



INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

An International Open Access, Peer-reviewed, Refereed Journal

A Study On Impact Of Employer Branding On Employee Retention With Reference To Manufacturing Industry

Lavanya M¹ Chitra D²

Student¹, professor²

Master of Business Administration¹²

Panimalar Engineering college¹²

Ponnamallee, Chennai.

Abstract: This research explores the impact of employer branding on employee retention. It focuses on factors such as job satisfaction, compensation and benefits, work-life balance, career growth opportunities and perceived social value, and how these impact on attracting top talent and retaining the talent. A structured questionnaire was administered to 162 randomly selected employees, and data was analyzed using SPSS with tests like Mann-Whitney U, Kruskal-Wallis, Spearman correlation, and Chi-square. Findings reveal that most employees are satisfied, especially with work-life balance, job satisfaction and social value. However, factors like as remuneration and possibilities for career advancement require improvement. Overall, employer branding plays a key role in enhancing employee retention and supporting organizational growth.

Keywords: Employer branding, Employee retention, Job satisfaction, career growth opportunities, work - life balance, Compensation and benefits.

1. INTRODUCTION

Employer branding refers to the strategic process through which organizations position themselves as employers of choice to a targeted talent pool that they seek to attract, recruit, and retain. It encompasses various facets of the organization, including its reputation, core values, organizational culture, and the overall employee experience. In the context of an increasingly competitive and dynamic labor market, employer branding has emerged as a critical component of human resource strategy, serving not only as a means of attracting high-quality talents, but also as a means of building employee loyalty and long-term retention. A clearly articulated employer brand communicates the organization's mission, workplace environment, professional development opportunities, and the unique attributes that distinguish it as a desirable place to work. The influence of employer branding on employee retention is profound, as it shapes employees' perceptions of their value within the organization, enhances job satisfaction, and strengthens their emotional and professional commitment to stay with the company over time.

Importance of Employer branding:

Employer branding improves employee retention by creating a sense of belonging and aligning employees with the company's values, resulting in increased engagement and motivation. It encourages open communication, increases job satisfaction through a positive work environment, and attracts top talent. As a result, businesses gain from lower turnover rates, lower hiring expenses, and more operational stability.

Challenges of employer branding:

Employer branding has benefits, but it can lead to unhappiness and mistrust if brand claims do not match actual employee experience. It requires a significant amount of time, work, and resources to maintain.. Overemphasis on branding without genuine workplace improvements might appear insincere and harm credibility both internally and publicly.

2. OBJECTIVES OF THE STUDY

1. To determine the relationship between employer branding and employee retention rates.
2. To analyze the impact of employer branding on employee satisfaction with compensation.
3. To assess the effect of employer branding on work-life balance and career growth.
4. To analyze the influence of employer branding on perceived social value and retention intentions.

3. SCOPE OF THE STUDY

This study explores the impact of employer branding on employee retention at Sea Hydrosystem India Private Limited, focusing on how branding influences employee perceptions, job satisfaction, long-term commitment, alignment with organizational culture, and effectiveness of communication channels. It examines key retention factors such as workplace culture, career growth opportunities, and HR policies while assessing the effectiveness of strategies like recruitment, training, and rewards in shaping the employer brand. Additionally, it analyzes the link between employer branding and employee loyalty, identifying areas for improvement. The study aims to provide data-driven insights to enhance employer branding efforts, strengthen retention strategies, and build a more committed workforce.

4. REVIEW OF LITERATURE

Avinash Chopra (2023):

The study's goal is to look into the relationship between employer branding (EB) and talent retention, as well as the function of employee engagement as a mediating factor in the relationship. The sample size for this study was acquired from 397 information technology professionals. The analysis was conducted using partial least square structural equation modelling. The findings suggest that employee engagement mediates the relationship between EB and talent retention. The findings might assist business planners. The study's goal is to look into the relationship between employer branding (EB) and talent retention, as well as the function of employee engagement as a mediating factor in the relationship. The sample size for this study was acquired from 397 information technology professionals. The analysis was conducted using partial least square structural equation modelling. The findings

suggest that employee engagement mediates the relationship between EB and talent retention. The findings might assist business planners and managers focus their efforts on employer brand features to successfully engage their employees.

