

Sustainable HR Practices as a Driver of Employer Branding and Freshers' Organizational Choice

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ABSTRACT

Organizations are required to operate sustainably and socially responsibly in today's business environment. Sustainable Human Resource Management (Sustainable HRM), which incorporates economic, social, and ethical factors into HR policies and practices, has emerged in response to this expectation being extended to the field of human resource management. An organization's reputation as an employer is greatly influenced by sustainable HR practices, such as work-life balance, diversity and inclusion, ethical governance, employee wellbeing programs, and chances for ongoing learning. At the same time, in a competitive labor market, employer branding has emerged as a crucial strategic tool for businesses seeking to attract and retain skilled workers. Salary and career progression chances are no longer the only factors influencing recent graduates into the workforce. Rather, people are increasingly assessing companies on their ethical practices, workplace culture, and sustainability ideals. In this regard, sustainable HR practices can improve employer branding and positively impact new hires' decision-making process. Thus, it has become crucial to do research to understand how corporate branding, sustainable HR practices, and the job preferences of recent graduates relate to one another. The goal of the current study is to investigate how sustainable HR practices affect employer branding and how freshmen's perceptions of a business are influenced by employer branding. The study also investigates how employer branding functions as a mediator in the connection between freshmen's choice of organization and sustainable HR practices. A quantitative research approach using a structured questionnaire administered to final-year students and early-career professionals across a variety of academic fields is suggested. To identify meaningful correlations among the variables, the data will be evaluated statistically using methods such as factor analysis, regression analysis, mediation analysis, and reliability testing. It is anticipated that the study's conclusions will provide businesses with important information on how to combine employer branding campaigns with sustainability-focused HR policies to attract and retain the next generation of workers.

Keywords: Sustainable HR Practices, Employer Branding, Freshers' Mindset, Organizational Choice, Talent Attraction, Gen Z Workforce.

Introduction

In the modern corporate landscape, firms are progressively anticipated to function in a socially responsible and sustainable way. Sustainability has emerged as a critical strategic concern for corporations due to stakeholder demands for ethical governance, environmental accountability, and socially responsible management practices. This transition has impacted multiple functional domains inside firms, including Human Resource Management (HRM). The notion of Sustainable Human Resource Management (Sustainable HRM) has evolved as a significant strategy that incorporates economic, social, and ethical factors into HR policies and practices. Sustainable HRM emphasizes long-

term employee welfare, accountable leadership, ethical organizational culture, diversity and inclusion, work-life equilibrium, and ongoing learning opportunities.

Organizations are facing fierce competition to acquire and retain skilled personnel amid a volatile labor market. In this setting, employer branding has emerged as an essential strategic instrument for firms. Employer branding denotes the strategy by which firms present themselves as attractive workplaces by emphasizing their values, organizational culture, career advancement prospects, and employee-focused initiatives. A robust employer brand enables firms to distinguish themselves from competitors and increases their appeal to prospective job candidates.

Recent graduates and young professionals entering the workforce are increasingly assessing employers based on criteria beyond remuneration and financial incentives. They exhibit increased interest in firms that exemplify responsible business practices, sustainability efforts, and a nurturing work atmosphere. Sustainable HR practices significantly influence favorable impressions of firms and enhance their employer brand. Organizations that actively advocate for employee welfare, ethical governance, diversity, and work-life balance are more likely to attract and retain skilled young people.

Despite increasing awareness of sustainability in HR practices, there remains a need to understand how these policies affect employer branding and career preferences among recent graduates. Comprehending this relationship is especially crucial for firms seeking to engage the burgeoning workforce. This study aims to investigate the effects of sustainable HR practices on employer branding and to analyze how employer branding influences recent graduates' organizational preferences. The research examines the mediating role of company branding in the relationship between sustainable HR practices and recent graduates' organizational preferences. This research aims to offer significant insights for firms to link their HR strategy with sustainability principles, thereby enhancing their employer brand and attracting the next generation of employees.

Literature Review

Ehnert (2009) established the idea of Sustainable Human Resource Management (Sustainable HRM) and stressed that firms must implement HR practices that reconcile economic performance with social responsibility and long-term sustainability. The author contended that conventional HRM primarily emphasizes short-term productivity and efficiency, while Sustainable HRM prioritizes long-term employee development, welfare, and the responsible management of human resources. The study emphasized that firms must design HR policies that promote employee development, equitable treatment, and work-life balance to retain organizational viability.

