Barrow, 1996, p. 187) and therefore agrees with the purpose of this study to a great extent. Since the purpose regards to both young workers within the age span 18-30 and SMEs, theories and research regarding generation Y and Z as well as SMEs are essential.

Within the field of employer branding, signaling theory refers to a framework in which you can study information asymmetry (Akerlof, 1970). Among other subjects, it concerns sending out appropriate signals as an organization in order to properly match with potential and current workers, which is a big part of employer branding. An important part of these matching signals refers to matching values, which in turn makes the theories about functional and symbolic attributes of a company very relevant. These functional and symbolic attributes of a company are thereafter expanded even further and leads to the seven brand value propositions to allow for even deeper analyses and discussions.

2.1 Organizational behaviour

2.1.1 Reputation

![Figure 1. Framework model. (Cian & Cervai, 2014)](image-url)
The definition of reputation varies depending on the scientific discipline discussing it. Still the term reputation may be defined as the collected perceptions made by every stakeholder of an organization. (Fombrun, 1995) This means that an organization’s reputation is not entirely controllable and therefore increasingly difficult to steer. The reputation that stakeholders attribute to an organization is the collected perceptions of how trustworthy, reliable, responsible and credible an organization may be. (Fombrun, 1995) An organization’s reputation is a dynamic concept which takes a long time to build and is also rather hard to manage. The reputation depends a lot on the images outsiders form from how the company behaves, what they communicate and any signals they send out. The reputation allows an organization to solidify how they perceive themselves compared to their rivals. (Gotsi & Wilson 2001) Reputation is often confused with corporate identity and image, it is important to note that these concepts are three separate constructs (Bromley, 2000; Chun, 2005; Gotsi & Wilson, 2001).

In an attempt to explain "reputation" in relation to these other constructs and more, the authors Cian and Cervai (2014) have developed a framework model (Figure 1).

They claim that reputation can be used as a theoretical umbrella to group together the constructs: projected image, construed image, identity, corporate image and lastly organizational culture. An organization’s reputation is connected to both external and internal stakeholders, and it may also be influenced by commercial as well as spontaneous communication. Reputation is therefore a way to encompass these constructs under one concept. (Cian & Cervai, 2014)

2.1.2 Corporate image

The definition of corporate image is what external stakeholders believe and/or feel about the organization (Bernstein 1984). It is the combined perceptions made by an organization’s external stakeholders (customers in particular) (Bromley, 1993; Davies & Miles 1998). The “corporate image” consists of emotional as well as functional components, where the emotional appears to be more apparent than the functional (Palacio, Díaz, Meneses & Perez, 2002). As can be viewed in figure 1, corporate image has three different antecedents and it points towards the external stakeholders (Cian & Cervai, 2014, Figure 1)

2.1.3 Organizational identity

Organizational identity has previously been explained as what members of an organization feel, think and also perceive about the organization they belong to (Hatch & Schults, 1997). Those feelings mainly involve the most central, unique and abiding traits of the organization (Albert & Whetten, 1985). But the most common definition of organizational identity is to see the phrase as the response to the question "Who are we as an organization?" or even "How do we view ourselves as an enterprise?”. By answering the question it is easier to relate and understand how both internal and external stakeholders perceive the organization. (Albert & Whetten 1985; Balmer, 2008; Brown, Dacin, Pratt & Whetten, 2006) Organizational identity is structured by cognitive, evaluative and affective factors (Bagozzi & Lee, 2002; Bergami & Bagozzi, 2000). As a member, the process of categorizing and finding any existing similarities between the organization’s members and oneself, is what the cognitive factor is based on. The similarities that are found are emphasized, as well as differences found with non-members of the organization. Resulting in the behavioural and perceptual conception of self decreases and therefore assimilating to the organization. (Bagozzi & Dhlakia, 2006) The evaluative factor of “organizational identity” is any positive or negative values that stems
from being a member of the organization. As for the affective factor it refers to the emotional attachment towards the organization. (Bergami & Bagozzi, 2000; Bagozzi & Dhlakia, 2006)

In the framework created by Cian & Cervai (2014) “organizational identity” is not seen as a mirrorlike construct to “corporate image”, it is rather seen as a different construct and consists of cognitive, evaluative and affective antecedents.

2.1.4 Construed image

This construct has a direct effect on “organizational identity” according to Cian & Cervai (2014). What an organization’s members think non-members assume about their organization is called “construed image” (Brown et al, 2006; Lievens, Van Hoye & Anseel, 2007).

Dutton, Dukerich and Harquail (1994) stated that how members identify with their organization is influenced by how they believe outsiders view it. The main difference between construed image and organizational identity is that construed image is “a member’s beliefs about outsiders’ perceptions of the organization” (Dutton et al., 1994, p. 248). It not only informs about the social appraisal of the organization it also answers the question “How are non-members thoughts and feelings towards me affected by my affiliation with this organization?” (Dutton et al., 1994). This may in turn affect how the member identify cognitively with their organization as well as the members emotions and sense of self-worth (Ravasi & Schultz, 2006). Which means that how a member identifies with their organization is affected directly by the “construed image” and indirectly by the organization’s corporate image. As seen in figure 1, what the external stakeholders actually perceive affects how members of the organization believe it is seen by others (in other words, the construed image), which in turn influences the “organizational identity. (Cian & Cervai, 2014)

2.1.5 Organizational projected image

“Projected image” is defined as the number of signals or signs an organization utilizes to project its personality outward consciously or not (Bernstein, 1984). Although old, Bernstein’s model is still used in modern research usually with some simplification (Cian & Cervai, 2014). “Organizational projected image” on the other hand may be defined as what the organization in question discloses about itself to its own audience (Ind, 1990), and especially what the management informs about the organization to the external audience (Christi, 2002; Chun, 2005). The term “projected image” is a fitting term for echoing how the management wants its organization to be perceived by others they find important (Brown et al, 2006). It is of importance to see the “projected image” as something that is not solely directed towards external stakeholders. It should also be measured and viewed as how management communicates with internal stakeholders. (Cian & Cervai, 2014)

As can be seen in figure 1, “projected image” is shown to originate from “organization management” and be aimed both towards internal and external stakeholders (Cian & Cervai, 2014). The “projected image” influences the “organizational identity” and “organizational culture”, because what image that management conveys to the internal stakeholders about the organization may, in the long term, influences “culture” and “identity (Hatch et al., 2000). Before management plans what image they want to convey towards the internal stakeholders the management considers, and are at the same time affected by, both the “identity” and “culture”. Effectively meaning that the relationship between “projected image” → “organizational identity” → “organizational culture” is direct, while the relationship between “organizational identity” → “organizational culture” → “projected image” is interceded by the management of the organization. (Cian & Cervai, 2014)
The management of the organization intermediates how “organizational identity” affects “projected image” when directed towards the external stakeholders. Similar to before, when management are planning the “projected image” to convey towards the external stakeholders they are influenced by both “identity” and “culture”. The external stakeholders then receives this “image” and will in turn decipher and transform that “image”. The outcome of that transformation is the “corporate image” as can be viewed in figure 1. (Cian & Cervai, 2014)

2.1.6 Organizational culture

Organizational culture is the sum of beliefs, norms and shared values that impacts how members think, feel and behave in the workplace (Schein, 2010). For that reason there are a multitude of elements that may affect and create organizational culture (Maximini 2015). Cameron & Quinn (2011) has developed a framework to easier examine organizational cultures called Competing Values Framework (CVF).

They divide organizational culture into four separate parts. These parts are called adhocracy, hierarchy, market and clan as can be seen in figure 2. (Cameron & Quinn, 2011, Figure 2)

Within clan cultures the confidence and duty to members of every level, makes it easier for the organization to have transparent communication and involvement. A clan culture puts great effort into relationships as well as support (Cameron & Quinn, 1999). These cultures
also have a high chance to improve job satisfaction and commitment (Cameron & Ettington, 1988). They have a tendency to emphasize on evolving a shared understanding and to not rely on stiff and formal communications. Other typical traits of a clan culture are for example employee involvement programs and a focus on teamwork. (Cameron & Quinn, 2005)

On the other side of the spectrum is organizations with a market culture, such a culture combines external focus with control. A market culture’s values are focused on performance and communication, has clear-cut goals, are heavily task-focused and incorporates decision making. The clear-cut goals develops a competitiveness which as a consequence brings a higher productivity level (short-term). (Cameron & Quinn 1999) The very foundation of this culture type lies in the fact that having straightforward objectives paired with conditional rewards will work as motivation for members to perform adequately (Cameron & Quinn, 2005).

As a contrast there is hierarchy culture, which still features control and structure but instead likewise to clan culture has an internal focus coupled with integration (Cameron & Quinn 2011). A hierarchy culture values and highly emphasizes documentation, stability, centralizations, routines, continuity and information management (Keskin, Ackgün, Günsel & İmamoğlu 2005). Through formal rules and policies as well as a solid structure, the culture is able to hold itself together. (Cameron & Quinn, 2005)

Lastly is the adhocracy culture, similar to the clan culture it is rather flexible but adhocracy is more externally focused. As a result of that, it values autonomy, growth and an attention to detail. (Quinn & Kimberly, 1984) They prioritize creativeness, ability to adapt to different situations and entrepreneurship (Keskin et al., 2005).

It is important to note that one culture is not considered better than another, just that some cultures may be better suited than others in different contexts (Cameron, 2004). When theorizing about organizational culture, it could be seen as a distinguishing legitimacy of an organization (Whetten, 2006). This is a way of thinking that Cian & Cervai (2014) agree on, which according to their framework, means that both “organizational identity” and “organizational culture” are created by management as well as the internal stakeholders of the organization. Likewise, both constructs influences the managers and internal stakeholders sense of self, as seen in figure 1.

2.1.7 The relationship between job satisfaction and organizational culture

A number of empirical studies have found a connection between organizational culture, job satisfaction and organizational commitment (Zavyalova & Kucherev, 2010). Job satisfaction have previously been defined as “a pleasurable emotional state resulting from the appraisal of one’s job” (Weiss, 2002, p. 282) and refers to the workers direct job environment as well as their current employer (Shaver & Lacey, 2003). Whereas the term “career satisfaction” means something slightly different. It is a reaction to both work and career events (Gattiker & Larwood, 1988). It is a way to assess if an individual’s career progress is compatible with his or her own values, goals and preferences (Heslin, 2003) and works as an indicator for the happiness that is experienced by choosing the correct occupation (Jabeen & Isakovic, 2018; Shaver & Lacey, 2003).

