

Employer Branding Orientation and Firm Performance: The Role of Employee Experience

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Abstract

Facing with competitive labor market, firms are inclined towards increased usage of employer branding to build a talented and engaged workforce. This study is aimed at deepening our understanding on the link of employer branding orientation with firm performance. It further aims at empirically investigating the mediation mechanism through which employer branding orientation generates tangible human resource outcomes (in the form of enhanced intention-to-stay) that further contributes in positive firm performance. We address the existent gap in extant literature by developing a model to explain how employer branding orientation is linked with firm performance with moderated role of employee experience and mediation role of intention-to-stay. Empirical results of a multisource study from 4 top employers of Pakistan with sample size of 400 employees, has shown that there is positive link between employer branding orientation and firm performance. HR practitioners and top level management of firms can use findings of this study as an argument to support investment in employer branding initiatives to impact employees' attitudes such as intention-to-stay by taking into account the employee experience. Moreover, this study advises HR practitioners to see employer branding beyond the concrete brand attributes and focus on firm level mechanisms for better analysis of return-on-investment.

Keywords: employer branding, firm performance, human resource management, intention-to-stay, employee experience

Introduction

Employer branding programs are increasingly implemented and practiced by firms to build a talented pool of workforce and sustain the employee engagement. Since early 2000, the on-going rigorous 'war for talent' experienced by firms has raised the interest in exploring the concept of employer branding (Cairncross, 2003). The rapid shift of industry based economy into knowledge based economy has given rise to exceptional technological revolution that in turn raised demand for skillful and competent workforce that is capable of giving innovative solutions to business problems (Moroko & Uncles, 2008).

According to Thibodeau (2000) and Manpower Group (2012), limited labor supply of skillful and knowledgeable employees is bothersome for newly developed knowledge economy that in turn making it inevitable for organizations to build human resource for gaining competitive advantage for their survival in such economy (Ewing et al.

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2002). Therefore, many organizations have made it their top priority to engage in 'war for talent' by distinguishing themselves as "the employer of choice" to stay successful and stay ahead (Ewing et al. 2002; Brewster, Sparrow & Harris, 2005).

Thus, for the purpose of attracting and engaging talented employees in competitive labor market, many firms has realized the need for strategically managing their employer brand in terms of both externally towards potential employees and internally towards incumbent employees, that gave rise to implementation of employer branding programs (Martin et al., 2011). Thus, employer branding that originates from branding theory is inclined towards strategically use branding as a mean for firm's growth instead of just an individual strategy (Yu et al., 2021).

Majority of extant research on employer branding concept has investigated on individual level analysis (Theurer et. al., 2018), until recent research by Tumasjan et al. (2020) has demonstrated that concept of employer branding is actually resides at firm-level analysis. Moreover, empirical literature is scant regarding the question that whether employer branding actually produce tangible firm-level results or not (Tumasjan et al., 2020). To understand this question, there is need to recognize the end goal of employer branding because such recognition of goal is vital for managing corporate resources and decision making. While most of the existing employer branding literature has focused on the goal of attracting talented applicants and retaining talented incumbent employees (Berthon et al., 2005). However, this can be one of the goal of employer branding i.e. to attract and retain qualified employees but cannot be the primary goal because in such case little effort would have put in activities that further shape the attitudes and behaviors of employees that would play role in fulfilling firm performance objectives.

In relation to existing conceptual propositions speculated in the seminal paper by Backaus and Tikoo (2004), employer branding is supposed to enhance firm-level outcomes but existing literature is short to demonstrate the mediation mechanism through which employer branding leads to firm-level consequences (Turban and Cable, 2003; Collins and Han, 2004; Theurer et al., 2018). Only one recent study performed by Tumasjan et al. (2020) has demonstrated the link between employer branding orientation and firm performance. Branding theory gives strong basis to understand the importance of impact of employer branding on organizational performance (Bharadwaj et al., 2021).

Thus, there is shortage of research on testing the linkage of employer branding and firm performance, as which main HR outcomes are generated by employer branding program that further play vital role in translating into positive firm performance. Identifying these limitations

and several calls from employer branding scholars (Ambler & Barrow, 1996 and Phillips & Gully, 2015) to investigate the effects of employer branding on firm performance and identify the underlying mediators that lead to final gains in organizational growth (Backhaus & Tikoo, 2004). Thus, employer branding orientation have to be adopted to create and manage the perceptions, intentions and awareness of firms' stakeholders that can further results in increased employee retention and engagement along with enhanced firm's performance.

