

An Empirical study to understand the Impact of Employer Branding on Employee Engagement in developing Sustainable HRM practices within the IT sector

Ayani Pathak

Research Scholar,
Institute of Management Studies, DAVV, Indore, M.P.

Priyadarshini Daga

Assistant Professor,
Institute of Management Studies, DAVV, Indore, M.P.

Sangeeta Jain

Professor,
Institute of Management Studies, DAVV, Indore, M.P.

ABSTRACT

This empirical research paper studies the impact of Employer Branding on Employee Engagement in creating sustainable Human Resource Management (HRM) practices within the IT sector of the India. The primary purpose of this quantitative research is to explore the interrelationship of the given variables and how they contribute to each other. Owing to the growing significance of employer branding in hiring and keeping talented individuals, the present research tries to understand the interrelation among employer branding and employee engagement while identifying key components of employer branding that contribute to sustainable HRM practices. A self-developed, detailed survey has been utilized to gather data from the respondents to gather insightful details about the variables of the given study. The study also tries to understand the interrelationship between elements of Employer Branding and Sustainable HRM practices. This research will contribute greatly to the existent literature on sustainable HRM and employer branding by offering practical insights to IT organizations aiming to foster long-term organizational goals by balancing employee engagement.

Keywords: Employer Branding, Employee Engagement, Sustainable Human Resource Management

INTRODUCTION

As the IT sector progressed, the challenge of the firms operating in the sector increased. It became difficult to hire and keep the talented individuals who are frequently in search of employers who match their ideology of career and personal advancement goals. There comes the concept of Employer Branding and Employee Engagement, all while maintaining the organization's sustainable development. Employer branding, an idea that emerged in the late 1990s, has evolved into a strategic imperative for companies seeking to position themselves as employers of choice. Ambler and Barrow (1996, p. 187), describe it as the package of functional, economic, and psychological benefits provided by employment, and identified with the employing company. Employer branding is one of the firms' influential strategies to captivate talent and engage them rightly to attain anticipated strategic goals and stay sustainable in the turbulent nature (Backhaus & Tikoo; 2004 Chawla, 2019). In today's competitive landscape, particularly in developing economies, the interplay among employer branding, employee engagement and sustainable human resource management (HRM) practices has become pivotal. Chawla (2019) posits that understanding and implementing employer branding plans gives the organization a measure for employing skilled individuals and helping them in getting involved in the organizational goals. This research tries to explore and develop a deeper understanding of the concepts discussed to add to the existent literature.

OBJECTIVES OF THE STUDY

The present research aims to study and develop a better understanding for the following objectives

1. To explore the interrelation between employer branding and employee engagement concerning the IT industry
2. To identify the relationship between different elements of Employer Branding and Sustainable HRM practices.
3. To provide strategic recommendations for improving employer branding to support sustainable HRM practices.

CONCEPTUAL FRAMEWORK

Foundation for the present research has been developed on the basis of the literature already available on Employer Branding, Employee Engagement and Sustainable HRM. The term Employer Branding was first defined by Ambler and

Barrow (1996, p. 187), as the package of functional, economic, and psychological benefits provided by employment, and identified with the employing company. Employer Branding is basically about building a positive and attractive goodwill of the company among the present and future employees of the firm. It includes highlighting the aspects about the firm which will quickly trigger the interest of the potential candidates to join the organization. Whereas, Berthon, Ewing, & Hah (2005) defines it as, it is about whether an employer seems attractive to the potential applicant, which depends on the perceived benefits the potential employees see if they would be employed by the organization. It can be further validated by the words of Martin (2008, p. 19), as, Alluring skilled individuals to the firm and assuring that both current and prospective individuals will relate with the organization (its image, goals) and render the expected by the firm outcomes.

