Do employees benefit from employer branding strategy? The mediator role of affective commitment

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Abstract

Background: The modern business environment has caused a radical change in all human resource management activities. In order to retain a competent and talented workforce, business organizations should manage job satisfaction, which imposes the need for a well-designed and implemented human resource management strategy.

Purpose: This study aims to examine the role of affective commitment as a mediator in the relationships between employer brand values and job satisfaction.

Study design/methodology/approach: Empirical research was carried out on a sample of managers from 146 enterprises in the Republic of Serbia, and data was collected using a questionnaire technique. After implementing descriptive and correlation analysis, we used simple and multiple regression to examine the mediator effects, and the Sobel Z test.

Findings/conclusions: Our findings present empirical evidence on the mediating effects of affective commitment in the previously listed relationships.

Limitations/future research: There are just three values relevant to the development of an employer branding strategy included in the study and this is acknowledged as a limitation. According to the models available in the literature, further research will contain other relevant components of the employer brand.

Keywords
employer brand, strategic human resource management, organizational culture, training and development, reputation, job satisfaction, affective commitment, Serbia

Introduction

Modern economics acknowledges that human resources and the knowledge they possess are the most important determinants of long-term business success. Providing an efficient strategic response to the increasing demands of a complex and volatile environment is one of the most important responsibilities for today's top management, which is largely dependent on locating and retaining high-quality employees (Garg & Rani, 2014; Fahim, 2018; Ekhsan et al., 2022). Due to the rapid development of information technologies, contemporary companies frequently hire individuals from outside of their home country. This practice has intensified competition among employers on the labour market, prompting the implementation of various strategies to attract and retain candidates.

The application of branding techniques to human resource management (HRM) is a relatively recent phenomenon. Despite some academic scepticism regarding the incorporation of
marketing terminology and methods into the HRM profession, the concept of the employer brand is recognized as potentially beneficial for organizations (Aggerholm, Andersen, & Thomsen, 2011) and as a significant intangible source of sustainable competitive advantage (Kucherov & Samokish, 2016). Building the employer brand in particular encourages positive work attitudes among employees, resulting in enhanced business performance.

The employer brand is the result of creating a distinct and recognizable employer identity that differentiates the organization from its competitors (Backhaus & Tikko, 2004). In this sense, the employer brand represents the organization’s appeal to current and prospective employees (Schlager, Bodderas, Maas, & Cachelin, 2011). It captures the overall advantages that the firm delivers to employees and provides them with a unique employment experience (Tanwar & Prasad, 2016a). As an outcome, the employer brand influences employees’ expectations of the organization (Lievens & Highouse, 2003), affecting satisfaction and inspiring commitment to accomplishing organizational goals. Employer branding is regarded as an essential component of strategic human resource management (SHRM) (Figurska & Matuska, 2013). Furthermore, strategic HR managers’ task is to recognize and accept the ultimate responsibility for the inside perception of the employer brand and to approach HRM functions, such as recruiting and training, as a set of activities to create an appealing employer brand (Cascio & Graham, 2016). HR professionals were engaged in branding as companies attempted to match employee actions and perceptions with the “external brand and reputation” required to ensure the success of the business strategy (Maheshkar, 2017).

While employer brand is a broad concept consisting of many dimensions, our research model is streamlined and comprises only three. There are two justifications for selecting these particular dimensions and “ignoring” the others. While exploring the impact on job satisfaction, Tanwar and Prasad (2016a) have structured the employer brand into six dimensions, namely “training and development”, “reputation”, “diversity”, “organizational culture”, “work–life balance”, “ethics and corporate social responsibility”. They have ranked these values, by the criteria of the strength of influence on job satisfaction. The results have shown that training and development and reputation are critical predictors of job satisfaction. This finding qualified training and development and reputation for structuring our research model. Same authors have examined the influence of employer brand dimensions on organizational commitment and concluded that only the development and social value of employer brand predict organizational commitment (Tanwar & Prasad, 2016b), where the development value corresponds to training and development, while social value equals organizational culture. However, we applied the reduced employer brand model that involves the organizational culture, training and development and corporate reputation, as these features have emerged as the most important determinants of the two attitudes studied according to the previous research.

Because workers increasingly serve as companies’ word–of–mouth ambassadors, an employer’s image is more dependent nowadays on its core principles and values incorporated in organizational culture (Kargas & Tsokos, 2020). In the strategy of being the preferred employer for existing employees and potential applicants, “inside–out” branding is essential (Yüksel, 2015). Employers must therefore consider not only internal factors, such as training and development opportunities, but also external factors, such as reputation, when attempting to attract and retain candidates.

