Impact of Employer Branding on Employee Retention

Eti Mangal

Abstract

Employer branding distinguishes what is unique about employment within the company in question from equivalent competitors. To stand out in the labour market today, it is required that companies have an established and visible job with employer branding. This work strengthens the employer brand and leads to the staff choosing to stay in the workplace because of the activities and well-being factors that work with internal employer branding creates.

For this study, a survey was conducted for a sample size of 100 respondents. The collected data were analyzed statistically using SPSS.

Keywords*: Training, work performance, employer branding, personnel, employee retention.*

1. Introduction

The global labour market is undergoing a change that has been going on for a long time. In today's global market, the most common way to advance in working life is to change employers. This is addressed in the metro article "Millennials are the world's best at changing jobs" then millennials in an international survey will be excellent at having the most employees' ants in the brallan. According to wage statistics from the Central Bureau of Statistics, it is shown that half-million Europeans as compared to Americans changed employers between the years 2008 and 2012, which also resulted in higher salaries. Unlike Europe's neighboring countries where one in ten is actively looking for a new job four out of ten millenials are looking for a new job. Development opportunities and wage advances are what make every third European official think they are active in a new workplace within a year.

As there are high costs that are related to staff choosing to leave the organization is it is important to retain existing staff. The costs can consist of new recruitment, training in formal and informal contexts, changed group dynamics, and temporary inefficiency within the organization due to possible understaffing (Ongori, 2007).

Impact of Employer Branding on Employee Retention

People in organizations are an expensive but important resource as they are involved and contribute to a competitive advantage over other companies. Within each organization, some key people contribute to development and efficiency and thus become extremely important to maintain market position (Brannick, 2001). Because talents and key people are individuals who contribute or may contribute a great deal of added value to the organization are they are also attractive to other employers. As there is a great demand for them, this means one struggle that creates difficulties for companies to maintain them (Isukapally, 2006) Preventive work to minimize the risk of employees considering employment with another employer can be an individualized development work within an existing company.

Human resource management is the management of the human resource in the company. The concept can be traced back to the 1950s when the understanding of staff contributions to organizational success was noted, which meant that companies no longer saw the staff as one interchangeable resource (Armstrong, 1987). Human resource management has since further developed to serve as an umbrella for all the activities that affect the staff at a workplace. A general expectation of the HR function is that it will contribute added value to the organization and this through a developed process and personnel work on both strategic and operational levels. An important part of the activities as the HR function consists of is the development work of the staff, which in the long run also means the development of the company (Lemmergaard, 2008).

Employer branding is a concept in human resource management that was introduced by Ambler and Barrow in 1996. They pointed out that the main purpose of employer branding was to give management a tool to more easily improve recruitment, loyalty, and retention of staff and increase productivity (Ambler and Barrow, 1996). It is a long-term strategy for implementing an attractive view of the workplace for existing and potential employees (Sullivan, 2004).Backhaus and Tikoo (2004) describe employer branding as an umbrella concept that enables all the human resource management activities that contribute to creating a strong attractiveness for the company. Further, they mean that the reason for gathering the various activities such as recruitment, development, and career opportunities under a collective name is because it thus becomes more effective than if the management had worked with the different activities separately (Backhaus and Tikoo, 2004)

Employer branding is divided into an external and internal parts based on the same activities fixed with two different purposes. The external part aims to create a strong employer brand

Impact of Employer Branding on Employee Retention

which is achieved by being an attractive workplace that succeeds to attract and attracting new and talented employees to the company. The internal part of employer branding affects the existing staff to retain this by creating well-being (Backhaus and Tikoo, 2004). It's this part that will be affected in the study as the focus is on retaining staff. It's for the same reason as the external part will be excluded from the study as it does not constitute the same relevance at the retention of existing staff.

2. Literature Review

Lewis and Heckman (2006) state that there are divided views on what talent is management means and what and who is a talent. For that reason, they define talent management through three different perspectives. These three different perspectives depict three different one's ways to use talent management (Lewis and Heckman, 2006).

Although there are different views on how talent management should be defined, it can conclude that the common denominator is to maximize the number of talents in the company staff to achieve long-term competitive advantage. Therefore, a connection can be made between talent management and human resource management as they both work with staff to achieve improved business performance (Ariss et al., 2014). Then talent management touches on activities around retaining and developing staff is the concept of the highest relevance to explain how companies work to create advancement for the staff and thus retain them.