Job as well as career satisfaction are two factors that may be influenced by organizational culture (Passos et al., 2012). There exists a positive and rather significant connection between the four types of organizational culture that are mentioned above, and employee satisfaction.
An organizational culture that encourages employees to learn and evolve is a way to ensure career satisfaction (Joo & Ready, 2012). Support from the organization is something that results in a positive effect on the career satisfaction of the employees (Joo & Park, 2010).

When an individual becomes a member of an organization they enter into a “psychological contract” with the organization (Rousseau, 1990). Which effectively refers to what they are expected to do for the employer as well as what they can expect to gain in return from the organization (De Cuyper, Rigotti, De Witte & Mohr, 2008). This is important since employees tend to have a more negative attitude against the organization if their expectations are not met. This in turn could result in the employee performing worse at their job and not being able to do their part in contributing to the outcomes of the organization. (Fleisher, Khapova & Jansen, 2014) Should a perceived discrepancy occur it may even manifest as job dissatisfaction according to Zavyalova and Kucherov (2010), which is also proved in an earlier empirical study conducted by Knights and Kennedy (2005). If employees are thoroughly unhappy with their organization it will ultimately result in them to really consider alternative employment opportunities. This indicates that if employees are satisfied with their job it decreases their tendency to leave their organization. Likewise if they were to be unhappy with their job this would mean that the employee will start to explore other opportunities for employment. (Coomber & Barribal, 2007; Hayes et al., 2006; Hellman, 1997) Should the member feel like the organization fails to meet their needs or if the organization is not accomplishing what the member expects, it may lead to an intention to quit (Zeffane & Bani Melhem, 2017).

An organizational culture that promotes its members to always learn new things and that encourages partnership and teamwork, where the management supports them, will ultimately result in affecting the employees career satisfactions positively. (Joo & Ready, 2012) Empowerment (Johnson & McIntyre, 1998), participative decision making (Daniels & Bailey, 1999) and leaders that inspire and encourages teamwork (Gaertner, 2000) are all things that also may have a positive impact on career satisfaction (Jabeen & Isakovitch, 2018). These are all traits that can be seen within clan cultures and also (although to a lesser degree) in adhocracy cultures. On the contrary career satisfaction is negatively related to both hierarchy and market cultures. (Lund, 2003)

There are a number of earlier studies that have found that trust has a strong connection to employee attitudes including turnover intention (Dirks & Ferrin, 2002; DeConinck, 2011; Mulki et al., 2008; Harhara et al., 2015). The notion of trust refers to the attributions that an individual makes concerning other individuals intent and motives, which is the foundation for their behaviour. To be more precise, it involves what good expectations one may have of others. These attributions affects and is affected by expectations and any general beliefs about how they will be treated by others. (Mayer, Davis & Schoorman, 1995) When employees has a high trust (meaning that they trust and are trusted by others) they may feel safer and more comfortable in their job. This in turn may decrease the likelihood of them leaving the organization. (Zeffane & Bani Melhem, 2017) How much an subordinate trust their supervisor is a strong predictor of their intention to leave the organization (Costigan, Insinga, Berman, Kranas & Kureshov 2012). Likewise Mulki et al. (2008) came to the conclusion that trust has been shown to be a rather significant antecedent of turnover intention.

Most organizations invests a significant amount of resources in their employees when it comes to introducing, training, cultivating and retaining them. That means that it is important
for an organization to mind the issue of voluntary turnover and do everything within their means to minimize it. (Zeffane & Bani Melhem, 2017) It is of importance to bring forth the reasons behind voluntary turnover, try to understand them and afterwards take action, attempting to maximize employee retention. This would effectively decrease the costs for replacing employees and in turn improve the performance of the entire organization. (Zeffane & Bani Melhem, 2017) Tanwar and Prasad (2016) also states that high employee turnover can result in a raised employee costs and a decrease in productivity and competitiveness. Another consequence of high employee turnover is that it may lead to the workforce losing both trust and confidence in the organization. Which would influence organizational as well as individual performances. (Zeffane & Bani Melhem, 2017) Therefore the art of retaining employees is crucial for a company’s future success because the employees are considered one of the most important resources in a company (Ulfsdotter Eriksson, 2013).

Different type of cultures may be fitting for different times. An adhocracy culture for example supports taking risks, creativity and adaptability amongst their workforce. A clan culture will highlight concern for individuals, participation and teamwork within their organization which will result in innovation among the members. By assessing the organizational culture and its needs it allows the culture to accommodate and evolve in order to improve organizational performance and support needs. (Jabeen & Isakovic, 2018) Though it should be noted that it takes both time and effort in order to change an organizational culture (Fullan, 2007). However talent retention is increasingly important (Ashmore & Gilson, 2015) and being aware of the connection between organizational culture and career satisfaction will facilitate taking the right actions. (Jabeen & Isakovic, 2018) Therefore it is important to recruit and select personnel that matches the organizational culture. It should be matched with the goals and motives of the recruits so that the appropriate terms for cooperation between employers and employees may be created. Together they can (and should) attempt to achieve a common goal which will prevent any potential job dissatisfaction and any breach against the psychological contract. (Zavyalova & Kucherov, 2010)

There is a linear correlation between the integrity, efficiency and strength of organizational culture and general job satisfaction, “The more integrated and consistent internal organizational environment, the more strongly pronounced job satisfaction.”. (Zavyalova & Kucherov, 2010 p. 233) Thus concluding that a strong, more integral and efficient organizational culture, will result in employees feeling more satisfaction with the actions of the managers and the organizational environment (Zavyalova & Kucherov, 2010).

### 2.2 Employer branding

Employer branding has its foundations closely connected to corporate branding and communication, along with marketing (Backhaus & Tikoo, 2004; Ambler & Barrow, 1996). It combines the principles from HR, marketing, organizational behaviour, strategy and psychology (Backhaus & Tikoo, 2004; Edwards, 2009). As employer branding emerged from engaging marketing principles in the area of personnel recruitment and retention, it has been increasingly acknowledged by academics as well as companies. A growing interest that can be used in areas of talent attraction, management and retention. (Cable & Turban, 2001)

According to Ambler and Barrow (1996, p. 187), employer branding is defined as “the package of functional, economic, and psychological benefits provided by employment, and identified with the employing company”. Ambler and Barrow (1996) states that employer branding relates to the engagement, attraction and retention strategy developed
by HR to strengthen and enhance an organization’s employment offerings. Employer branding focuses on managing corporate identities by establishing, both within and outside the company, an image of the organization as a distinct and desirable employer (Maheshwari et al., 2017). It is used to create and portray an image in the minds of potential, as well as current, employees how great the company is as an employer, if not the greatest. (Porter & Gartner, 1985) Gaddam (2008) argues that employer branding has become prominent in human resource management, where it is used as a tool of communication for acquiring as well as retaining talent in this rapidly developing technological era. It is further argued that in order to win the war for talents, organizations needs to differentiate (Gaddam, 2008). Employer branding can in this case be used as a tool to create a strong and defined identity among employees (Michaels, Handfield-Jones & Axelrod, 2001), since employer branding can effectively be used to stand out in the talent market (CIPD, 2007).

According to Foster, Punjaisri and Cheng (2010), employer branding is closely related to consumer branding. The most recent research regarding employer branding highlights a mix of marketing principles and recruitment practices. It reveals the resemblance between potential customers forming preferences for one brand over another, and potential employees evaluating the attributes of competing jobs and employers. (Wallace, Lings, Cameron & Sheldon, 2014) The corporate branding literature has long considered a brand as a promise from an organization to customers (Olins, 2004). This can be seen in the field of employer branding as well, as Moroko and Uncles (2008) suggests that an employer brand can be seen as a psychological contract between an employer and employee. Similar to Rousseau (1990) who stated that when a person becomes employed by a company the two parties enter a psychological contract.

2.2.1 Generation Y and Z

There are disagreements among researchers regarding the name and yearly interval each generation has (Lyons & Kuron, 2014). In this thesis, the authors have chosen the following definitions:

- **Baby boomers**
  1945 to 1964
- **Generation X**
  1965 to 1979
- **Generation Y**
  1980 to 1995
- **Generation Z**
  1996 to present

Focusing on a specific age group can be very important since employees’ work values and preferences regarding important work factors are affected by one’s age group (Westman & Yamamura, 2007). When it comes to generation Y and Z, they often share similar perceptions, values and behavioural characteristics (Ozkan & Solmaz, 2015). Generation Y and Z have different interests, goals, values and preferences regarding employment than older generations (Deloitte, 2018; Myrđén & Kelloway, 2015; Thompson & Gregory, 2012) and have different expectations related to work than previous generations (Ng et al., 2010; Twenge et al., 2010). These generations appreciate independence and dislikes authority (Ozkan & Solmaz, 2015). Generation Z has grown up with online technology (Kapil & Roy, 2014) and when these generations were young they got more attention than previous generations did (Chen & King, 2002). Their opinions were acknowledged by their parents,
school and media. These generations were able to express their feelings, and get a reaction from it. (Chen & King, 2002)

Generation Y have shown higher levels of negative measures such as feeling upset, afraid and are generally more anxious than the generations before them (Hennings, 2019). Generation Y are according to Thompson and Gregory (2012) disloyal and demanding. They are raised as trophy children which has resulted in an unreasonably strong feeling of self-righteousness, big expectations of rewards and a lack of patience (Thompson & Gregory, 2012). This is similar to generation Z who has the strongest desire amongst all generations for managers to listen to their ideas and value their opinions (Ozkan & Solmaz, 2015).

However, generation Y and Z are seen as enthusiastic as well as more adaptable to change compared to baby boomers and traditionalists (Bejtkovský, 2016). They are also the most socially tolerant generations according to Tapia and Turner (2018) and cares the most about the environment amongst all generations (Deloitte, 2018). Generation Z has always had access to information and the technological growth during their childhood has made them used to new technology and know how to use it compared to earlier generations (Singh, 2014).

New graduates often have unrealistically high expectations of the workplace (Ng et al., 2010), and are often met with the realization that the workplace is much different than school (Wendlandt and Rochlen, 2008). Unrealistically high expectations may lead to future job dissatisfaction if unadjusted (Lyons et al., 2012).

2.2.1.1 Attitudes and values towards work

The transitions from school to work comes with many adjustments and as an individual you must consider the reality of your economy and available employment opportunities (Jokisaari & Nurmi, 2005). The feedback changes from academic performance to actual job performance when moving from a school environment to the work environment. This may impact one’s self-efficacy beliefs and outcome expectations, including work values. (Lent, Hackett, & Brown, 1999).