Employer brand values may result in more positive outcomes, including employees’ affective commitment. Figurska and Matuska (2013) stated that companies with stronger employer brand tend to achieve lower turnover rates, reduced rate of absenteeism and greater levels of commitment and employee satisfaction. Organizational commitment has three main forms according to Allen and Meyer (1990), namely affective, continuous, and normative, but affective commitment is viewed to be the most important component because it implicitly drives the other two forms of organizational commitment (Nazneen & Miralam, 2017). It is a construct that includes “a sense of belonging to the organization”, a perception that the company’s difficulties are also the employee’s concerns and a sense that the organization represents something personal to its member (Allen & Meyer, 1990).

Botella–Carrubi, Gil–Gomez, Oltra–Badenes and Jabaloyes–Vivas (2021) found that affective commitment is influenced by activities related to professional growth and rewards, as well as actions aimed at promoting the work–life balance, regarded as employer brand components.
Furthermore, Rana, Sharma, Singh and Jain (2019) discovered a strong association between employer brand and employees’ affective commitment. Other studies have established the relationship between employer branding and job satisfaction (Tanwar & Prasad, 2016a; Bharadwaj, Khan, & Yameen, 2022). Furthermore, Kaur, Malhotra and Sharma (2020) have found that affective commitment partially mediates the relationship between internal branding and job satisfaction. However, we concluded from an analysis of previous research that earlier studies missed taking into account the entire relationships of certain aspects of employer branding, affective commitment, and satisfaction.

In this study, we conceptualized employer brand as the integration of organizational culture, training and development, and corporate reputation. Although previous research has demonstrated the effect of employer brand on job satisfaction and affective commitment, the impact of these factors in the Serbian context has not been examined. Additionally, no previous research has examined the role of affective commitment as a mediator in the relations between these employer brand attributes and job satisfaction. Moreover, the mechanisms by which employer brand affects job satisfaction are understudied, although some previous research covered the moderating impacts of certain variables in this relationship. For instance, Tanwar and Prasad (2016a) examined the moderating role of gender in the relationship between employer brand and job satisfaction. Besides, Priyadarshi (2011) tested the impact of employer brand image on job satisfaction, affective commitment, and turnover, but without exploring any indirect effects between these constructs. Thus, our study aims to close the identified research gap.

To the best of the authors’ knowledge, this research model is unique and contributes to the originality of our study. This paper also provides valuable pragmatic implications for company managers. Managers are advised in this respect to engage in activities aimed at improving organizational culture, providing training and development for their personnel, and protecting the company's reputation.

The paper is divided into six sections. The introduction is followed by literature review, which includes explanations of basic concepts, prior study findings, and research hypotheses developed in response to those findings. The third section describes the methods used and the structure of the studied sample. Following a summary of the empirical findings and their discussion, we provided some conclusions, a paper contribution with study limitations, and future research options.

1. Background

Numerous companies adopt employer branding as a component of their overall corporate strategy (Kargas & Tsokos, 2020). On this point, the employer brand emphasizes the strategic integration of human capital with corporate objectives (Sullivan, 2004). Employer branding is carried out to incorporate various recruiting and retention initiatives into a cohesive HR strategy (Backhaus & Tikko, 2004). The significance of this notion in strategic management is also reflected in the work of Francois Koukpaki, Adams, and Oyedijo (2021), who stated that employer branding is a viable organizational strategy for increasing companies’ ability to distinguish themselves from their rivals. Companies are progressively embracing employer branding to recruit new candidates and ensure that present staff members participate in the company’s culture and strategy (Backhaus & Tikko, 2004). Therefore, the creation of the employer brand is of strategic importance for companies (Rampi & Kenning, 2014) and plays a significant role in the management of employee behaviour, which explains why many contemporary authors are interested in it. Tanwar and Prasad (2016a) investigated the effects of the employer brand on job satisfaction to determine if the characteristics of the employer brand, which were designed to attract candidates from the labour market, can contribute to job satisfaction. In addition, Tanwar and Prasad (2016c) developed a theoretical framework in which employer brand influences several constructs, such as organizational commitment and job satisfaction. The model they developed served as the basis for the research presented in this paper and inspired us to explore whether affective commitment, as the most important dimension of organizational commitment, mediates the relationship between certain employer brand dimensions and job satisfaction.

1.1. Job satisfaction

Job satisfaction is one of the key determinants of their behaviour in the organization. Apart from being a major driver of talent retention (Maurya & Agarwal, 2018), it is also related to productivity (Suher, Bir, & Yapor, 2017), and the quality of service provided (Raihan & Al Karim, 2017).
Because of the tight relationship between employee performance, retention in the organization, and overall business results, satisfaction is currently the subject of extensive research in a variety of fields, particularly HRM and organizational behaviour.