Human resource management is a broad concept that includes a variety of activities where the common denominator for all is that these concern man (Aurand et al., 2005). Human resource management has emerged from the 1950s personnel administration and has become increasingly popular since its introduction in the 1980s. One The reason why the step from personnel administration was taken was that the work would now involve one more value-creating work. The realization that staff is not just an interchangeable resource was revealed in the 1950s, however, it was not until 30 years later that the work developed more towards what is today called human resource management (Armstrong, 1987).

One of the reasons why organizations work with staff is to retain them and make it even more competitive as in many cases it is costly with high staff turnover. The costs include recruitment, training and development efforts,and lower productivity of other employees during the training period. Thus, it is a high priority for the organization to succeed in retaining staff then the cost linked to high staff turnover is large (Ongori, 2007). Another

Impact of Employer Branding on Employee Retention

challenge for employees in human resource management is that these should create value by being involved in the strategic decisions taken while working operationally to implement the decisions. Activities involved in human resource management are including recruitment, planning, decommissioning, and staff development. Thus, works human resource management is an umbrella term for all the activities involving staff (Lemmergaard, 2008).

In this context, there are two perspectives on development, the first of which is individual development and the second is organizational development. The former leads to the latter which ultimately results in organizational success. In individual development, which is a product of human resource management, there is, among other things, competence development, professional development, and career opportunities (Swanson, 1995). Competence development means one, from the organization's side, arranged training and the opportunity for an individual's skills developed for the benefit of the organization (Drejer, 2000).

Professional development is for the difference from competence development more informal and learning is not shaped by classroom teaching but can, for example, consist of the possibility of interaction between different individuals in the same industry through a professional network (Drejer, 2000). Career opportunities within an organization mean that there is an opportunity for advancement within the organization. The availability of information about other jobs, through other globalization, has made it easy to want to change jobs. For this reason, It is important that the employer is flexible and has a dialogue with the employee about what he or she is doing has for career opportunities within the organization (Vosand Cambré, 2016).

What has prompted the emergence of employer branding is the increasing competition of competent staff, as companies depend on skilled employees to reach the appointed strategic goals. To attract and retain the right staff, the company must be actively involved in works to make attractive employment available to them. Focus within employer branding has shifted from affecting recruitment, ie the external part, to targeting more focus on the internal part which is the retention of staff. Then the internal part has gained more focus, this has meant that the distribution is now more equal between the internal and the external part, which is effective for the company as both are the result of the same efforts (Mosley, 2007).

Impact of Employer Branding on Employee Retention

Employer branding distinguishes what is unique about employment within the company in question towards equivalent competitors (Gözükara and Hatipoğlu, 2016). To stand out In the labor market today, it is required that companies have an established and visible job with employer branding. This work strengthens the employer brand and leads to the staff choosing to stay in the workplace because of the activities and well-being factors that work with internal employer branding creates (Mosley, 2007).

Berthon et al. (2005) stipulate that there are five types of well-being factors employer branding is based on. The five factors consist of development, social exchange, interesting tasks, development tasks, and salary and benefits (Berthon et al. 2005). Different people are attracted to different factors which are important for the company to have an understanding of personnel work (Berthon et al. 2005). Development is seen by the individual as both developments within the company and personal development (Berthon et al. 2005). Backhaus and Tikoo (2004) believe that a solid work of employer branding results in one qualitative recruitment as an influx of competent and attractive staff is attracted by one employment at the company. Furthermore, this also means that more employees choose to continue working as the company actively works with efforts to retain staff. One of several results of this is an increased value of human capital due to the development that the company caters for (Backhaus and Tikoo, 2004).

Furthermore, Backhaus and Tikoo (2004) state that the companies' work to satisfy the staff's opportunities for career paths has been handed over to the staff themselves. That is, individuals seek services at other companies to achieve advancement. To meet that demand of career opportunities in companies today, it has become increasingly popular to work with this problem in employer branding. This despite the fact that from the beginning it was not just one tool for working with career paths, it has proven to be successful. This is due to that employees in companies without career opportunities lose the fighting spirit and thus also the company, which is not desirable. In the best of worlds, there is communication between the organization and employees where the individual's desired career development is articulated and the organization's goals are thus realized. In this world, both parties understand the big one the success that can be achieved through collaboration, and where employer branding works as one tool (Backhaus and Tikoo, 2004).