Both generation Y and Z enjoys working in teams, but dislikes monotonous work tasks, since these get tiresome quickly (Bencsik, Horváth-Csikós, & Juhász, 2016). These generations appreciate functional attributes of a job (Myrđén & Kelloway, 2015; Drury, 2016) such as technical solutions (Singh, 2014), career opportunities and salary (Bencsik et al., 2016). Though these are important, symbolic attributes are more important for these generations, for example the culture within the company (Myrđén & Kelloway, 2015; Drury, 2016). Both generation Y and Z values and appreciates companies who works towards improving the environment and society, and they appreciates a diverse senior management (Deloitte, 2018) Feeling happiness and joy at your workplace is very important to generation Z (Singh, 2014; Ozkan & Solmaz, 2015). They like teamwork and environments with social contexts, embraced in a good and cheerful organizational culture (Ozkan & Solmaz, 2015).

Generation Y and Z are known to appreciate flexibility when it comes to their workplace (Singh, 2014; Deloitte, 2018; Thompson & Gregory, 2012). Having flexible work schedules and being able to choose how and where to work within the organization is seen as very positive (Singh, 2014). Flexibility in the balance between life and work is also something that is very appreciated by both generation Z (Deloitte, 2018) and generation Y (Winter & Jackson, 2016; Deloitte, 2018; Thompson & Gregory, 2012). Regarding generation Y, the
balance between work and life can be crucial for the long term work perspective. If the workload is too high and there is no time to recover, they will not be able to perform their best. (Winter & Jackson, 2016) Technology is an influencing factor why this generation appreciates flexibility in their job according to Thompson and Gregory (2012). The same authors suggest that technology is one of the reasons that has made it possible to switch between work and life throughout the day at any time, even at night, which is something this generation is used to and therefore appreciates in a workplace.

In contrast to earlier generations, feedback is very important for generation Y (Thompson & Gregory, 2012; Clausen & Borg, 2010; Cahill & Sedrak, 2012) as well as support from managers (Winter & Jackson, 2016). Feedback and support is also appreciated by generation Z who wants their opinions to be listened to (Ozkan & Solmaz, 2015). If feedback is not given, members of generation Y tends to think they have done something wrong (Cahill & Sedrak, 2012) as they are used to individual attention, guidance and praise (Thompson & Gregory, 2012). The same generation expects the company to remind them why they should stay, otherwise they might leave. In contrast to earlier generations who had to remind their employer why he or she should stay. (Thompson & Gregory, 2012).

Leaving an organization is nothing extraordinary for generation Y and Z, as they are less loyal to their organization than earlier generations and value their own goals higher than the company’s (Deloitte, 2018). Less than a third of the generation Y look forward to each new day at work (Hennings, 2019) and according to the research of Deloitte (2018), 43% of generation Y and 61% of generation Z are planning to leave their current employer within two years. Singh and Gupta (2015) explains the high employee turnover in generation Y with the fact that they are more dedicated and committed to their profession than to their organization. If this generation does not feel they can advance fast enough in their career or that the work live up to their expectations, they will likely leave within 8-12 months (Winter & Jacksons, 2016).

2.2.2 Small and medium-sized enterprises

The European meaning of SME is an organization with 10-249 employees and a turnover of 2-50 million € as defined by the EU recommendation of 2003/361. Several international organizations have previously proposed a definition mainly based on the number of employees, and is now the most common way to identify an SME (Lind, 2013). This is the definition chosen in this thesis.

One of the main drivers when it comes to being an attractive employer is the organization’s reputation (Williamson et al., 2002). This is a problem for SMEs since larger organizations generally have a more prominent presence on the labour market (Williamson et al., 2002), making it even more important for SMEs to retain employees in order to stay relevant on a competitive market (Long et al., 2014). Organizations are under constant change as a reaction to a dynamic environment. Effectively managing personnel is therefore vital for SMEs to survive (Jack, Hyman & Osborne, 2006) as each individual employee is more valuable for SMEs than for larger organizations since they have an easier time attracting personnel.

SMEs does not dedicate as much resources when it comes to becoming well known in the labour market as larger organizations do (Rynes & Boudreau, 1986). This is a disadvantage for SMEs compared to larger firms due to the lack of organizational information for potential job seekers (Williamson, et al., 2002). This lack of information may also lessen the likelihood of the SME being a part of potential employees’ everyday experiences (Aldrich & Auster,
1986), as well as potential employees having a hard time locating trustworthy sources of information concerning SMEs (Williamson et al., 2002). Larger organizations have a tendency to utilize a more sophisticated and socially responsive approach to HR-practices and talent management. They do this in order to gain the acceptance and to be viewed as a legitimate organization to any stakeholder. This may affect the rate of success for SMEs recruitment in a negative way since job seekers generally believe that legitimacy is closely tied with trustworthiness and dependability. (Suchman, 1995) On the other hand, through non-traditional thinking SMEs are able to enter channels of recruitment that is not generally considered by larger organizations. This gives SMEs the opportunity to attract potential employees from a greater variety of expertise. (Krishnan & Scullion, 2017) Being smaller in size may, if used correctly, be utilized as an advantage when it comes to retaining personnel. A smaller size allows for more flexibility and can also nurture a culture of creativity, innovation and new ideas. (Zenger & Lazzarini, 2004) Unlike large firms who usually measures effectiveness through profitability (Garnsey, 1998), SMEs evaluate how successful they are by growth (Penrose, 1960). Another important factor for success in SMEs is to measure the rate at which new members of an organization becomes incorporated, they acquire the competence needed and eventually learn how to work together when solving problems (Garnsey, 1998).

By succeeding in retaining talented personnel SMEs have a better chance at staying relevant on the market. SMEs, being growth-oriented, has a greater stake in retaining essential employees since losing even a single employee may greatly endanger their ability to succeed in reaching the goals of the organization. (Long et al., 2014)

2.2.3 Signaling theory

According to Akerlof (1970), signaling theory refers to a framework in which you can study information asymmetry. A signal is defined as an activity or attribute that, by design or accident, alters the beliefs or conveys information to others (Spence, 1974). The employers main focus with sending out signals is to create positive employer brand associations within the target group. These associations forms the brand image, which can effectively communicate the organization’s personality. (Backhaus, 2016) Clear brand signals leads to a clearer brand image, which will increase the employer attractiveness and reduce the risk of a mismatch. Having a clear brand image will also result in less effort in finding the information for the employee. This is important since both current and potential employees are motivated to look for signals in order to create accurate perceptions about the company. (Wilden et al., 2010) Since employees often lack complete information about a company, the information a company shares is interpreted as signals about the company. These signals are thereafter used to draw conclusions about the company. (Connelly, Certo, Ireland & Reutzel, 2011) However many companies provide too little information regarding employment (Wilden et al., 2010). In this case the current or potential employee will likely make their own interpretations about the company using available signals based on vicarious knowledge such as word of mouth, consumer knowledge or individual perceptions and values. These signals are then used to evaluate the company, even though the evaluation might not be accurate. (Myrdén & Kelloway, 2015) If the signals are interpreted inaccurately, it might attract people that are not as suitable for the company or discourage people that are. Being selective regarding the signals that are sent out, and observant of how the signals are perceived, is therefore essential to reduce the information asymmetry. (Wilden et al., 2010)
2.2.4 Functional and symbolic attributes

Similar to the definition by Ambler and Barrow (1996, p. 187) of an employer brand, Park, Jaworski and MacInnis (1986) categorises brands based according to how they fulfil the functional, symbolic and experiential needs of customers. Employers use the terms functional and symbolic attributes to illustrate factors of employment in subjective or objective terms (Lievens and Highhouse, 2003). The benefits (i.e., functional or symbolic) of working for an organization are picked up (as signals), thereafter interpreted by the individual, as they lay the foundation for the perceptions he or she has of the company (Myrdén & Kelloway, 2015). Myrdén and Kelloway (2015) also suggests that is can be useful to separate the benefits into functional and symbolic attributes.

Functional attributes

Seen from the perspective of an employer, functional attributes can describe the elements of employment that are desirable in objective terms such as salary, health care coverage, benefits and leave allowances. (Cable & Graham, 2000; Lievens & Highhouse, 2003; Drury, 2016). These benefits have physical and tangible attributes and can often be used as motivation, for example remuneration, training and development, promotion opportunities, and job security (Cable & Graham 2000; Lievens, Van Hoye & Schreurs, 2005).

Symbolic attributes

Based on the same perspective, the symbolic attributes describes the benefits of being employed by the company in terms of subjective or intangible attributes. Attributes such as perceptions about the prestige of the company, social approval one might receive by working there and the culture within the firm. (Lievens & Highhouse, 2003) Ambler and Barrow (1996) describes these subjective, intangible and abstract benefits as tied to people’s need to maintain or improve their self-image. It can also be associated with their need to express themselves through their beliefs, values, qualities and individuality. The symbolic attributes can satisfy the individual’s need for social approval, personal expression and self-esteem. (Ambler & Barrow, 1996)

According to the research of Myrdén and Kelloway (2015), the perception of symbolic and functional attributes are important predictors of attraction to the company. Their research focused on the younger generation (18-30 years old), and confirms that both symbolic and functional attributes were positively associated with job attraction to a firm. Furthermore, the authors states that the importance of symbolic attributes increases when functional differences between brands are limited. (Myrdén & Kelloway, 2015) The attractiveness to a company with high functional attributes remains the same regardless of work experience amongst the younger generation. “Symbolic attributes appeared to be more highly valued and more predictive of job seekers attention” (Myrdén & Kelloway, 2015, p. 277). The direct effect of symbolic attributes had a greater effect than that of functional attributes, and the attractiveness to a company with high symbolic attributes was been shown to increase with higher levels of work experience. The appreciation for symbolic attributes was also proven to increase when higher levels of functional attributes were reported. The authors concludes that their research points to the importance of symbolic job attributed for young workers. (Myrdén & Kelloway, 2015; Drury, 2016).