As, Gomez & Neves (2011) suggested that one of the crucial outcome of attraction phase of recruitment process is to generate intentions among targeted job-applicants to convince them to apply for job opening. Although most theoretical conceptualizations in extant research, put emphasis on testing behaviors of target group of employer branding i.e. potential and current employees (Backhaus & Tikoo 2004, Lane 2016), the majority of empirical research focused on recruitment context, thus empirical research in the regard of incumbent employees is scant (Theurer et al., 2018). As according to Bharadwaj et al., 2021, development of employer brand and to invest in employee retention programs is necessary to create positive work culture and increase employee's loyalty to enhance their intentions to stay in organization and further enhance firm performance.

This study further argues that such intention-to-stay are not generated directly to be translated into firm performance but employee experience plays a moderating role between employer branding orientation and intention-to-stay. Like branding orientation is known to have marketers make better understanding with customers to generate purchase intentions among them. Likewise, employer branding orientation is enclosed with great potential for human resource practitioners to develop better understanding with their employees by understanding their perceptions regarding employment experience, that the firm is providing them (Biswas & Suar, 2014). Moreover, employer brand concept view employees as most valuable asset of a firm and investing in giving them good employment experience leads to positive organizational results (Dousin et al., 2021).

This study is also unique in the regard that it has adopted employee experience as a moderator. As it has not been theoretically and empirically investigated yet and has great potential in effecting relationship of EBO and firm performance. Building on employee experience literature, Plaskoff (2017), stated that employers must truly look holistically at the employee's employment journey and recognize that the employee's journey starts before the first day on the job and even before the offer is accepted. As Ambler and Barrow (1996) has discussed

that a firm can win the place of an ‘employer of choice’ when it wins in providing the promised employer brand package of ‘functional, psychological and economic benefits’ that exceeds incumbent employees’ personal needs. Thus, employee experience has become the top talent trends for 2020 (LinkedIn, 2020). According to Morgan (2020) and Mohanty & Kulkarni, (2023), employee experience is next step of employee engagement and organization designs and creates such experience in form of such culture, technology and physical office where employees want to willingly show up and stay in such organization. Such experience is designed by truly knowing the workforce’s work needs by understanding people analytics.

Drawing on psychological contract theory, this paper explains how employer branding orientation takes long time in fulfilling and maintaining the psychological contract among incumbent and potential employees because employer branding and employee experience develop over long time (Carless, 2005) and along with committing brand promises, employer branding aims at managing long-term employment experience of its employees (Backhaus and Tikoo 2004; Mosley 2007).

Thus, this study ultimately presents the moderated-mediation model to explain the linkage between employer branding orientation and firm performance.

Literature Review and Hypotheses Development

Employer Branding Orientation & Firm Performance

As stated earlier that extant research on employer branding has mostly investigated on concrete attributes of employer brand from job-applicant point of view. As what attribute job applicants prefer while selecting an employer of choice. But whether these employer branding programs have potential to give tangible results such as employee retention that will have potential to impact firm performance, as it has been conceptually put forth by Backhaus and Tikoo (2004) in their seminal paper that outcomes of employer branding should be empirically investigated in terms of target group i.e. potential employees’ and incumbent employees’ behavioral change.

As extant research has shown that key HR outcomes in form of effective training programs and positive work culture & leadership has great influence on organizational performance (Imran et al., 2022).

Employer branding value-chain model created by Theurer et al. (2018) that is based on employer brand equity theory developed by Keller & Lehmann (2006), is being used as overarching theoretical framework. On the basis of this framework, for the sake of value creation, it is assumed that employer branding orientation is supposed to enhance intention-to-

stay, which will lead to enhanced firm financial/nonfinancial performance. Because such branding orientation is known to have great influence on various firm-level outcomes in form of improved financial performance (Becker & Gerhart, 1996).

