

A Study to Analyze the Relationship Between Employer Branding and Employee Retention in Banking Sector

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ABSTRACT

These days, the employment environment is getting more and more competitive. Employer branding is quickly becoming a popular long-term HR approach in today's highly competitive environment for luring and retaining top people. Employees' perspectives on several aspects of corporate branding are explored in this study, along with their correlation with employee retention. Descriptive statistics and Pearson correlation analysis were used to analyse the data collected from the 220 employees that took part in the study. Based on the results, the three most favourable elements of employer branding are pay, work-life balance, and workplace environment. The strongest connections were seen in the areas of work-life balance, career advancement, and work environment, while all characteristics showed a favourable link with employee retention. The findings highlight the need for an all-encompassing strategy for employer branding, one that prioritises company culture, career advancement opportunities, and positive work environments in order to increase retention and keep employees engaged.

Keywords: *Employer Branding, Employee Retention, Work-Life Balance, Compensation, Work Environment.*

I. INTRODUCTION

The struggle for talent and the tightening of labour market competitiveness are direct outcomes of liberalisation and globalisation. Employment and retention of new talent have also been crucial to an organization's sustained success. The most important factor is that human capital improves organisational performance and generates value for the company. This is why there has been a lot of buzz around workplace branding as of late. In reality, as a retention management strategy, it is critical to determine the connection between employer brand and staff retention. There is a theoretical void in this area and the relationship between employer brand and employees' retention needs to be thoroughly investigated because of the significant role that employer brand plays in attracting and retaining talented individuals.

The idea of an employer brand originated in HR marketing. An organization's employer brand is the story it tells about itself as an attractive place to work, with the goal of attracting top talent rather than its rivals. A company's employer brand is its plan to attract and keep workers over the long run. Employer branding is an organised, long-term plan to manage the perceptions and knowledge of a certain company among current and future workers as well as other relevant stakeholders.

Both internal and external factors contribute to an organization's brand. The company's external brand is its collection of efforts to attract and retain top talent by presenting itself as an attractive workplace. What makes a company great from the inside out is its internal brand, which is a diverse group of present and former workers' perceptions of the company's ability to deliver on its promise of providing exceptional work experiences. Employer brands help businesses save money on HR, boost morale and productivity in the workplace, keep good people on staff, pay them less than competitors without brands, and fortify company culture.

When workers opt to continue working for the same company, this is known as retention. Employees that are crucial to the success of a business are the primary focus of retention efforts. When designing a retention program, it's important to think about why individuals work for, quit, and switch companies.

Companies that are unable to hold on to their best personnel are likely to fail, according to the conventional wisdom on employee turnover. Accordingly, reducing employee turnover is retention management's top priority. The following factors highlight the significance of employee retention: a scarcity of qualified workers, a diverse workforce, rising levels of competition, a lack of educational opportunities, and changes in workforce expectations due to demographic shifts and other changes in the workforce. All of these factors highlight how critical it is to hold on to current staff.

II. REVIEW OF LITERATURE

Nurhasanah, Intan & Qolby, Aufa (2025) in human resource management, employer branding is an important tactic for attracting and retaining top talent. There is a lack of research on its effect on employee retention, despite its well-documented importance in recruitment. This is particularly true when considering technology developments and workforce diversity. Issues with the Background: Changing expectations in the workforce, hybrid work patterns, and fiercer competition for talent are making it harder for organisations to hold on to their staff. A major concern for modern organisations is how employer branding can build loyalty and reduce turnover. Originality: This research highlights new tendencies including diversity, hybrid work, and technological integration by combining bibliometric analysis with practical insights. In doing so, it fills knowledge gaps about sector-specific branding strategies and the special requirements of millennials and those working in the gig economy. Research

Hussain, Mezhar & Aman-Ullah, Attia (2024) the purpose of this research is to look at the healthcare industry in Pakistan from the perspective of employer branding and staff retention, specifically looking at the mediating function of person-organization fit. The goal is to fill up the theoretical gaps and provide support for the research by using social identity theory. Using a survey approach, 468 nurses from hospitals in Islamabad and Rawalpindi were given structured questionnaires to complete.