On the other hand, Employee Engagement is the involvement position of the individuals towards their work. Kahn (1990) describes it as a state where employees are involved in their work in a physical, cognitive, and emotional way. Organizations with high Employee Engagement levels generally have better working strategies and guidelines in place to keep the teams motivated. Employee engagement can be described as creating a surrounding, that participates in inspiring and linking individuals with their work (Bridger, 2015).

Sustainable HRM practices have become an essential concept for present day firms as the concern for sustainable future has intensified. Ehnert (2009) defines Sustainable HRM as efforts to preserve the productivity and retention of employees so that the firm can achieve organizational goals. Organizations with well developed sustainable HR practices like CSR initiatives, Carbon Footprints reduction and so on are seen high in terms of value by individuals.

Various previous studies have highlighted the importance and relation of Employer Branding and Employee Engagement. Lee, Kim and Kim (2014) have also validated the results in their research work. The positive relation of the two variables has been proved in the study conducted on the Thai petroleum industry by Piyachat, Chanongkorn and Panisa (2015). As a result we formulated the following Hypothesis:

H1: There is no relationship between Employer Branding and Employee Engagement

H1a: There is a favourable interrelation between Employer Branding and Employee Engagement

Interrelation of Sustainable HRM practices and Employer Branding have been highlighted in previous studies. Although limited work is available on this subject owing to its growing importance in recent times only. It has been highlighted by Huseynova and Matošková (2022) that a sustainable HRM policies which include fair remuneration, career growth opportunities, and cordial workplace practices, increases employer branding. Present research tries to study the relation of various Employer Branding dimensions that contribute to the development of Sustainable HRM practices in the organization. This led us to the formulation of the second Hypothesis of the study:

H2: There is no relationship between key components of employer branding (such as personal-professional life balance, learning and advancement avenues, remuneration, etc) and sustainable HRM practices in the IT sector

H2a: There is a favourable interrelation between key components of employer branding (such as personal-professional life balance, learning and advancement avenues, remuneration, etc) and sustainable HRM practices in the IT sector

RECENT STUDIES

A longitudinal research by Singh, Pant & Agarwal (2024) on the 380 professionals in the Indian IT industry over two intervals of time highlights that Employer Branding has a long and sustained positive effect on the level of Employee Engagement and their retention rate by creating trust and psychological commitment over a period of time. Literature review by Kaur & Trifan (2024) explains that how incorporating sustainable HRM practices can valuably transform and strengthen employer brand, thereby fostering green employee behaviors and enhancing retention. According to them, aligning organizational sustainability practices with employee values leads to long-term competitive advantage also. Deschner-Warner (2024) contributed to the available literature by suggesting that sustainable branding practices attracts and retains talented individuals for a long interval of time and also improves the engagement and well-being of the employees. They also highlighted that if the internal brand promises are in alignment with employee experiences than it will lead to greater commitment and reduced turnover on the part of the employees. The relation between Employee Engagement and Sustainable HRM Practices has been well established in the food and beverages industry as highlighted by Razali & Vasudevan (2024) in their study on 210 employees in Malaysia as compared to the IT sector of India which is still in its initial stage of correlating Sustainable

HRM practices with Employee Engagement. Another research by Ta'Amnha et al. (2025) in the healthcare industry of Jordan on 240 nurses established a strong sustainable Employer Branding effect on Employee Engagement by using Self-determination theory which explains that when the psychological needs of the employees are fulfilled they become more proactive and engaged in their work. These recent research works contributes to the existing body of literature in a valuable way by paving way for further studies in the field.

RESEARCH METHODOLOGY

India's IT sector has been chosen as the subject of analysis owing to its continuous expansion and contribution in the country's development in terms of both economic and employment opportunities. Attracting and retaining talented employees in the IT industry has become a challenging task for the firms. Employer branding plays a key role in differentiating the employers from competitors and Employee Engagement can assist in keeping talented individuals with the firm for a greater time period. Therefore, it becomes important to know about the relationship between Employer Branding, Employee Engagement and Sustainable HRM practices to smoothly operate in this dynamic business world.