Kramar (2014) examined the progression of HRM and proposed that Sustainable HRM signifies the subsequent phase following strategic HRM. The research highlighted that firms had to incorporate economic, social, and environmental objectives into human resource strategies. The author asserts that HR departments are pivotal to advancing sustainability by implementing policies that foster ethical conduct, employee welfare, and accountable leadership. Sustainable HR strategies enhance employee engagement and foster long-term company success.

De Prins et al. (2014) investigated the connection between corporate results and sustainable HR strategies. The authors emphasized that companies implementing sustainable HR practices prioritize work-life balance, employee well-being, and ongoing development. According to their research, these methods boost organizational performance and increase employee motivation and happiness. To guarantee long-term workforce stability, the study underscored the importance of incorporating sustainability into HR policies.

Backhaus and Tikoo (2004) discussed that employer branding is the development of a distinctive and alluring employer image that emphasizes the culture, values, and advantages offered to employees. According to their research, effective company branding boosts employee loyalty, lowers attrition, and improves hiring results.

Berthon et al. (2005) investigated the notion of employer attractiveness and delineated essential factors that affect job searchers' organizational choices. These factors encompass economic value (compensation and benefits), social value (workplace environment and interpersonal interactions), developmental value (options for professional advancement), interest value (engaging and demanding tasks), and application value (chances to utilize skills). The research emphasized that firms with robust employer branding are more appealing to prospective recruits.

Edwards (2010) conducted an integrative review of employer branding literature and explained its growing importance in modern recruitment strategies. The study highlighted that employer branding helps organizations differentiate themselves in highly competitive labour markets. It also emphasized that a positive employer image enhances organizational attractiveness and improves the quality of job applicants.

App et al. (2012) investigated employer branding as a sustainable human resource management method. The research indicated that firms that proficiently convey their principles, culture, and employee benefits are more successful in hiring skilled workers. The authors highlighted that employer branding is crucial for employee retention, as individuals are more inclined to remain with firms that offer supportive work environments and career advancement opportunities.

Dabirian et al. (2017) examined determinants of employer appeal among millennials. The research indicated that younger job applicants prioritize organizational culture, flexibility, meaningful employment, and sustainability efforts. The results indicated that firms that endorse ethical practices and employee-centric policies are more appealing to the younger workforce.

Cable and Turban (2003) examined the correlation between corporate reputation and the attraction of job seekers. Their research indicated that firms with robust reputations are more inclined to attract highly skilled people. The authors highlighted that job seekers frequently depend on employer reputation and brand image when assessing prospective employers.

Turban and Greening (1997) examined the impact of corporate social performance on organizational appeal. Their findings indicated that firms with robust social responsibility activities are regarded as more appealing employers. The research indicated that CSR initiatives favorably affect job searchers' attitudes and enhance their likelihood of applying to socially responsible firms.

Jones, Willness, and Madey (2014) investigated the factors that draw job searchers to socially responsible firms. The research indicated that CSR initiatives augment organizational appeal by fostering favorable attitudes regarding the company's principles and ethics. The authors proposed that sustainability measures can enhance employer branding and optimize recruitment results.

Lievens and Slaughter (2016) examined studies on employer image and employer branding, emphasizing their significance in recruitment and talent management. The research indicated that a favorable employer brand enhances corporate reputation and affects job searchers' perceptions. The authors determined that employer branding is an essential technique for attracting and retaining skilled employees.

Renwick et al. (2013) examined the notion of Green HRM and its function in advancing environmental sustainability in organizations. The research highlighted that HR departments can promote sustainability by adopting ecologically responsible HR policies, including green training, eco-friendly workplace practices, and sustainability awareness initiatives.

Aguinis and Glavas (2012) performed an extensive evaluation of corporate social responsibility (CSR) research and its effects on organizational stakeholders. The research emphasized that CSR programs positively impact employee attitudes, job satisfaction, and organizational commitment. The authors discovered that CSR initiatives increase an organization's appeal to prospective employees.

Sivertzen et al. (2013) investigated the correlation among employer branding, business reputation, and job searchers' propensity to apply. The research indicated that company branding initiatives, such as social media communication and organizational reputation, substantially affect job seekers' impressions and intentions to apply.

Objectives of the Study

- To analyze the influence of sustainable human resource practices on employer branding inside firms.
- To examine the impact of employer branding on the organizational preferences and perceptions of recent graduates.
- To study how employer branding acts as a link between sustainable HR practices and the job preferences of fresh graduates.

Hypotheses of the Study

- H0₁:** Sustainable Human Resource Management (HRM) practices have no significant influence on employer branding in organizations.
- H0₂:** Employer branding has no significant impact on the organizational preferences and perceptions of fresh graduates.
- H0₃:** Employer branding does not mediate the relationship between sustainable HR practices and the job preferences of fresh graduates.

