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THE INFLUENCE OF EMPLOYER BRANDING AND WORK LIFE BALANCE ON EMPLOYEE PERFORMANCE WITH EMPLOYEE RETENTION AS MEDIATING VARIABLES AT PT ASTRA DAIHATSU MOTOR JUANDASAMARINDA

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Abstract

Issues regarding employee performance at PT Astra Daihatsu Motor Juanda Samarinda are closely linked to challenges involving the workforce and their output—ranging from disciplinary issues, declining productivity, and a lack of motivation to low human resource quality and other performance-related problems. These issues indicate a decline in performance or inefficient productivity levels, alongside various operational difficulties. Contributing factors include retention challenges, interpersonal conflicts among employees, and ineffective organizational change management due to suboptimal resource support. This study employs a quantitative approach, with a total population and sample of 64 employees from PT Astra Daihatsu Motor Juanda Samarinda. Data collection was conducted via observation and questionnaires, while data analysis utilized SmartPLS. The results indicate that: 1) Employer branding has a positive and significant effect on employee retention; 2) Work-life balance does not have a significant effect on employee retention; 3) Employer branding has a positive and significant effect on employee performance; 4) Work-life balance has no effect on employee performance; and 5) Employee retention has a positive and significant effect on performance. Thus, it can be concluded that employer branding and employee retention influence performance, whereas work-life balance has no impact on retention or performance at PT Astra Daihatsu Motor Juanda Samarinda. Regarding indirect effects: 6) Employee retention strengthens the relationship between employer branding and employee performance; however, 7) employee retention does not mediate or strengthen the relationship between work-life balance and employee performance .

Keywords - Employer Branding, Work-Life Balance, Retention, Employee Performance

INTRODUCTION

The automotive industry in Indonesia, particularly in Samarinda, East Kalimantan Province, is experiencing extremely high levels of competition. Regional economic growth spurred by the development of the Indonesian Capital City (IKN) has led to a sharp increase in mobility and vehicle demand. As one of the leading authorized dealers and service centers of Astra Daihatsu Samarinda, which serves sales, service, spare parts, and body repair on Jalan Ir. H. Juanda Samarinda, the company is required to have superior human resources and be oriented towards excellent service. The performance of frontline employees, such as sales teams, workshop technicians, and administration, is the key to achieving company targets and customer satisfaction. Optimal employee performance is key to achieving sales targets and customer satisfaction. However, maintaining employee retention in a tight automotive labor market is a challenge.

In the automotive and retail service industries, employee turnover and retention issues can disrupt daily operations. When competent employees, especially senior employees, frequently change jobs, recruitment and retraining costs increase, impacting the quality of customer service, potentially leading to a decline. Furthermore, a company's image as a good workplace (employer brand) significantly impacts how employees perceive their value, pride, and commitment to remaining with the company. Similarly, the demands of strict sales targets, dealership operating hours, and service pressures often risk burnout if not balanced with work-life balance . This

balance is a determining factor in whether an employee feels comfortable staying or chooses to seek opportunities elsewhere.

Based on this description, optimal employee performance does not always emerge immediately from company policy. High performance is often mediated by employee retention. Employees with high retention rates tend to be more focused, experienced, and engaged, which in turn boosts individual and organizational performance. On the other hand, problems also arise when employees who experience good employer branding and a maintained work-life balance tend to have high levels of satisfaction and a desire to stay (retention) at the company. This strong retention is hypothesized to be able to bridge and optimize the positive impact on improving overall employee performance.

HYPOTHESIS DEVELOPMENT

Employer branding Employer branding needs to be continuously improved within the company because it is closely related to employee performance. This occurs because employer branding can create an environment where employees feel proud, loyal, and strongly motivated to perform better, as well as reducing the desire to leave the company. Therefore, in general, it is concluded that employer branding has a positive and significant effect on employee performance by increasing job satisfaction , engagement , and employee commitment . Bano and Singh (2023) specifically outline that employer branding significantly influences employee performance and increases overall organizational success. Several previous studies have also demonstrated the influence of employer branding on employee performance. For example, research by Srinivas et al. (2025) found that employer branding positively and significantly impacts employee performance. Furthermore, research by Samo et al. (2020) Good employer branding increases engagement, which then impacts performance.