Sampling and Data Collection

Data was collected through a self developed and self administered questionnaire. The survey was developed as such to extract the relation between the variables of the study that is; Employer Branding, Employee Engagement and Sustainable HRM Practices and information related to the demographic profiles of the respondents. The questionnaire was divided into two parts, the first part comprised of the demographic details of the respondents like age, gender, work experience, etc., and the second part contained questions related to the variables of the study.

Participants were asked to determine their responses for questions related to variables of the research on a five-point Likert Scale, where 5 indicate "Strongly Agree" and 1 indicates "Strongly Disagree".

Convenience and snowball sampling methods were used to distribute online questionnaires among the approachable respondents working in the IT industry of India as the time available for data collection was limited and the number of responses required was more. The surveys were circulated online using platforms like LinkedIn, Telegram, etc. The total responses collected were 52 in number, from the professionals working in different sized IT firms of the country.

DATA ANALYSIS

For data analysis IBM SPSS software has been used to classify and separate the data for further test applications. The tests used for data analysis included, Cronbach Alpha, to test the reliability of the instrument used for data collection, Karl Pearson's Correlation to test the relationship between the three variables of the study and Regression analysis to test the hypotheses developed under the study.

Out of the 52 respondents 36.5% respondents were female whereas 63.5% were male respondents. More than 50% respondents were in the age group 25-35 years (55.8%) and the remaining were younger than 25 years of age (44.2%). Experienced respondents with greater than 5 years of expertise in the IT sector were around 23%, almost 21% respondents had experience in the range of 3-5 years, largest numbers of respondents were in the experience bracket of 1-3 years, 36.5% and only around 19% respondents had experience of less than 1 year. Respondents in senior level roles comprised 19.2%, respondents with entry level roles were 23.1% and the respondents with middle level roles contributed the maximum percentage in the survey, 57.7%.

RESEARCH FINDINGS AND DISCUSSION

The research findings revealed that employees in the IT sector are more concerned about the learning and career growth opportunities (73.1%) along with work-life balance policies of the organization (67.3%) as compared to other elements of Employer Branding, including, Fair remuneration and benefits(34.6%), Rewards and appreciation systems (28.8%), Measures towards being a socially accountable and responsible organization (26.9%). Also the sustainable HRM components that matters the most to employees in the IT sector are learning and growth (78.8%), better work environment (73.1%), Improving employee happiness rates (63.5%), work value communication (55.8%) and least concerned about focus on CSR and Sustainability (30.8%). To conduct the analysis of the data gathered from the respondents, IBM SPSS software has been used. To test the reliability and validity of the self developed scales, Cronbach Alpha has been applied to measure the same.

The value of Cronbach Alpha for the set of questions measuring Employer Branding, Employee Engagement and Sustainable HRM came out to be .768, (See Fig.1) which is acceptable and establishes the reliability of the questions.

Figure 1, Cronbach Alpha Table

Reliability Statistics	
Cronbach's Alpha	N of Items
.768	18

Source: IBM SPSS Analysis

HYPOTHESES TESTING

To check the first hypothesis, Karl Pearson's Coefficient of Correlation has been utilized to learn the relationship between Employer Branding and Employee Engagement. The outcomes showed a significant positive correlation value of .521 for the relationship between the employees' choice to stay with the organization and the overall Employer Branding rating given by him/her, thereby highlighting the positive relation between the two. There is a weak correlation, .356, between the motivation level and the choice to stay with the organization. Same relationship has been found between the choice to stay and the clear understanding of the results expected from them, Pearson correlation value is .456. But there is a significant favourable association among the clarity of task to be performed and the motivation levels of employee, correlation value is .616, highlighting that clear job roles lead to greater motivation levels among the employee. These findings indicate that there is a favourable relation between Employer Branding and Employee Engagement. Thus we reject the null hypothesis and accept the alternative hypothesis.