Employer Branding Orientation and Incumbent Employees' Intention-to-Stay

This study hypothesizes that employer branding orientation will have a positive influence in generating the HR outcome i.e. intention-to-stay. That means highly sustained employer branding orientation will enhance incumbent employees' intention-to-stay. Intention-to-stay is defined as *employees' intention to stay in the present employment relationship with their current employer on long term basis*. It is opposite to concept of turnover intention or intention to quit (Johari et al., 2012). Redundant employee turnover has been termed as one of the biggest and costliest business issue that firms are facing (Taylor, 2002). So researchers have put emphasis that more attention should be given on enhancing intention-to-stay instead of copying with turnover, as when an employee leaves a firm it put more cost pressures on firm in terms of recruitment and maintenance cost of new employee (Dalessio et al., 1986). Moreover, Biswas & Suar (2014) has put emphasis on exploring how employer brand increases the retention ratio of incumbent employees.

Extant employer branding literature has emphasized on how to attract potential employees than their retention (Kucherov & Samokish, 2016), even though according to Biswas & Suar (2014) in actual employer brand is supposed to increase the retention ratio of incumbent employees. Thus, building on these premises, this study proposes that employer branding will enhance incumbent employees' intention-to-stay in firms on the basis of following argumentations:

Scholars recently investigated that firms are continuously involved in internal marketing orientation as a strategy to manage employees' retention and employee experience that can potentially enhance employees' intention-to-stay and enhanced firm performance through organizational commitment (Yu et al., 2019). Thus, when employees are committed and loyal to their organization and are retained through fair and practical employer branding policies, they tend to perform better adding towards organization's better performance (A. Ahmad et al., 2020)

But this study argues that this commitment and loyalty does not develop spontaneously, but it takes long time to develop such

social exchange. This reason is in line with *psychological contract theory* that social exchange is rooted in fulfillment of psychological contract that was created between employer and employee at the time of pre-employment and recruitment phase (*psychological contract theory* developed by Rousseau, 1995). Thus, we assume that employer branding orientation takes long time in fulfilling and maintaining the psychological contract among incumbent employees because employee branding and employee experience develop over long time (Carless, 2005).

Thus, building on these premises, this study proposes that employer branding will enhance incumbent employees' intention-to-stay in firms.

Thus it is proposed that:

Hypothesis 1: Employer branding orientation will positively influence incumbent employees' intention-to-stay.

Intention-to-Stay will be Positively Related to Firm Performance

Findings from research on employer branding policies in hundred top US firms shows that these policies not only impact in form of influencing positive work attitudes and intentions but they have great potential to impact firm's performance (Moroko & Uncles 2008 and Backhaus & Tikoo 2004). Firm's performance is measured through ratio of its actual output compared against to its actual inputs. Firm performance includes both financial and non-financial performance (Mishra & Suar, 2010).

This study proposes that intention-to-stay will be positively related to firm's performance on the basis of suggestions provided by Theurer et al. (2018) that the job applicant pool attracted through employer branding will result in favorable applicant actions that will increase job acceptance ratio (through new employees) or retention/turnover ratios (i.e. current employees). This job acceptance ratio/retention turnover ratio can prove to be indicator of enhanced firm performance through analyzing the return-on-investment they put in employer branding program. Waldman and Arora (2004) suggested that practitioners and researchers must give attention on retention of employees more than turnover, as retention is found to be more stable in terms of measurement as compared to turnover.

As investigated by Prasetyo et al., 2021, when a firm is successful in retaining its employees, it leads to reduced turnover and cut the cost for further hiring and training new employees thus improving organizational performance. Thus, organizational performance can be gained by employee retention as retention makes employees willing to work and take

responsibilities towards organization (Melayansari and Bhinekawati, 2020).

Thus, it can be assumed that higher the employer branding orientation, more will it be capable to positively influence incumbent employees' intention-to-stay, more will it translate into positive retention ratios thus contributing towards positive firm performance.

Thus it is proposed:

Hypothesis 2: Enhanced intention to stay will be positively related to firm performance.

Intention-to-Stay Mediates between Employer Branding Orientation and Firm Performance

Basic argument of this study is that high level of employer branding orientation will not have direct impact on firm performance but instead first employer branding orientation will generate enhanced HR outcome (intention-to-stay) that will further influence firm performance. We put forth our rationale behind this mediation mechanism on basis of past marketing research (Wong & Merrilees, 2008) that suggests that employer branding orientation does not essentially directly converts into enhanced firm performance. Instead, it is argued that employer branding orientation will linked with firm performance if it is able to generate and influence key HR outcomes (as intervening mechanisms).

