

THE EFFECT OF EMPLOYER BRANDING ON EMPLOYEE EXPECTATION AND TURNOVER INTENTION IN ONLINE STREAMING INDUSTRY (A CASE STUDY OF THE PERMANENT EMPLOYEES AT VIDIO.COM)

Mohammad Faby Rizky Karnadi
Tritjondro Baskoro

ABSTRACT

Employer Branding (EB) is a key challenge in most of the organization today to encourage the best and most desirable employees to remain in the organization for maximum period. It is the responsibility of the employer to know how to attract them as the best employment of choice within the firm. However, vidio.com is one of famous online streaming industry in Indonesia which is recently facing the particular problem of retaining the best talents due to certain factors, especially for millennial's characteristics. Therefore, this research aims to investigate: 1) The Effect of Employer Branding towards Employee Expectations in Vidio.com, 2) The Effect of Employer Branding towards Turnover Intention in Vidio.com, 3) The Effect of Employee Expectation towards Turnover Intention in Vidio.com. This research study is an explanatory research used a quantitative approach focusing on cause and effect relationship among variables. This study involved amount of population to 66 employees as the samples by using purposive sampling with questionnaire and documentation. The analysis technique used in this study is descriptive analysis with Partial Least Square (PLS)-SEM (Structural Equation Modelling), with the help of Smart PLS program. The results indicated that Employer Branding has a significant effect on Employee Expectations of 5,889 with a positive direction, Employer Branding has a significant effect on Turnover Intention of 2,042 with a positive direction, and Employee Expectations has a significant effect on Turnover Intention of 1,521 with a negative direction. The significant of the study for "The Effect of Employer Branding on Employee Expectations and Turnover Intention in Vidio.com" should be beneficial for future researchers to design their investigation on similar study. Moreover, the finding could help Vidio.com and other online streaming firm to improve their employer branding strategy in order to avoiding amount of higher turnover rate.

Key words: Employer Branding, Employee Engagement, Turnover Intention, and PLS-SEM

I. INTRODUCTION

In Indonesia, there are so many companies that have implemented employer branding strategies. This was disclosed by Ferizal (2016), including multinational companies which engaged in the delivery of time-scale goods and logistics, namely Thomas Nationwide Transport, which is more often called TNT. TNT has realized the importance of doing external branding that is good for business people who are their main target to choose TNT in shipping goods. In addition to the business people, those who are in secondary targets are actually undergrads and master's students. In which, they are sources of talent and future leaders. TNT seeks to make the company an employer of choice among students or candidates.

Brands is actually included employer branding functionality as company promises offered when there is no agreement between the employee and the company. If a company fails to fulfill the promise of a brand employer, the ratings given by employees will be negatively affected, and also can lead to increase employee turnover for the organization (Backhaus and Tikoo, 2004). The promise is packaged in the form of a value called the Employee Value Proposition (EVP). EVP is a promise in the form of rewards received by employees because they have dedicated themselves to working in an organization. Though, EVP in many companies can explain their differences with other companies and what benefits can be obtained. A good value proposition must be reached to all employees. Therefore, they would know the benefits that can be felt while working at the company. The value proposition will be obtained by the company next, is that employees have good expectations because they most likely feel comfortable, fit, and proud to be able to work at the company.

Moreover, the development of employer branding strategy has many benefits especially for the long-term goal for the company. All organizations wanted to have high-quality employees and expect them to remain committed, loyal and engaged to the company. This strategy is very necessary within the industry especially on this situation with stiff competition, such as live or online streaming industry. Nowadays, many digital media firms are starting to look for ways of transforming to be a very competitive brand which can win consumer's hearts with superior products and good service. Quoted from SWA Magazine, aside from seizing the consumer market, the company is also faced with the problem of "war of talent" because the more dynamic and competitive a company is, the greater the chance of war of talent to be faced. Vidio.com is a digital media industry which engaged in live/online Streaming services that has one of the largest official users in Indonesia. Based on the *jalantikus.com* page, it is known that Vidio.com is one of the Indonesian SOEs that still holds the largest market share in Indonesia. This research is conducted at Vidio.com which has attracted the attention of the author to conduct research. The variables which were in accordance with the survey conducted by human resource team in Vidio.com, namely variables of employee expectation, employee value proposition and employer branding.