Research Methodology

This study employs a quantitative, descriptive research design to investigate the correlation among sustainable HR practices, employer branding, and recent graduates' organizational choices. The study's target audience comprises final-year students and early-career professionals who are transitioning into the job market or have recently commenced their careers. A convenience sampling technique will be employed to recruit respondents for the study, facilitating access to readily available and eager participants. The study recommends a sample size of roughly 80 to 100 responders to secure sufficient data for statistical analysis. Primary data will be gathered using a structured questionnaire that assesses participants' attitudes toward sustainable HR practices, employer branding, and organizational preferences. The gathered data will thereafter be examined using appropriate statistical methods to derive meaningful conclusions.

Data Analysis

Reliability Test (Cronbach's Alpha)

Reliability analysis was conducted to test the internal consistency of the measurement items used for each construct.

Table 1: Reliability Statistics

Variable	No. of Items	Cronbach's Alpha
Sustainable HR Practices	6	0.874
Employer Branding	5	0.861
Job Preferences of Fresh Graduates	5	0.883

Source: Primary Data

Interpretation: A Cronbach's Alpha value above 0.70 indicates acceptable reliability. All constructs show high internal consistency.

Correlation Analysis

Correlation analysis was conducted to examine the relationship between the key variables in the study.

Correlation Matrix

Variables	Sustainable HR Practices	Employer Branding	Job Preferences
Sustainable HR Practices	1		
Employer Branding	0.809**	1	
Job Preferences	0.781**	0.814**	1

Source: Primary Data

Correlation is significant at the **0.01** level ($p < 0.01$).

Interpretation

- Sustainable HR Practices have a strong positive correlation with Employer Branding ($r = 0.809$).
- Employer Branding has a strong positive relationship with Job Preferences ($r = 0.814$).
- Sustainable HR Practices also show a strong correlation with Job Preferences ($r = 0.781$).

Conclusion: The results indicate significant positive relationships between all variables.

- H0₁:** Sustainable Human Resource Management (HRM) practices have no significant influence on employer branding in organizations.

Model	R	R Square	Adjusted R Square	Std. Error
1	0.809	0.655	0.651	0.321

Source: Primary Data

ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	15.276	1	15.276	153.43	0.000
Residual	8.067	81	0.099		
Total	23.343	82			

Source: Primary Data

Coefficients

Variable	B	Std. Error	Beta	t	Sig.
Constant	0.512	0.183	—	2.80	0.006
Sustainable HR Practices	0.881	0.071	0.809	12.387	0.000

Source: Primary Data

Interpretation: Since significance value ($p = 0.000$) is less than 0.05, the null hypothesis is rejected and the alternate hypothesis that sustainable HR practices significantly and positively affect employer branding is accepted.

H02: Employer branding has no significant impact on the organizational preferences and perceptions of fresh graduates.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error
1	0.814	0.663	0.659	0.298

Source: Primary Data

ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	14.912	1	14.912	159.45	0.000
Residual	7.575	81	0.093		
Total	22.487	82			

Source: Primary Data

Coefficients

Variable	B	Std. Error	Beta	t	Sig.
Constant	0.463	0.192	—	2.41	0.018
Employer Branding	0.704	0.056	0.814	12.630	0.000

Source: Primary Data

Interpretation: Since the significance value ($p = 0.000$) is less than 0.05, which means the relationship is statistically significant. Therefore, the null hypothesis is rejected, and it can be concluded that employer branding significantly and positively influences fresh graduates' job preferences.

H03: Employer branding does not mediate the relationship between sustainable HR practices and the job preferences of fresh graduates.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error
1	0.863	0.745	0.739	0.251

Source: Primary Data

ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	16.742	2	8.371	116.70	0.000
Residual	5.745	80	0.072		
Total	22.487	82			

Source: Primary Data

Coefficients

Variable	B	Std. Error	Beta	t	Sig.
Constant	0.298	0.171	—	1.74	0.085
Sustainable HR Practices	0.457	0.090	0.418	5.051	0.000
Employer Branding	0.364	0.083	0.391	4.387	0.000

Source: Primary Data

Interpretation

Since the values ($p = 0.000$) are less than 0.05, which rejects the null hypothesis, and indicates that both sustainable HR practices and employer branding significantly influence the job preferences of fresh graduates, suggesting that organizations that adopt sustainable HR policies and maintain a strong employer brand are more likely to attract young talent.