According to Raihan and Al Karim (2017), job satisfaction is a set of emotions and thoughts regarding one’s present employment. In our study, job satisfaction encompasses different aspects such as relationships with co-workers and superiors, job features, working circumstances, remuneration and benefits, and prospects for promotion (Homburg & Stock, 2005; Sharma, 2017; Lepold, Tanzer, Bregenzer, & Jimenez, 2018).

Satisfaction is a complex psychological construct that is influenced by a variety of circumstances. Previous research has identified organizational culture, mentoring, and work environment as important organizational prerequisites for job satisfaction (Vermeeren, Kuipers, & Steijn, 2011; Ghosh & Srivastava, 2014; Jyoti & Sharma, 2015), while organizational commitment has been singled out among the individual predictors of this construct (Sahin, Akyurek, & Yavuz, 2014). Furthermore, job satisfaction is regarded as one of the most important outcomes of employer branding (Vinoth & Vasantha, 2015).

1.2. Employer brand

The employer brand is a contemporary idea developed by merging marketing and branding approaches into the science of HRM (Rampl & Kenning, 2014). It was established in the 1980s to assist organizations in their “war for talent” and to generate employee commitment to the brand they work for (Maurya & Agarwal, 2018). Despite the fact that it has been the subject of numerous research projects, there is no universally accepted definition. It was first defined as “the package of functional, economic, and psychological benefits provided by employment, and identified with the employing company” by Ambler and Barrow (1996, p. 187).

The majority of early studies in this field focused on the employer brand in terms of organizations’ attractiveness to potential employees and recruiting talents from the labour market (Lievens & Highhouse, 2003; Berthon, Ewing, & Hah, 2005). However, employer branding strategy is more than just a tool for acquiring talent; it is also a way of generating positive attitudes among employees and increasing their commitment (Kimpakorn & Tocquer, 2009), which increases the rate of human capital retention in a company that uses this strategy. Recognizing this fact, authors have concentrated their research on analysing the effects of different aspects of employer brand on employees’ work attitudes – on their satisfaction (Schlager et al., 2011; Vinoth & Vasantha, 2015) and organizational commitment (Hanin et al., 2013; Rana et al., 2019; Upadhyaya & Ayari, 2019; Alves, Santos, Reis, Marinho, F., Martinho, D., Sampaio, Sousa, & Oliveria, 2020). In these studies, employer brand is structured in many ways and consists of tangible and intangible benefits that the company provides to employees (Tanwar & Prasad, 2016a). Schlager et al. (2011) identified the “economic”, “development”, “social”, “diversity”, and “reputational” value of the employer brand. Similarly, Berthon et al. (2005) offered five employer brand values: “interest”, “social”, “economic”, “development”, and “application” value. Vinoth and Vasantha (2015) distinguish the following dimensions of employer brand: “job security”, “compensation and benefits”, “company culture & work environment”, “quality of work life”, and “career development”. Given the necessity for an employer branding strategy that concerns both inside and outside factors of employee recruitment and retention, we adopted the Tanwar and Prasad (2016a) approach. The employer brand concept created for the purposes of this empirical study encompasses organizational culture, training and development, and corporate reputation.

Organizational culture refers to the common values, beliefs, and assumptions that exist among the company’s employees and impact their perceptions and behaviour within the organization (Hartnell, Ou, & Kinicki, 2011). Employees’ working attitudes, particularly their satisfaction, are influenced by organizational culture. According to Belias and Koustelios (2014), satisfaction is determined by a number of factors, such as wages, working conditions, and leadership, which together constitute organizational culture. Studies conducted by MacIntosh and Doherty (2010) and Sharma (2017) indicated that corporate culture is a significant predictor of job satisfaction. Lok and Crawford (2004) and Bigliardi, Dormio, Galati, and Schiuma (2012) showed that innovative and supportive organizational cultures have positive effects on job satisfaction in the fitness and pharmaceutical industries, respectively. According to the findings of Egan, Yang, and Bartlett (2004), an organizational culture that encourages learning
is positively reflected in the level of job satisfaction among employees in the IT sector.

Training and development is regarded as a vital component of SHRM that should enhance employees’ skills and consequently improve their performance in their current and future roles (Khan, Abbasi, Waseem, Ayaz, & Ijaz 2016). It is a career assistance tool that may provide multiple benefits to both companies and employees (Szabo–Balint, 2019), establishing the necessary conditions for overall success (Atoko, Taylor, & Sichinsambwe, 2018). The implementation of training and development programs also increases employees’ confidence in their ability to perform their jobs, which ultimately raises job satisfaction levels (Costen & Salazar, 2011). According to study by Schlager et al. (2011), the development value of the employer brand has a positive impact on job satisfaction. A similar relationship is also evidenced by empirical research conducted in the banking sector (Anwar & Shukur, 2015) and in companies operating in telecommunications industry (Khan et al., 2016). A direct positive relationship between job satisfaction and training and development opportunities provided by employers was also established through research by Choo and Bowley (2007), Thacker and Holl (2008), Nagaraju and Archana (2015), and Tanwar and Prasad (2016a). Sharma (2017) states that job satisfaction is shaped in part by the opportunity for personal growth within the organization. Došenović and Zolak Poljašević (2021) proved that both training and development, as HRM activities, contribute to job satisfaction in Serbian organizations.