Functional attributes, for example the salary, of a job can often be easily found (Nelson,1970; Drury, 2016). In contrast to symbolic characteristics, for instance work climate and culture,
these can not be observed as readily before an individual has worked for the employer for a while. Thereupon these individuals often have to rely on whatever information the firm is willing to share. (Nelson, 1970) Drury (2016, p. 30) agrees it is easier to determine functional attributes of a company, and that knowledge about symbolic attributes “like what a company is really like to work for – are harder to establish.”. Further arguing that jobseekers will probably have to rely on word of mouth or on the insufficient information that the employer chooses to make public to form an idea of the symbolic attributes. Indicating an increased risk of information asymmetry and a mismatch between the employer and the employee. (Drury, 2016)

2.2.5 The seven brand value propositions

Berthon, Ewing and Hah (2005) expanded and refined Ambler and Barrows (1996) definition of employer branding by adding five value propositions based on Ambler and Barrows (1996) original three subdimensions. The value propositions presented by Berthon et al., (2005) are:

- Social
- Interest
- Application
- Development
- Economic

Dabirian, Kietzmann and Diba (2017) have since then added two more value propositions:

- Management
- Work/life balance

The seven attributes are however of different importance in the eyes of the employees, with variation of importance depending on the industry and organization. It is argued that companies that are perceived as most attractive as an employer have a good rating and deal with all the seven attributes that are adapted to their employees. (Dabirian et al., 2017)

Social and interest value is an expansion on Ambler and Barrows (1996) psychological benefits (Berthon et al., 2005). Social values refers to the social rewards that are achieved from working at an organization that has great emotional connections to its members. Having and maintaining these connections affects the employees as they care deeply for the enjoyment gained from operating in a positive atmosphere. This can often be seen within people-focused organizations with a team approach to problem solving. (Berthon et al., 2005)

Interest benefits are achieved when tasks are seen as interesting. It regards benefits that reflects to which degree an innovative mind and novel work practises are encouraged. (Berthon et al., 2005)

Application and development values is the expansion of Ambler and Barrows (1996) functional benefits (Berthon et al., 2005). Employees often has a desire to use their skills and knowledge. They want to use them in a meaningful and considerate way, for example by providing superior benefits to customers. (Dabirian et al., 2017)

Opportunities for professional development and career development are both functional attributes that are related to development benefits (Berthon et al., 2005).

The economic benefits relates to the compensation the employee receives for his or her work. It generally includes quantifiable perks such as salary, healthcare and pension. This is a
benefit that is related to both psychological and functional benefits. (Berthon et al., 2005) Management and work/life balance is also related to functional as well as psychological benefits. Management benefits are connected to how managers treat their employees. A great deal of the people who resign from their job do so because of bad treatment from their superior. (Dabirian et al., 2017) They further argue that the superiors at a company can tremendously influence the employees in both a good and a bad way. Experiences at work, positive and negative, affects the leisure time of the employees as well as their personal relationships. (Dabirian et al., 2017) Work/life balance refers to having a balance between work and personal life as well as employees need to identify themselves with their organization. (Carroll & Levy, 2010). These benefits can be achieved when an employee’s work identity is matched with his or her other identities such as a parent, activist, club member etc. They can also be achieved when the needs from this personal life, such as a need for flexible schedules etc, are filled. (Dabirian et al., 2017)

All of these benefits are values that are considered when evaluating of an employer is an attractive workplace or not. (Ambler & Barrow, 1996; Berthon et al., 2005; Dabirian et al., 2017)

2.2.6 The importance of harmony between values

Employer familiarity can be defined as an individual’s ability to identify a company as a potential employer (Cable & Turban, 2001). Regarding employment, it has been shown by previous research that an organization’s overall familiarity is related to applicants’ perceptions of a company’s attractiveness as an employer. Showing that more familiar organizations are being perceived as more attractive. (Cable & Graham, 2000; Lievens et al., 2005; Saini, Rai & Chaudhary, 2014; Turban & Greening, 1997) It is more likely a person is attracted to a company if the individual believe the company possesses desirable attributes, both functional and symbolic (Lievens & Highhouse, 2003). Similarly, Hiltrop (1999) argued that companies need to understand and tailor their recruitment and retention practices according to the desirable and current employees. Alnıaçık, Alnıaçık, Erat and Akçin (2014) also recommends that it is important for HR practitioners to understand the need to communicate differentiated and customised employee value propositions to fit those of their current and potential employees. The need for a person-organization fit is important, as the better the match between the values of the firm and the values of the individual, the more likely the individual is to be attracted to the organization (Cable & Judge, 1996; Judge & Cable, 1997; Schneider, 1987; Moroko & Uncles, 2008). When brand messages are clear and honest, the best fitting employees will be attracted to the company (Backhaus, 2016).

As mentioned in signal theory, clear brand signals leads to a clearer brand image, which increases the employer attractiveness and reduces the risk of a mismatch. Actively sending appropriate signals is therefore one way that employers can reduce the information gap associated with a job search. (Wilden et al., 2010). This is important because two of the most common reasons for employee turnover are job-person mismatch and mismatch between job expectation and reality (Al Badawy, et al., 2017). Therefore it is important that the benefits of working at a company should align with the expectations of current and potential employees (Foster et al., 2010). Mosley (2007) also agrees with the importance of that functional and symbolic benefits are congruent with existing and potential employees’ expectations. If these expectations, which are often too high, are unmet during the initial stages of employment, it will result in higher levels of employee dissatisfaction and turnover (Hiltrop, 1999; Zavyalova & Kucherov, 2010).
3 Methodology

The authors have conducted a total of 14 interviews in three different companies. Seven of the respondents worked in some kind of managerial position and the remaining seven worked on a subordinate level by comparison and are in the ages 18-30 years old. The purpose of the interviews was for the authors to establish an understanding of how management use employer branding in order to retain employees, as well as how these measures are perceived by their employees. The length of the interviews varied between 20-40 minutes and the respondents were also asked to answer a questionnaire at the end.

3.1 Methodological approach

The thesis has a qualitative research approach. Such an approach is favourable since the study focuses on understanding how people react to and think of their social surroundings and world (Bryman & Bell 2015). The ontology of this study is based on a hermeneutic view of the world. A hermeneutic view is the ideal choice when it comes to an interpretive approach of the academic discipline social science. (Söderbom & Ulvenblad, 2016) A deductive approach is taken since the authors have based their semi-structured interviews as well as the analysis on the theoretical framework.

3.2 Choice of companies

The companies that have been used in this study are three SMEs. For the sake of keeping variables constant, all companies are located in Sweden. The size of the companies are chosen because SMEs have a hard time attracting and retaining employees. (Simon, 2018)

3.3 Choice of respondents

The respondents are chosen from two segments. The first segment is named Management and refers to employees of the company that has a management role and/or staff responsibility. They are chosen because they all have experience and knowledge in employees preferences as well as insights in the company.

The second segment is named Workers and it refers to employees of the company that does not have a management role and/or staff responsibility and are within the age span 18-30.

3.4 Data collection

Conducting interviews is the ideal choice when conducting a qualitative study (Söderbom & Ulvenblad, 2016). The interviews were semi-structured, with an interview guide consisting of questions (see appendix 1 for Workers and 2 for Management). Using this type of approach gives the interviews a structure in questions, but still gives the opportunity for liberty in answers, topics and sequence of questions asked (Bryman & Bell 2015).

When not anonymous, people tend to answer what they think is most socially acceptable (Wärneryd, 1986). Therefore Management respondents and Worker respondents are all anonymous to ensure answers are as true as possible. Anonymity was also utilized as a method of encouraging the participation of the respondents and companies. The authors conducted the interviews in the companies’ own facilities. This was made to create a natural
environment for the respondents in order to make them more relaxed and to avoid the Hawthorne effect. Eight interviews were conducted at company X, four at company Y and two at company Z. In each company, half of the interviews were made with Workers and half with Management.

The interviews were all audio recorded. The reason being that it may be difficult to remember everything only by memory, which makes recordings an excellent way to collect the information from an interview (Bryman & Bell 2015). The recorded interviews made it possible to transcribe and capture intonations, expressions and hesitations from interviewees after the interviews had taken place. This is important because it is not only what people say that matters, but also how they say it, which both can be hard to remember from memory. (Bryman & Bell 2015).

After the interviews were conducted a questionnaire was handed to the respondents. The questionnaire was given after the interview in order to keep the interviews as true as possible. The respondents were asked to rate 19 different statements on a scale of 1-9 where 1 was rated as “not important” and 9 was “very important” (see appendix 3 and 4). Before they answered the questionnaire, the respondents were encouraged to utilize the whole scale if appropriate. The interviews and the questionnaire are based on Dabirians et al. (2017) seven brand value proposition.

The Workers were asked to rate the statements according to their own perception (appendix 3), whereas Managers rated the statements according to their own beliefs of how employees within the age span 18-30 perceive them (appendix 4)

3.5 Data processing

After the interviews were conducted, they were transcribed based on the recordings, thereafter coded and lastly analyzed compared to the field of research literature.

Before coding, marks and annotations was added in the transcribed material to highlight particularly interesting or significant thoughts of the interviewees, which is recommended by Bryman and Bell (2015). Open coding was thereafter used on the transcribed interviews. This technique is described as the process of breaking down, examining, comparing, conceptualizing and categorizing data (Strauss & Corbin, 1990). This gives strong foundation to analyze the coded data to find connections in the theoretical framework.

The questionnaire has primarily been used as an analytical tool by the authors in order to get an overview of the empirical data.

3.6 Empirical and analytical processing

In the theoretical framework the concept of employer branding is broken down and eventually ends in Dabirian et al. (2017) seven value propositions. The functional and symbolic attributes, that is first expanded by Berthon et al. (2005) and later developed even further by Dabirian et al. (2017), analyzes attractive qualities of a potential employer seen from the perspective of the individual. While organizational behaviour analyzes similar qualities but seen from the perspective of the entire organization giving a wider view.
When analyzing the data collected the authors have used the framework presented by Dabirian et al. (2017) in order to bring structure to the empirical findings and this combined with organizational behaviour provides a profound analysis. The same structure is used for both the empirical framework as well as the analytical framework for consistency.

3.7 Methodological criticism

Even though the authors took precautions against socially acceptable answers by creating a natural environment and ensuring the respondents their anonymity. It may still be possible that the respondents felt observed by the authors when conducting the interviews and this may in turn have affected their answers accordingly resulting in a Hawthorne effect.

Due to the fact that the interviews were made in Swedish, transcribed and then translated to English there is a slight risk for a loss in translation.

Both authors were not able to be present at each interview, which may have resulted in missed facial expressions or other interpretations of the respondents intonations. In order to reduce this, all interviews were audio recorded and listened to by both authors to ensure a mutual understanding of the respondents answers.

As the respondents were encouraged to utilize the whole scale if appropriate when answering the questionnaire, it may have shifted the top and bottom results. However, this was done intentionally in order to highlight the most and least important values. Since the questionnaire was mainly used as a analytical tool, the authors does not believe it has affected the conclusions of this study.
4 Empirical results

For the purpose of anonymity the companies will be referenced as X, Y and Z. The introduction of the companies are based on the interviews with Management from each company.