With person-organization fit mediating the relationship, the results show that company branding has a favourable effect on employee retention. Because of the existence of person-organization fit, organisations that successfully use employer branding initiatives have a better chance of retaining their staff. It is the author's understanding that there is scant literature investigating the postulated relationship in Pakistani healthcare, with person-organization fit mediating the process. Healthcare practitioners would greatly benefit from the research because it will play a crucial role in formulating ways to improve staff retention in the healthcare industry.

Abdul Rahman, Azura et al., (2023) Organisations that want to build a strong and long-lasting workforce must pay attention to the effect of employer branding on staff retention. The purpose of this literature study is to analyse the effect of company branding on staff retention rates. Research investigating the link between corporate branding and employee retention is scarce, particularly in Malaysia. The purpose of this review is to fill knowledge gaps, provide implications for practice and future research, and throw light on the critical factors influencing employee retention. The studies included in this review were published between 2019 and 2023. Before reading the full-text articles, the articles were screened and filtered. Previous findings indicate that the majority of studies utilised a quantitative technique, the most widely used research method. Consequently, the findings of this study highlight the need to adequately focus on employer branding studies. Dimensions of employer branding, such as perceived organisational support, development value, work environment, and social value, are among the many elements that have a significant impact on employee retention, according to the results. The impact of company branding on staff retention is an area that needs further study, according to this literature review.

Chopra, Avinash et al., (2023) the purpose of this article is to look into how employer branding (EB) relates to keeping good employees around. In addition to examining the link between EB and talent retention, the article delves into the mediation function of employee engagement. Approach, methodology, and design the investigation was carried out using structural equation modelling with partial least squares. This study examines the connection between EB, employee engagement, and talent retention via the eyes of information technology workers ($n = 397$). Findings In order to successfully retain employees, this article provides empirical insights on how employee engagement promotes business value offerings to the employee. The results show that the relationship between EB and talent retention is partially mediated by employee engagement. Implications for practice The findings of this study point a diverse group of practitioners in the right route as they work for IT companies. Employees are more likely to put up their best effort when they feel they have a personal connection to their supervisors, team leaders, and coworkers.

Upadhyaya, Makarand & Ayari, Asma (2019) Looking at how organisations are trying to attract and keep the top talents gives you an idea of how important skilled employees are to the success of the firm. Through the development of a conceptual framework and its validation through empirical analysis, this study seeks to identify the characteristics that predict employer branding, employee retention, and commitment, as well as to establish the relationship among them. To achieve this goal, 150 personnel from the pharmaceutical business in India were surveyed using a pre-structured questionnaire. The elements of the questionnaire were validated by exploratory factor analysis. To

find out how employer branding relates to employee retention and commitment, multiple regression analysis was run. Employer branding, employee retention, and commitment are all significantly correlated, according to the results.

Gilani, Hasan & Cunningham, Lucy (2017) Researchers and practitioners alike are showing a lot of interest in employer branding and how it affects employees' opinions of their employers. This study's overarching goal is to learn how employer branding affects staff retention rates. Brand values, induction and training, internal brand communication, organisational culture, rewards and benefits, brand commitment, and employer brand management were the seven main themes that emerged from a comprehensive literature review of both classic and modern scholarly works on the topics. Employer branding, according to the literature review's overall analysis, is an integral part of the organization and its many employer brand features; it is valuable to employees and helps keep them employed, just as the company's culture. These results, in conjunction with other studies, support the idea that employer branding does affect employee retention. Possible directions for further study include conducting quantitative tests of the proposed theoretical framework and delving more into the seven identified themes of retail employer branding to see which brand features are most highly valued by staff. It would be possible to generalise these findings to the service industry as a whole if we could find that they hold true for various service organization setups using the same study methodology.

III. RESEARCH METHODOLOGY

Research Approach

The present study adopted the exploratory research approach for the examination of framed two objectives.