H1: Employer branding has a significant influence on employee performance at PT Astra Daihatsu Motor Samarinda .

work-life balance is crucial because it not only prevents burnout , but also improves employee mental and physical health, boosts productivity, creativity, and job satisfaction, and strengthens personal relationships, ultimately creating a more loyal, engaged, and profitable workforce for the company in the long run. It also helps companies attract and retain talent, as a positive image of the company as a workplace can improve employee performance. So, it can be said that the existence of work-life balance in a company directly affects employee performance. As Dousin et al. (2019) stated, optimal work-life balance increases job satisfaction, which leads to better performance. By supporting work-life balance , companies create an environment where employees feel valued, are happier, and ultimately contribute optimally, which is crucial for achieving organizational goals. Several previous studies also mentioned the influence of work life balance on employee performance, such as research from Afry et al. (2024) stated that work-life balance has a positive and significant impact on employee performance. Furthermore, research by Meha et al. (2025) found that work-life balance has a positive impact on employee performance.

H2: Work life balance has a significant effect on employee performance at PT Astra Daihatsu Motor Samarinda.

Employer branding is a positive image of a company as an ideal workplace that significantly increases employee retention by building loyalty, commitment, and engagement . Employees feel proud, valued, and see a clear career path, thus reducing turnover. The relationship is close: a strong image creates a positive work experience (salary, culture, development), which strengthens employee identification with the company, encouraging them to stay longer. Employer branding and employee retention are certainly interconnected. As explained by Saini & Jawaharrani (2018), employer branding has a positive and significant influence on employee retention. Companies that want to retain talented talent must invest in strengthening their employer brand, as this directly increases employee loyalty and commitment, and reduces turnover rates. Previous research also mentions the influence of employer branding on retention, such as research from Alamsyah (2024) stated that employer branding has a positive and significant impact on employee retention. Furthermore, research by Pricillia & Martdianty (2024) Employer branding has a positive and significant impact on employee retention .

H3: Employer branding has a significant effect on employee retention at PT Astra Daihatsu Motor Samarinda

The existence of work-life balance is closely related to employee retention; a good balance increases job satisfaction, reduces stress, and commitment, which makes employees reluctant to leave their jobs. Meanwhile, companies that support WLB have an advantage in retaining talent, especially in this modern era. This is supported

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by the opinion of Turnea & Prodan (2020), who revealed that companies that support work-life balance will make employees healthier, happier, and more productive. This influence is also reinforced in the following studies, such as: Handoko (2024) in his study explained that work-life balance has a positive and significant effect on employee retention. Furthermore, research by Muhammad, et al., (2025) stated that work-life balance has a positive effect on employee retention.

H4: Work life balance has a significant effect on employee retention at PT Astra Daihatsu Motor Samarinda.

The relationship between retention and performance is generally positive and mutually reinforcing. High retention improves performance because retained employees tend to be more engaged, motivated, and productive, while good performance strengthens retention through a sense of accomplishment and recognition, making retention key to long-term organizational stability and productivity. This is also supported by Abba's (2018) opinion that high retention allows companies to maintain institutional knowledge and critical expertise within the company or organization. Therefore, when a skilled employee leaves the company, the company loses this valuable resource, negatively impacting performance and business stability.

H5: Employer branding has a significant influence on employee performance through employee retention at PT Astra Daihatsu Motor Samarinda.

Berthon et al. (2005) define employer branding as a strategy for building a positive and attractive image as a workplace within a company. This strong image is then positively correlated with employee work commitment, thus also having an impact on reducing employee turnover , which also has a positive impact on the company in achieving more productive employee performance. Thus, both are interconnected, because when a marketing strategy has a good reputation, it directly increases retention, and when retention increases, performance also improves. This influence is also supported by research from Nuhasanah & Qolby (2025). that employee retention acts as a full mediator. This means that employer branding does not directly improve employee performance, but rather increases employee retention first, then performance.

H6: Employee retention has a significant effect on employee performance at PT Astra Daihatsu Motor Samarinda

Work-Life Balance significantly impacts employee performance, and Employee Retention often acts as a mediating variable. A good work-life balance increases retention, which in turn retains high-performing employees, although some studies also show mediation by job satisfaction or employee engagement on performance. Therefore, it can be concluded that work-life balance has a positive impact on making employees more loyal (retention) and more satisfied, which ultimately boosts their performance. This influence is also supported by research from Yazid & Husniati (2023) who found a positive correlation, indicating that the better the work-life balance, the higher the job satisfaction, thus having a positive impact and implying a positive influence on employee performance within the company. In other words, work life balance not only keeps employees (retention), but also increases their satisfaction and motivation to perform better, making retention an important bridge between work-life balance and performance.

H7: Work life balance has a significant effect on employee performance mediated by employee retention at PT Astra Daihatsu Motor Samarinda.