Further reasons to support this argument is that employer branding orientation takes a long time to adjust and absorb in firm structure. Sometimes these activities even may fail to produce desired results that could impact firm performance. As Yu et al., 2019, suggested that it takes longer time for employees to stick around the firm and show their commitment and loyalty. Moreover, if firm fails to maintain their retention ratio and have high turnover rate, it will cause poor and damaged employer brand reputation. It will impact negatively on firm performance (Leung and Lin, 2022).

Thus, this paper argues that implementing employer branding orientation alone may be essential in enhancing employer brand success but it is not fully sufficient to directly produce positive firm performance.

On the basis of this argumentation, this study has established a mediation mechanism to show the linkage of employer branding orientation with firm performance. It leads to following hypothesis:

Hypothesis 3: The effect of employer branding orientation on firm performance will be mediated by incumbent employees' intention-to-stay.

Moderating Effect of Employee Experience on Relationship between Employer Branding Orientation and Intention-to-Stay

Employee Experience (EX) and Employer Branding Orientation

Building on literature of employer branding, this study proposes that employer branding orientation's main goal is to construct an employment experience, from when a potential job applicant applies for a job to when incumbent employee leaves the firm (Backhaus & Tikoo 2004). In today's world, HRM is inclined towards building strong and credible employer brand in form of becoming employer of choice. In this regard, firms put in best efforts to offer a convincing employee experience to their incumbent employees (Mohanty & Kulkarni, 2023).

As Pine and Gilmore, (1998) has stated that antecedents of employee experience are based upon the concept of experience economy that deals with value creation that gave rise to concept of customer experience in marketing (Holbrook&Hirschmann, 1982).

Moreover, according to Sullivan (2004), employer branding is business strategy in which all functions have to play their own role. Since, in today's competitive labor market, attraction and retention of talented employees has become priority, therefore providing wholesome employment experience to incumbent employees has become crucial.

Additionally, a recent study by Mahadevan & Schmitz (2020) has called HR managers as "employee-experience designers" and put forth the doubt whether such creation of employee experience concept is to show HR struggle for legitimization of their role in any firm or really they are involved in crafting positive holistic perceptions of employee towards employment relationship. Thus, investigating the moderating effect of Employee experience is necessary to claim the legitimacy of employer branding orientation towards enhancing employees' intention-to-stay.

Employee Experience will positively Moderate the Relationship between Employer Branding Orientation and Intention-to-Stay

This study proposes that employee experience will positively moderate the relationship between employer branding orientation and incumbent employees' intention-to-stay such that if employee experience is positive it will enhance the capability of employer branding orientation to positively influence intention-to-stay. This proposition is based on following argumentations:

Firstly, building on theoretical framework we built on basis of literature of employer branding orientation and its impact on

employees' intention-to-stay, employee's employment journey starts from accepting a job after matching his person organization fit and after receiving positive signals about firm's unknown characteristics (*Signaling theory*) through pre-employment recruitment experience. This in turn will result in building a psychological contract between employer and employee based on *psychological contract theory* (Rousseau, 1995), that involves implicit expectations demanded by employee and employer from each other. The contents of psychological contract keep on changing with career stages of an employee. The incumbent employee's psychological contract starts with early socialization in a firm till later experiences during job, where promise exchanges keep going on between employer and employee, till it is fully determined and evaluated that firm has kept its promise that it had made during recruitment phase (Rousseau, 1995).

Constantly changing world has led to adoption of experience economy. According to Yadav and Vihari (2021), in such experience economy, employee experience is a driving force for employee engagement. Thus, according to (Plaskoff, 2017), employee experience presents job not just as an employment but a life-time journey in which employee is charge of his/her own career as a hero. Thus, in this changing concept of workplace, employee experience has replaced the concept of employee engagement (Mohanty & Kulkarni, 2023). Such employment experience will profoundly influence employee's intentions based on positive or negative experience with firm, leading to better engagement to stay in the firm. Moreover, a study by Styven et al. (2022), suggest that employees who experience creativity and innovation at work incline towards staying with their current employer and it influence them to recommend their employer to others.