Raja (2021):

The study aims to explore the relationship between employer branding and talent management in the manufacturing industry, an area with limited research. It analyzes branding roles, their impact on talent acquisition, and company techniques. A conceptual model is proposed, leading to a concrete hypothesis for future studies. The findings are expected to reveal a strong link between employer branding and talent management, offering valuable insights for practitioners and researchers.

5.RESEARCH METHODOLOGY

The study uses a descriptive research design to examine the relationship between employer branding and job satisfaction. A sample size of 162 employees was selected using convenience sampling from a total population of 280. Data collection follows quantitative methods, and since the data is not normally distributed, non-parametric tools was applied for analysis.

Categories	Sub-categories	Number of respondents	Percentage %
Age	18 - 25	86	53
	26 - 35	68	42
	Above 36	8	5
Gender	Male	115	71
	Female	47	29
Department	Production	81	50
	Supply chain management	45	28
	Human Resources	7	4
	Sales and Marketing	20	12
	Finance	9	6
Level of experience	0 - 5 years	121	75
	6 - 10 years	32	20
	Above 10 years	9	6
Designation	Entry - level	22	14
	Mid - level	106	65
	Senior - level	18	11
	Executive	9	6
	Managerial	7	4
Total	All categories	162	100

FINDINGS:

From the above table it is clearly shown that, 53% of respondents are in the age group of 18 - 25, 42% of the respondents are in the age group of 26 - 35, 5% of respondents are in the age group of Above 36.

The above table, it is clearly shown that 71% of respondents are male and 29% of respondents are female.

From the above table it is clearly shown that 50% of respondents are belongs to production, 28% of respondents are belongs to supply chain management, 4% of respondents are belongs to human resources, 12% of the respondents are belongs to sales and marketing and 6% of respondents are belongs to Finance department.

The above table it is clearly shown that 75% of respondents have 0-5 years of experience, 20% of respondents have 6-10 years of experience and 6% of respondents have above 10 years of experience.

From the above table it is clearly shown that 14% of respondents are in the Entry-level, 65% of respondents are in the mid-level, 11% of respondents are in the senior-level, 6% of the respondents are in the executive level and 4% of respondents are in the managerial level.

INFERENCE:

The majority of the respondents are 18 - 25 of age group (53%).

The majority of the respondents are Male (71%)

The majority of the respondents are from Production (50%).

The majority of the respondents are 0 - 5 years (75%).

The majority of the respondents are in Mid - level (65%).

Figure 1: Demographic profile

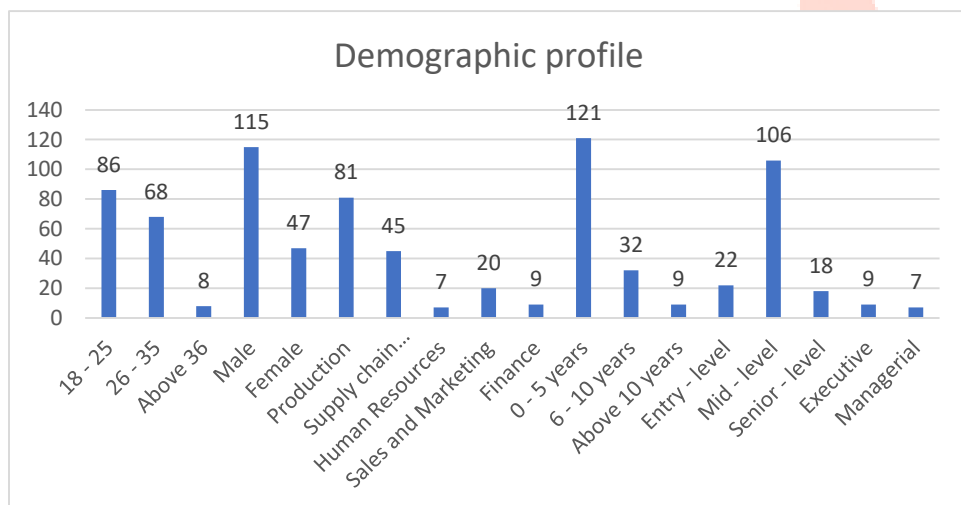


Figure 1: Demographic profile

6.2 STATISTICAL TOOLS

MANN WHITNEY U TEST

Null Hypothesis (H_0): There is no significant difference between the mean rank of male and female with respect to work-life balance and career growth.

