



Generational Differences in the Pay Equity–Job Engagement Relationship: The Moderating Role of Generation

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ABSTRACT

This study investigates how generational differences shape the relationship between pay equity and job engagement in multigenerational workplaces. Drawing on survey data from 458 white-collar employees in South Korea, the analysis examined three dimensions of pay equity: internal, external, and procedural, and tested the moderating role of generation using hierarchical regression. The results revealed that internal and procedural pay equity significantly enhance job engagement, whereas external pay equity showed no direct effect. Moreover, generation moderated the equity–engagement relationship: MZ employees were more responsive to perceived equity, particularly in transparent and consistent pay procedures, while older generations exhibited more stable engagement regardless of perceived equity levels. These findings suggest that lower engagement among MZ employees is not inherent but reflects unmet expectations regarding transparency and consistency in compensation. The results remained robust across alternative generational classifications and age controls. This study contributes to organizational behavior research by clarifying when and for whom pay equity matters most and emphasizes the need for differentiated compensation strategies in multigenerational workforces, particularly highlighting the importance of procedural and internal equity for engaging MZ employees.

Keywords: Pay equity, Job engagement, Generational differences, Multigenerational workforce, Human resource management, Organizational behavior.

Introduction

The MZ generation, comprising Millennials and Generation Z, has become a substantial segment of the Korean workforce and has introduced distinctive challenges for human resource management, particularly regarding pay transparency, perceptions of pay equity, and sustaining job engagement. Unlike older generations such as Baby Boomers and Generation X, the MZ generation tends to prioritize individual values, self-fulfillment, and career mobility over organizational loyalty and long-term attachment. These contrasting orientations have been recognized as a source of workplace conflict (Pritchard & Whiting, 2015; Heo, 2024).

Empirical research on generational differences has yielded mixed findings. Some studies have documented significant differences in job values, motivation, and work attitudes across generations (Glass, 2007; Cennamo & Gardner, 2008; Twenge, 2010; Parry & Urwin, 2011), whereas others have reported little or no evidence of such differences (Macky *et al.*, 2008; Brown, 2012). Scholarly debate has also persisted regarding the validity of generational classifications themselves (Mannheim, 1970; Parry & Urwin, 2011). Nonetheless, recent studies highlight meaningful differences in work-related orientations, underscoring the value of examining generational distinctions in organizational research (Parry & Urwin, 2011; Kim & Shin, 2020).

Within this context, pay equity has emerged as a particularly salient factor for understanding generational differences in job engagement. Studies suggest that MZ employees place greater emphasis on procedural transparency and

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performance-based evaluation, reflecting their heightened sensitivity to equity in compensation systems (Twenge, 2010; Deloitte, 2019). Having entered the labor market amid economic uncertainty and digital transformation, they often benchmark their compensation against peers and external standards. In contrast, Baby Boomers and Generation X, who began their careers in more stable employment environments, tend to emphasize organizational loyalty and long-term stability over immediate equity concerns (Kim, 2023). These contrasts raise a key research question: Does the effect of pay equity on job engagement differ by generation?

Although prior studies generally report a positive relationship between pay equity and job engagement, most have treated equity as a single-dimensional construct, paying limited attention to its multidimensional nature, internal, external, and procedural equity, or to potential generational contingencies (Schaufeli *et al.*, 2006; Cropanzano *et al.*, 2007). Internal equity refers to comparisons with peers within the same organization, external equity reflects competitiveness relative to the labor market, and procedural equity concerns the transparency and consistency of pay determination processes (Greenberg, 1990). Yet it remains unclear whether and how the effects of these dimensions differ by generation.

This study addresses this gap by analyzing survey data from 458 white-collar employees in South Korea. It examines the direct effects of internal, external, and procedural equity on job engagement and tests the moderating role of generation. The analysis employs both a binary comparison between MZ and older generations and a four-group categorization (Baby Boomers, Generation X, Millennials, and Generation Z), while controlling for age to assess robustness. Based on these contributions, this study develops and tests hypotheses concerning the direct effects of pay equity on job engagement and the moderating role of generation. **Figure 1** presents the conceptual framework and hypotheses of this study.



