



Available at :

<http://ojs.uinik-kediri.ac.id/index.php/ekonika>

**EkoNika**  
Jurnal Ekonomi Universitas Kadiri

## *The Impact of Employer Branding and Career Development on Employee Retention at Al-Ibrah Foundation*

Mirza Dwinanda Ilmawan<sup>1</sup>, M. Agil Busyiri Yafi<sup>2</sup>, Rosa Rilantiana<sup>3</sup>, Gatot Kustiyadji<sup>4</sup>

<sup>1234</sup>Universitas Internasional Semen Indonesia

Email : [mirza.ilmawan@uisi.ac.id](mailto:mirza.ilmawan@uisi.ac.id); [m.yafi16@student.uisi.ac.id](mailto:m.yafi16@student.uisi.ac.id); [rosa.rilantiana@uisi.ac.id](mailto:rosa.rilantiana@uisi.ac.id);

[gatot.kustiyadji@uisi.ac.id](mailto:gatot.kustiyadji@uisi.ac.id)

### Article History :

Received : 01 - 06 - 2023

Revised : 05 - 08 - 2023

Accepted : 28 - 08 - 2023

### Keywords:

employer branding; career development; employee retention

### ABSTRACT

*The purpose of this research is to determine the influence of employer branding and career development on employee retention applied at Al-Ibrah School in Gresik. The sampling was done using the proportionate stratified random sampling method. The sample for this study consisted of 65 respondents who were teachers at Al Ibrah School from kindergarten, elementary school, and junior high school levels. The analysis technique used in this research was multiple linear regression using SPSS software. The analysis results showed that (1) employer branding has a positive effect on employee retention, (2) career development has a positive effect on employee retention, and (3) employer branding and career development have a positive effect on employee retention. This indicates that the employer branding and career development implemented by Al Ibrah School in Gresik are important in retaining teachers who teach at the school.*

## INTRODUCTION

In the era of Industry 4.0, many sectors have undergone changes to keep up with the increasingly modern technology, especially in the business field. The Industrial Revolution 4.0 fundamentally has the potential to transform the way we live, work, and interact with each other (Schwab, 2016). As time goes by, technological advancements in the era of Industry 4.0 have had an impact on employees, making them more daring, critical, intelligent, and demanding higher welfare. Another fact arising from technological advancements in the era of Industry 4.0 is the high rate of employee turnover. A survey conducted by global HR consultants, Towers Watson, in 2014 involved 1,000 employees from various levels and demographics, aiming to determine the employee retention rate in an organization. According to the survey conducted by Tower Watson, 66% of Indonesian employees will leave their jobs in the next two years, while only 34% decide to stay long-term.

Organizations nowadays must have strategies to retain employees with good performance potential. One way to achieve this is by implementing employer

branding strategies. Employer branding is an effort by an organization to communicate to both current and potential employees that their company is a desirable place to work (Lloyd, 2002). According to Mathis and Jackson (2011), employee retention is also significantly influenced by career development. Career development is a process of identifying employees' career capabilities through the correct application of models to achieve them (Haryani, 2013). Career development can also provide opportunities for training, job promotions, and skill development to enhance employees' work in an organization (Meyer & Smith, 2000).

The implementation of employer branding strategies and career development is a necessity for organizations to identify the current and future needs of their employees, as well as building the right organizational image to work for. Employer branding and career development can also help retain employees, especially those with good performance potential, in the current organization and prevent them from switching to other organizations, which is known as employee retention. Employee retention is a process in which employees are encouraged to stay in an organization until their projects are completed or for a maximum period (Karthi and Devi, 2012). Employer branding and career development focus on the internal environment of the organization. One of their goals is to make employees feel comfortable and happy working in the organization and see it as a place to develop their future careers.

The Al-Ibrah Foundation in Gresik is one of the renowned educational institutions in Gresik City, with a vision to shape Qur'anic, highly achieving, and globally aware Muslim generations. The Al-Ibrah Foundation is an organization that excels in human resource management strategies in Gresik Regency. This makes people interested in and desiring to work there. The Al-Ibrah Foundation is also considered one of the best in retaining teachers, as evidenced by programs implemented to retain employees, such as providing a good work environment that supports teachers' creativity. The Al-Ibrah Foundation has several school units including the Integrated Islamic Kindergarten (TKIT Al-Ibrah), Integrated Islamic Elementary School (SDIT Al-Ibrah), and Integrated Islamic Junior High School (SMPIT Al-Ibrah).

