

Influence of Employer Branding on Employee Retention

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Abstract

Employer branding is the strategic effort by which a company shapes and projects its image as an employer. It encompasses the organization's culture, values, work environment, and overall reputation, aimed at attracting and retaining top talent. Employer branding exerts a significant impact on employee retention by fostering a sense of belonging, purpose, and satisfaction among employees. When a company's values, culture, and opportunities are clearly communicated and aligned with employees' aspirations, it creates a more positive and fulfilling work environment. Employee engagement and loyalty are increased by a good employer brand, increasing the likelihood that employees will stick with the company. When employees feel valued and motivated, job satisfaction rises, and turnover rates fall. Effective employer branding can establish an emotional connection between employees and the company, making them more invested in its success and encouraging them to build long-term careers within the organization. This research demonstrates how employer branding affects employee retention. It identifies various factors that come under employer branding that maybe or will have an effect on employee retention. The study has been carried out in a company located in Bangalore on a convenience sample of 60 respondents through the distribution of structured questionnaire to the employees of the company. Investigating the effect of business branding on employee retention is one of this study's main goals. to examine the elements that influence employee retention in employer branding and to assess the relationship between employer branding and retention. Chi-Square, Correlation, and Regression are the methods for data analysis used. The result shown in chi-square is, employer branding has a significant influence in Employee Retention. Employer branding and employee retention are significantly correlated, according to correlation analysis... And in Regression, it shows that employer branding is a major predictor of employee retention, where company contributing in training and development is the major predictor of employee retention. In conclusion this study conveys that every organization should brand itself in order to retain its employees and use various factors that can be used to retain the employees.

Keywords: Employer branding, employee retention, relationship, employees

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INTRODUCTION

Achieving sustained growth and success for organizations means attracting and keeping top personnel in the current, fiercely competitive business environment. Companies that want to keep a steady and effective workforce have a significant problem in employee retention. Although several factors affect retention rates, the idea of "employer branding" has attracted a lot of attention lately.

Employee perceptions of their workplace and the emotional bonds that develop between them and their company are referred to as employer branding

[1]. It includes things like the company's culture, values, working environment, perks, and chances for career advancement. Employer branding has the potential to be a powerful tool for attracting, retaining, and engaging personnel, which will boost organizational performance when it is properly managed. The main goal of this research is to look into and analyze how business branding and employee retention are related. We hope to shed light on the complex dynamics that affect an organization's capacity to retain its staff by exploring this relationship. The study aims to comprehend how a powerful and positive employer brand might affect employee engagement, loyalty, and happiness, ultimately reducing turnover rates [2].

LITERATURE REVIEW

Even though they are less likely to be hired, today's job hopefuls favor reputable employers. The HR department needs to market the business as an employer. Employer branding can include a company's reputation, core principles, and workplace culture. Employee loyalty is more influenced by employer branding than by elements that do not affect employees' emotions. SPSS and Sobel are used in this study for both descriptive and inferential analysis. According to the results of [3] influence test, employer branding improves employee performance and retention, and employee retention improves employee performance. The results of the mediator's path analysis and Sobel test indicate that, after taking employee retention into account as a mediator, the direct impact of company branding on employee retention is not statistically significant [4]. The mediator test shows that employee retention fully mediates the impact of corporate branding on employee performance. 2) Employers may boost worker performance by enhancing employee retention through career options, rewards, and interpersonal relationships with workers [5]. When employability and job security are on the line, employees are interested in working for a company with a strong brand so that their futures are sufficiently secure to handle the country's economic position. Employees always want to get associated with a brand, whether they are in India or another nation, to boost their self-market worth. When a company is looking to hire new employees, it is thought that employees who are part of a more well-known brand are in more demand. Employer branding has been proven to positively influence employee retention during COVID-19 and to have a favorable link with several aspects of employee retention. An employer brand is made up of all the strategies used to represent a company as a sought-after employer. In today's highly competitive business environment, businesses are having a harder time finding competent individuals that are essential for company success. Employer brand has become one of the instruments that business enterprises use to attract and keep talent to deal with this challenge. enterprises utilize several practices to attract and retain talent [6]. The organizations have been found to have many practices for both prospective hires and present workers, and it has been noted that their awareness of the employer brand notion is high. These actions have demonstrated how they set themselves apart from their rivals in terms of business traits, workplace culture, and worldwide opportunities. This study will look at two alternative models to better understand how company branding affects the relationship between work-life balance and employee retention among Generation Z workers. The PLS-SEM analysis found a substantial link between work-life balance, job stress, emotional tiredness, and depression. as well as employee retention. According to this study, corporate branding has a considerable regulatory impact.

Rather than altering the link between work-life balance and employee retention, The relationship between emotional exhaustion and employee retention among Generation Z workers. These results could be included in the creation of a human capital plan to keep Generation Z workers [7]. Human resourcing and retention are among the top issues for many businesses in both emerging and established countries, owing to significant staff turnover rates that frequently rank among the top five challenges. Regardless of whether a corporation is motivated by a desire to increase human resources and employee retention in order to achieve superior organizational performance. The study found that employer branding strategies affected how long employees stayed at Kenyan universities, and it advised top university management boards and councils to strengthen employer branding strategies' effects on retention. It also advised developing, putting into practice, and reviewing a strong employer branding

strategy that unites all employees and helps them become known to the outside world by sharing a visual identity through a set of symbols [8].