Literature Review and Hypotheses Development

Conceptualizing Generations

Generations are commonly defined as birth cohorts that share distinct values and behavioral patterns shaped by formative historical and cultural experiences (Mannheim, 1970). In human resource management, generational classification offers an analytical framework for examining differences in work attitudes and motivational orientations (Hans *et al.*, 2023). Generational identity is not purely chronological but reflects shared exposure to socioeconomic conditions and labor-market transitions (Parry & Urwin, 2011).

This study adopts a two-tier operationalization of generations. First, a binary classification distinguishes between the MZ generation and older generations, consistent with prior studies that group Generation X and Baby Boomers as older generations (Twenge, 2014; Lee, 2021). This approach aligns with the South Korean labor-market context and facilitates intergenerational comparisons in engagement. Second, a four-group classification—Baby Boomers (1955–1964), Generation X (1965–1979), Millennials (1980–1995), and Generation Z (1996–2004) is used for robustness testing. These boundaries follow Strauss and Howe's (1991) model and have been adapted to the Korean context (Heo & Kim, 2003). Clarifying generational classification is essential for analyzing perceptions of pay equity and formulating hypotheses about their relationship with job engagement.

Pay Equity Perceptions of the MZ Generation

Perceptions of pay equity differ across generations, reflecting variations in socialization, economic conditions, and equity expectations. Employees in the MZ generation, who entered the workforce during an era of digital transparency and intense competition, are especially sensitive to equity signals in pay structures (Twenge, 2010; Deloitte, 2019). Korean studies also indicate that MZ employees value transparent communication, merit-based rewards, and equitable procedures more strongly than older generations (Kim *et al.*, 2021; Lim & Joo, 2022; Park, 2022; Shin & Song, 2022; Hong *et al.*, 2024).

Pay equity in this study is conceptualized across three dimensions: internal, external, and procedural, consistent with equity theory. According to Adams (1963), employees evaluate equity by comparing their input-output ratios with those of referent others. Internal and external equity represent outcome equity, whereas procedural equity concerns the transparency and consistency of pay determination processes (Leventhal, 1980; Greenberg, 1990). Previous studies

have shown that these dimensions are positively related to motivation and engagement (Meng & Wu, 2015) and that the MZ generation shows heightened sensitivity to procedural equity (Ng & Parry, 2016; Shin, 2021; Kim *et al.*, 2023). Thus, the following hypotheses are proposed:

H1a: Internal pay equity is positively related to job engagement.

H1b: External pay equity is positively related to job engagement.

H1c: Procedural pay equity is positively related to job engagement.

Job Engagement among the MZ Generation

Job engagement is a persistent, positive work-related state characterized by vigor, dedication, and absorption (Schaufeli *et al.*, 2006). Kahn's (1990) model highlights three psychological conditions, meaningfulness, safety, and availability, that help explain generational differences.

Meaningfulness arises when work aligns with individual values and contributes to broader purposes. MZ employees emphasize autonomy, development, and social impact, whereas older generations find meaning in role identity and organizational commitment (García *et al.*, 2019; Kim, 2021). Psychological safety refers to the ability to express oneself without fear of negative consequences; hierarchical structures may reduce this safety for MZ employees (Kim & Shin, 2020). Availability refers to the emotional and cognitive resources needed for engagement, and MZ employees' focus on work-life balance reflects a lower tolerance for burnout than that of older generations (Lee, 2021). Taken together, these patterns indicate that MZ engagement depends more heavily on the alignment between personal values and organizational conditions.