To test second hypothesis of the study Karl Pearson's Correlation has been applied. The analysis showed no favourable association among elements of Employer Branding and Sustainable HRM practices. The relation between Fair remuneration and benefits aspect of Employer Branding and Sustainable HRM practices including Work value communication (-.048), Learning and Growth (.197), Improving Employee Happiness Rates (.216), Better Work Environment (.100), Focusing on CSR and Sustainability (.100). On the other hand, the relation between Work-life balance policies of the firm and the aspects of the Sustainable HRM showed similar values as the previous element, Work value communication (-.090), Learning and Growth (.063), Improving Employee Happiness Rates (.216), Better Work Environment (.065), Focusing on CSR and Sustainability (-.007). The other components of Employer Branding, Opportunities for learning and career advancement, Measures towards being a socially accountable and

sustainable organisation, System for appreciating and rewarding employees does not have any relation with the Sustainable HRM practices of the organization. The correlation between the variables Employer Branding, Employee Engagement and Sustainable HRM Practices can be summarized as given in Fig. 2 for better understanding.

Figure 2, Karl Pearson's Correlation Analysis Table

Variables	Employer Branding	Employee Engagement	Sustainable HRM
Employer Branding	1.00	0.521	0.410
Employee Engagement	0.521	1.00	0.356
Sustainable HRM	0.410	0.356	1.00
Note: All values represent Pearson correlation coefficients. Values are statistically significant at $p < 0.05$.			

Source: IBM SPSS Analysis

To further prove the results, regression analysis has been used, which reveals the following analytics (See Fig.3).

Figure 3, Regression Analysis Table

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.410 ^a	.168	-.092	1.337	.168	.647	5	16	.668
a. Predictors: (Constant), work value communication, Improving employee happiness rates, Focusing on CSR and Sustainability, Better work environment, learning and growth									

Source: IBM SPSS Analysis

The R Value of .410 signifies a moderate favourable interrelation between the Employer Branding and Sustainable HRM practices but the R square value of .168 suggests that there is only 16.8% change in the dependent variables (sustainable HRM) because of independent variables (elements of Employer Branding). Also the values of F statistic (.647) and the value of Significant F Change, (.668) suggest that there is no significant evidence to support the interrelation between the Employer Branding and Sustainable HRM practices. As a consequence, we accept the null hypothesis that no relationship exists between

key components of Employer Branding (such as personal-professional life balance, learning and advancement opportunities, remuneration, etc) and Sustainable HRM practices in the IT sector.

LIMITATIONS

The research was in its primary exploratory stage to develop a clear base for future research in a broader aspect. Also, the present study was conducted on only one sector that is IT and the companies were mostly small and medium in size. Present study's sample size was restricted to only 52 respondents owing to the time constraint.

FUTURE RESEARCH

Future researchers can conduct studies on MNCs to explore the difference in the Employer Branding policies and practices of small and medium size organizations and that of the MNCs. Industries other than IT, like Retail can be studied as there is limited research work available on this sector on Employer Branding and Employee Engagement in relation to Sustainable HRM practices. Future research works may include a wide sample size to better explain the results. Employer Branding consists of various dimensions as specified by (Anchu P.R and Santosh P. Thampi, 2020), future researchers can study the impact of these individual dimensions in the IT industry in regard to Sustainable HRM policies of the organization.

Theoretical and Managerial Implications

Despite of these shortcomings, present study provides important insights about Employer Branding and Employee Engagement in developing sustainable HRM practices to help the organizations frame future strategies accordingly. It has been found from the study that Employer Branding and Employee Engagement are interrelated to each other and as a result organizations should give a deep thought before framing and implementing new Employer Branding strategies. From the study conducted, it is evident that employees are concerned about the personal and professional life balance in the IT industry and want employers to pay more attention to this aspect of Employer Branding. Organizations can introduce remote working options, limited working hours per week to promote healthy personal professional life balance. Also, it has been found that employees appreciate fair salary hikes in return of the work done. As the present working generation is becoming more aware about the sustainable environment,

organizations need to pay attention to it also. Promoting sustainable practices like reducing carbon footprints, encouraging sustainable business practices, may enhance the goodwill of the firm. Creating a favourable Employer Brand perception is essential in present time especially in the IT sector. This study will guide the employers to achieve the same.