Additionally, The Al-Ibrah Foundation provides training programs for its teachers. They also offer financial support for teachers who want to pursue further education, and the school provides leave for teachers who wish to continue their studies (Master's degree). The Al-Ibrah Foundation also assists in promoting positions for outstanding teachers, recommending them to the foundation's management in case of organizational restructuring. These programs are implemented by The Al-Ibrah Foundation with the aim of retaining employees amidst the current challenge of the difficulty in finding religious teachers, as quoted in the *Republika* website (Intan, 2019), which explains that Indonesia currently lacks Islamic religious education teachers. By implementing strong employer branding and career development at The Al-Ibrah Foundation, it is hoped to increase retention and encourage teachers to stay for a long period of time.

## LITERATURE REVIEW

Employer branding is a distinctive identity of an organization as an employer and a workplace that sets it apart from other organizations, with the aim of attracting potential high-quality employees and retaining productive employees with high job performance (Amelia, 2017).

Nawawi (2005) states that career development is a human resource management activity aimed at improving and enhancing the effectiveness of job performance by employees, enabling them to contribute their best to achieve the goals of the organization or company. Employee retention is a strategy that organizations must possess to retain talented employees. It emphasizes that retention is the act of maintaining or retaining (Huber, 2006).

## Theoretical Framework

Career development is an individual's personal growth in pursuing a career plan and an improvement by the personnel department to achieve a work plan in accordance with a career path or progression (Ardana, 2012). After implementing employer branding and career development effectively, it is expected to create a comfortable environment for employees and make them stay for a long time.

Furthermore, the research concept is formulated, analyzed, and interpreted according to the needs. This research framework aims to understand the relationship between the variables under investigation. A clearer description of the research framework can be seen in Figure 1 below:

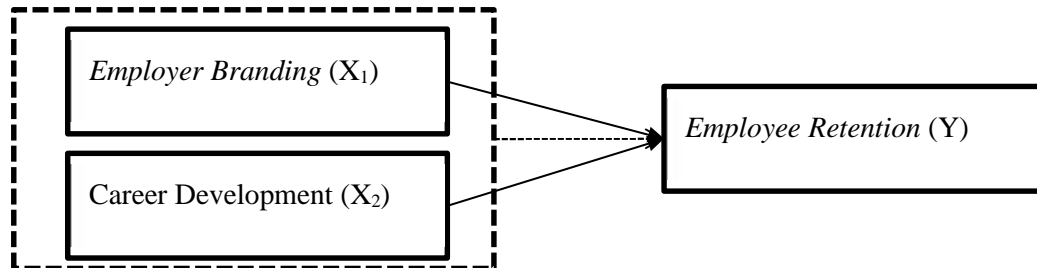


Figure 1. Conceptual Framework

## METHODS

This study uses a descriptive quantitative research method. The research employs a descriptive approach with the aim of explaining the research findings for better understanding. Additionally, it aims to examine the influence of independent variables, namely employer branding and career development, on the dependent variable, employee retention, in a more comprehensive manner. The primary data source for this research is obtained directly from the respondents. Quantitative data is utilized in this study as it involves numerical information. Quantitative research is based on positivism and aims to describe and test predetermined hypotheses (Sugiyono, 2018:15). Multiple regression analysis is employed in this study due to the presence of more than two independent variables. The objective of this research is to examine the influence of the independent variables, employer branding (X<sub>1</sub>) and career development (X<sub>2</sub>), on the dependent variable, employee retention (Y).

The population for this research consists of teachers at The Al-Ibrah Foundation in Gresik. The total population size for this study is 145 teachers. The sample size for a predetermined population can be calculated using the Slovin formula (Umar, 2009) as follows:

$$n = \frac{N}{1+N^2}$$

Keterangan:

n = Sample size

N = Population size

e = Research margin of error percentage due to tolerable sampling errors (e = 0.1)

$$n = \frac{1}{1+1 (0,1)^2}$$

n = 59t1 = 59 Respondent

The sampling technique used in this study is Proportionate stratified random sampling, which according to Sugiyono (2014) is a sampling technique used for populations that have non-homogeneous and proportionally stratified elements. This technique is used because the researched objects are stratified, consisting of several levels of education ranging from TKIT Al-Ibrah, SDIT Al-Ibrah, SMPIT Al-Ibrah, and this technique is used to reach the respondents accurately due to the implementation of this research coinciding with the COVID-19 pandemic conditions. The sample size in this study is 60 respondents, calculated as follows:

Table 1. The number of samples used in this study

School Type	Sample Calculation	Total Sample	Rounded Sample
TKIT Al-Ibrah	$\frac{1}{1} \times 59$	6.51	7
SDIT Al-Ibrah	$\frac{7}{1} \times 59$	29.70	30
SMPIT AL-Ibrah	$\frac{5}{1} \times 59$	22.78	23
Total		58.99	60

To avoid errors during the research, the researcher decided to increase the sample size by adding 5 samples, making a total of 65 samples in this study.