Sampling Technique

Convenience sampling is employed for this research.

Sample Size

220 employees were selected from HDFC bank.

Data Collection

The primary data collection involves observations and a structured questionnaire, utilizing a 5-Point Likert scale. Observations provide first-hand information on employer branding dimensions and strategies for attracting and retaining employees.

Statistical Tool

Descriptive Statistics were used as the preliminary analytical tool to summarize and describe the basic characteristics of the data. Measures such as mean and standard deviation were computed. To examine the strength and direction of the relationship between employer branding dimensions and employee retention, Pearson's Correlation Coefficient was applied.



IV. DATA ANALYSIS AND INTEREPRETATION

Table 1: Descriptive statistics of Employer Branding

Employer Branding Dimensions	N	Mean	Std. Deviation
Work environment	220	4.1823	0.92415
Values and culture	220	3.8926	0.98742
Career progression, Training, and Development	220	3.9458	0.99876
Compensation	220	4.4689	0.68431
Work-life balance	220	4.3927	0.73258

Descriptive data on employer branding, derived from 220 employee replies, show that attitudes are typically good in every aspect. An average score of 4.4689 (standard deviation=0.68431) was bestowed upon compensation. Average score of 4.3927 (standard deviation = 0.73258) for work-life balance was likewise rather good. There was a positive work environment with a mean score of 4.1823 and a standard deviation of 0.92415. On the other hand, attitudes and values (Mean = 3.8926; SD = 0.98742) and professional growth, education, and advancement (Mean = 3.9458; SD = 0.99876) scored rather lower.

Table 2: Correlation Analysis of Employer Branding Dimensions with The Employee Retention

		Retention	Work Environment	Values And Culture	Career Progression, Learning, Training, And Development	Compensation	Work-Life Balance
Retention	Pearson Correlation	1					
	Sig. (2-tailed)	-					
	N	220					
Work environment	Pearson Correlation	.658*	1				
	Sig. (2-tailed)	.000					
	N	220	220				
Values and culture	Pearson Correlation	.498**	.702**	1			
	Sig. (2-tailed)	.000	.000				
	N	220	220	220			
Career progression, training, and development	Pearson Correlation	.672**	.681**	.816**	1		
	Sig. (2-tailed)	.000	.000	.000			
	N	220	220	220	220		
Compensation	Pearson Correlation	.452**	.621**	.548**	.574**	1	
	Sig. (2-tailed)	.000	.000	.000	.000		
	N	220	220	220	220	220	
Work life balance	Pearson Correlation	.712**	.506**	.468**	.523**	.829**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	220	220	220	220	220	220

Data from 220 workers was used to conduct a correlation analysis between employer branding aspects and employee retention. The results showed that all dimensions were positively and significantly correlated with retention. The highest link ($r = 0.712$) is between work-life balance and employee retention, suggesting that workers who are able to strike a good work-life balance are more invested in their position. Further evidence of the relevance of growth opportunities and a supportive workplace in promoting employee commitment is shown by the substantial positive relationships between career progression, training and development ($r = 0.672$) and work environment ($r = 0.658$). Compensation ($r=0.452$) and values and culture ($r=0.498$) show moderate but substantial connections, indicating that paying employees a fair wage and living according to organizational standards both contribute to retention, albeit to a lesser extent.

V. CONCLUSION

According to the results, employer branding has a major impact on employee retention, and there is a strong correlation between employee retention and all aspects of employer branding. Recognized as the most important elements impacting retention, work-life balance, and work environment highlight the need of competitive rewards, supporting organizational policies, and a positive work environment in maintaining staff commitment. Aligning organizational procedures with employee expectations requires more attention to values, culture, and career mobility, but they also contribute positively. Financial incentives, chances for professional development, cultural fit, and work-life support should all be part of an organization's employer branding strategy if it wants to hold on to its brilliant people. Improved organizational success, employee happiness, and loyalty can result from focusing on these topics.

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