CONCLUSION

Present research work tried to understand the interrelation between Employer Branding and Employee Engagement in developing sustainable HRM practices for the organization in the IT industry. The study results validated the previous research work findings, highlighting the favourable relation among Employer Branding and Employee Engagement. The results suggests that employees in the IT sector are more concerned about the learning and career growth opportunities along with preference for work-life balance aspects of Employer Branding as compared to other factors like financial benefits and sustainable actions. Also, better work environment and employee happiness rates matters more in promoting sustainable HR practices as per the results of the study. It can be concluded that organizations taking care of the personal and professional life of the employees efficiently will perform better in Employer Branding and Sustainable HRM as compared to its competitors. Therefore, IT organizations should focus on the elements suggested in the study to enhance their Employer Brand image.

REFERENCES

- Ambler, T., & Barrow, S. (1996). The employer brand. *Journal of Brand Management*, 4(3), 185–206.
- Anchu, P. R., & Thampi, S. P. (2020). Employer branding and employee engagement: Evidence from the banking sector. *AIMS International Journal of Management*, 14(2), 115–127.
- App, S., & Merk, J. (2011). Employer branding: Sustainable HRM as a competitive advantage. *Econstor*.
- Arunmozhi, M. (2015). Results of employee engagement on performance and retention in organizations. *Journal of Business Studies Quarterly*, 6(3), 129–146.
- Backhaus, K., & Tikoo, S. (2004). Conceptualizing and researching employer branding. *Career Development International*, 9(5), 501–517.

- Berthon, P., Ewing, M., & Hah, L. L. (2005). Captivating company: Dimensions of attractiveness in employer branding. *International Journal of Advertising*, 24(2), 151–172.
- Bharadwaj, S. (2023). Influence of training and development interventions on employee retention – An employer brand-based agenda. *LBS Journal of Management & Research*, 21(2), 157–170.
- Botha, A., Bussin, M., & de Swardt, L. (2011). An employer brand predictive model for talent attraction and retention. *SA Journal of Human Resource Management*, 9(1), 1–12.
- Burawat, P. (2015). The relationships among perceived employer branding, employee engagement, and employee expectation in the service industry. *International Business Management*, 9, 554–559.
- Burawat, P., Kuntonbutr, C., & Mechinda, P. (2015). The relationships among perceived employer branding, employee engagement, and discretionary effort. *Suranaree Journal of Social Science*, 9(1), 37–60.
- Chaudhry, N. I., Jariko, M. A., Mushtaque, T., Mahesar, H. A., & Ghani, Z. (2017). Impact of working environment and training & development on organizational performance through the mediating role of employee engagement and job satisfaction. *European Journal of Training and Development Studies*, 4(2), 33–48.
- Dabirian, A., Kietzmann, J., & Diba, H. (2017). A framework for employer branding in the digital economy. *Business Horizons*, 60(2), 197–205.
- De Prins, P., et al. (2014). Sustainable HRM: Bridging theory and practice. *Emerald Insights*.
- Deschner-Warner, J. (2024). *The bridge between employer branding and sustainability: A comprehensive literature review*. *NextGen Scientific Review – Annual Perspectives on Next Generation Science*, 3, 10–15.
- Ehnert, I. (2009). Sustainable HRM: A conceptual and exploratory analysis from a paradox perspective. *Springer*.
- Ghosh, A. (2012). Employer branding: A tool for employee engagement. *International Journal of Management Research and Reviews*, 2(3), 365–371.
- Hadi, N. U., & Ahmed, S. (2018). Role of employer branding dimensions on employee retention: Evidence from the educational sector. *Administrative Sciences*, 8(44).