PROBLEM STATEMENT

The goal of the issue statement is to determine how employer branding affects employee retention. The purpose of this study is to shed light on the value of employer branding in retaining employees and how businesses can use their brand to draw in and hold on to top talent. Organizations can invest in efforts that will improve their brand reputation and raise their chances of attracting and keeping the finest candidates by having a clear grasp of how employer branding affects recruiting and retention tactics.

NEED FOR THE STUDY

The purpose of studying Impact of employer branding on Retention at workplace in Hire spot is to see if the Employee Branding actually an influence in Retention of the employees has by considering various factors like compensation, work life balance, corporate social responsibility, training and development, healthy work environment, and retention strategies.

OBJECTIVES

Investigating the impact of employer branding on employee retention, the link between the two, and the employer branding elements that predict employee retention.

OBJECTIVES OF THE STUDY

The company is based in Bangalore's Btm 2nd Stage. It is a service-based company that is in its growing stage. It newly launched the company website including a job portal, known as Hire spot [9,10]. The study is limited to the employees of Know your Skills, it takes into account all the 7 departments of the company which includes HR, Digital Marketing, Sales, UI/UX, Front end Developer, Back-end Developer, and Full stack Developers. It also studies the employees at all levels irrespective of their designation.

RESEARCH METHODOLOGY

Research design is descriptive and predictive in nature.

- Primary Data
 - Questionnaire
 - Data collection instrument is questionnaire that is sent through Google form.
- Secondary Data
 - Company website, Company business profile, Journals, Articles, Newspapers.
- Sample size: As per the 5% margin of error, 95% confidence level, the sample size has been ascertained as 60.
- Population: 70
- Statistical tools used: Chi- square, Correlation, and Regression.

STATISTICAL ANALYSIS

Hypothesis

H1 = Employer Branding has significant influence in Employee Retention.

H2 = There is a significant relation between Employer Branding and Employee Retention.

H3 = Employee Retention is predicted by Employer Branding.

H0 = Employee Retention is not influenced by employer branding.

H1 = Employee Retention is heavily influenced by employer branding.

Here, P value is 0.000

That is, the p value is smaller than 0.050. Therefore, we need to Reject H0 and Accept H1

Hence, we can say that Employer Branding has significant influence in Employee Retention.

Table 1. Chi-square tests.

	Value	df	Asymptotic Sig. (2-tailed)
Pearson Chi- square	348.19	162	.000
Likelihood Ratio	206.22	162	.011
Linear-by-Linear Association	5.11	1	.024
N to Valid Cases	60		

Table 2. Correlations.

		avrgEB	avrgER
avrgEB	Pearson Correlation	1.000	.294
	Sig. (2-tailed)		.023
	N	60	60
avrgER	Pearson Correlation	.294	1.000
	Sig. (2-tailed)	.023	
	N	60	60

H0 = There is no relationship between Employer Branding and Employee Retention.

H2 = There is a significant relation between Employer Branding and Employee Retention.

Here,

P value is 0.023 R value is 0.294

Which means, p value is less than 0.05?

R value is 0.29 which is weak uphill positive Linear Relation. Therefore, Reject H0 and Accept H1

Hence, we can say that, there is a significant relation between Employer Branding and Employee Retention.

Regression

Ho = Employee Retention is not predicted by employer branding (Table 3).

H3= Employee Retention is predicted by Employer Branding.

Here, among EB1, EB3, EB7, EB10, EB13, EB16, and EB19, EB10 is the major predictor of employee retention, where p value is 0.031 which is less than 0.05.

Therefore,

Company investing in training and development is the major significant predictor of Employee Retention.

Where 1 unit increase in Employee Branding will lead to 36% increase in employer retention.

$y = bx + a$

$b = 0.11; a = 2.46; y = 0.11x + 2.46$

Table 3. Coefficients(avrgER).

Coefficients (avrgER)					
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.46	.32	.00	7.60	.000
EB1	.15	.07	.27	2.26	.028
EB3	-.20	.06	-.37	-3.70	.001
EB7	-.10	.05	-.30	-1.80	.078
EB10	.11	.05	.36	2.21	.031
EB13	.14	.05	.32	2.86	.006
EB16	.10	.04	.28	2.73	.009
EB19	.08	.04	.21	2.13	0.38

CONCLUSION

In summary, corporate branding is crucial in determining the success of staff retention programs. A compelling and authentic employer brand attracts top talent by showcasing a supportive work culture, growth opportunities, and employee well-being. This emotional connection and alignment with organizational values foster long-term loyalty, reducing turnover rates. Leveraging digital platforms amplifies the brand's impact, reaching a wider pool of potential candidates who resonate with the organization's vision. Continuous evaluation and transparent communication reinforce the brand's credibility and employee satisfaction. Investing in a robust employer branding strategy empowers organizations to retain top performers, boost productivity, and gain a competitive edge in the talent-driven landscape. Also, we can say that Know Your skills investing in Training and development is the major predictor of employer branding.

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