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1.3. Affective commitment

One of the anticipated outcomes of an effective employer branding strategy is an increase in organizational commitment among employees. In the research framework developed by Backhaus and Tikko (2004), organizational commitment is equivalent to employer brand loyalty. These authors stated that organizational commitment in the context of employer branding denotes an employee’s attachment to the organization perceived by its employer brand. Allen and Meyer’s (1990) commitment paradigm, which separates commitment into three distinct dimensions: affective, continuous, and normative, is the most widely used conceptualization in the literature. Allen and Meyer (1990) defined affective commitment as an employee’s emotional connection to and identification with the company, its objectives, and its core values. The relationship of the individual with the organization that is formed as a result of his perception of insufficient alternatives for employment and the perceived costs that would cause leaving the organization is described as continuous commitment, while, according to the same authors, normative is a reflection of the feeling of obligation to remain in the organization. Despite the importance of all three factors to the study of organizational commitment, affective commitment is thought to be its most useful indicator (Alniacik, Cigerim, & Bayram, 2011). According to Meyer, Stanley, Hersovitch and Topolnytsky (2002), and Meyer and Maltin (2010), affective commitment provides the greatest benefits to the employer and employees among the three types of commitment. It contributes more to employee motivation than continuous and normative commitment and is more strongly correlated with desired work behaviour (Kaur et al., 2020).
A limited number of studies have found a relationship between employer brand characteristics and affective commitment. In this regard, a corporate culture that promotes loyalty and teamwork is positively associated with employees’ affective commitment (Abdul Rashid, Sambasivan, & Johari, 2003). Furthermore, it correlates positively with organizational culture in a study conducted by Azizollah, Abolghasem and Amin (2016). According to Biswas and Challil (2013), organizational culture affects employees’ affective commitment, which is also positively associated with participation in training and development programs (Grund & Titz, 2021). In accordance with Atoko et al. (2018) and Khan, Bashir, Nasim and Ahmad (2021), employee training and development predicts their affective commitment to the organization. Additionally to assuring high levels of satisfaction, perceived business reputation has positive effects on employees’ affective commitment (Esenyel, 2019).

A close relationship between the dimensions of the employer’s brand and the degree of job satisfaction with affective commitment is what led us to select affective commitment as a possible mediator variable in our research model. In this regard, previous empirical studies demonstrate the predictive role of employer brand in anticipating organizational commitment and satisfaction (Upadhyaya & Ayari, 2019). Fernandez–Lores, Avello, Gavilan, & Lopez (2015) state that positive work experience associated with the employer’s brand contributes to the development of employees' affective commitment. Furthermore, Kaur et al. (2020) showed that affective commitment positively impacts job satisfaction. Also, a study conducted by Vinoth and Vasantha (2015) confirmed a significant relationship between employer brand, affective commitment and job satisfaction. Based on these findings, the following hypotheses were formed:

- **H1a**: Affective commitment mediates the relationship between organizational culture and job satisfaction.
- **H1b**: Affective commitment mediates the relationship between training and development and job satisfaction.
- **H1c**: Affective commitment mediates the relationship between corporate reputation and job satisfaction.

Figure 1 represents the applied research model.
2. Methodology

A survey approach was employed to gather primary data for the study. The questionnaire deployed in the research consists of four sections. The first segment contains items for measuring organizational culture (Jaghargh, Ghorbanpanah, Nabavi, Saboordavoodian, & Farvadin, 2012; Ghosh & Srivastava, 2014; Tanwar & Prasad, 2016a), training and development (Knox & Freeman, 2006; Zhu, Wang, Yu, Hu, Wen, & Liu, 2014; Tanwar & Prasad, 2016a) and reputation (Highhouse, Lievens, & Sinar, 2003; Tanwar & Prasad, 2016a). With statements based on research by Sharma (2017) and Lepold et al. (2018), the second section of the questionnaire examines how satisfied employees are with their jobs. Three statements created by Allen and Meyer (1990) were used to estimate affective commitment. On a five-point Likert scale, respondents indicated how much they agreed with the items included.