Hence, it is predicted that employee experience is a great determinant between employer branding and employee's intention-to-stay.

On the grounds of above literature, the following hypothesis is constructed:

Hypothesis 4: Employee experience will positively moderate the relationship between employer branding orientation and intention-to-stay (Incumbent Employees).

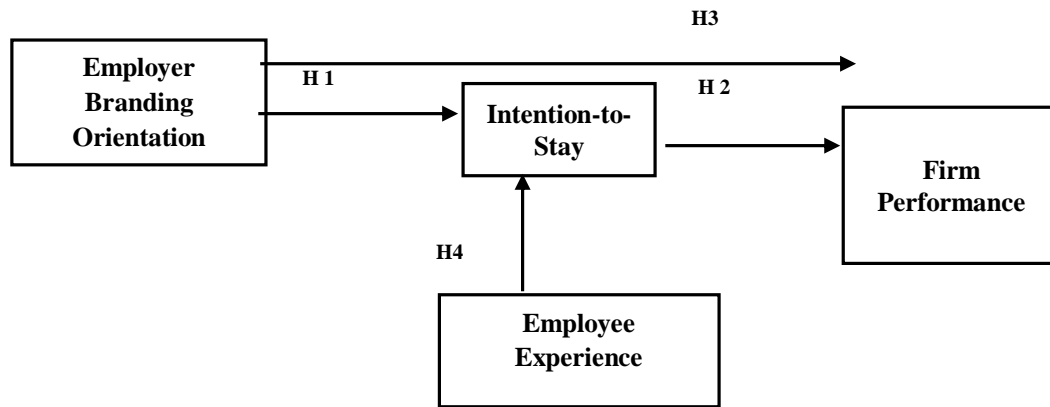


Figure 1: Moderated-Mediation Model

Methodology

Research Design

This study has adopted a positivist research philosophy that is quantitative and descriptive in nature. Its approach to theory development will be deductive in nature as data would be used to test the theory (Psychological Contract) on the basis of which the above model is developed.

We selected four top employer's firms of Pakistan i.e. Engro Corporation, Unilever, Mobilink and Telenor. Time dimension was cross-sectional in nature, as data was gathered from sample of managers and permanent employees of firms for the purpose of determining association among employer branding orientation, intention-to-stay, employee experience and firm performance.

Unit of analysis was multisource data of individuals. One source was from permanent employees of selected firms whose job tenure was above one year; their responses were taken through survey for measuring intention-to-stay and employee experience scale. Second source was top level managers of selected firms to take their responses through survey regarding employer branding orientation and firm performance variables.

The study setting for this research was survey and conducted in natural (non-contrived) setting in selected top employers of Pakistan during their working hours to refrain the effect of any unusual manipulation.

Research Sample and Sampling Technique

For the purpose of collecting data for employer branding orientation and firm performance variable, we have taken responses from multiple top level managers (maximum seven managers) of each firm and five responses are selected on the basis of quality of data. These responses were averaged per question and aggregated to organizational level analysis. Thus, this study has sample size of 400 permanent employees from four top employers with 100 permanent employees from each firm.

Measures

7 point Likert scale is being used in this study for measurements i.e. (1=strongly disagree, 7=strongly agree).

Employer Branding Orientation Scale

This study has used brand orientation scale constructed by Wong and Merrilees (2008) that is reconceptualized and demonstrated by Tumasjan et. al. (2020). Sample items are:

1. Employer branding is essential to our HR strategy
2. Long-term employer brand planning is critical to our future success.

Intention-to-stay Scale

Scale constructed by Mowday, Koberg, and McArthur (1984). Sample items:

1. I do not intend to quit my job
2. I am not thinking about quitting my job at the present time.

Employee Experience Scale

Scale developed by Morgan (2017). It consists of 17 items (10 for culture of the firm, 4 for the physical environment and 3 for technology). Sample items:

1. The technological tools used in your company have been designed to suit the needs of employees.
2. You feel proud to bring a friend/visitor to your office.