RESEARCH METHODS

The population in this study were all employees at PT Astra Daihatsu Motor Kota Samarinda, totaling 64 employees. The sampling method used was the saturated sampling method; thus, the entire population consisting of 64 employees were used as respondents. Data collection was carried out through interviews and questionnaires, while the measurement of respondents' answers used a Likert scale. Data analysis was carried out using the Partial Least Square (PLS) method. The independent variables in this study were employer branding and work-life balance (symbolized by X), while the dependent variable was employee performance (symbolized by Y) and the moderator variable was employee retention symbolized by Z. Employer branding is a company's strategic effort to manage the awareness and perception of employees, prospective employees, and stakeholders regarding company branding , the indicators of which according to Ciptagustia & Kusnendi (2022) consist of training and development, organizational value and social value, and compensation and benefits. For Work Life Balance, which is a form of complete determination from an employee to achieve satisfaction in his work while maintaining involvement and balance in family life as an effort to fulfill personal and group demands, there are 3 indicators according to Arifin and Muhanto (2022), namely time balance, innovation and satisfaction balance. Employee retention is the ability of an employee or group of employees to complete tasks that have been given by superiors using their expertise,

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according to Safitri (2022) the indicators include: work quality, work quantity, responsibility, and cooperation. As for retention, the indicators include: organizational components, career opportunities, rewards, task design and work relationships (Saran, et.al., 2018). The analysis tool uses Smart PLS.

RESEARCH RESULTS AND DISCUSSION

Based on the characteristics of the respondents, the average employee education level was 37% with a bachelor's degree, and the lowest was junior high school (12.5%). For the age category, the average or highest number was 18 to 25 years old, reaching 45.3%, and the lowest was 31 to 35 years old, with 11 people (17%). The characteristics based on the work field were mostly in the staff, administration, and cashier fields, with 9 people, and the lowest was only one branch manager.

Related to the distribution of answers for each indicator, namely: 1) the employer branding variable average assessment reached 4.3 or is a very high category, meaning: most employees choose and agree with the company's way of increasing the awareness of each member and this choice is quite supportive of organizational development. 2) the work life balance variable average assessment reached 3.3 or is a medium category, meaning: most employees choose the form of complete determination of an employee to achieve satisfaction in his work while maintaining involvement and balance of family life as an effort to fulfill personal and group demands. 3) the employee retention variable average assessment reached 4.3 or is a very high category, meaning: most employees like the company's way of managing employee management and performance to be quality so that it can improve strategic functions that significantly affect workforce stability . 4) the employee performance variable average assessment reached 4.4 or is a very high category, meaning: most employees can complete tasks that have been given by superiors by using their abilities, willingness, and skills .

Based on the test results, it can be seen that the R-square value for the employee performance variable is 0.817 (or 81.7%), which indicates that the performance variable is influenced by employer branding and work-life balance, while the remaining 18.3% is influenced by other variables that are not analyzed or are outside this research model. The R-square value for the employee retention variable is 0.558, which indicates that the retention variable is influenced by employer branding and work-life balance by 55.8%, while the remaining 44.2% is influenced by other variables that are not analyzed in this research model. The following is a table of correlation test analysis:

Tab1e 1. R-Square Output

	R-Square	Adjusted R-Square
Employee performance	0.817	0.808
Employee Retention	0.558	0.544

Source: Processed from SMART PLS, 2026

Based on the hypothesis test, it can be explained that employer branding has an effect on employee retention because the t statistic value shows 3.577 which is higher than the t table of 1.669 and the p value is 0.000 which is lower than 0.05, thus the test for the employer branding variable on employee retention at PT Astra Daihatsu Motor Samarinda has a positive and significant effect so that the hypothesis Ha $_{is}$ accepted and the hypothesis Ho $_{is}$ rejected .

Between work life balance and employee retention, it is stated that there is no mutual influence because the t statistic value of 0.513 is lower than the t table of 1.669 and the p value of 0.608 is also higher than 0.05, thus the test for the work life balance variable on employee retention at PT Astra Daihatsu Motor Samarinda has no influence and is not significant, so the hypothesis Ha $_{is}$ rejected and the hypothesis Ho $_{is}$ accepted .

Furthermore, employer branding on employee performance, from the analysis it can be seen that the variables influence each other as indicated by the statistical figure t value of 4.677 and exceeds the t table which is

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1.669 and the p value of 0.000 is also less than 0.05, thus the test for the employer branding variable on employee performance states that there is a positive and significant influence so that the hypothesis Ha $_{is}$ accepted and the hypothesis Ho $_{is}$ rejected .

Between work life balance and employee performance, it is stated that there is no mutual influence because the t statistic value of 0.234 is lower than the t table of 1.669 and the p value of 0.815 is also higher than 0.05, thus the test for the work life balance variable on employee performance at PT Astra Daihatsu Motor Samarinda states that there is no influence so that the hypothesis Ha $_{is}$ rejected and the hypothesis Ho $_{is}$ accepted.