Based on this, through the employer branding of Vidio.com identified the needs of employees and also built the image as the preferred organization to work in the future. Employer branding strategies with EVP value propositions can be used so that companies can attract the best talent to join the company. This strategy can be used to maintain potential employees at Bank Vidio.com. With so turnover intention can be minimized.

II. LITERATURE REVIEW

Employer Branding

According to Ahmad and Salina (2015), employer branding is defined as the company's effort to show employees who are currently employed and prospective employees that their company is the desired place to work. According to Sokro (2012), employer branding involves promotion, both inside and outside the company, giving a clear view of what makes the company different and the company that it wants. On the other hands, Ahmad and Salina (2015) argue that employer branding is a new and exciting field with the potential to change the way companies operate. The second opinion according to Sullivan (2004) in Dawn and Biwas (2010), employer branding is a long-term strategy target to manage the awareness and perception of employees, potential employees and related stakeholders. The viewpoint of measurement regarding the employer brand that can be applied to employees can provide convenience for each company in assessing whether their company has been as expected or not. Berthon et.al. (2005) provide five dimensions of employer branding measurements that are in the minds of employees, namely:

- 1) Interest Value (Value of Interest)
- 2) Social Value
- 3) Economic Value
- 4) Development Value
- 5) Application Value

Employee Expectation

Employee expectation is defined as a level satisfaction and dissatisfaction of an employee towards the organization and its values (Samantha, 2015). According to (Porter et al, 1975), employee expectations for current positions can be heavily influenced by previous work experiences or beliefs of what work should be like, which can lead to mismatched expectations. The dimensions of employee expectation which according to Muneer et al., (2013) are as follows:

- 1) Rewards
- 2) Growth Opportunity
- 3) Empowerment

Turnover Intention

Mobley et al., (2015) defines an employee turnover intention as the tendency of employees to get out of an organization voluntarily. Wahyuni (2014) states that turnover intention is employee's tendency or intention to stop working from his work voluntarily according to own choice. Permatasari (2013) argue turnover intention is the individual's desire to get out of organization and evaluation of one's position with regard to the dissatisfaction that triggers someone to go out and find another job. The definition of turnover intention too proposed by Tet & Meyer (1993) in Ridlo (2012: 16) that turnover intention is intention employees to leave the organization aware and intentional desire of employees to leave the organization. According to Mobley et al., (1978) there are three categories in measuring turnover intention, namely:

- 1) Thinking out (Thinking of Quitting)
- 2) Looking for alternative jobs
- 3) Intention to exit (Intentionto Quit)

Hyphothesis

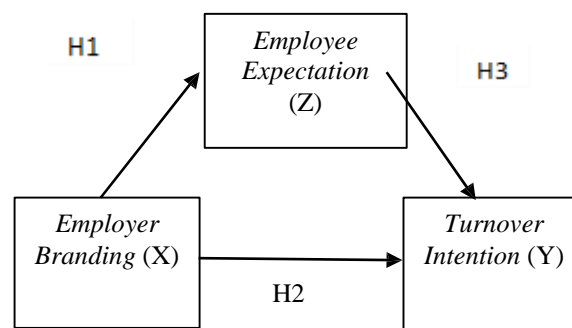


Figure 1. Hypothesis Model

H1: Allegedly Employer Branding (X) has a significant effect to Employee Expectation (Z).

H2: Allegedly Employer Branding (X) has a significant effect to Turnover Intention (Y).

H3: Allegedly Employee Expectation (Z) has a significant effect on Turnover Intention (Y)

III. METHODOLOGY

This research is an explanatory research (quantitative research) with a quantitative method. The samples by using purposive sampling with questionnaire and documentation. The analysis technique used in this study is descriptive analysis with Partial Least Square (PLS), with the help of Smart PLS program. The field research is conducted at the PT Vidio Dot Com (Vidio.com), which is only located in Jakarta area. In fact, almost 66 respondents were analyzed using the analysis of the SEM (Structural Equation Modelling).