Generation as a Moderator in the Pay Equity-Job Engagement Relationship

Generational identity influences how employees interpret the relationship between pay equity and engagement. Older generations, who entered stable employment systems, value long-term security, organizational loyalty, and consistency in compensation structures (Kim & Kang, 2016; Lee & Kim, 2025). In contrast, MZ generations, exposed to volatile markets and heightened performance visibility, expect merit-based rewards and procedural transparency (Cennamo & Gardner, 2008; Ng & Parry, 2016). Within the JD-R framework, pay equity functions as a job resource that enhances engagement by reducing strain and reinforcing motivation (Masterson *et al.*, 2000; Bakker & Demerouti, 2007; Zhong *et al.*, 2016). Although all generations value equity, MZ employees are more responsive to perceived inequities due to formative experiences in competitive contexts. By contrast, engagement among older generations may be sustained through relational commitment and tenure-based loyalty (Twenge, 2010; Eun, 2022). Thus, the positive relationship between pay equity and job engagement is expected to vary by generation. Therefore, the following hypothesis is proposed:

H2: Generation moderates the relationship between pay equity and job engagement.

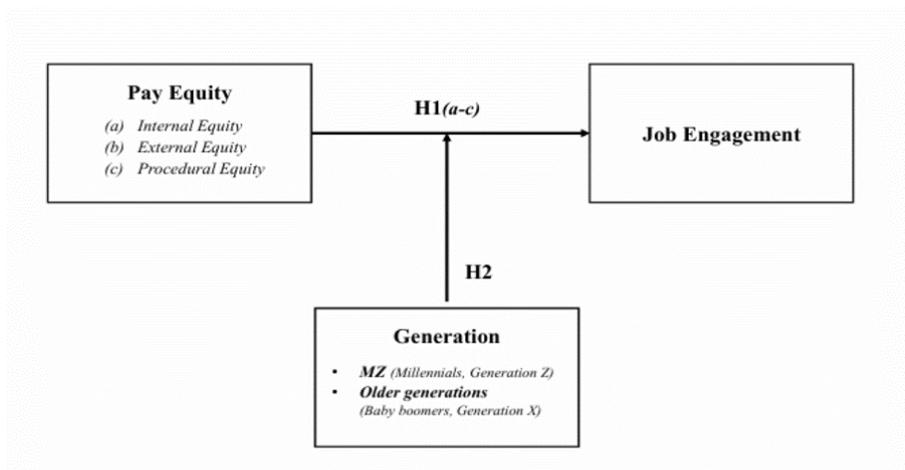


Figure 1. Conceptual framework and hypotheses



Materials and Methods

Sample and procedure

An online survey was conducted among white-collar employees working in diverse industries across major metropolitan areas in South Korea. A total of 458 responses were collected. After screening for completeness and data quality 423 valid samples were retained for analysis.

The gender distribution was balanced (49.8% male; 50.2% female). Respondents ranged in age from 20 to 60 years ($M = 36.8$, $SD = 13.2$), and were grouped into five age categories (20s, 30s, 40s, 50s, 60s or above). The generational distribution was also balanced (49.6% MZ generation, born 1980–2004; 50.4% older generations, born 1955–1979). Participants represented various job positions, including human resources/administration, strategic planning, finance/accounting, marketing/sales, production, and research and development (R&D). The most frequently reported monthly income range was 2–3 million KRW. Regarding performance-based pay, 58.9% reported incentives of less than 10% of total compensation, and 29.3% reported 10–30%.

South Korean white-collar employees were selected because this group represents a labor market in which perceptions of pay equity are particularly salient, given the coexistence of seniority-based pay traditions and growing generational diversity in workplaces. Therefore, this sample provides an empirical basis for examining generational differences in the relationship between pay equity and job engagement.

Measures

- *Pay equity*

Pay equity was assessed across three dimensions: internal, external, and procedural equity. Internal equity refers to the perceived fairness of pay relative to colleagues in similar positions within the same organization. External equity refers to equity compared to pay levels in other organizations and the broader labor market. Procedural equity reflects the perceived transparency, consistency, and employee participation in pay decision-making processes.