The variables used in this research consist of 2 variables, namely independent variables, employer branding and career development, and dependent variable, employee retention. First, employer branding is a distinctive identity of an organization as an employer and a workplace that differentiates it from other organizations, with the aim of attracting potential candidates who are appropriately

qualified and retaining productive employees with high job performance (Amelia, 2017). In this study, to measure the employer branding of an organization, 6 indicators are used referring to (Alnancik and Alniacik, 2012), including social value, market value, economic value, benefit value, cooperation value, and work environment, which are related indicators.

Second, career development is a human resource management activity primarily aimed at improving and enhancing the effectiveness of job performance by workers to enable them to make the best contributions in achieving the goals of the organization or company (Nawawi, 2005). In this study, to measure the career development indicator of an organization, 4 indicators are used referring to (Hasibuan, 2012), including education aspect, training aspect, length of service aspect, and promotion aspect.

Third, employee retention is something that makes employees have the desire to stay with the organization until the maximum period of time or until the project is completed (Luthans, 2008). In this study, to measure the employee retention indicator of an organization, 5 indicators are used referring to (Mathis and Jackson, 2006), including organizational commitment, organizational career opportunities, rewards, job design, and employee relations.

These variables are measured on a Likert scale. The Likert scale is used to measure the attitudes, opinions, and perceptions of an individual or a group of people about social phenomena (Sugiyono, 2017). After obtaining the respondent data, the instrument is tested, consisting of validity and reliability tests. Then, it proceeds to the classical assumption tests, including normality test, multicollinearity test, and heteroscedasticity test. The final stage is to test the hypotheses in this research.

## RESULTS

Instrument testing is conducted to determine whether the questionnaire used in the study is valid and reliable. The instrument testing consists of a validity test used to assess the validity of a questionnaire and a reliability test used to determine the extent to which a measuring instrument can be trusted and produces reliable results. In the validity test, this research has a  $r_{\text{value}} > r_{\text{table}}$  of 0.2181, indicating that the

questionnaire in this study is valid. Furthermore, in the reliability test, this research can also be considered reliable because the Cronbach's alpha value is  $> 0.06$ .

### a. Normality Test

Table 2. Normality Test Results

N	Asymp. Sig. (2-tailed)	Probability Value
65	0.069	0.05

Source: Primary data processed (2020)

Based on the normality test results above, the Asymp. Sig. (2-tailed) value is 0.069. Therefore, it can be concluded that the data distribution is normal because it has a probability value  $> 0.05$ .

### b. Multicollinearity Test

Table 3. Multicollinearity Test Results

Variabel	Tolerance	VIF	Conclusion
Employer Branding	0.367	2.725	There is no multicollinearity
Career Development	0.367	2.725	There is no multicollinearity

Source: Primary data processed (2020)

Based on Table 3 above, it can be seen that all Independent variables in this study have tolerance values  $> 0.1$ , which is 0.367, and VIF values  $< 10$ , which is 2.725. Therefore, it can be concluded that there is no multicollinearity in the regression model in this study.

### c. Heteroscedasticity

Table 4. Heteroscedasticity Test Results

Variable	Significance Value	Conclusion
Employer Branding	1.000	There is no heteroscedasticity.
Career Development	1.000	There is no heteroscedasticity.

Source: Primary data processed (2020)

The above Table 4 shows that all independent variables in this study have significance values  $> 0.05$ , thus it can be concluded that there is no heteroscedasticity in the regression model in this study:

#### d. Multiple Regression Analysis Results

Multiple linear regression analysis is the linear relationship between two or more independent variables ( $X_1, X_2, \dots$ ) and a dependent variable ( $Y$ ). This analysis aims to determine the direction of the relationship between the independent variables and the dependent variable, whether each independent variable has a positive or negative relationship, and to predict the value of the dependent variable. In this study, the regression analysis yields the following equation:

$$Y = 1.128 + 0.451(X_1) + 0.570 (X_2)$$

#### e. Hypothesis Testing Results

The t-test is a test on each independent variable to see if it individually affects the dependent variable, either by using a significance level of 0.05 ( $\alpha = 5\%$ ) (Ghozali, 2011). The t-test is used to examine the influence of each independent variable on the dependent variable and to determine whether the hypothesis in a research is accepted or rejected. If the value of  $t_{\text{value}} > t_{\text{table}}$ , it can be concluded that the independent variable has a significant influence on the dependent variable. As for the results of the t-test for each independent variable, first, it can be observed that the variable "Employer Branding" has a value of  $t_{\text{value}} > t_{\text{table}}$  ( $3.632 > 1.998$ ) and a significant value  $< 0.05$  ( $0.001 < 0.05$ ), thus it can be concluded that the "Employer Branding" variable has a positive influence on the "Employee Retention" variable. Second, the variable "Career Development" has a result of  $t_{\text{value}} > t_{\text{table}}$  ( $3.876 > 1.998$ ) and a significant value ( $0.000 < 0.05$ ). This indicates that the "Career Development" variable has a positive influence on "Employee Retention."

As for the results of the F-test, where simultaneous influence test is used to determine whether the independent variables collectively or simultaneously affect the dependent variable (Ghozali, 2016). The following are the results of the F-test in this study, namely:



Table 5. F-Test Results

F <sub>value</sub>	F <sub>table</sub>	Sig.	Conclusion
69,945	3,99	0,000	The null hypothesis (H0) is rejected, and the alternative hypothesis (H1) is accepted.

Source: Primary data processed (2020)

Based on Table 5 above, it can be seen that the F<sub>value</sub> is 69.945 and the F<sub>table</sub> value is 3.99. This indicates that the independent variables, namely employer branding and career development, simultaneously have an influence on the dependent variable, which is employee retention.

This study also has a coefficient of determination, where the coefficient of determination can be interpreted as the extent to which the independent variables are able to explain the variation in the dependent variable. The coefficient of determination in this study is 0.690, which means that 69% of employee retention can be explained by the variation in the two independent variables, namely employer branding (X1) and career development (X2), while the remaining 31% is explained by other variables not included in this study.

## CONCLUSION AND SUGGESTION

The following are the conclusions drawn from the conducted study:

1. The implementation of employer branding among teachers at the Al-Ibrah Foundation, which includes having good social values within the organization, engagement in social activities, strong teamwork, and a comfortable working environment, has been proven to enhance teacher retention.
2. The implementation of career development among teachers at the Al-Ibrah Foundation, which includes educational aspects, training aspects, length of service aspects, and promotion aspects, is capable of increasing the level of teacher retention at the Al-Ibrah Foundation in Gresik.
3. The implementation of employer branding and career development at the Al-Ibrah Foundation has been successfully applied. After being tested together using SPSS, both variables have a positive and significant relationship. Therefore, teachers at the Al-Ibrah Foundation are able to apply employer branding and career development effectively, thus influencing the level of employee retention.

4. The R-Square value of 69% indicates that 69% of employee retention can be explained by the variation in the two independent variables, namely employer branding ( $X_1$ ) and career development ( $X_2$ ), while the remaining 31% is explained by other variables not included in this study.

As for recommendations that can serve as a reference for the Al-Ibrah Foundation to make improvements to their institution, they are as follows:

1. In the effort to enhance employer branding, the Al-Ibrah Foundation can improve economic indicators, such as increasing salaries, as a way to acknowledge the individual abilities of employees/teachers.
2. To promote career development among employees/teachers in terms of length of service, the Al-Ibrah Foundation is expected to ensure the availability of job promotions based on the length of service.
3. In the employee retention variable, the Al-Ibrah Foundation should focus on indicators that recognize work achievements obtained by each employee/teacher. Praise and financial rewards for high-performing employees contribute significantly to the effort to increase employee retention.

## BIBLIOGRAPHY

- Allen, D. G., Bryant, P. C., & Vardaman, J. M. (2010). Retaining talent: Replacing misconceptions with evidence-based strategies. *The Academy of Management Perspectives*, 24(2), pp. 48-64
- Alniacik, E., Alniacik U. (2012). Identifying Dimensions of Attractiveness in Employer Branding: Effects of Age, Gender, And Current Employment Satus. *Procedia - Social and Behavioral Sciences*, Vol. 58
- Amelia (2018). *Employer Branding When HR is the new Marketing*. Kompas Media Nusantara: Jakarta
- Bryman A, Bell E. (2007). *Business Research Method*. New York: Oxford.
- Dawn, dan Biwas. (2010). *Employer Branding A New Strategic Dimension of Indian Corporations*. *Asian Journal of Management Research*, Vol. 22
- De Meuse, Kenneth P, Mlodzik, Kevin J. (2010). A Second Look at Generational Differences in the Workforce: Implication for HR and Talent Management. *Korn/Ferry Leadership and Talent Consulting*. 33(2): 51-58
- Ferizal, I. (2016). *Journey to be Employer of Choice*. Jakarta: PT Gramedia Pustaka Utama