4.1 Introduction of companies

4.1.1 Company X

Company X is a research and consulting company with roughly 230 employees. In order to retain their employees they aim to be inclusive and attempt to meet the Workers wishes and demands. They make sure to ask them what they want to achieve when working for them. They try to give them as much responsibility as they are comfortable with and also encourages them to speak up no matter age or work experience. They also see value in making their employees feel good about working there and want them to learn as much as possible while working there.

Although the company works within many different areas of expertise, Management believe that potential workers are sometimes only aware of one, or a few, of these areas. This may in some cases result in new employees perception of the company’s work environment not agreeing with the actual work environment. The culture in the company was described as “allowing” by multiple respondents, additionally it is a rather open environment with a heavy focus on working as a team.

4.1.2 Company Y

Company Y is a retailing company with about 14 employees. Their preferred method of retaining personnel is to develop and maintain a positive work environment. They focus heavily on relationship through, amongst other things, continuous dialogue between Management and Workers. They also focus on keeping the workplace a fun and open place to work in. If there is something wrong it is important to bring it to light. They have no specific actions they take to retain younger employees, and they believe the main reason of them leaving is in order to do something else such as obtaining a higher education.

Generally they believe their reputation on the job market is rather positive and it is agreed that their reputation has drastically changed in the last decade or so. From being seen as a rather old fashioned company, it is now seen as an innovative, including and evolving organization.

4.1.3 Company Z

Company Z operates within the hotel industry and at the moment of the interviews had about 20 employees. Like Company X they focus on keeping an open dialogue with their employees and allowing an environment to express themselves. Management tries to act as leaders for their Workers. The company also emphasize the importance of being service minded and to have a passion for the industry when deciding if one wants to stay within the company or not. Salaries within the industry are quite low, which in turn means that a passion for the job is all the more vital. Salaries and not getting full time employment right away are perceived as the most common reasons for young people to leave the organization.
The company’s reputation on the job market is believed to be positive in a general aspect. They admit that they may not have the best reputation on the market but that they in no way have a bad reputation.

4.2 Interviews

4.2.1 Social

Social values refer to the social rewards that are achieved from working at an organization that has great emotional connections to its members. (Berthon et al., 2005)

“Everyone is very nice and it feels like we respect each other.” (Respondent E_W).

Four out of seven Management described their work environment as an open environment and six out of seven Workers also described it as open. “A common reason for staying is that you feel comfortable around your co-workers and with your assignments. You feel comfortable with your job, the feeling of feeling good and thriving at work.” (Respondent F_M) Both Management and Workers found it as a positive experience to have an open and social work environment. Generally the respondents claimed to feel comfortable with their co-workers and enjoyed working alongside them both with their individual tasks as well as in teams. “My co-workers and my boss is great, it is what have made me stay.” (Respondent L_W).

Two out of seven Management respondents also perceived it as permissive, that all employees are allowed to try new things and allowed to fail as well. “It is very free, you trust your employees and that they do what they are supposed to” (Respondent C_W). In general the respondents appreciated their work environment albeit for different reasons “... As I always say, this is the most incredible place to be in since you are always so knowledgeable!” (Respondent J_M). One Manager emphasized how important it was to create opportunities for after work activities, to meet up after certain events where it was just the staff chatting and having fun together. This is something specific that was brought up from one Worker, how it contributed to an overall more positive work experience.

4.2.2 Interest

Interest benefits are achieved when tasks are seen as interesting and when innovative mind and novel work practises are encouraged. (Berthon et al., 2005)

Three out of the seven Workers specifically mentioned that having stimulating work tasks is a very important factor for him/her, otherwise he/she would consider leaving. Two Management brought up the importance of stimulating work tasks. Respondent H_W said the following regarding what makes him/her stay:

What makes me stay is primarily that there are incredibly stimulating work tasks. This is a job that suits me very well due to the fact that there are a lot of projects going on at the same time, and it is never monotonous. (Respondent H_W)

The feeling of slow moving work tasks was mentioned as a negative factor by three Workers, and was not brought up as an important factor for the Workers to stay within the company according to Management.
Respondent JM believes that the most significant difference between the Workers within the age span is a lack of patience. He/she states that “the patience to wait for a new assignment is often longer in older generations.” (Respondent JM). He/she still believes that the younger generations is just as driven and curious as the older generations. However they have more patience than the younger ones. The younger generations wants their new assignment or reward instantaneously and do not have the patience to wait for it as the older generations tend to.

Three out of the seven Workers said that a reason for them to leave their current employment would be due to the company’s inefficient and/or old fashioned approaches from Management when it comes to processes and issues. These Workers perceived Management as not being susceptible to change and are according to respondent Kw “...stuck in a rut...” because they refuse to change their inefficient processes, even if a better solution is presented. 43% of the Workers said that they are much faster at their work tasks than their older colleagues, and was something they experienced as bothering due to the inefficiency. This, nor the opposite, was not brought up by Management.

4.2.3 Application

The application value of an employer refers to when an employee have the opportunity to use their skills and knowledge in a meaningful and considerate way. (Dabirian et al., 2017)

Two respondents from Management believed that younger generations being better at digitalization may become a reason for them so remain within the organization. Due to the fact that it would give them a larger purpose as employees. This was not a subject that was brought up by Workers.

Respondent IM said that for some Workers, a crucial aspect of a job is to feel that you have made a difference and/or helped someone. These kind of Workers will feel “Wow, today I have really helped someone” and get a great feeling about it. Respondent IM was the only respondent amongst Management who brought up this kind of subject. Amongst the Workers, respondent Kw was the only one who mentioned anything related to the subject. Respondent Kw said that “I want to feel I contribute, that I am there and does something that helps other people.”

Three Workers directly mentioned the importance of using their skills and knowledge as a factor to why they appreciate their work tasks. This was not mentioned by Management respondents.

4.2.4 Development

Development benefits are achieved when there are opportunities for professional development and career development. (Berthon et al., 2005).

“...I cannot develop if the company does not develop.” (Respondent Hw)

When the Workers were asked what makes them stay within a company, 86% mentioned opportunity to develop, both as a person and/or within the company. 43% also mentioned the lack of development in some way as a direct reason to leave the company.
It is a bit funny, that thing about rapidly rising within a company. My perception is that, as some other bosses talks about it at least, the youngsters would rather become CEO right off the start. It is kind of a running gag between us. (Respondent NM)

When Management were asked what they thought made Workers stay within a company, only 29% mentioned to develop as a person and/or within the company. However two Management respondents mentioned that trying or learning new things can be a reason for someone to stay.

The authors asked Management how long they believe employees within the age span were willing to stay within the organization. Management believed they would want to stay 4,4 years on average with the answers spanning between 2,5-5 years. When the Workers were asked how many years in total they were willing to stay within the same organization, on average Workers could see themselves remaining for 3,4 years, with answers spanning between 1-5. Their willingness to stay was closely tied to their ability and opportunity for personal and professional development. “... Five years tops. Unless the company develops or something new happens.” (Respondent Dw). Additionally, one respondent also said that should he/she encounter a job offer more related to his/her academic background it would most likely lead to a resignation from her part, and therefore affect her duration at the company.

4.2.5 Economic

The economic benefits relates to the compensation the employee receives for his or her work. (Berthon et al., 2005)

57% out of the Workers said that money was a reason that makes them stay, or could be a reason to leave. A Worker also brought up staff discounts as an influencing factor to why he/she stays, but it was not enough on its own to make him/her leave. One of the Management respondents mentioned money as a factor that he/she believed could influence Workers intention to leave or stay while the remaining six did not bring up money or any other type of functional reward. Another Management also claimed that offering the younger generation full time employment would make them stay.

Respondent NM stated that salary is not what makes individuals stay within his/her company, and claims that the primary reasons she believes people within the age span quits his/her job is because of low pay and odd work hours. Respondent JM also believed that a secure economic income was perceived as a safety for the younger generation. “... Today it is impossible to do anything unless you have a job. You will not be able to get your own place, you can not do anything.” (Respondent JM)

Four out of seven workers claimed salary or similar economic benefits as a reason for them to remain within the organization. “Pay is an important aspect.” (Respondent Kw). One Worker stated that he/she would be willing to leave his/her organization in exchange for a higher salary, even though it was previously stated that he/she enjoyed working at the company.

4.2.6 Management

Management benefits are connected to how managers treats and acts around their employees. (Dabirian et al., 2017)
A common theme throughout the performed interviews was appreciation for the ability to have an honest and open dialogue between Management and Workers and how that contributed to a positive work environment. When asked what Management do to keep 18-30 year olds within the company, 57% out of the Management respondents said they listen to them a little extra and try to create an open communication where they can share their thoughts and ideas. Respondent JM said it is very important to show, and if needed offer, the younger employees an opportunity to switch job tasks but still stay within the company. Respondent MM argued for having a culture that promotes having fun with colleagues was important, as well as offering varying work tasks. 29% of the Workers experienced that Management listens to them and that there is an open dialogue.

When asked the question “How do you experience that the company is working in order to make you stay?” One respondent answered:

Yeah totally and especially my boss. He is incredibly particular about me following the path that I decide to walk. He explicitly states ‘I want everyone to function as one company’, that you really develop your own ideas and that you do not restrain yourselves… I am here as an individual, and this is something I experience strongly, that I am not just a product of the company. (Respondent HW)

4.2.7 Work/life balance

Work/life balance refers to having a balance between work and personal life as well as employees need to identify themselves with their organization. (Carroll & Levy, 2010).

57% out of the Workers mentioned some kind of flexible schedules as a reason that makes them stay, while no respondents from Management mentioned anything about flexible schedules. One Worker claimed that the ability to adjust their work schedule according to their own needs, contributed to a positive work experience. The general consensus amongst the respondents is that the younger generation are generally believed to have a more flexible way of thinking whereas the older are more set in their ways.

Respondent HW answered the following when asked how important it is that one’s own values match the values of the company:

It is crucial, absolutely. I believe that if a company’s core values are not in line with my own, it would be something that irritates. And if there is something that irritates, it will become a frustration that you can not handle. Then, I would most likely leave. However that regards ones core values. If the board or management of the company has a culture or profile that does not correspond with my personal values, that does not bother me. However that the core values are good, is crucial. (Respondent HW)

According to all Workers, it is very important to share the same values as the company, but only when it comes to one’s core values. For example if the company would be pro abuse of children or animal etc, that would be unacceptable. However personal values and thoughts that are of importance, but lesser than ones core values, are not important enough to consider leaving. Management where asked how important they thought matching ones values with the company is for the Workers, and five out of seven argued that they thought the core values are very important to share, however personal values are of lesser importance. The remaining two respondents of the Management respondents argued that it is very important that even personal values matches the company’s due to the very high levels of individualism in this
age group. “They are more of the opinion ‘what’s in it for me’, they also realize that things change rather quickly” (Respondent F_M). Four out of seven Management claimed that employees within the age span are very individualistic in nature. Two Workers also believed that their own generation had a more individualistic approach to work.