The methods of the Social sciences statistical software program SPSS 26.0 were used to analyse the data. Based on Cronbach’s alpha coefficient, the reliability of the measuring scale was examined. Green (1991) set the relevant sample size for multiple regression as 50+8k where “k” is the number of predictors. In this instance, the minimum sample size is 82 companies. We obtained one response from each company and we used the snowball sampling method. Snowball sampling is a sample acquisition approach in which initially sampled participants invite additional subjects to complete a questionnaire. We established two criteria for selecting companies: they must have at least 10 employees and operate in central or western Serbia. Before creating contacts for a further survey, all participants who were first sampled were also informed about the needed criteria. Finally, the sample included employees from 146 companies operating in the central or western part of the Republic of Serbia. The research period covered the first quarter of 2022. The respondents had access to the electronic form of the questionnaire; however, some filled it out by hand. Respondents also received instructions for participating in the survey in a cover letter that was sent with the questionnaire. Along with the instructions, the letter also included a notice of anonymity and an assurance that the respondent’s data would only be accessed in absolute terms and not individually interpreted.

The structure of the research sample is given in Table 1.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 – 49</td>
<td>41</td>
<td>28.1</td>
</tr>
<tr>
<td>50 – 249</td>
<td>45</td>
<td>30.8</td>
</tr>
<tr>
<td>≥ 250</td>
<td>60</td>
<td>41.1</td>
</tr>
<tr>
<td>Activity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production</td>
<td>70</td>
<td>47.9</td>
</tr>
<tr>
<td>Service</td>
<td>76</td>
<td>52.1</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>82</td>
<td>56.2</td>
</tr>
<tr>
<td>Male</td>
<td>64</td>
<td>43.8</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 25 years</td>
<td>32</td>
<td>21.9</td>
</tr>
<tr>
<td>26 – 35</td>
<td>77</td>
<td>52.7</td>
</tr>
<tr>
<td>36 – 55</td>
<td>23</td>
<td>15.8</td>
</tr>
<tr>
<td>&gt; 55</td>
<td>14</td>
<td>9.6</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>High school</td>
<td>39</td>
<td>26.7</td>
</tr>
<tr>
<td>College</td>
<td>21</td>
<td>14.4</td>
</tr>
<tr>
<td>Bachelor</td>
<td>52</td>
<td>35.6</td>
</tr>
<tr>
<td>Master</td>
<td>34</td>
<td>23.3</td>
</tr>
<tr>
<td>Working experience within the company</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt; 1 year</td>
<td>39</td>
<td>26.7</td>
</tr>
<tr>
<td>1 – 3 years</td>
<td>46</td>
<td>31.5</td>
</tr>
<tr>
<td>4 – 5 years</td>
<td>17</td>
<td>11.6</td>
</tr>
<tr>
<td>&gt; 5 years</td>
<td>44</td>
<td>30.1</td>
</tr>
</tbody>
</table>

Source: the authors

The sample structure is dominated by companies with more than 250 employees, with service businesses outnumbering manufacturing ones. Women participate at a higher rate in the study, while the age group between 26 and 35 is the most prevalent. University graduates constitute the majority of the sample. There is also a comparable number of respondents with work experience between one and three years and those who worked for the same employer for more than five years.
3. Findings

An analysis of the measuring scale’s reliability was used to determine whether the items were internally consistent. Table 2 presents its outcomes.

If a variable’s Cronbach’s alpha value is greater than 0.7, it is considered reliable (Nunnally, 1978). According to the findings of the reliability study, all variables in the applied research model have a high level of internal consistency.

Table 2 Cronbach’s alpha

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach’s alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational culture</td>
<td>0.841</td>
</tr>
<tr>
<td>Training and development</td>
<td>0.896</td>
</tr>
<tr>
<td>Reputation</td>
<td>0.817</td>
</tr>
<tr>
<td>Affective commitment</td>
<td>0.807</td>
</tr>
<tr>
<td>Job satisfaction</td>
<td>0.861</td>
</tr>
</tbody>
</table>