Firm Performance Scale

Consistent with other studies ((e.g., Kunze et al., 2013; Delaney & Huselid, 1996; Wall et al., 2004), Firm performance was assessed by using perceptual measures by asking Top level manager

of each company to rate their firms regarding the following aspects of operational performance (effectiveness of business procedures, employee productivity, employee retention) and organizational performance (company growth, financial performance, return on assets).

Empirical Results

For the purpose of examining the data and the results, SPSS statistical software (version 22) and Hayes Process (2018) was used.

Sample Profile

Demographic characteristics of the sample can be seen in Table 1, where 400 permanent employees have responded.

Table 1
Demographic Characteristics

| | | <i>Frequency</i> | <i>Percent</i> | <i>Valid Percent</i> | <i>Cumulative Percent</i> |
|-----------------------|--------------------------|------------------|----------------|----------------------|---------------------------|
| <i>Gender</i> | <i>Male</i> | 298 | 74.5 | 74.5 | 74.5 |
| | <i>Female</i> | 102 | 25.5 | 25.5 | 100 |
| <i>Marital Status</i> | <i>Single</i> | 198 | 49.5 | 49.5 | 49.5 |
| | <i>Married</i> | 202 | 50.5 | 50.5 | 100 |
| <i>Age</i> | <i>Below 25</i> | 30 | 7.5 | 7.5 | 7.5 |
| | <i>26-35</i> | 216 | 54.0 | 54.0 | 61.5 |
| | <i>36-45</i> | 125 | 31.3 | 31.3 | 92.8 |
| | <i>46-55</i> | 29 | 7.3 | 7.3 | 100 |
| <i>Experience</i> | <i>1-5 years</i> | 289 | 72.3 | 72.3 | 72.3 |
| | <i>6-10 years</i> | 55 | 24.7 | 24.7 | 96.8 |
| | <i>11-15 years</i> | 11 | 2.8 | 2.8 | 99.5 |
| | <i>16 years or above</i> | 2 | 0.5 | 0.5 | 100 |
| <i>Rank in Firm</i> | <i>Low Level</i> | 15 | 3.8 | 3.8 | 3.8 |
| | <i>Mid-Level</i> | 307 | 76.8 | 76.8 | 80.5 |
| | <i>High Level</i> | 78 | 19.5 | 19.5 | 100 |

Source: Data has been extracted from SPSS 22

Table 2
Descriptive Statistics

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---------|-----|---------|---------|--------|----------------|
| EBO | 400 | 4.00 | 6.25 | 5.125 | .17243 |
| FP | 400 | 4.25 | 6.15 | 5.2440 | .17553 |
| ITS | 400 | 4.33 | 6.33 | 5.3310 | .18764 |
| EE | 400 | 5.47 | 6.88 | 6.0044 | .16147 |
| Valid N | 400 | | | | |

(List wise)

Source: Data has been extracted from SPSS 22

Reliability Analysis

Table 3 shows all the values of Cronbach’s Alpha are greater than 0.7 which means the item scale is acceptable, valid, and reliable.

Table 3

| Variables | Items | Cronbach’s Alpha |
|-------------------------------------|-------|------------------|
| Employer Branding Orientation (EBO) | 4 | 0.703 |
| Intention-to-Stay (ITS) | 3 | 0.733 |
| Employee Experience (EE) | 17 | 0.819 |
| Firm Performance (FP) | 6 | 0.752 |

Source: Data has been extracted from SPSS 22

Correlation Results.

Table 4

| | | EBO | ITS | EE | FP |
|-----|---------------------|-----|--------|--------|--------|
| EBO | Pearson Correlation | 1 | .195** | .131** | .182** |
| | Sig. (2-tailed) | | .000 | .009 | .000 |

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|---|---------------------|--------|--------|--------|----------------------|
| | N | 400 | 400 | 400 | 400 |
| | Pearson Correlation | .195** | 1 | .198** | .125* |
| ITS | Sig. (2-tailed) | .000 | | .000 | .013 |
| | N | 400 | 400 | 400 | 400 |
| | Pearson Correlation | .131** | .198** | 1 | -.007 |
| EE | Sig. (2-tailed) | .009 | .000 | | .888 |
| | N | 400 | 400 | 400 | 400 |
| | Pearson Correlation | .182** | .125* | -.007 | 1 |
| FP | Sig. (2-tailed) | .000 | .013 | .888 | |
| | N | 400 | 400 | 400 | 400 |

** . Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Regression Results.

To test the hypotheses, moderated-mediation analyses through Process Hayes, (2018) was performed. In this regard, Model 7 of Hayes Process was applied to test moderated-mediation model of this study. All the details of the path analysis of Process model has been shown in Table 5

Regression Analysis

The results of Hayes Model 7 are shown in Table 5. The independent variable is Employer Branding Orientation (EBO), dependent variable is Firm Performance (FP) and mediator is Intention-to-stay (ITS) and Moderator is Employee Experience (EE). Sample size (n) is 400. The confidence interval is 90% and bootstrap is 5000.