Talent management as a concept in human resource management has gained a lot of impact since the turn of the millennium despite the fact that there is no established definition but has

Impact of Employer Branding on Employee Retention

been expressed in different ways (Ariss et al. 2014). Collings and Mellahi (2009) choose to define talent management as activities and processes that help to identify key positions that in various ways contribute to the organization's long-term competitiveness.

Furthermore, the organization is looking for individuals who can shoulder the roles and create value for their positions. Finally, the organization needs to design an HR structure whose goal is to actively work with activities to retain these employees (Collings and Mellahi, 2009)

In the late 1990s, talent management was used only for employees at the highest level but this has changed over time and now involves employees in all competitive areas positions. Even though the target group has changed, the importance of working actively with talent remains management. This is because in a competitive market it is required that companies have a strong staff with the best skills to survive and develop (Collings and Mellahi, 2009).

Tansley (2011) notes that the word talent and its meaning differ depending on the language which is spoken. There are also differences in meaning within the individual languages. This means that talent can have different meanings depending on the context of the word used (Tansley, 2011). Furthermore, Tansley describes talent based on, among other things, three different perspectives, talent through high potential, talent through achievement, and talent through behavior (Tansley, 2011).

Talent through high potential, Tansley believes, is associated with individuals who show the most potential to be able to assume a leadership role in the future. A talent according to this perspective is one individual who has the ability, commitment, and willingness to advance to a more qualified position. Talent through achievement is defined as individuals whose actions lead to organizational success. This action does not only consist of specific tasks but can consist of expert knowledge, leadership qualities, creativity, and initiative. According to this perspective, talent is defined depending on which segment the organization is active in then this varies and various above-mentioned properties are sought.

Talent through behavior means that the individual is judged according to how his behavior is considered to fit into the organization. Usually, Estimated behavior within this perspective means that the individual in question has developed leadership qualities, however, it is not only this trait that is positively treated within perspective. There are other behaviors that are valued in individuals such as their ethical approach, it is organizational and there are variations of what is experienced positively in the specific organization. The reason for the

Impact of Employer Branding on Employee Retention

behavior being seen as talent is due to the fact that it is considered difficult to change this in an individual. If behavior is to the strategic advantage of the organization, this can be used and developed to create competitiveness. Tansley thus means that there is no unified view of what talent is without it rather being about the context in which the subject is discussed (Tansley, 2011).

Lewis and Heckman (2006) define talent management through three different perspectives. The first perspective defines talent management as a new and more effective combination of classic HR activities that include recruitment, development, and career paths. An employment shall be attractive and the company must actively work to find and retain talent. Further writing Lewis and Heckman that proponents of this perspective believe that some practitioners tend to be too narrow because of what activities talent management consists of. Examples of This may be that a recruiter believes that talent management only refers to and touches recruitment within a company. The authors of the article see talent management in this perspective as synonymous with human resource management (Lewis and Heckman, 2006).

The core of the second perspective consists of personnel planning, which is one of many activities in human resource management. The difference between this perspective and traditional personnel planning is that the emphasis is on internal personnel planning and actively demonstrates opportunities for advancement within the company. Thus, this work promotes career development for the employees within the company. The perspective also includes activities as external recruitment and selection; however, these are located in the periphery. A basic idea within the perspective is that a broad understanding of existing employees is required, to create effectively, one's solutions that are in line with the company's strategic interests. With the collected information, it is common among practitioners to use templates and software systems as tools for efficiently performing basic personnel planning (Lewis and Heckman, 2006)

The third and final perspective does not consider specific positions within the company. Common view on talent refers to individuals with high potential or who are high performing and management does not value whether the individual in question is high or low on the hierarchical scale. What distinguishes this perspective is that the company categorizes the employees according to their achievements. The categorization can take place, for example, through the use of A, B and C groupings in descending order where the A-employee is a

Impact of Employer Branding on Employee Retention

school example of an individual with high potential or that is high-performing (Lewis and Heckman, 2006). This is in line with Hafeez et al. (2002) description of what core competencies are and that these should be handled carefully, and that the organization should cater to these talents and key people development needs. This is because if the organization succeeds in retaining core competencies, it will generate added value to the organization through increased competitiveness (Hafeez et al. 2002). The employees are the individuals who, according to the management, do not perform according to set performance targets. Because the added value of these employees' performance is low the organization does not have any resources for their development but works instead to lay off these in the long run. Thus, it can be concluded that development is a central concept in talent management when it is touched on in Lewis and Heckman's three perspectives (Lewis and Heckman, 2006).