Between employee retention and employee performance, it is stated that they influence each other because the t statistic value of 4.649 is higher when compared to the t table of 1.669 and the p value of 0.000 is also lower than 0.05, thus the test for the employee retention variable on employee performance states that there is a positive and significant influence so that the hypothesis Ha $_{is}$ accepted and the hypothesis Ho $_{is}$ rejected . These values are presented in the following table:

Table 2. Path coefficient of variable X towards Y

	Original Sample	Sample mean (M)	STDEV	T Statistics	P Values
Employer Branding on Retention	0.676	0.626	0.189	3,577	0,000
Work Life Balance on Retention	0.088	0.071	0.172	0.513	0.608
Employer Branding on Performance	0.518	0.514	0.111	4,677	0,000
Work Life Balance on Performance	0.026	0.016	0.110	0.234	0.815
Employee Retention on Performance	0.428	0.446	0.092	4,649	0,000

Source: Processed from SMART PLS, 2026

Based on the description, it can be concluded that there are variables that have an influence and no influence. Of the five hypotheses for testing the direct effect, hypothesis 3 has a positive and significant influence on the dependent variables: employer branding on employee retention, employer branding on performance, and employee retention on performance. The other two hypotheses are said to have no influence: work-life balance on retention and work-life balance on performance. Therefore, based on the influencing variables, employer branding and retention are the variables that have no influence, while work-life balance is the variable that has no influence. The reason for this is that work-life balance is not influenced by the dependent variables . Balance is said to have no effect because most employees sometimes lack a good work-life balance but still perform high-performing due to strong financial motivations. Furthermore, some company jobs are administrative and repetitive (working consistently with the same patterns and steps), so fluctuations in work-life balance don't drastically change how employees complete their daily tasks.

Regarding the indirect influence between the independent variable on the dependent variable and the mediating variable or X $_1$ on Y $_1$ through Y $_2$, and X $_2$ on Y $_1$ through Y $_2$, the assessment results can be described in the following table.

Table 3. Indirect Influence Path Coefficient of Variable X on Y

	Original Sample (0)	T Statistics	P Value	Note:
Employer branding – retention – performance	0.121	3,354	0.001	Significant
Work life balance - retention - Performance	0.038	0.468	0.640	Not Significant

Source: Processed from SMART PLS, 2026

Based on the description of the analysis results, it can be concluded that from the hypothesis testing of the direct influence of direct action: 1) employer branding on employee performance mediated by employee retention from the calculation and analysis can be stated to influence each other because the statistical value of t is 3.354

higher than t table 1.669 and the p value is 0.001 lower than 0.05, thus indirect testing can be stated that the employee retention variable is able to mediate the influence of employer branding on employee performance at PT Astra Daihatsu Motor Juanda Samarinda thus the hypothesis proposed in the study namely Ha $_{is}$ accepted and the hypothesis Ho $_{is}$ rejected. 2) Work Life Balance on performance mediated by performance retention is stated not to influence each other because the statistical value of t is 0.468 lower than t table 1.669 and the p value is 0.640 higher than 0.05, thus indirect testing can be stated that the employee retention variable is not able to mediate the influence of work life balance on employee performance thus the hypothesis proposed in the study namely Ha $_{is}$ rejected and the hypothesis Ho $_{is}$ accepted.

CONCLUSION

The conclusion of this research is: 1) Employer branding has a positive and significant effect on employee retention, this influence exists because employees feel proud to work in a company that has a positive reputation and image in the public eye. On the other hand, transparent employer branding conveys the company's values, culture, and mission; 2) Work life balance does not affect employee retention. This is because employees in the company are primarily related to the level of income, employees often prioritize the amount of compensation, salary, or financial benefits over free time that can be utilized; 3) Employer Branding has a positive and significant effect on employee performance. This positive influence exists because the stronger the company's efforts, namely PT Astra Daihatsu Motor Juanda Samarinda, to retain competent employees to work for a long time accompanied by support and motivation, the greater the opportunity for employees to increase their work productivity; 4) Work Life Balance does not affect employee performance, this is because when the work carried out by employees takes up a lot of time and energy but provides little recovery space and lack of support will be considered a threat to the worker, such as the effect of decreasing work productivity; 5) Employee retention has a positive and significant effect on employee performance at PT Astra Daihatsu Motor Juanda Samarinda. This occurs because high retention tends to improve performance because loyal and satisfied employees are more committed, productive, and reduce turnover costs , while good talent management can improve performance through employee retention in the company; 6) Employee retention is able to mediate and strengthen the relationship between employer branding and employee performance at PT Astra Daiharsu Motor Juanda Samarinda; 7) Employee retention has not been able to mediate and strengthen the relationship between work life balance and employee performance at PT Astra Daiharsu Motor Juanda Samarinda .

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