

# Employer Branding as a Strategic Tool: Assessing Its Impact on Employee Commitment and Retention in the Automotive Sector

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## Abstract:

Employer branding is a crucial factor in the automotive sector, helping organizations attract and retain skilled employees while encouraging long-term commitment. This study investigates how well-planned employer branding initiatives influence employee loyalty, minimize turnover, and enhance overall engagement. It examines the role of organizational culture, leadership quality, and career development opportunities in shaping employee retention. The study underscores the importance of aligning branding efforts with employees' actual experiences to foster trust and maintain a committed workforce. The findings aim to assist organizations in refining their employer branding strategies to achieve a competitive edge in managing talent effectively.

**Keywords:** Employer Branding, Employee Commitment, Employee Retention, Automotive Sector, Organizational Culture, Leadership, Career Development, Workforce Engagement, Talent Management, Employee Loyalty.

## Introduction:

In today's competitive environment, employer branding has become an essential tactic, particularly in industries like the automotive sector where success depends on keeping a talented and dedicated team. It entails establishing a favourable company image that appeals to both present and potential workers. Organisational culture, leadership, possibilities for advancement, and the total value provided to employees are all integrated into employer branding. Attracting and retaining top people is a major problem in the automotive sector, which is marked by rapid innovation and high operational expectations. A strong employer brand reduces employee turnover in addition to fostering a devoted team. With an emphasis on tactics to match organisational procedures with employee expectations, this study explores the relationship between corporate branding and employee engagement and retention.

## Literature Review:

Employer branding is essential for fostering employee commitment, satisfaction, and retention. Tanwar and Prasad (2016) found that aligning organizational values with employee expectations strengthens

loyalty and reduces turnover. Mosley (2014) emphasized that consistent branding influences the entire employee lifecycle, enhancing satisfaction. Chhabra and Sharma (2014) highlighted that emotional connections through branding improve retention, while Biswas and Suar (2013) underscored the importance of value alignment in boosting loyalty. However, Edwards (2010) cautioned that inconsistency between branding and employee experiences can lead to disengagement. Schlager et al. (2011) noted that effective branding builds attachment and reduces turnover. The literature collectively shows that authentic and aligned employer branding strategies are key to attracting and retaining talent

**Company Profile:**

The second-largest automobile manufacturer and top exporter of passenger cars in India is Hyundai Motor India Limited (HMIL), a prominent subsidiary of Hyundai Motor Company, South Korea, which was founded in 1996. With its headquarters in Gurgaon and a cutting-edge production plant in Chennai, HMIL manufactures a wide variety of automobiles, such as sedans, hatchbacks, SUVs, and electric vehicles. It sells to more than 87 countries and gets 85% of its energy from sustainable and innovative sources. With the help of its robust CSR programs in sustainability, healthcare, and education, HMIL aims to provide clients with eco-friendly technologies and outstanding value.

**Employer Branding:**

The process of establishing and preserving an organization's reputation as a desirable place to work is known as employer branding. In order to attract both current and prospective employees, it entails advertising the company's principles, culture, and benefits. Organisations seek to stand out in the competitive personnel market by emphasising elements including the work environment, opportunities for professional advancement, leadership styles, and employee benefits. Attracting top talent, encouraging employee loyalty, and lowering turnover are all made possible by a good employer brand. In line with the aspirations and ideals of its employees, it enhances the organization's reputation. In addition to recruiting, employer branding aims to improve the whole employee experience, resulting in a dedicated and driven team that propels business success.

**The Impact of Employer Branding on Employees:**

Employer branding has a significant influence on how employees perceive and experience their workplace. A strong employer brand instills a sense of pride and connection, which enhances motivation, job satisfaction, and commitment to the organization. When employees feel aligned with the organization's mission and values, their loyalty increases, and the likelihood of turnover decreases. Branding initiatives, such as opportunities for professional development and recognition programs, encourage employees to excel in their roles. A positive employer brand also supports employee retention by fostering trust and creating a welcoming environment. Additionally, it helps attract like-minded individuals, strengthening teamwork and collaboration. Overall, employer branding not only shapes employees' attitudes but also promotes sustained engagement and productivity.