IV. FINDINGS, ANALYSIS & DISCUSSION

4.1.1 Validity and Reliability

This research used a questionnaire as a research data collection technique. As for evaluating validity from each question items included in the questionnaire, this research used data processing technique with the SEM method and Partial Least Square (PLS) basis. The validity is tested by discriminant validity to see if each indicator block has higher loading for each measured latent variable compared to the indicator for other latent variables. The construct is said to have good discriminant validity if the value of certain cross loading construct correlation is higher compared to other constructs (Ghozali, 2014). There are three criteria in the use of data analysis technique using Smart PLS to measure validity. These criteria are Convergent Validity, Construct Validity, and Discriminant Validity.

1. Convergent Validity

Convergent validity of the measurement model with a reflective indicator is measured by the correlation among score items or component score which are estimated using PLS software. Based on the table below, it provides the result from data processing using PLS.

Table 1. Convergent Validity Result

Name of Variable	Indicator	Loading Factor
Employer Branding	AVP	0.742
	AEE	0.879
Employee Expectation	EE2	0.754
	EE3	0.699
	EE5	0.808
Turnover Intention	TI1	0.575
	TI2	0.561
	TI3	0.734
	TI4	0.905

Based on the table above, it provides the result from data processing using PLS. Based on the result, it can be identified that all dimensions and indicators have passed the requirement for loading value, which should be above 0.5. Therefore, it can be concluded that the whole collected data is valid and it has good convergent validity.

2. Construct Validity

Construct validity is validity, which shows how far a test measure constructs a theory in which it is the basis of the test itself.

Table 2. Average Variance Extracted (AVE)

Variable	AVE
Employer Branding	0.662
Employee Expectation	0.570
Turnover Intention	0.501

3. Discriminant Validity

Discriminant validity is used to test whether each indicator block has a higher loading for each measured latent variable compared to the indicator for the other latent variables.

A construct is said to have good discriminant validity if the value of certain cross-loading correlation construct is higher with other constructs (Ghozali, 2014). The result of the Discriminant Validity test is presented as follows:

Table 3. Discriminant Validity Result

	Employee Expectation	Employer Branding	Turnover Intention
AVP	0.384	0.879	0.360
APE	0.556	0.742	0.272
EE2	0.754	0.441	0.222
EE1	0.699	0.414	0.149
EE3	0.808	0.477	0.419
TI1	0.171	0.118	0.575
TI2	0.068	0.205	0.561
TI3	0.146	0.174	0.734
TI4	0.440	0.438	0.905

Table 4.4 shows that the value of certain construct correlation with its indicators is higher compared to other constructs. Therefore, it can be said that it has good discriminant validity.

Reliability is tested by Composite Reliability to evaluate construct reliability. This research aims to measure the value among variables to see whether there is good reliability. The quality of composite reliability can be seen from the composite reliability table. It is by checking the value of composite reliability, if it is higher than 0.7, then it can be classified as good (Ghozali, 2014).

Table 5. Composite Reliability Result

Name of Variable	Composite Reliability
Employer Branding	0.796
Employee Expectation	0.799
Turnover Intention	0.794

Based on Table 4.5, it can be seen that the whole construct has the value of composite reliability more than 0.7. From this data, it can be concluded that all constructs are reliable.

4. Cronbach's Alpha

The Cronbach's Alpha is the most common measure of internal consistency. It measures consistency of the likert scale. The Cronbach's alpha is commonly used when you have questionnaire, the test will ensure whether the scale is reliable or not. If it is higher than 0.7, then it can be classified as reliable.

Table 6. Cronbach's Alpha Result

Name of Variable	Cronbach's Alpha
Employer Branding	0.501
Employee Expectation	0.628
Turnover	0.700

Based on Table 4.60 it can be seen that the whole construct has a Cronbach's Alpha value, which is exactly more than 0.7. From this data, the author can conclude that all constructs are not so reliable.