Three out of seven Management believed that their company had a positive reputation on the job market. The remaining four respondents did not believe that what people perceive about the company from the outside corresponds with the actual work environment within the company. “I knew pretty little about the company before I started working here.” (Respondent G_M). One of the Worker respondents impression of the company was that it was a large and rather strong and influential company though not the most forward thinking. But after becoming employed by the company and starting to work there he/she has admitted to changing his/her view of the company. One Worker and one Management had a clear image of what it was like to work at the company before he/she was employed. One respondent believed that non-members perceived the organization's culture like one of a governmental agency, straight and proper with an emphasis on bureaucracy. This affected him/her negatively and resulted in him/her not even wanting to tell others which company he/she worked for. “If you tell people that you are working at my company. They immediately assume that you perform ‘that type of service’. Instead of asking how it is utilized and the reason behind them, so to speak.” (Respondent I_M)

4.3 Questionnaire

The respondents were asked to rate the following 19 statements on a scale of 1-9.

- Q1. To get your voice heard
- Q2. Feeling meaningful
- Q3. Opportunity to grow within the company
- Q4. Fast decision making from management
- Q5. Flexibility (for example flexible work schedules)
- Q6. Balance between work and personal life
- Q7. Implement your own ideas
- Q8. Working in teams
- Q9. Working individually
- Q10. Opportunity to affect your workplace and your tasks
- Q11. The company’s environmental work
- Q12. The company’s contributions to society
- Q13. The transparency of the company
- Q14. Working with challenging tasks
- Q15. Working with creative tasks
- Q16. Working with varying tasks
- Q17. Salary
- Q18. Feeling trust for your management
- Q19. Other functional benefits such as bonuses and wellness grants

The average score on all questions is 6.75 for Workers with a standard deviation (SD) of 1.32. The average score for Management is 6.88 with a SD of 1.48 as an average rating regarding what they believe is important for Workers to stay within the organization.
Social

The questions regarding social benefits had similar results between Workers and Management when it comes to the average score. The average rating from Workers were 6,43 and 6,5 for Management on the scale of 1-9. Though the SD differed between the groups, 1,06 for Workers and 1,53 for Management. Among Workers, working in a team (Q8) had an average score of 7,14 while working individually (Q9) had an average score of 5,71. When Management were asked how important they thought the subjects were for Workers, Q8 had an average score of 7,14 while Q9 had an average score of 5,86.

Interest

Interest benefits had an average score of 7,29 for Workers with a SD of 1,44. This is the shared highest rated benefit category for the Workers. Management answered on average 7,07 with 1,51 as a SD. The question regarding varying work tasks (Q16) received an average score of 7,86 from Workers with the SD 1,12. The average is the shared second highest score amongst all questions. Management answered on average 7,14 on the same question, though with a high SD of 1,96.

Application

When asked questions regarding application benefits, Workers and Management had the same results when it comes to the average score 7,29. This is the shared highest rated benefit category for the Workers and the highest for Management. Though the SD differed between the groups, 1,34 for Workers and 1,01 for Management. When focusing on each single question, the question regarding feeling important (Q2) had the highest average rating amongst the Workers (8,00, SD 1,07) and for Management (8,57, SD 0,49).
**Development**

The questions regarding development benefits showed similar results between *Workers* and *Management* when it comes to the average score. The average rating from *Workers* were 6.64 and 6.54 for *Management*. Though the SD differed between the groups, 1.05 for *Workers* and 1.65 for *Management*. Working with challenging work tasks (Q14) had a rather high rating of 7.29 from *Workers* with a 1.03 SD. *Management* rated the question 0.71 points lower with a score of 6.57 and a 1.92 SD.

**Economic**

Economic benefits had an average score of 6.50 for *Workers* with a SD of 1.61. *Management* answered on average 6.07 with 1.60 as SD. Q17 regarding salary, was the shared second highest rated single question by *Workers* with an average score of 7.86 and a 1.12 SD. *Management* rated the question 7.14 on average and with the same SD of 1.12. However Q19 were one of the lowest prioritized statements, with an average score of 5.14 from *Workers* and 5 from *Management*.

**Management**

When asked questions about management benefits, *Workers* answered on average 6.75 with a SD of 1.32. *Management* respondents answered on average 7.25 with a SD of 1.20. To get your voice heard (Q1) was the most important management benefit question both for *Workers* and *Management* with an average score of 7.43 and a SD of 0.72 from *Workers*, and 8.43 with a SD of 0.49 for *Management*. When comparing differences in averages between the *Workers* and *Management*, Q1 has the second largest average differences of 1.00 points.
Work/life balance

This benefit had the lowest average rating amongst the Workers with a score of 6.39 and the SD 1.38. The score for Management is also quite low, 6.82 with a SD of 1.91. The questions within work/life balance benefits had varying results. Q5 and Q6 regarding flexible schedules and balancing work and private life had scores of 7.29 and 7.57 for the Workers and similarly 7.57 and 8 for Management. Q11 about the company’s environmental work had very low average scores of 5.14 from Workers and 6.29 from Management. This difference of 1.14 is the highest difference among all questions.
5 Analysis

5.1 Social

When an individual receives social rewards that are related to working within a company that allows for emotional bonds to co-workers (Berthon et al., 2005), it enables them to achieve the social benefits of Dabirian et al. (2017) seven value proposition. The majority of respondents said that thriving at the workplace and along with their co-workers is very important for them to stay. This is something that is typical for working within a clan culture according to Cameron and Quinn (2011). The organizational culture of all companies focuses on both relationships and supporting each other, which are classical traits of clan cultures (Cameron & Quinn, 1999), suggesting that all three companies have clan cultures according to the CVF. Close relationships and support is something that many of the respondents experience, they feel support from their managers as well as their co-workers. The organizational culture within a company is something of great importance for individuals within the age span 18-30 (Myrdén & Kelloway, 2015; Drury, 2016) and this is something that can be clearly seen within the Worker respondents. “Everyone is very nice and it feels like we respect each other.” (Respondent Ew). Generation Z tend to appreciate cultures focused on teamwork and enjoys being embraced by an organization according to Ozkan and Solmaz (2015). This is something that is supported by the authors empirical findings. The fact that younger generations are the most tolerant generation (Tapia & Turner, 2018) which may be a large contributing factor to the clan culture within the companies.

Four Management and two Workers claimed that the younger generation have a strong sense of individualism. The younger generations holds an appreciation for independence (Oskan & Solmaz, 2015) and this corresponds with the empirical results. When Workers were asked about their reasons for staying and reasons for leaving, the fact that six out of seven mentioned personal and/or career development indicates that generation Y and Z value their personal development and feeling of growing, both personally and professionally.

5.2 Interest

The theories and research about generation Y and Z says that they likes varying work tasks since they lack patience compared to earlier generations (Thompson & Gregory, 2012; Bencsik et al., 2016). Generation Y and Z dislikes monotonous work tasks since these get tiresome quickly and work tasks should therefore be varying (Bencsik et al., 2016). This research goes in line with the results of this study as three of the seven Workers brought up that having stimulating work tasks is an important factor to stay within the company, and monotonous work tasks are not appreciated. The results from the questionnaire shows similar results when Q16, having varying work tasks, being rated as the most important factor (shared with Q17) by the Workers with a score of 7.86 on the scale of 1-9. The rather low SD of 1.12 indicates that Workers mostly have similar opinions regarding the subject. However the fact that Management rated the same question at 7.14 and that only two Management respondent brought up the importance of stimulating work tasks in the interview gives an indication that varying work tasks is more important than what Management might think.

Respondent Jm and Nm spoke similarly about the lack of patience from Workers as Thompson and Gregory (2012) and Bencsik et al. (2016) did. However if seen from the perspective of the Workers, Management works slow, are not susceptible to change and are inefficient and/or old fashioned with their approaches to processes and issues. At least according to 43% of the
Workers. If as high as 43% of the Workers experience these factors, it most likely reduces the levels of interest benefits since the interest benefits regards benefits that reflects to which degree an innovative mind and novel work practises are encouraged (Berthon et al., 2005). This can be crucial for a company to acknowledge since generation Y and Z are the hardest generations to retain, and are more likely to switch jobs (Harris, 2016; Deloitte, 2018; Singh & Gupta, 2015).

5.3 Application

The theories regarding application values says that employees often have a desire to use their skills and knowledge. They want to use them in a meaningful and considerate way. (Dabirian et al., 2017) Three Workers mentioned the importance of using their skills and knowledge as a direct factor to why they appreciate their work tasks. This shows that it is a rather important factor. However, as the subject was not mentioned by any Management respondents it suggests that it is a subject that Managers should put more effort into. If one does not feel that he/she can use their skills and/or knowledge they possess, work tasks might be seen as less stimulating. The fact that 43% of workers said that they would consider leaving if they did not have stimulating work tasks shows the importance of the subject.

The interviews indicates that helping or doing something that helps other people is not seen as particularly meaningful for Workers as only one respondent brought it up. The fact that only one Manager mentioned it as something that might be important for Workers indicates that the Managers have a good idea of how important the subject is for the Workers. The theories and research about generation Y and Z having a large focus on themselves and are used to individual attention (Ozkan & Solmaz, 2015; Thompson & Gregory, 2012) could explain why helping other people might not be the Workers highest priority. Instead, making sure Workers get to use their skills and knowledge seems to be a more important factor for Management to consider.