According to Jacobsen and Thorsvik (2002), there are many theories about what motivates people, and Achim et al. (2013) believe that this is due that motivation being personal and based on the individual's needs. To an individual must be justified, it is required that certain acts or actions are performed in order to satisfy the need. Abrahamsson and Andersen (2005) believe in having a driving force and being motivated is a trait that exists only in individuals and according to organizations or groups cannot be motivated. Individuals can however feel motivation through attempts to achieve set goals and thereby feel satisfaction. Rewards can be a contributing factor to motivation, that There are two types such as external and internal motivation. To be motivated by monetary Rewards can be categorized as external motivation while motivation is created on an emotional level, such as job satisfaction, which is defined as inner motivation (Van Dam, 2015). Jacobsen and Thorsvik (2002) believe that the research regarding motivation in companies is usually focused on how reward systems create motivation within the organization.

People can end up in situations where they feel a need for performance and this can affect them in different ways. A competitive man who has high-performance needs tend to react positively when they have high demands on themselves. They see it as a challenge and are motivated to put in more effort, while People who avoid competitions tend to have a low need for performance (Nilsson, 2013).

3. Research Methodology

Impact of Employer Branding on Employee Retention

The researcher will adopt a mixed methodology approach where the researcher will collect and analyze both primary and secondary data. The secondary data collected will be analyzed via the literature review. The primary data will be collected by conducting a survey and the data will then be analyzed statistically using SPSS.

4. Findings and Analysis

		Employee Retention			Employee Retention
Attract People	Correlation of Pearson	0.676	Training and Development	Correlation of Pearson	0.318
	Sig. (bilateral)	0.0000		Sig. (bilateral)	0.0000
	N	1500		N	1500
Design of Jobs	Correlation of Pearson	0.489	Remuneration	Correlation of Pearson	0.667
	Sig. (bilateral)	0.0000		Sig. (bilateral)	0.0000
	N	1500		N	1500
Performance Evaluation	Correlation of Pearson	0.763	Career Plans	Correlation of Pearson	0.693
	Sig. (bilateral)	0.0000		Sig. (bilateral)	0.0000
	N	1500		N	1500

Table: Pearson correlations

Model	R	R square	R square adjusted	Standard Error
1	.619a	.467	.552	.47161232
a. Dependent variable: Employee Retention				
b. Predicted values: (constant), Attract People, Training and Development, Design of Jobs, Remuneration, Performance Evaluation, Career Plans				

Table: Multiple regression model summary

At this point, it is recognized that the need to deepen the processes through which the human resources themselves and their management influence organizational results is a matter recognized and accepted, although it is not easy to establish the exact way in which performed. The need to retain human capital has been a confirmed strategy of the company. So then, based on the bibliography described, it is in a position to define and propose the best

management practices of human talent, and its importance in the retention of human talent in organizations.

The good practices of Human Management of the companies, then, are effective for the retention of personnel that adds value to the strategy of companies. The good practices of Human Management of the companies, then, are effective for the retention of personnel that adds value to the strategy of companies supported with a positive impact from the proposed practices.

5. Conclusions

As explained throughout this work, everything that is done within the organization must have an order, an objective. It is then said that with a human management model, oriented to the person, where their job satisfaction in all aspects comes first, it necessarily translates into policies of retention of human talent, which will always offer benefits to the company.

However, it is difficult to reach a conclusion that allows applying what has been learned in the practice, because derived from the results obtained, more doubts arose than answers. For example, what percentage of the population that is over nine years old within the organization simply remains within it because it does not want to leave from your comfort zone, perhaps the salaries are more competitive than in the market (exogenous variable), it could be that employees decide not to move in order not to lose seniority, or there are simply leaders that affect the organization but it is still believing in her. In general, more questions were found than answers, and it is here where the reader can realize how the issue of personnel within an organization is so complex that it requires further analysis to be able to correctly apply the incentive scheme (not necessarily monetary) that need to be offered or correct in order to achieve permanence within the organization.

References

Abrahamsson, B. & Andersen, JA (2005). Organization: to describe and understand organizations.

Achim, IM, Dragolea, L. & Balan, G. (2013). The importance of employee Motivation to Increase organizational performance.

Impact of Employer Branding on Employee Retention

Ambler, T., & Barrow, S. (1996). The employer brand. The Journal of Brand Management, 4 (3), 185-206.

Ariss, AA, Cascio, WF, & Paauwe, J. (2014). Talent management: Current theories and future research directions. Journal of World Business, 49 (2), 173-179.