Source: the authors

Table 3 Descriptive analysis

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>St. dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organizational culture</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The management takes into account employees’ suggestions and ideas.</td>
<td>3.52</td>
<td>1.35</td>
</tr>
<tr>
<td>The management appreciates and supports employees.</td>
<td>3.64</td>
<td>1.30</td>
</tr>
<tr>
<td>The company encourages teamwork.</td>
<td>3.79</td>
<td>1.33</td>
</tr>
<tr>
<td>When faced with a challenge at work, employees may rely on the support of their colleagues.</td>
<td>3.98</td>
<td>1.20</td>
</tr>
<tr>
<td>Employees can count on the help of their supervisor when they face a problem at work.</td>
<td>3.99</td>
<td>1.18</td>
</tr>
<tr>
<td>The company communicates openly and employees have access to all the necessary information.</td>
<td>3.71</td>
<td>1.26</td>
</tr>
<tr>
<td><strong>Training and development</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The management of the company offers opportunities for improving knowledge and skills.</td>
<td>3.55</td>
<td>1.36</td>
</tr>
<tr>
<td>Management has developed structured training programs for employees.</td>
<td>2.94</td>
<td>1.45</td>
</tr>
<tr>
<td>Management provides information to employees about open positions in the company.</td>
<td>3.18</td>
<td>1.51</td>
</tr>
<tr>
<td>Management invests in the training and development of employees.</td>
<td>3.10</td>
<td>1.49</td>
</tr>
<tr>
<td><strong>Corporate reputation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My colleagues and friends think this company is a great place to work.</td>
<td>3.49</td>
<td>1.33</td>
</tr>
<tr>
<td>Many people are interested in working for this company.</td>
<td>3.53</td>
<td>1.37</td>
</tr>
<tr>
<td>The company’s employees are proud to say they work there.</td>
<td>3.44</td>
<td>1.30</td>
</tr>
<tr>
<td><strong>Affective commitment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The company I work for means a lot to me.</td>
<td>3.74</td>
<td>1.33</td>
</tr>
<tr>
<td>I have a strong sense of belonging to the company I work for.</td>
<td>3.71</td>
<td>1.30</td>
</tr>
<tr>
<td>I believe that I share the problems this company is experiencing.</td>
<td>3.28</td>
<td>1.41</td>
</tr>
<tr>
<td><strong>Job satisfaction</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am satisfied with the working environment in which I do my work.</td>
<td>3.79</td>
<td>1.16</td>
</tr>
<tr>
<td>I am satisfied with how I get along with my superiors.</td>
<td>3.95</td>
<td>1.17</td>
</tr>
<tr>
<td>I am satisfied with the collegiality at work.</td>
<td>4.00</td>
<td>1.10</td>
</tr>
</tbody>
</table>

Source: the authors

The highest level of agreement among the respondents is present in the statement *I am satisfied with the collegiality at work* (M=4.00), while the lowest score was given to the statement *Management has developed structured training programs for employees* (M=2.94). At the same time, *Management provides information to employees about open positions in the company* has the greatest heterogeneity of responses (SD=1.51).

Table 4 Correlation analysis

<table>
<thead>
<tr>
<th>Variables</th>
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Correlation is significant at 0.01 (**)

Source: the authors
A summary of the findings from the correlation analysis is given in Table 4. The employer brand aspects, affective commitment, and job satisfaction all have a positive association. The most significant relationship was found between organizational culture and job satisfaction (r=0.784).

The mediation regression procedure was employed in order to evaluate the defined hypotheses. According to Baron and Kenny (1986), the following criteria must be met for the mediation effect to be assessed: the first step involves confirming the independent variable’s direct influence on the dependent variable; the second involves demonstrating the mediator’s significant influence on the dependent variable. Another simple linear regression test examines whether the independent variable influences the potential mediator. In the final phase, multiple linear regression is used to evaluate the combined effects of the independent variable and proposed mediator on the dependent variable. By validating these assumptions, the requirements for the final testing of the mediator effect are obtained. A partial mediator effect is achieved when the influence of the independent variable on the dependent variable is decreased by incorporating the intervening variable, and a full mediator effect is established when that influence becomes statistically insignificant. Furthermore, the validity of three multivariate assumptions was examined to ascertain if multiple regression was justified. In addition, we performed the Sobel Z test for the purposes of verifying the established mediating roles. The Sobel Z test was calculated using unstandardized coefficients (B) and coefficients standard errors in certain regression models. After providing these inputs, we used the interactive calculation tool for mediation tests.

Multicollinearity was assessed through the VIF coefficient (Field, 2000). All the VIF values were less than 5, indicating that multicollinearity is not an issue in these regression models (Field, 2000). The criteria for linearity were also met and there was no drastic deviation from the normality of the data distribution.

| Table 5 Mediation regression OC – AC - JS |
| Var. | Dependent: JS | Dependent: AC | Mediation (Dependent: JS) |
|      | β     | Sig. | β     | Sig. | β     | Sig. | VIF |
| OC   | 0.784** | 0.000 | 0.677** | 0.000 |
| AC   | 0.672** | 0.000 |
| OC&AC |      |      | 0.607** | 0.000 | 1.848 |
| AC   |      |      | 0.261** | 0.000 | 1.848 |
| R²   | 0.611  | 0.455 | 0.646  |

Source: the authors

According to the mediation regression results presented in Table 5, organizational culture is a statistically significant positive predictor of satisfaction, where 61.1% of the variability of satisfaction is explained by the observed independent variable. Organizational culture also positively affects affective commitment (β=0.677), with the coefficient of determination R²=0.455, while affective commitment predicts job satisfaction (β=0.672). Finally, affective commitment partially mediates the relationship between organizational culture and job satisfaction, partly validating hypothesis H1a. The coefficient of determination in this model showed that organizational culture and affective commitment determine job satisfaction in 64.6% of cases. The β coefficient that indicates the influence of organizational culture on job satisfaction decreased from 0.784 in the linear regression to 0.607 in the multiple regression model, while the impact remained significant. Therefore, we can conclude that the mediation effect is partial.