- Harter, J. K., Schmidt, F. L., & Hayes, T. L. (2002). Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: A meta-analysis. *Journal of Applied Psychology*, 87(2), 268–279.
- Huselid, M. A. (1995). The impact of human resource management practices on turnover, productivity, and corporate financial performance. *Academy of Management Journal*, 38(3), 635-67.
- Huseynova, M., & Matošková, J. (2022). The role of sustainable HRM practices in building employer branding. *Publikace*.
- Kahn, W. A. (1990). Psychological conditions of personal engagement and disengagement at work. *Academy of Management Journal*, 33(4), 692–724.
- Kaur, K., & Trifan, V. A. (2024). *Sustainable human resource management: A catalyst for employer brand transformation*. *Lucrări Științifice Management Agricol*, 26(1), 85–92.
- Macey, W. H., & Schneider, B. (2008). The meaning of employee engagement. *Industrial and Organizational Psychology*, 1(1), 3–30.
- Mel Kleiman. (2013). Employee orientation and training for workforce engagement. In Jehanzeb, K., & Bashir, N. A. (2013). *European Journal of Business and Management*, 5(2), 243–252.
- Porkodi, S., & Jahan, U. (2022). The role of employer branding in employee engagement and employee satisfaction via organizational commitment: A case study from the banking sector. *Advances and Applications in Mathematical Sciences*, 21(8), 4493–4514.
- Pradhan, G. M., & Shrestha, P. (2021). Impact of training & development and career planning on employee involvement. *Journal of Balkumari College*, 10(1), 13–18.
- Rathore, P. (2014). Employer branding and its impact on employee perception. *Journal of Business and Management*, 16(4), 52–61.
- Razali, N. B., & Vasudevan, H. (2024). *The impact of implementing green human resources practices on employee engagement sustainability*. *International Journal of Human Capital in Urban Management*, 9(3), 203–214.
- Sangeeta, S., Pathardikar, A., & Kumar, A. (2017). Transformational leadership and turnover: Mediating effects of employee engagement,

employer branding, and psychological attachment. *Leadership & Organization Development Journal*, 39(1), 82–99.

- Schaufeli, W. B., & Bakker, A. B. (2004). Job demands, job resources, and their relationship with burnout and engagement. *Journal of Organizational Behavior*, 25(3), 293-315.
- Sharma, R., & Joshi, A. (2020). Employer branding strategies in the IT sector of Indore City. *Indian Journal of Management Studies*.
- Shuck, B., & Herd, A. M. (2012). Employee engagement and leadership: Exploring the convergence of two frameworks and implications for leadership development in HRD. *Human Resource Development Review*, 11(2), 156–181.
- Singh, S., Pant, T., & Agarwal, T. (2024). *Examining the temporal effects of employer branding on employee engagement and employee retention: A longitudinal study in the Indian IT sector*. *Journal of Chinese Human Resources Management*, 15(3), 104–118.
- Sokro, E. (2012). Impact of employer branding on employee attraction and retention. *European Journal of Business and Management*, 4(18), 164–173.
- Staniec, I., & Kalińska-Kula, M. (2021). Internal employer branding as a way to improve employee engagement. *Problems and Perspectives in Management*, 19(3), 33–45.
- Ta'Amnha, M., Kurtishi-Kastrati, S., Magableh, A., & Riyadh, H.(2025). *Sustainable employer branding as a catalyst for safety voice behavior in healthcare: The mediating role of employee engagement*. *Sustainability*, 17(11), 4890.
- Vijayalakshmi, V., & Uthayasuriyan, K. (2016). Impact of employer branding image on employee engagement: A study among banking employees. *Indian Journal of Management Science*, 6(3), 57–64.