5. Coefficient of Determination

The coefficient of determination is in the Adjusted R-square table. The test results, which show the coefficient value of determination in bootstrapping calculation, are as follows:

Table 7. R-square Adjusted

Name of Variable	R-Square Adjusted
Employee Expectation	0.337
Turnover Intention	0.158

Based on the value of R-square adjusted above in which each has been multiplied by 100%, produces a determination coefficient value of employee expectation of 33.7%. Such value of the coefficient of determination is categorized as moderate. Such value shows that 33.7% of the variation in employee expectation values can be explained by employer branding, while the remaining 66.3% can be explained by other variables outside the analysis model. The coefficient of determination of turnover intention produces a value of 15.8%. It is categorized as moderate. It shows that 15.8% of variation in turnover intention value can be explained by employer branding and employee expectation, while the remaining 84.2% is explained by other variables outside the analysis model.

The R-square Adjusted Value is small because statistically the distribution cannot be explained by an independent variable or more but can be explained by a variable outside the independent variable (component error). So, it is not strange if the value of R-square is small, it means a large error component.

The path coefficient estimation is evaluated based on the value of T- statistics. The path coefficient estimation shows the estimation value, which describes the relation between latent variables gained by bootstrapping procedure. The measurement items used can be classified as significant if the value of T- statistics is higher than 1.96 on the error margin of 5% (Ghozali, 2014).

Table 8. Path Coefficients

	Original Sample (O)	T-Statistics	P-Value
Employer Branding --> Employee Expectation	0.589	5.883	0.000
Employer Branding --> Turnover Intention	0.269	2.042	0.042
Employee Expectation --> Turnover Intention	0.211	1.521	0.129

The Effect of Employer Branding on Employee Expectation

The first hypothesis proposed is that employer branding has a significant effect on employee expectation. The result of SEM analysis obtained from the value of Original sample is 0.589 (positive), T Statistic is 5.883 (>1.96) and the p- value is 0.000 (< 0.05). This shows that employer branding (X) has a significant effect on employee expectation (Z). Thus, Hypothesis 1 is accepted. It shows that the better of the employer branding strategy is, the more relevant of the employee’s work expectations at Vidio.com. So, it can be concluded that if there is an increment in employer branding, employee expectation will also increase. The results of this study are reinforced by a study conducted by Hewitt Associates in Mosley (2009), that there are several key benefits for companies if implementing employer branding is to increase attractiveness, retention, engagement and work expectation. Empirically, this study supports research conducted by Kemsley (2018) that there is a positive influence of employer branding on employee expectation. This means offering different employer value proposition such as paid by competitive salary, flexible hours and conservative work environment provided by Vidio.com is well distributed, so the employees can be emotionally connected to their work and contribute maximally to the best work.

The Effect of Employer Branding on Turnover Intention

The second Hypothesis presented is employer branding has a significant effect on turnover intention. The result of SEM analysis obtained from the value of Original sample is 0.269 (positive), T Statistic is 2.042 (>1.96) and the p-value is 0.042 (< 0.05). This shows that employer branding (X) has a significant effect on turnover intention (Y). Thus, Hypothesis 2 is also accepted. It shows that the better of the employer branding strategy, the more lower of the turnover intention of Vidio.com’s employees to resign voluntarily. These results indicate that if there is an increment in terms of functionality, economic, and psychological benefits provided by the company, it will create a strong desire to remain and contribute to the organization and even reduce the level of turnover intention. The results of this study are reinforced by the opinion of Suikanen (2010) stating that employer branding can be considered as a method of retaining employees (staff retention) because it affects the overall work experience, encourages the concept of "good place to work" and reduces voluntary turnover. In addition, the results of this study support research conducted by Kucherov and Zavyalova (2011) who suggest that organizations that implement the employer branding obtain a number of economic benefits because of lower employee turnover rates and higher levels of investment in human resources. This means that the package of functionality, economic, and psychological benefits provided by Vidio.com which succeeded in suppressing the number of inclination of employees to leave the company.