Each dimension was measured with three items adapted from established scales: internal equity from Scholl *et al.* (1987), external equity from Hills (1980), and procedural equity from Price and Mueller (1986). Respondents rated nine items in total on a five-point Likert scale (1 = strongly disagree, 5 = strongly agree). Composite scores were calculated as the mean of all nine items, with subdimension means used for moderation analysis. A sample item for internal equity was, "Considering my input, the salary I receive is appropriate compared to my colleagues within the same company." Parallel items were used for external and procedural dimensions.

- *Job engagement*

Job engagement was assessed with the nine-item Utrecht Work Engagement Scale (UWES–9; Schaufeli *et al.*, 2006), comprising three dimensions: vigor, dedication, and absorption, with three items each. All items were rated on a five-point Likert scale (1 = never, 5 = always). The job engagement score was computed as the mean of nine items. Example items include "I feel energetic during my work" (vigor), "I am enthusiastic about my job" (dedication), and "I am fully immersed in my work" (absorption).

- *Generation*

Generation was classified by year of birth. Respondents born between 1980 and 2004 were coded as MZ generation (=1), and those born between 1955 and 1979 were coded as older generations (=0). A supplementary analysis applied a four-group classification (Baby Boomers, Generation X, Millennials, and Generation Z to assess robustness.

- *Control variables*

Control variables included meritocracy, monthly income, incentive ratio, job position, gender, and age. These variables were included in the regression models to estimate the associations between pay equity, generation, and job engagement net of controls.



Measurement Validation

To ensure the validity of generational classification and reduce potential individual-level bias, a value-based screening procedure was implemented. This procedure examined the consistency of responses to items on work orientation and digital familiarity, which are established indicators of generational identity. Thirty-five respondents with inconsistent response patterns were excluded from the final sample. To assess potential exclusion bias, analyses were re-estimated using both the full ($N = 458$) and filtered ($N = 423$) samples. The results were highly consistent, indicating that the generational moderation effect was robust.

Results and Discussion

Sample Characteristics and Descriptive Statistics

Table 1 reports the characteristics of the sample and descriptive statistics for all study variables. Among the three dimensions of pay equity, internal equity had the highest mean ($M = 2.98$, $SD = 0.91$), followed by external equity ($M = 2.82$, $SD = 0.91$) and procedural equity ($M = 2.76$, $SD = 0.94$). Job engagement averaged 3.18 ($SD = 0.78$).

The four-category generational variable (0 = Baby Boomers, 1 = Generation X, 2 = Millennials, 3 = Generation Z) had a mean of 1.43 ($SD = 0.87$), indicating a balanced distribution across groups.

For the control variables, perceived meritocracy averaged 3.12 ($SD = 0.99$). Monthly income ($M = 3.16$, $SD = 1.52$; 6-point scale) and incentive ratio ($M = 2.03$, $SD = 1.88$; 10-point scale) were relatively low. The average age of the sample was 36.8 years ($SD = 13.2$), and gender was evenly distributed (49.8% male, 50.2% female). The most common job positions were finance/accounting (21.5%), marketing/sales (19.4%), and HR/administration (14.9%).

Table 1. Descriptive statistics and demographic characteristics of the sample

Variable	Mean	Median	SD	Min	Max
Internal Equity	2.98	3.00	0.91	1	5
External Equity	2.82	2.67	0.91	1	5
Procedural Equity	2.76	3.00	0.94	1	5
Job Engagement	3.18	3.22	0.78	1	5
Generation	1.43	1.00	0.87	0	3
Meritocracy	3.12	3.00	0.99	1	5
Income	3.16	3.00	1.52	1	6
Incentive ratio (%)	2.03	1.00	1.88	1	10
Job position	2.75	2.00	1.72	1	6
Gender	1.50	2.00	0.50	1	2
Age	36.80	40.00	13.20	20	60

** Correlation is significant at the 0.01 level (2-tailed)



Measurement Validation

An exploratory factor analysis (EFA) was conducted to examine the construct validity of the measurement instruments (**Table 2**). The factor structure aligned with theoretical expectations, with clear construct separation and minimal cross-loadings. Items for internal and external equity loaded strongly on Factor 2 (0.69–0.81), representing distributive equity, whereas procedural equity items formed a distinct Factor 3 (0.53–0.88), with the decision-making item loading highest (0.88). Job engagement items loaded on Factor 1 (e.g., $Dedication_1 = 0.85$, $Vigor_2 = 0.80$), validating the three-component structure of the UWES-9 scale.