5.4 Development

86% of Workers named the opportunity to develop as a reason to remain within their company and 43% claimed a lack thereof would become a reason to leave. In contrast, only 29% of Management mentioned development as a reason for Workers to stay within the company. This indicates a discrepancy and could potentially turn into an increased employee turnover in the future. When the Workers became employees for the company they entered the “psychological contract” coined by Rousseau (1990). If the employees should experience that this “contract” is breached in some way it may lead to job dissatisfaction (Zavyalova & Kuchero, 2010; Knights & Kennedy, 2005). Younger generations are generally more dedicated to their own profession and job progression than to their organization (Singh & Gupta, 2015) which could mean that they also value career satisfaction higher than previous generations. Career satisfaction is an indicator for the happiness that an employee experiences through choosing the correct occupation (Jabeen, & Isakovic, 2018). Management does not seem to believe that career satisfaction is something they should be focusing on, at least not to the extent that Workers prioritizes it. Due to only 29% of Management mentioning any kind of development as a reason for the Workers to stay, while all except one Worker mentioned development as a reason to stay. This is interesting since Joo and Ready (2012) claims that all the typical traits within clan culture has a positive effect on the employees career satisfaction. Management should in theory be more aware of this since they have a part in creating and maintaining the culture of the organization (Cian & Cervai, 2014). It is interesting that such a
prominent benefit within clan culture is not observed to the same extent by the Managers as by the Workers. Especially since the Workers willingness to remain within the company was found to be highly affected by the opportunity for professional development which further supports the theory that career satisfaction affects turnover intention.

5.5 Economic

57% of the Workers mentioned money as a reason for them to remain within the company. Younger generations likes to be individualistic and appreciates independence (Ozkan & Solmaz, 2015), they also show appreciation for career opportunities, salary (Bencsik et al., 2016) and other functional attributes (Myrdén & Kelloway, 2015; Drury, 2016) which amongst other things takes shape in the form of being able to afford their own place to live. “... today it is impossible to do anything unless you have a job. You will not be able to get your own place, you can not do anything.” (Respondent J). This agrees with the views of respondent N on how to retain younger employees where he/she thought that the way to do this was by offering them full time employment right from the start. A steady economic income is a functional benefit that may result in a feeling of job security (Cable & Graham, 2000; Lievens et al., 2005), which is something that one Manager brought up, that security is something that he/she believes is important for younger generations.

For generation Y and Z the symbolic attributes of an workplace should outweigh the functional ones such as salary and other economic benefits. For example the culture of the organization should be rated higher than the economic benefits. (Myrdén & Kelloway, 2015) Interestingly the importance of a steady and good income came up more frequently than expected. One Worker even stated that should he/she receive a job offer with higher salary it would make him/her switch jobs. This combined with the fact that Q17 was the second highest rated statement (shared with Q16) disagrees to some extent with the findings of Myrdén and Kelloway (2015) who claimed that salary was important, but not to the extent our research suggests. However other functional benefits such as bonuses and wellness grants are not seen as important which somewhat contradicts the previous studies made by Myrdén and Kelloway (2015).

5.6 Management

The theories about generation Y and Z states that they dislikes authority and appreciates independence (Ozkan & Solmaz, 2015), has a strong desire to be listen do by their managers, needs feedback (Thompson & Gregory, 2012; Clausen & Borg, 2010; Cahill & Sedrak, 2012) and support (Winter & Jackson, 2016; Ozkan & Solmaz, 2015). These theories seem to correspond rather well with the way Managers use employer branding to make their employees stay. 57% out of the Management respondents said they listen to the Workers extra much compared to other generations and try to create an open communication where they can share their thoughts and ideas. This is strengthened by the questionnaire on Q1, to get your voice heard, since Management scored 8,43 with a SD of 0,49. The very high score and the rather low SD it indicates that Management agrees that to get your voice heard is very important for Workers. However the Workers did not rate the question quite as high, one point lower at 7,43 with a SD of 0,72. It points to the fact that it is very important for Workers but not as important as Management might think. However there seem to be room for improvement due to only 29% of the Workers mentioned that Management listens to them and that there is an open dialogue. Even though 57% of Management said they listen to the Workers extra much.
Earlier studies showed that for generation Y, feedback (Thompson & Gregory, 2012; Clausen & Borg, 2010; Cahill & Sedrak, 2012) and support (Winter & Jackson, 2016) from managers is very important. The same is true for generation Z (Ozkan & Solmaz, 2015). This thesis share similar results as earlier studies when it comes to feedback and support from managers for generation Y and Z. According to Dabirian et al. (2017), a great deal of the people who resign from their job do so because of bad treatment from their superior. It goes in line with the results of this study, as support, feedback and an open dialogue is shown to have a great impact regarding how long the Workers feel is appropriate to stay within the company. The two Workers who experienced that their Managers listen to them as an individual were also the ones who felt they could stay the longest within the company. Five years was an appropriate length for both of them, where 3,4 years was the average among all the interviewed Workers. One Worker said specifically said that he/she did not feel that Management listened to him/her, and that respondent felt it was only appropriate to stay for one year within the company. The results speaks for the fact that management benefits do have a great effect on employee turnover and is something that companies should give great attention to.

5.7 Work/life balance

Individuals within the age span are known for showing appreciation towards flexibility in the workplace (Singh, 2014; Deloitte, 2018; Thompson & Gregory, 2012). Having the ability and opportunity to control their own work schedule is seen as something very positive among the younger generations (Singh, 2014). This can be clearly seen when analyzing the empirical findings. 57% of the Workers mentioned a flexible schedule as something that makes them stay within the company which correspond with Singh's (2014) theory. Since no Management respondents even mentioned flexible schedules, it strongly indicates that Management does not understand the importance of it.

A great factor for the work/life value developed by Dabirian et al. (2017) is that members of an organization needs to identify themselves with their organization, as well as maintaining balance between their job and their personal life in order to achieve this value (Carroll & Levy, 2010). How employees identify with their company is influenced by how they believe outsiders view it and, in extension, what reputation it has (Dutton, et al., 1994). This is something that can be clearly seen when talking to respondent I_M. “If you tell people that you are working at my company. They immediately assume that you perform ‘that type of service’, instead of asking how it is utilized and the reasons behind them, so to speak.” (Respondent I_M). Respondent I_M was therefore not willing to reveal where he/she worked when meeting new people because he/she did not appreciate when they jumped to the wrong conclusions about the respondents job.

The reputation of an organization is based on a number of perceptions, some of them being how trustworthy and reliable a company is (Fombrun 1995). There are previous studies that has found a connection between trust and turnover intention (Dirks & Ferring, 2002; DeConinck, 2011; Mulki et al., 2008; Harhara et al., 2015). This would mean that if the reputation of a company is positive in nature, this could in extension lead to a lower turnover intention of the employees of a company. One part of an organization's reputation is how well its members are able to identify with it, and take pride over belonging to it (Cian & Cervai, 2014). Meaning that in respondents I_M’s case it would be beneficial for the company to accurately portray the type of services the company offers. Many respondents answered that
before they starting working for their company they had no idea of what it actually was like. They were also positively surprised of its actual nature. This indicates that the signals that are being sent out are either not clear enough, or are not being sent out at all. As the signals should be used to create clear and positive employer brand associations within the target group (Backhaus, 2016), the fact that only one of the Workers and only one of the Management respondents had a clear image of what it was like to work at the company before he/she was employed is another sign that signals are not accurately portrayed. This in turn would indicate a flaw in the external communication leading to information asymmetry where its projected image is not corresponding with its corporate image.

Four Management respondents did not believe that outsiders perceptions of their company’s work environment was accurate. The reputation of a company is the collected perceptions made by their stakeholders (Fombrun, 1995) and it is, according to Cian and Cervai (2014), an ‘umbrella’ for a number of other terms. In order to create an accurate match between employee and company it is important that the company’s corporate image actually reflects both the organizational identity as well as the organizational culture within the company. Respondent G_M had very little prior information about the company before applying and a Worker had the impression that his/her company was not the most forward thinking. Both respondents changed their perception when they started working for the company. This indicates a discrepancy in the company’s reputation. One respondent believed that outsiders perceived his/her company as bureaucratic and meant that he/she had trouble identifying with the company. Clear brand signals will reduce the risk of a mismatch (Wilden et al., 2010). This means that if the view of the company, being a bureaucratic agency that is not forward thinking, is false (which according to our respondents it is), it would once again mean that the signals that are projected outward are either not clear enough, or are not being sent out at all. This may have an effect on the employees construed image, and may cause problems in their identifying with the company which would make it harder for them to achieve this value. Since how they perceive their personal self should reflect their professional self in order to achieve balance between work and personal life.

One of the more common reasons for employee turnover is when the employees perceive a mismatch between themselves and the company (Al Badawy et al., 2017). Since organizational culture is the total product of beliefs, norms and shared values (Schein, 2010), it would mean that the culture of the company affects the matching potential between the potential worker and the company. All Workers that were interviewed agreed on that it is of great importance that their core values matches the values of their company, however that personal values are not as important. Management answered similarly, though two respondents believed that the personal values also was of great importance due to the Workers individualistic nature. The overall result regarding this subject can both contradict and agree with earlier research depending on how the term ‘values’ is defined. It depends on if the level of mismatch regards to one’s core values or personal values.

The rather low average score on Q11 came as a surprise. Deloitte (2018) claims that the younger generation cares the most about the environment compared to older generations. But when asked about it in the questionnaire it was the lowest rated average. It also had the highest difference between Workers (5,14) and Management (6,29) meaning that it may not be as important for the Workers as Management might think.
6 Conclusions

In this paper the authors examined how SMEs use employer branding to retain competent young employees within the age span 18-30 years old (i.e. Workers) in their organization and how it is perceived. By studying and analyzing the practices made on a managerial level, how these practices are perceived by the Workers, and by using a qualitative approach informed by interviews, a questionnaire and observations the authors have come to the following conclusions.

The results of this study shows that the amount of time that Workers actually wants to stay within the company does not correspond with the time Management believes Workers are willing to stay. The fact that these employees wants to stay for a shorter period of time than Management thinks is something companies should be aware of and take into account.

The amount of time the Workers are willing to remain is closely tied to primarily two aspects. Firstly, their ability for development, both professionally and personally which goes in line with previous research (Bencsik et al., 2016; Zeffane & Bani Melhem, 2017). Management do not appear to be aware of how important development is for their Workers and if this aspect is not fulfilled they will likely consider leaving. In order to retain these young employees it is important to both allow them, and clearly show that it is possible to grow within the company.

Secondly, the amount of feedback and support from Management which corresponds with the research conducted by Thompson and Gregory (2012), Cahill and Sedrak (2012) Winter and Jackson (2016) The importance of these aspects also seems to be well known amongst Management as they try to listen even more to these employees. However the Workers does not perceive that they get the support and feedback that Management indicates. When these employees does not feel support and are not given feedback regarding their work, it will likely result in an increased turnover intention.

Similar to support and feedback, flexible schedules is also something that is very appreciated in a workplace by these young employees which agrees very well with earlier research (Singh, 2014; Deloitte, 2018; Thompson & Gregory, 2012). However, Management does not seem to understand the importance of it to the extent that is necessary. In order to keep these young employees within their company it may be relevant to consider implementing more freedom in letting employees adjusting their schedule according to their own needs.

