

ABSTRACT

Employer Branding has become a critical factor in retaining a high-quality workforce, particularly given the unique preferences of Generation Z as they enter the labor market. Gen Z employees tend to hold high job expectations and exhibit lower resilience compared to previous generations, making it essential for retention strategies to emphasize strengthening Employer Branding as a response to their needs. Although widely regarded as effective for boosting Employee Retention, prior empirical studies have reported mixed results across different organizational contexts and measurement approaches.

This study was conducted at RSUD Madani Pekanbaru a regional public healthcare institution among 75 Generation Z contract employees navigating recent policy changes. It aims to analyze the impact of Employer Branding on Employee Retention, with Employee Engagement as a mediating variable. Employing a quantitative PLS-SEM approach via SmartPLS 4, data were collected through online questionnaires and tested using bootstrapping to evaluate direct, indirect, and total effects.

Findings reveal that Employer Branding exerts a positive, significant direct effect on Employee Retention and a positive, significant effect on Employee Engagement. Moreover, Employee Engagement mediates this relationship as a complementary partial mediator. This finding confirms Social Exchange Theory and confirms the importance of optimizing Employer Branding programs with engagement enhancing interventions to maximize the retention efforts of Generation Z contract employees at Madani Pekanbaru Hospital.

Keywords: Employer Branding, Employee Engagement, Employee Retention