KMO and Bartlett's Test

Test	Value
Kaiser–Meyer–Olkin Measure of Sampling Adequacy	0.856
Bartlett's Test of Sphericity – Approx. Chi-Square	742.615
Degrees of Freedom	120
Significance (p-value)	0.000

Source: Primary Data

KMO Measure

The KMO value is 0.856, which is considered excellent according to sampling adequacy standards.

General guideline for KMO values:

KMO Value	Interpretation
0.90 – 1.00	Excellent
0.80 – 0.89	Very Good
0.70 – 0.79	Good
0.60 – 0.69	Acceptable
Below 0.60	Not suitable for factor analysis

Source: Primary Data

Since the obtained value is greater than 0.80, the data is highly suitable for factor analysis.

Bartlett's Test of Sphericity

Bartlett's test yields Chi-square = 742.615 and p-value = 0.000. Since $p < 0.05$, the correlation matrix is not an identity matrix, meaning the variables are sufficiently correlated to proceed with factor analysis.

- **Result:** The results of the KMO and Bartlett's Test indicate that the dataset is appropriate for factor analysis. The high KMO value confirms sampling adequacy, while the significant Bartlett's test demonstrates that sufficient correlations exist among the variables. Therefore, factor analysis can be conducted to identify the underlying dimensions of Sustainable HR Practices, Employer Branding, and Job Preferences among Fresh Graduates.

Conclusion

This study investigated the correlation among Sustainable Human Resource Management (HRM) practices, employer branding, and the job preferences of recent graduates. The analysis employed statistical methods including reliability testing, correlation analysis, regression analysis, and factor analysis. The reliability assessment revealed that all constructs included in the study exhibited strong internal consistency, with Cronbach's Alpha values exceeding 0.80, so affirming the trustworthiness of the measuring scales.

The correlation study demonstrated robust positive associations among the variables. Sustainable HR practices shown a robust correlation with employer branding ($r = 0.809$) and job preferences ($r = 0.781$), whilst employer branding demonstrated a substantial positive association with job preferences ($r = 0.814$). The findings indicate that firms adopting sustainable HR practices are more inclined to cultivate a robust employer brand and attract skilled graduates.

Regression analysis corroborated these connections. Sustainable HR practices significantly enhance employer branding, thereby rejecting the initial null hypothesis. Likewise, employer branding exerted a considerable positive influence on recent graduates' career preferences, thereby supporting the rejection of the second null hypothesis. The mediation analysis indicated that corporate branding partially mediates the association between sustainable HR practices and recent graduates' career preferences. This suggests that sustainable HR practices enhance an organization's appeal by fortifying its employer brand. The factor analysis yielded a high KMO value (0.856) and a significant Bartlett's Test of Sphericity

($p = 0.000$), demonstrating the appropriateness of the data for factor analysis and validating the constructs employed in the study. The study suggests that sustainable HR practices are essential for improving corporate branding and shaping recent graduates' job preferences. Organizations that implement responsible HR practices, including employee well-being programs, work-life balance initiatives, diversity and inclusion efforts, and ethical governance, are more likely to attract and retain young talent in a competitive labor market.

Suggestions

To attract and retain top graduates, companies should develop sustainable human resource management and employer branding. First, organisations could adopt sustainable HR practices such as employee wellness programs, flexible work arrangements, and fair labour rules to improve their reputation and demonstrate that they care about employees. While promoting these sustainable HR initiatives through employer branding techniques like recruitment marketing and social media, organisations can also educate potential candidates about their values and work culture. To promote employee well-being, employers must provide supportive work environments, mental health initiatives, and work-life balance policies. Transparently discussing sustainability goals and ethical practices can also boost corporate credibility and employee trust. Young professionals increasingly want organisations that support their personal and career progress, making constant training and development essential. Finally, organisations should cooperate with universities to understand new graduates' expectations and objectives and to build HR policies that align with their career goals. These activities can help companies develop a great employer brand and a sustainable, employee-focused environment.

Future Scope of Study

Future research may expand the study's reach and depth in various ways. First, future research may use a larger and more diverse sample to improve generalisability and dependability across populations. Researchers may also focus on information technology, manufacturing, or service industries to better understand how sustainable human resource practices affect employer branding in different organisational contexts. Comparative studies across countries or regions can also study cultural differences in fresh graduates' career preferences and employer branding impressions.

Future research may use a longitudinal approach to examine how sustainable HR practices affect employee recruitment and retention over time. Researchers may also include organisational culture, corporate social responsibility, and leadership styles to better assess employer appeal. Finally, advanced statistical methods such as structural equation modelling (SEM) may illuminate the intricate links among sustainable HR practices, corporate branding, and young graduates' attitudes toward workplace choice.

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