Armstrong, M. (1987). Human resource management: a case of the emperor's new clothes? Personnel Management, 1 (1), 30-35.

Aurand, TW, Gorchels, L., & Bishop, TR (2005). Human resource management's role in internal branding: an opportunity for cross-functional brand message synergy. Journal or Product & Brand Management, 14 (3), 163-169.

Backhaus, K., & Tikoo, S. (2004). Conceptualizing and researching employer brand. School of Business, 9 (5), 501-517.

Berthon, P., Ewing, M., & Hah, LL (2005). Captivating company: dimensions of attractiveness in employer branding. International Journal of Advertising, 24 (2), 151-172.

Brannick, J. (2001). Seven strategies for retaining top talent. The Journal of Business Strategy, 22 (4), 28-31.

Collings, DG, & Mellahi, K. (2009). Strategic talent management: A review and research agenda. Human Resource Management Review, 19 (4), 304-313.

Drejer, A. (2000). Organizational learning and competence development. The Learning Organization, 7 (4), 184-194.

Gözükara, İ., & Hatipoğlu, Z. (2016). The Effect of Employer Branding on Employees'. International Journal of Business Management and Economic Research, 7 (1), 477-485.

Hafeez, K., Zhang, Y., & Malak, N. (2002). Core competence for sustainable competitive advantage: a structured methodology for identifying core competence. IEEE Transactions on Engineering Management, 49 (1), 28-35.

Isukapally, M. (2006). Employee Retention - Talent Management. Alliance Business Academy, 3 (2), 101-107.

Jacobsen, DI & Thorsvik, J. (2002). How modern organizations operate. 2., [reef. uppl.].

Impact of Employer Branding on Employee Retention

Lemmergaard, J. (2008). From administrative expert to strategic partner. Department of Marketing & Management, 31 (2), 182-197.

Lewis, RE, & Heckman, RJ (2006). Talent management: A critical review. Human Resource Management Review, 16 (2), 139-154.

Mosley, RW (2007). Customer experience, organizational culture and the employer brand. Brand Management, 15 (2), 123-134.

Nilsson, N. (2008). Organization & leadership: governing right in a new era. Factbook. 6. Malmö: Liber.

Ongori, H. (2007). A review of the literature on employee turnover. African Journal of Business Management, 1 (3), 49-54.

Sullivan, J. (2004). Eight elements of a successful employment brand. ER Daily, 23 (2), 501-517.

Swanson, RA (1995). Human Resource Development: Performance Is the Key. Human resource development quarterly, 6 (2), 207-213.

Tansley, C. (2011). What do we mean by the term " talent " in talent management? Industrial and Commercial Training, 43 (5), 266-274.

Van Dam, K. (2015). Workplace Goal Orientation. European Journal of Psychological Assessment, 31 (1), pp. 62-68.

Vos, AD, & Cambré, B. (2016). Career management in high-performing organizations: A set theoretical approach. Human Resource Management, 1 (1), 1-17.

Banu, A. Shamim, And G. Sundharavadivel. "A Relationship Between Work-Life Balance And Job Performance Of Employees." *International Journal Of Human Resource Management And Research (Ijhrmr)* 9.2 (2019): 53-58.

Yedilkhan, Amirgaliyev, Et Al. "Predicting Heating Time, Thermal Pump Efficiency And Solar Heat Supply System Operation Unloading Using Artificial Neural Networks." *International Journal Of Mechanical And Production Engineering Research And Development* 9.6 (2019): 221-232.

Impact of Employer Branding on Employee Retention

Jha, S. U. S. H. M. I. T. A., And Ajai Kumar Singhal. "A Recent Study On Attrition Trends And Retention Practices In India: Issues And Implications." *International Journal Of Human Resource Management And Research* 4.2 (2014): 47-58.

Pallavi, E. V. P. A. S., And M. Bhanu. "Green Hrm: A Way For Corporate Sustainability." *International Journal Of Human Resource Management And Research (Ijhrmr)* 6.2 (2016): 13-20.

Sheikh, W. A. H. I. D. U. L., M. Shahedul Islam, And F. A. R. H. A. N. A. Rahman. "Implementing Green Human Resource Management: Cost-Effective Strategies And Tools." *Journal Of Entrepreneurship Organization Management* 8 (2019): 264.

Misra, Dr Sasmita. "The Effective Usage Of Social Media For Employer Branding."

Impact of Employer Branding on Employee Retention