The Effect of Employer Expectation on Turnover Intention

The third hypothesis proposed is that employee expectation has a significant effect on turnover intention. The result of SEM analysis obtained from the value of the original sample is 0.211 (negative), T Statistic is 1.521 (<1.96) and the p-value is 0.129 (< 0.05). Therefore, Hypothesis 3 is rejected. This shows that employee expectation (Z) has a significant negative effect on turnover intention (Y). It shows that the more lower of the employee expectation, the higher the turnover intention of Vidio's employees. The results indicate that employee expectation as a form of employee's satisfaction, cognitive, and emotional effort to engage themselves with their role in work can reduce the level of employee desire to leave the organization. The results of this study are strengthened by the opinion of Oginni et al., (2018) suggesting that there is a negative relationship between employee engagement and turnover intention. This means that more-lower of the employee expectations, the higher of the turnover intention for Vidio's employees, so that employees of Vidio.com voluntarily stay and stay in the company.

V. CONCLUSION & SUGGESTIONS

Conclusion

Based on the analysis and test on the hypothesis, which has been done, the result of the research can be concluded as follows:

1. First, Hypothesis which stated that there is a significant effect of Employer Branding on Employee Expectation with a positive direction.
2. Second, Hypothesis which stated that there is a significant effect of Employer Branding on Turnover Intention with a positive direction.
3. Third, Hypothesis which stated that there is a negative effect of Employee Expectation on Turnover Intention with a negative direction.

Suggestions

There are two kinds of recommendation that the author would like to propose. The first recommendation is for future researchers, and the second one is for Vidio.com. The recommendations for Future Researchers are:

1. In this study the author only focuses on three variables, namely Employer Branding, Employee Expectation, and Turnover Intention. To get more accurate and diverse data, the future researchers can add several variables such as employee engagement, employee attraction, internal brand image, retention intention, and many more.
2. In this study the author limited participants to 66 samples. To generate higher quality research, it is highly advised to conduct a similar test using a greater amount of samples, so that better answers from respondents will be obtained.
3. In this study, sampling was limited to the online streaming firm. To get more various data, the author suggest to expand the sampling types of firm, for example all similar companies throughout Indonesia.

The recommendations for Vidio.com are:

1. To achieve the met expectations of both employees and employers at Vidio.com as well as lower turnover intention, Vidio.com is recommended by the author to improve more for its employer branding strategy in line with employer value proposition. Because the author recommend that Vidio.com need to review of the relationship between employees with their employer's perception. Because based on the results of the study, the particular indicator of AVP or average value proposition received a lower t-statistics with a number of 4.740 compared to another indicator which still on the same variables of employer branding named Average Potential Employees with a number of 19.758 after bootstrapping. With that, it can still be improved for the other aspects of employee attraction to keep engaged by avoiding higher level of turnover in Vidio.com.
2. Achievement of employee expectation produce a significant value on turnover intention, thus, Vidio.com is truly advised by the author to be able to maintain as well as improve employee's work expectation specifically in indicator of EE2 (Expectation based on meaningful value). Because based on the analysis, the results of that variable (employee expectation) was negatively effect on turnover intention which means that every time there is an increment in value interest in the challenges inherent in work will make permanent employees contribute to their work as well as more competitive benefits. With that way, employees might be to considering to stay and engaged in the Vidio.com as "good place to work", especially for millennials age who were almost basically wanted to pursue their career progression in short-term plan.
3. By the given of independent variables in this study which is very important in affecting the expected Turnover Intention. the results of this study can be used as data references based on academic approach to develop other strategy of employer branding project by considering other variables, whether inside or outside variables that are already entered into this research. Thus, the author suggest that Vidio.com should provide specific increment of benefits, such as competitive salary, promotion opportunities and more flexible hours for each individual in handling employee's problems with variety of differences. With that, vidio.com need to have an ecosystem of cognitive collaboration amongst staffs, managers, and top management

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Mohammad Faby Rizky Karnadi
Sekolah Tinggi Manajemen IPMI,
Jakarta 12750, Indonesia
Email: faby.karnadi@ipmi.ac.id

Tritjondro Baskoro
Sekolah Tinggi Manajemen IPMI, J
akarta 12750, Indonesia