Alternative Hypothesis (H_1): There is significant difference between the mean rank of male and female with respect to work-life balance and career growth.

Table 2: Mann Whitney u-test

Test Statistics ^a	
	Work – life balance and career growth
Mann-Whitney U	2.650E3
Wilcoxon W	3.778E3
Z	-.210
Asymp. Sig. (2-tailed)	.834
a. Grouping Variable: gender	

INFERENCE:

since p-values for all variables are greater than 0.05. It inferred that there is no significant difference between the work-life balance and career growth opportunities of male and female

KRUSKAL WALIS H TEST:

Null Hypothesis (H_0): There is no significant difference in employee satisfaction with compensation across different level of experience.

Alternative Hypothesis (H_1): There is significant difference between in employee satisfaction with compensation across different level of experience.

Test Statistics	
	Compensation
Chi-Square	.935
df	2
Asymp. Sig.	.626
a. Kruskal Wallis Test	
b. Grouping Variable: exp	

Table 3-kruskal walis h-test**INFERENCE:**

From Kruskal wallis h test since all p-values are greater than 0.05. This indicates that there is no significant difference in employee satisfaction with compensation across different level of experience.

SPEARMAN**CORRELATION**

Null Hypothesis (H_0): There is no significant relationship between employer branding and employee retention.

Alternative Hypothesis (H_1): There is significant relationship between employer branding and employee retention.

Table 04- Spearman correlation

Correlations				
			Employer branding	Employee retention
Spearman's rho	Employer Branding	Correlation Coefficient	1.000	.432**
		Sig. (2-tailed)	.	.000
		N	162	162
	Employee retention	Correlation Coefficient	.432**	1.000
		Sig. (2-tailed)	.000	.
		N	162	162
**. Correlation is significant at the 0.01 level (2-tailed).				

INFERENCE:

It is inferred that there is a moderate positive relationship between employer branding and employee retention. Hence strong employer branding leads to high retention rate.

7. SUMMARY OF FINDINGS

1. It is inferred that the majority of the respondents belong to the 18 - 25 age group
2. It is found that most of the respondents are Male
3. The majority of respondents are from the production department.
4. It is inferred that the respondents have 0 – 3 years of work experience
5. It is found that the respondents are from the mid – level category.
6. From Mann Whitney u test since p-value are greater than 0.05. This means there is no significant difference between male and female employees in their responses regarding work-life balance and career growth opportunities.
7. From Kruskal wallis h test since p-values are less than 0.05, we reject the null hypothesis (h_0). This indicates that there is a significant difference was found in compensation satisfaction among different experience levels.
8. From Spearman correlation test, a moderate correlation positive relationship was identified between employer branding and employee retention, hence stronger branding leads to higher retention.

8.SUGGESTION

- ☐ Promote better work-life balance through flexible work arrangements and wellness initiatives.
- ☐ Align organizational culture with employee values to foster loyalty and engagement.
- ☐ Promote diversity and inclusion to enhance social value and sense of belonging.
- ☐ Implement tailored onboarding and engagement strategies for employees with 0–5 years of experience.
- ☐ Conduct regular employee feedback and satisfaction surveys and continue investing in employer branding.

9.CONCLUSION

The study shows that employer branding plays a key role in keeping employees satisfied, motivated, and loyal. Most employees feel valued and connected, especially with benefits like. Work-life balance and career growth opportunities. However, there's still a need to improve areas like compensation and perceived social value. Since employees at different levels have different needs, a one-size-fits-all approach may not work. Conduct regular employee feedback and satisfaction survey and continue investing in employer branding.

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