- Ghozali. (2011). "Aplikasi Analisis Multivariate Dengan Program SPSS". Semarang: Badan Penerbit Universitas Diponegoro.
- Hadi N, Ahmed S. (2018). Role of Employer Branding Dimensions on Employee Retention: Evidence from Educational Sector. *Journal Administrative Sciences*
- Hasibuan, Malayu. (2000). *Manajemen Sumber Daya Manusia, Edisi Revisi*, Jakarta: PT. Bumi Aksara.
- Huber, D.L. (2006). *Leadership and Nursing Care Management. Thirt Edition* Philadelpia: Saunders
- Jobplanet. *Tingkat Kesetiaan Karyawan dari Berbagai Generasi di Dunia Kerja*. Diakses dari [blog.id.jobplanet.com](http://blog.id.jobplanet.com)
- Karthi dan Devi. (2012). A Study on Employee Retention in Leading Multinational Automobile Sector in India. *International Journal of Management Research and Review*, Vol. 2 Issue 9
- Lew, E. B. (2009). *Employer Branding Kelompok Usaha Bina Nusantara*. *JurnalManajemen*, (Online),
- Luthans, Fred. 2008. *Organizational Behavior*. Singapore: McGraw-Hill
- Mahardika, P. dan Artha, W. (2015). Pengaruh Kepuasan Kerja Terhadap Turnover Intention Dengan Komitmen Organisasi Sebagai Variabel Intervening Pada PT. Autobagus Rent Car Bali. *Jurnal Ekonomi Dan Bisnis Fakultas Ekonomi Universitas UNUD Bali*. Vol. 4
- Mathis Robert L, dan Jackson John H. (2002) *Human Resource Management*. Alih Bahasa. Jakarta: Salemba Empat
- Muma, et al. (2019). Influence of Employer Branding Strategies on Retention of Employees in Universities in Kenya. *International Journal of Social Science and Humanities Research*. Vol. 7 Issue. 2
- Paul J, Raj A. (2017). A Study on the Influence of Employer Branding on Employee Retention in IT Companies around Chennai City. *The International Journal Research Publication's*. Vol. 6 No. 3
- Ritson, M. (2002) Marketing and HE collaborate to harness employer brand power. *Marketing*, 24, 1-21
- Rudhumbu, et al. (2014). Use of Employer Branding as a tool for Attracting and retaining Talent: Evidence from Private Higher Education Institutions (PHEIs) in Botswana. *Journal od Education and Practice*. Vol. 5 No. 28
- Rumankit, Dwiyan. (2019). Dampak Employee Branding pada Efektivitas Rekrutmen. *Jurnal Bisnis Darmajaya*. Vol. 05 No. 01
- Schwab. (2016). *The Fourth Industrial Revolution*. World Economic Forum.
- Sekaran. (2006). *Metode Penelitian Bisnis*. Jakarta: Salemba Empat.

- Sokro. (2012). Impact of Employer Branding on Employee Attraction and Retention. *European Journal of Business and Management*, Vol. 4 No. 18.
- Stewart, G.L. dan Brown, K.G. (2012). *Human Resources Management, Linking Strategy to Practice*, 2nd Edition. United States: John Wiley and Sons, Inc.
- Sugiyono. (2012). *Metode Penelitian Kuantitatif Kualitatif dan R&D*. Bandung: Alfabeta.
- Sugiyono. (2013). *Metode Penelitian Pendidikan Pendekatan Kuantitatif, Kualitatif, dan R&D*. Bandung: Alfabeta.
- Sugiyono. (2014). *Metode Penelitian Pendidikan Pendekatan Kuantitatif, Kualitatif, dan R&D*. Bandung: Alfabeta.
- Sugiyono. (2016). *Metode Penelitian Kuantitatif, Kualitatif dan R&D*. Bandung: PT Alfabeta.
- Sugiyono, (2017). *Metode Kuantitatif, Kualitatif, dan R & D*. Bandung: Alfabeta.
- Susilo. (2013). Pengaruh Retensi Karyawan dan Kepuasan Pelanggan Terhadap Kinerja. *Jurnal Studi Akuntansi dan Bisnis*, Vol.1 No.3.