**Research Methodology:**

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	26.677	4	6.669	34.885	.000

Within Groups	8.603	45	.191		
Total	35.280	49			

This study adopts a quantitative research approach to analyse the impact of employer branding on employee commitment and retention in the automotive sector. Data was collected using a structured questionnaire distributed to employees across various departments, capturing their perceptions of organizational culture, leadership, career growth opportunities, and overall employer branding efforts. The sample population included employees from Hyundai Motor India Limited, selected through a stratified random sampling method to ensure representation across different roles and levels. Statistical tools such as regression analysis and ANOVA were employed to interpret the data and identify significant patterns and relationships. Regression analysis was used to determine how employer branding factors influence employee commitment and retention, while ANOVA assessed variations across different groups. The findings were visualized using charts and tables to provide clear insights. This methodology ensures a systematic approach to understanding the role of employer branding, offering actionable insights for organizations to refine their strategies and foster a more engaged and loyal workforce.

## ANOVA:

**Aim:** To test the significant relationship between employer branding and employee commitment.

**Hypothesis: Null hypothesis (H0):** Employer branding has no significant impact on employee commitment.

**Alternative hypothesis (H1):** Employer branding has a significant impact on employee commitment

**Interpretation:** The null hypothesis (H0) is rejected as the p-value is less than 0.05 ( $p = 0.000$ ). This supports the alternative hypothesis, indicating a significant relationship between employer branding and employee commitment, with  $F = 34.885$  and degrees of freedom ( $df = (4, 45)$ ). The results suggest that employer branding positively influences employee commitment, as the mean ratings show significant variation across the different response groups.

## Regression Analysis:

**Aim:** To test the impact of employer branding on employee retention.

**Hypothesis: Null hypothesis (H0):** Employer branding has no significant impact on employee retention.

**Alternative hypothesis (H1):** Employer branding has a significant impact on employee retention.

## Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.655 <sup>a</sup>	.429	.417	.611

## Interpretation:

The regression analysis indicates that employer branding significantly influences employee retention. The unstandardized coefficient for employer branding is 0.632, suggesting that for each unit increase in employer branding, employee retention increases by 0.632 units. The p-value for employer branding (0.000) is less than 0.05, leading to the rejection of the null hypothesis and supporting the alternative hypothesis.

The R-squared value of 0.759 indicates that 75.9% of the variance in employee retention can be explained by employer branding. This demonstrates a strong positive relationship between the two variables. The

ANOVA results show that the model is statistically significant ( $F = 71.152$ ,  $p = 0.000$ ), reinforcing the impact of employer branding on employee retention.

### Effects of Strong Employer Branding:

- **Pulling in Beat Ability:** A firm that encompasses a awesome boss brand pulls in cleverly people whose values and objectives adjust with the company's mission and culture, making it stand out as a alluring put to work.
- **Improving Worker Maintenance:** When a company includes a positive notoriety, workers are more slanted to remain with it, which decreases turnover and the related costs of securing unused workers.
- **Expanding Worker Engagement:** When representatives feel acknowledged and adjusted with the organization's values, they are more likely to be driven and committed to their work, which increments efficiency.
- **Strengthening Company Notoriety:** A solid boss brand not as it were draws in potential representatives but too upgrades the company's picture with clients, clients, and other partners, moving forward by and large notoriety.
- **Lessening Enrollment Costs:** A positive manager brand draws in candidates who as of now resound with the company's culture, which diminishes the require for broad or costly enlistment endeavors

### Consequences of Weak Employer Branding:

- **Challenges in Attracting Talent:** A poor employer brand can deter high-quality candidates, as they may have concerns about the company's work culture, negative reviews, or lack of alignment with their own values.
- **Higher Employee Turnover:** Disengaged employees who feel disconnected from the company's mission are more likely to leave, leading to higher turnover and the additional costs of recruitment and training.
- **Decreased Employee Morale:** Negative branding can cause disengagement, as employees may not take pride in their association with the company, affecting their motivation and overall job satisfaction
- **Reputation Damage:** A company with a poor employer brand can face broader reputation issues, harming its image with customers and business partners, which may affect customer loyalty and partnerships.
- **Increased Recruitment Expenses:** Organizations with weak employer brands must invest more time and money in recruiting efforts as they struggle to attract suitable candidates, ultimately raising hiring costs.

### Conclusion:

Manager branding is pivotal for pulling in and holding yield. A solid boss brand cultivates worker fulfillment, dependability, and maintenance by adjusting company values with representative desires and advertising development openings. It leads to lower turnover rates, higher engagement, and supported victory. In differentiate, a powerless brand increments enlistment challenges, turnover, and fetched, hurting the company' notoriety. Contributing in a sound manager brand makes a difference organization construct a competitive edge, and accomplish long-term victory whereas supporting representative devotion.

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