Having varying work tasks is very important for these young employees, which corresponds with previous research (Thompson & Gregory, 2012; Bencsik et al., 2016; Bencsik et al., 2016). Though Management does not seem to fully understand the importance of the subject. Varying work tasks keeps their interest high and reduces the risk of employee turnover. Though believed to be important, the economic benefits of having a job seems to be even more important for these young employees than what Management thinks and what previous theories suggests (Myrdén & Kelloway, 2015; Drury, 2016). However other functional benefits such as bonuses, wellness grants etc does not have the same level of importance as salary. The results of this thesis suggests that companies should put more focus on offering an acceptable salary over other functional benefits in order to be an attractive employer.

It is easier for young workers to properly identify with an organization right from the start if the signals that are sent out actually corresponds with how it actually is. This goes in line with earlier studies conducted by Backhaus (2016) and Wilden et al. (2010). By identifying with an
organization, the turnover intention will most likely decrease, indicating that companies should be aware about their reputation and transparent about their actual work environment. Through transparency it is easier to project the organizations’ core values, which is important that they match with their young employees according to the results of this thesis.

SMEs does have a need of being perceived as a legitimate organization in order to be perceived as dependable (Suchman, 1995). Dependable organizations may give rise to a higher job security, and an organization’s culture may be used to legitimize the organization (Whetten, 2006). Which in turn would mean that the organizational culture may have a direct effect on job security and therefore the economic benefits of working at the company.

### 6.1 Managerial implications

Based on the results of this thesis, the authors have determined four important managerial implications that SMEs should consider in order to make young employees stay within the organization.

- Allow your employees to grow within the company, and above all show them that it is possible.
- Consider implementing more freedom in letting employees adjust their schedule according to their own needs.
- Focus more on salary as it is more important than other economic benefits such as bonuses and wellness grants.
- Be open and honest regarding the company’s actual work environment.

### 6.2 Suggestions for further research

It is clear that there is a generational shift in the labour market. Since the workforce that is replacing the baby boomers have a different set of values and expectations to work, the labour market will most likely change. We believe that the importance of employer branding will therefore continue, though new research will have to be made to understand the changing environment.

A suggestion for further research could be to analyze if there are different employer branding efforts being made in large companies, and how these are perceived by generation Y and Z. A second suggestion would be to further understand and determine the reasons behind these generational differences, as this would also contribute greatly to the field of research. For example, amongst other conclusions, the authors of this study found that young employees does not perceive they are as listened to as management claims they are. By understanding more accurately why there are differences in perceptions between generations, companies can address the issues more effectively.
References


Appendices

Appendix 1. Interview questions, Workers

First of all, is it alright if we record this interview in order for us to transcribe and analyze your responses?

I would like to begin by stating that I am currently writing a thesis essay together with a classmate from Halmstad University. The purpose of this essay is to compare different aspects within a company. For the moment I will not divulge more than that in an attempt to keep your responses as true as possible.

I want to make sure that you are aware of the fact that you and your responses will have total anonymity in our essay. The company, should we refer to it, will be named as company X, Y or Z. It is perfectly fine for you to interrupt the interview at any time, should you wish to do so.

I will now ask you a series of questions and should you feel uncomfortable with answering any of them it is fine not to. I would like to remind you again that all responses and respondents will remain anonymous, meaning that neither your company nor our teachers will have knowledge of what you have said. The interview should take about 20-25 minutes.

Please do not feel anxious about giving unnecessary or unfitting answers. If you feel that it is relevant to the question it means that we want to hear it. Should you have any questions it is perfectly fine to ask them at any point during the interview.

Questions:

- How old are you?
- What is your position within the company?
- Regarding age, what employees do you believe are hardest to retain within the company?
- What makes you remain within the company?
- What, according to you, would make you leave the company?
- What do you think differentiates you from older generations?
- How do you perceive this company works in order to make you remain?
- Which of these actions do you feel works the best in order for you to stay?
- What actions does not work especially well to make you stay?
- Do you think it is important to remain loyal to your company? In what way, and why?
- If you would have the opportunity to decide all by yourself, how long in total do you think you would remain within the company before leaving and doing something else/starting to work for another company?
- How would you describe the work environment and culture at this company?
- What reputation do you believe the company has on the job market? What did you know about it before applying?
- In order for you to remain within the company, how important would you say it is for your values to match the company’s values?
- I will now hand you a questionnaire with statements regarding different qualities and values. I would like for you to answer how important you find these statements are specifically for you when it comes to remaining within the organization or not. You
Appendix 2. Interview questions, Management

First of all, is it alright if we record this interview in order for us to transcribe and analyze your responses?

I would like to begin by stating that I am currently writing a thesis essay together with a classmate from Halmstad University. The purpose of this essay is to compare different aspects within a company. For the moment I will not divulge more than that in an attempt to keep your responses as true as possible.

I want to make sure that you are aware of the fact that you and your responses will have total anonymity in our essay. The company, should we refer to it, will be named as company X, Y or Z. It is perfectly fine for you to interrupt the interview at any time, should you wish to do so.

I will now ask you a series of questions and should you feel uncomfortable with answering any of them it is fine not to. I would like to remind you again that all responses and respondents will remain anonymous, meaning that neither your company nor our teachers will have knowledge of what you have said. The interview should take about 20-25 minutes.

Please do not feel anxious about giving unnecessary or unfitting answers. If you feel that it is relevant to the question it means that we want to hear it. Should you have any questions it is perfectly fine to ask them at any point during the interview.

Questions:

- How old are you?
- What is your position within the company?
- Regarding age, what employees do you believe are hardest to retain within the company?
- If we were to focus on employees within 18-30 years old, what do you believe makes these individuals remain within the company?
- What, according to you, would make them leave the company?
- What do you think differentiates them from older generations?
- How do you work to make them stay?
- Which of these actions to feel works the best in order for them to stay?
- What actions does not work especially well to make them stay?
- Do you think it is important to remain loyal to your company? In what way, and why?
- Do you think that individuals between 18-30 years old believe it is important to stay loyal to their company?
- If the employees between 18-30 years old would have the opportunity to decide all by themselves, how long in total do you think they would remain within the company before leaving and doing something else/starting to work for another company?
- How would you describe the work environment and culture at this company?
• What reputation do you believe the company has on the job market? What did you know about it before applying?
• In order for 18-30 years old to remain within the company, how important would you say it is for their values to match the company’s values?
• I will now hand you a questionnaire with statements regarding different qualities and values. I would like for you to answer how important you believe these statements are for employees’ between 18-30 years old when it comes to remaining within the organization or not. You can answer on a scale between one and nine, and feel free to utilize the whole scale. In other words, should you feel that a one or a nine is appropriate we want you to fill that in.
Appendix 3. Questionnaire, Workers

Respondent: _______  Age: _______  Sex: _______

How important would you rate the following statements, in order for you to remain within the company? (Feel free to use the whole scale)

<table>
<thead>
<tr>
<th>Statement</th>
<th>1. Not important</th>
<th>9. Very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>To get your voice heard</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q1</td>
</tr>
<tr>
<td>Feeling meaningful</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q2</td>
</tr>
<tr>
<td>Opportunity to grow within the company</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q3</td>
</tr>
<tr>
<td>Fast decision making from management</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q4</td>
</tr>
<tr>
<td>Flexibility (for example flexible work schedules)</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q5</td>
</tr>
<tr>
<td>Balance between work and personal life</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q6</td>
</tr>
<tr>
<td>Implementing your own ideas</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q7</td>
</tr>
<tr>
<td>Working in teams</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q8</td>
</tr>
<tr>
<td>Working individually</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q9</td>
</tr>
<tr>
<td>Opportunity to affect your workplace and your tasks</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q10</td>
</tr>
<tr>
<td>The company’s environmental work</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q11</td>
</tr>
<tr>
<td>The company’s contributions to society</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q12</td>
</tr>
<tr>
<td>The transparency of the company</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q13</td>
</tr>
<tr>
<td>Working with challenging tasks</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q14</td>
</tr>
<tr>
<td>Working with creative tasks</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q15</td>
</tr>
<tr>
<td>Working with varying tasks</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q16</td>
</tr>
<tr>
<td>Salary</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q17</td>
</tr>
<tr>
<td>Feeling trust for management</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q18</td>
</tr>
<tr>
<td>Other functional benefits such as bonuses and wellness grants</td>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td>Q19</td>
</tr>
</tbody>
</table>
# Appendix 4. Questionnaire, Management

**Respondent:**

**Age:**

**Sex:**

How important would you rate the following statements are to 18-30 year olds in order for them to remain within the company? (Feel free to use the whole scale)

<table>
<thead>
<tr>
<th>Statement</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>To get their voice heard</td>
<td>Q1</td>
</tr>
<tr>
<td>Feeling meaningful</td>
<td>Q2</td>
</tr>
<tr>
<td>Opportunity to grow within the company</td>
<td>Q3</td>
</tr>
<tr>
<td>Fast decision making from management</td>
<td>Q4</td>
</tr>
<tr>
<td>Flexibility (for example flexible work schedules)</td>
<td>Q5</td>
</tr>
<tr>
<td>Balance between work and personal life</td>
<td>Q6</td>
</tr>
<tr>
<td>Implementing their own ideas</td>
<td>Q7</td>
</tr>
<tr>
<td>Working in teams</td>
<td>Q8</td>
</tr>
<tr>
<td>Working individually</td>
<td>Q9</td>
</tr>
<tr>
<td>Opportunity to affect their workplace and their tasks</td>
<td>Q10</td>
</tr>
<tr>
<td>The company’s environmental work</td>
<td>Q11</td>
</tr>
<tr>
<td>The company’s contributions to society</td>
<td>Q12</td>
</tr>
<tr>
<td>The transparency of the company</td>
<td>Q13</td>
</tr>
<tr>
<td>Working with challenging tasks</td>
<td>Q14</td>
</tr>
<tr>
<td>Working with creative tasks</td>
<td>Q15</td>
</tr>
<tr>
<td>Working with varying tasks</td>
<td>Q16</td>
</tr>
<tr>
<td>Salary</td>
<td>Q17</td>
</tr>
<tr>
<td>Feeling trust for management</td>
<td>Q18</td>
</tr>
<tr>
<td>Other functional benefits such as bonuses and wellness grants</td>
<td>Q19</td>
</tr>
</tbody>
</table>
Sincerely,

Theodor Krona
Emil Virbert Kronqvist