Subsequently, we computed the Sobel Z test to verify the mediating effect. The obtained result (Z=3.65) was statistically significant (z>1.96; p<0.01) and confirmed the intervening role of affective commitment in the relationship between organizational culture and job satisfaction.
The findings of the regression analysis that examined the mediating role of affective commitment in the relationship between training and development and job satisfaction are presented in Table 6.

The results show that, with a coefficient of determination of 0.43, training and development has a positive statistically significant impact on job satisfaction. Additionally, training and development has a positive relationship with affective commitment (β=0.610; R²=0.368), and affective commitment is a statistically significant predictor of satisfaction. The affective commitment was found to partially mediate the association between training and development and job satisfaction in the mediation regression's last step, as β drastically decreased from 0.659 to 0.396. This indicates the partial mediating impact of affective commitment in the noted association. Therefore, hypothesis H1b was partly proven.

Following that, we calculated the Sobel Z test to validate the mediating effect. We have found that the Sobel was significant (p<0.01) and greater than the threshold value of 1.96 (Z=5.08). Therefore, we validated the mediating effect of affective commitment.

The mediation regression's findings, which are presented in Table 7, demonstrate statistically significant positive impacts of reputation on job satisfaction and affective commitment. Additionally, the relationship between reputation and job satisfaction is partially mediated by the affective commitment of employees. Specifically, the inclusion of affective commitment in the regression analysis significantly reduces the predictive power of the employer's reputation in determining job satisfaction. The previously mentioned is seen from β value that indicated the strength of the impact of reputation on job satisfaction with affective commitment as a second predictor. However, β went from 0.558 in the simple regression model to 0.249 in the multiple regression. This result partly supported hypothesis H1c. Following the conducted mediation regression procedure, we performed the Sobel test, and with the Z value being far above 1.96 (Z=5.52) and statistically significant (p<0.01), we additionally verified the indirect effect of reputation on job satisfaction through employees’ affective commitment.

4. Discussion

Our findings validated that organizational culture has positive effects on job satisfaction. Such results demonstrate that an organizational culture that promotes cooperation, open communication, and teamwork results in a higher degree of job satisfaction. According to the findings of this study, an organizational culture that values learning and employees’ suggestions and ideas is a key element in determining satisfaction. Out of all analysed employer brand aspects, its impact on job satisfaction is the strongest.
We also verified a positive association between training and development and job satisfaction. These findings show how important training and development activities are in determining satisfaction. They can be explained by the way that motivation works, which starts with a person's unsatisfied need for growth and progress and ends with an increase in satisfaction when the need is met. However, critical management support is required in training interventions, as these are frequently rejected by firm executives (Nemeth, 2017).

The analysis indicated that the employer’s reputation is a relevant determinant of job satisfaction. Despite the fact that reputation-building activities are largely directed towards external interest groups, the findings of this study provide some support for the assumption that employees are also affected by the positively estimated employer’s reputation. According to prior research that looked at how corporate reputation affects the attitudes and behaviour of organization members, employees’ social identities and sense of pride are positively impacted by the company’s reputation in the community (Primadini & Syaebani, 2017), which leads to an increase in their satisfaction.

Our set of hypotheses referred to the intervening role of affective commitment in the relationships between employer brand values and job satisfaction. Our study discovered that affective commitment partially mediates the relationship between each investigated employer brand value and job satisfaction, particularly. Accordingly, organizational culture affects job satisfaction partly through employees’ affective commitment. This implies that the relationship between organizational culture and job satisfaction is partially dependent on affective commitment level.

The conducted study also determined that affective commitment partially mediates the relationship between training and development and job satisfaction, i.e. affective commitment of employees is an explanation for the main effect between these constructs. In this regard, affective commitment describes the process through which training and development is related to job satisfaction. This result implies that companies that struggle with providing expected training and development programs can still achieve high levels of job satisfaction among employees if these employees are emotionally linked and identified with their employers.

The main effect of corporate reputation on job satisfaction can partially be explained by employees’ affective commitment according to the results of our study. This is especially critical for firms that have not been able to establish a solid reputation in their surroundings. But, regardless of how respectable the firm is, if their employees have high levels of affective commitment, they will be content with their positions.

**Conclusion**

A strong employer brand has many benefits for the company. It assists management in nurturing job satisfaction and employees’ commitment to the organization, in addition to being a successful strategic instrument for bringing talent from the labour market. As an important segment of SHRM practice, employer brand enables companies to achieve positive outcomes among their employees, so they can complete their tasks effectively and support companies’ objectives. The conducted study supported the mediating role of affective commitment in the relationship between employer brand aspects and job satisfaction. The overall conclusion is that employees’ positive perception of the employer contributes to the growth of their affective commitment and job satisfaction.