Table 2. Exploratory factor analysis

Variable	Factor 1	Factor 2	Factor 3	Cronbach's α
Internal_1		0.70		0.92
Internal_2		0.77		0.92

Internal_3		0.69	0.92
External_1		0.81	0.92
External_2		0.78	0.92
External_3		0.76	0.92
Procedural_1			0.88
Procedural_2			0.85
Procedural_3			0.53
Vigor_1	0.77		0.92
Vigor_2	0.80		0.92
Vigor_3	0.56		0.92
Dedication_1	0.85		0.92
Dedication_2	0.85		0.92
Dedication_3	0.70		0.92
Absorption_1	0.76		0.92
Absorption_2	0.73		0.92
Absorption_3	0.69		0.92

Reliability and validity tests further supported the measurement adequacy. Cronbach's α for all constructs was 0.92, exceeding the 0.70 threshold, indicating high internal consistency. The Kaiser–Meyer–Olkin (KMO) measure of 0.92 and a significant Bartlett's test of sphericity ($\chi^2 = 7,485.46$, $p < .001$) supported the reliability and construct validity of the measures. Reliability and validity statistics are reported in **Table 3**.

Table 3. Reliability and validity

	Cronbach's α
Cronbach's α (overall scale)	0.92
Kaiser–Meyer–Olkin	0.92
Bartlett's test of sphericity	7,485.46***

* $p < .05$, ** $p < .01$, *** $p < .001$ (2-tailed)

Correlation Analysis

Pearson correlation coefficients are reported in **Table 4**. All three pay equity dimensions were positively correlated with job engagement, with procedural equity showing the strongest correlation. Generation was coded as a binary variable (0 = older generations, 1 = MZ generation) for the correlation and regression analyses. Generation correlated positively with all three equity dimensions but negatively with job engagement, supporting potential generational divergence in engagement drivers. Variance inflation factors (VIF < 1.90) indicated no multicollinearity problems (Hair, 2010).

Table 4. Correlations among key variables

Variables	1. Internal	2. External	3. Procedural	4. Engagement	5. Generation
1. Internal equity	—				
2. External equity	0.71***	—			
3. Procedural equity	0.66***	0.63***	—		
4. Job engagement	0.39***	0.38***	0.39***	—	
5. Generation	0.14**	0.10*	0.08***	−.011*	—

* $p < .05$, ** $p < .01$, *** $p < .001$ (2-tailed)

Hypothesis Testing and Moderating Effects

Table 5 presents the hierarchical regression analyses. Internal equity (H1a; $\beta = .14$, $p = .026$) and procedural equity (H1c; $\beta = .21$, $p = .001$) had significant positive effects on job engagement, whereas external equity (H1b) was non-significant ($\beta = .09$, $p = .138$). Accordingly, Hypotheses 1a and 1c were supported (Alrabiah *et al.*, 2023; Babaei *et al.*, 2023; Cahyaningsih *et al.*, 2023; Kusumawardani *et al.*, 2023; Petronis *et al.*, 2023; Zharashueva *et al.*, 2024).

These results indicate that employees' engagement is more strongly influenced by equity within the organization and in pay-related procedures than by external market comparisons (Alrabiah *et al.*, 2023; Ansari *et al.*, 2023; Mickevičius *et al.*, 2023).

Panels B–D in **Table 5** illustrate the moderating role of generation. The interaction between internal equity and generation was significant ($\beta = .10$, $p = .020$), and the interaction between procedural equity and generation was the strongest ($\beta = .13$, $p = .002$). In contrast, the interaction between external equity and generation did not reach significance ($\beta = .08$, $p = .058$) (Alzahrani, 2023; Falko & Naumenko, 2023; Nikolenko *et al.*, 2023; Benhmida & Trabelsi, 2024; Pakalapati *et al.*, 2024; Sowbaraniya & Syam, 2024).