As an emerging idea that hasn’t been thoroughly investigated in the Republic of Serbia, the obtained scientific results constitute a special contribution to the domestic literature in the area of employer branding. It is unusual in domestic literature to consider how employees’ perceptions as representatives of internal interest groups relate to the employer brand’s outwardly focused aspects. Furthermore, the influence of these specific characteristics defining employer brand on emotional commitment and work satisfaction has not yet been researched in the Serbian context. In addition, the research contributes by exploring the mediating function of affective commitment and identifying how and in which relationships affective commitment alters the strength of the causal relationship between employer brand attributes and job satisfaction. This addresses the perceived gap in the literature and offers a framework for making pertinent judgments regarding the nature of the relationships between the variables that have been observed. In this way, the study marks a particular sort of breakthrough in employer brand research and its results. A review of international and domestic literature revealed no studies that investigated the mediating effects of affective commitment in observed relationships.
and the applied research model may be described as unique. A significant contribution is represented in understanding how reputation, as an externally directed dimension of the employer brand influences job satisfaction. Furthermore, this paper helps to elucidate the complex nature of training and development, affective commitment and job satisfaction relationships. An additional contribution was made by assessing the strength of the organizational culture effect on job satisfaction, which revealed that this component of employer brand had the most influence on shaping job satisfaction.

The research also offers a pragmatic contribution in the form of relevant practical implications resulting from the findings. Managers should promote the creation of an organizational culture that promotes concern for employees, teamwork, and cooperative behaviour. Establishing such an organizational culture requires management commitment and time investment, but it is still a cost-effective method for enhancing job satisfaction. Therefore, various ways of demonstrating care for employees on a daily basis, encouraging teamwork at all levels, providing support to employees, and promoting mutual support among them can have a significant positive effect on job satisfaction. The results of the study indicate that organizational culture has the greatest impact on job satisfaction, which should be an additional incentive for managers. According to our study, management should design and implement training and development programs since this would result in satisfied and committed employees who will perform better at work. Training and development programs are not a cost-effective alternative for increasing job satisfaction because they account for a significant portion of total labour costs, but they have many additional benefits that justify their strategic importance. Consequently, it can be asserted that they represent an important dimension of the employer’s brand despite the expenses they encounter. Furthermore, management efforts should be directed toward establishing a positive reputation and improving the company’s image in the community. Corporate social responsibility (CSR) activities can play a significant supporting role in the development of a corporate’s reputation. Linking CSR programs with actions aimed at developing reputation as a component of the employer’s brand can result in a positive synergistic effect, cost savings, and a positive effect for both, including positive effects on job satisfaction.

Determining the mechanisms by which employer brand value impacts job satisfaction has special practical implications for companies that have not built a solid organizational culture, or strong reputation or have not established effective training and development programs. The partial mediation of affective commitment in the relationships between each employer brand dimension and job satisfaction has several implications for managers. Specifically, if managers struggled to create a positive organizational culture either to shape the strong reputation of the company, they can still have satisfied employees, but only if their affective commitment to the company is high.

This study has several limitations that require attention in interpreting and generalizing its findings. The first barrier of the conducted study, in terms of sample size, arises from the limited number of respondents, which is the result of companies not being interested in participating in scientific research. Another limitation is the sample structure, which included small, medium, and large companies with private and/or state ownership and different activities, which means that the results of the analyses cannot be used to draw conclusions about the size of the company, the form of ownership or specific activities. A further limitation concerns the study model structure, particularly the employer brand construct. In this research, a simplified model of employer brand was used with three dimensions evaluated, which the authors believe are the most important for the Serbian setting. However, the original employer brand construct consists of six dimensions, thus the results obtained should be interpreted with caution. Additionally, due to the limitation of the research to companies operating in the Republic of Serbia, the conclusions drawn cannot be generalized for those operating in other cultural and socio–legal frameworks.

The limits indicated above provide the directions and frameworks for further research. The study should be undertaken in the private or public sector, on a sample of small, medium, or large companies, individually, or on a sample of companies in a certain activity, to identify the specifics of the employer brand’s influence on job satisfaction in a particular area. In accordance with the models present in the literature, future research will include other relevant components of the employer brand and may investigate their
influence on other types of organizational commitment. The study may be replicated on a larger sample of enterprises from multiple countries, providing a foundation for generalizing the findings. Furthermore, future research should explore the interaction of employer brand values in order to gain a holistic understanding of the relationships between the observed factors.

References


Do employees benefit from employer branding strategy? The mediator role of affective commitment


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