These findings suggest that MZ employees are more responsive to internal and procedural equity, whereas older generations appear less affected by variations in perceived equity.

Table 5. Regression results for direct and moderating effects

Variable	β	SE	t	p
Panel A. Direct effects (full model)				
Control variables				
Meritocracy	.10	.04	2.24	.026
Income	.06	.03	1.17	.254
Incentive (%)	.10	.02	2.29	.023*
Job position	.04	.02	.84	.401
Gender	.00	.07	.03	.975
Age	.15	.00	3.09	.002**
Independent variable				
Internal pay equity	.14	.06	2.23	.026*
External pay equity	.09	.06	1.48	.138
Procedural pay equity	.21	.05	3.49	.001**
Panel B. Internal equity \times generation				
Control variables				
Meritocracy	.17	.03	3.50	<.001***
Income	.05	.03	.93	.352
Incentive (%)	.10	.02	2.50	.013*
Job position	.02	.03	.22	.824
Gender	-.01	.07	-.07	.943
Age	.14	.01	.94	.347
Independent variable				
Internal pay equity	.33	.12	.27	.79
Moderator				
Generation	-.05	.25	-2.37	.018*
Interaction Term				
Internal pay equity \times Generation	.10	.07	2.34	.020*
Panel C. External equity \times generation				
Control variables				
Meritocracy	.16	.04	3.52	<.001***



Income	.01	.03	.09	.928
Incentive (%)	.11	.01	2.41	.016*
Job position	.06	.03	.89	.376
Gender	-.01	.07	-.15	.881
Age	.07	.01	.79	.429
Independent variable				
External pay equity	.31	.12	.53	.596
Moderator				
Generation	-.04	.25	-1.86	.064
Interaction Term				
External pay equity × Generation	.08	.07	1.90	.058
Panel D. Procedural equity × generation				
Control variables				
Meritocracy	.11	.04	2.48	.11
Income	.07	.03	1.29	.07
Incentive (%)	.14	.02	3.25	.14
Job position	.05	.03	.68	.05
Gender	.02	.07	.34	.02
Age	.07	.01	.83	.07
Independent variable				
Procedural pay equity	.35	.11	.31	.761
Moderator				
Generation	-.06	.22	-3.08	.002**
Interaction Term				
Procedural pay equity × Generation	.13	.07	3.13	.002**

* $p < .05$, ** $p < .01$, *** $p < .001$ (2-tailed)

Robustness Checks

Several robustness analyses were conducted, as reported in **Table 6**, including alternative sample specifications, age as a moderator, and a four-generation classification. Panel A re-estimated the models, excluding 35 respondents with inconsistent responses to digital familiarity and job orientation. The results for the filtered sample ($N = 423$) were highly consistent with those of the full sample ($N = 458$), and the interaction between pay equity and generation remained significant ($\beta = .13$, $p = .002$). Perceived meritocracy ($p = .012$) and incentive-based pay ($p = .014$) were also more strongly associated with engagement in the filtered model.

Panel B examined age as an alternative moderator to distinguish age from generational effects. Age significantly moderated the relationship between overall pay equity and job engagement ($\beta = -.15$, $p < .001$), but the interaction between generation and pay equity remained significant, confirming the conceptual distinction between age and generation (Jo, 2017).

Panel C applied a four-group generational classification (Baby Boomers, Generation X, Millennials, and Generation Z). The interaction between pay equity and generation remained significant ($\beta = .12$, $p = .007$). Millennials and Generation Z exhibited steeper slopes, indicating stronger responsiveness to equity perceptions than Baby Boomers and Generation X. The main effect of generation was also significant ($\beta = -.04$, $p = .015$).

Table 6. Robustness checks using alternative specifications (age and four-group models)

Variable	β	SE	t	p
Panel A. Excluding inconsistent responses (N = 423)				
Control variables				

Meritocracy	.12	.04	2.54	.012*
Income	.04	.03	1.04	.016*
Incentive (%)	.11	.02	2.42	.016*
Job position	.03	.02	.64	.520
Gender	.01	.07	.29	.772
Age	.11	.01	1.28	.202
Independent variable				
Pay equity	.38	.06	4.05	<.001***
Moderator				
Generation	-.03	.28	-2.90	.004**
Interaction Term				
Pay equity × generation	.13	.08	3.07	.002**
Panel B. Moderating effect of age				
Control variables				
Meritocracy	.11	.04	2.43	.015*
Income	.05	.03	.08	.408
Incentive (%)	.10	.02	2.40	.017*
Job position	.05	.03	.74	.460
Gender	.01	.07	.23	.815
Generation	-.04	.08	-.44	.659
Independent variable				
Pay equity	.39	.12	6.25	<.001***
Moderator				
Age	.09	.01	3.52	<.001***
Interaction Term				
Pay equity × age	-.15	.00	-3.44	<.001***
Panel C. Four-generation classification				
Control variables				
Meritocracy	.11	.04	2.39	.017*
Income	.05	.03	.86	.393
Incentive (%)	.10	.02	2.30	.022*
Job position	.04	.03	.67	.505
Gender	.01	.07	.12	.902
Age	.09	.01	.91	.365
Independent variable				
Pay equity	.39	.13	.35	.730
Moderator				
Generation_4	-.04	.18	-2.44	.015*
Interaction Term				
Pay equity × generation_4	.12	.05	2.71	.007**

*p < .05, **p < .01, ***p < .001 (2-tailed)

Discussion of Findings

The combined results indicate that the relationship between pay equity and job engagement differs across generations. Internal and procedural equity were positively associated with engagement, whereas external equity showed no



significant effect. The moderating analyses further revealed that MZ employees' engagement was more responsive to perceived equity, particularly procedural transparency, than that of older generations.

Although MZ employees exhibited lower baseline engagement, their engagement levels increased markedly under high equity conditions, suggesting that their lower engagement reflects unmet expectations rather than a lack of motivation. In contrast, older generations, shaped by stability-oriented employment norms, appeared less affected by variations in perceived equity, maintaining relatively stable engagement levels across equity conditions.

These findings highlight that perceived equity functions as a salient motivational condition shaped by generationally embedded value orientations.

Conclusion

This study contributes to the understanding of how generational context shapes responses to organizational equity. The findings demonstrate that generational identity moderates the relationship between pay equity and job engagement, emphasizing the need to interpret equity perceptions within generation-specific value systems.

Theoretical Implications

This study extends equity and engagement research by showing that the motivational role of equity depends on generational identity. It also highlights the multidimensional character of pay equity and clarifies the conceptual distinction between generational and age effects, thereby refining the theoretical framework for examining equity and engagement across generational groups in the workforce.

Practical Implications

From a managerial perspective, organizations are encouraged to align compensation practices with generational expectations regarding equity. Enhancing procedural transparency and reinforcing internal equity are particularly important for engaging MZ employees, while recognizing that tenure, stability, and loyalty remain effective for older generations. A differentiated approach to pay design that combines structural equity with generationally informed value orientations is therefore recommended for multigenerational workforces.

Limitations and Dimensions for Future Research

This study has several limitations that provide opportunities for further research. The binary MZ–older classification provided analytical clarity but may have overlooked heterogeneity within each group. Although additional analyses with four generational groups yielded consistent results, future research could adopt more nuanced definitions and account for factors such as career stage, tenure, and compensation preferences. Moreover, the equity–engagement relationship may operate indirectly through mediating factors such as organizational trust or perceived organizational support. Lastly, as the data were drawn from South Korean white-collar employees, comparative studies across institutional contexts would help establish the cross-cultural generalizability of these findings. Future research could also explore how emerging practices, such as pay transparency and algorithm-based compensation systems, interact with generational differences in equity perceptions, offering insights into equitable and sustainable compensation design.

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