R is correlation coefficient and has value 0.2913 which shows the strong positive correlation. R² is coefficient of determination; the value of R² is 0.0849, the model is significant as the value of p is less than 0.10 (p=0.0000).

Indirect effect of Employer Branding Orientation on Firm Performance via the mediator intention-to-stay

In order to test the mediating role of ITS fit in the affiliation among EBO and FP, the significance of independent variable on mediator is tested first. Hence EBO shows a positive and significant relationship

with ITS fit (B = 0.1532, of [LLCI= 0.0622, ULCI=0.2441]. The value of F (F= 12.2421) and p =0.0010, shows that the model is good fitted

Effect of Employee Experience on Intention-to-Stay

The Results showed that EE has significant relationship with ITS. (β=0.1075, p=0.0001, LLCI=0.0532, ULCI= 0.1618), shows that the model is good fitted.

*Interactional Effect of EE and EBO on ITS (EBO*EE)*

Interactional effect shows significant value of P=0.0079 and F value is 7.1272 with LLCI= -1.4213 and ULCI= -0.2158. It shows EE has significant impact on relationship of EBO and ITS.

Direct effects of ITS on FP

The significant direct effect supported the mediating role of ITS fit on FP relationship (Coeff= 0.0634) with a 90% confidence interval and P value is 0.0002.

Direct effect of EBO on FP

The significant direct effect is demonstrated to test the direct role of EBO on FP relationship (Coeff= 0.1069) with a 90% confidence interval and P value is 0.0012, LLCI=0.0427 and ULCI=0.1711

Regression Results

Table 5

| Effects of Variables Path | Coefficient | P-value | Index of moderated mediation | Boot SE | Boot LLCI | Boot ULCI |
|---------------------------|-------------|---------|------------------------------|---------|-----------|-----------|
| EBO → ITS | 0.1532 | 0.0010 | | | 0.0622 | 0.2441 |
| EE → ITS | 0.1075 | 0.0001 | | | 0.0532 | 0.1618 |
| EBO*EE → ITS | -0.82 | 0.0079 | | | -1.4213 | -0.2158 |
| ITS → FP | .0634 | .055 | | | .1041 | .1310 |
| EBO → FP | .1069 | .0012 | | | 0.0427 | 0.1711 |
| EE | | | -0.0519 | 0.03 | 0.1263 | 0.1664 |

Discussion

This study has built a mediation moderated model to test the direct impact of employer branding on one of the HR outcome i.e. intention-to-stay and indirectly on firm performance. Findings of this study lend support to those assumptions made by several researchers (for example, Backhaus & Tikoo, 2004; Mosley, 2014) regarding positive effect of employer branding on human resource outcomes and their combined impact on firm performance, as such effect was not theoretically and empirically tested.

Most of our hypothesized relationships among variables are being supported, as we have used multisource firm level framework. This study finds that employer branding orientation has a direct impact on incumbent employees' intention-to-stay but this impact is being moderated by other HR initiative i.e. Employee Experience. This further proves that psychological contract theory is underpinned behind the framework where employee experience has taken its time to have direct positive impact on relationship between EBO and intention-to-stay. This direct impact on incumbent employees' intention-to-stay has matched with existing employer branding research (i.e. Tumasjan et al., 2020) that has demonstrated that the internal route of employer branding (impact on incumbent employees' intention-to-stay) has more significant influence on firm performance.

As compared to previous studies (for example, Cable&Turban, 2003; Collins&Han, 2004), this study further demonstrates that HR initiatives (employer branding orientation along with employee experience) that directly impact on incumbent employees' attitudes (e.g. intention-to-stay) has more potential to effect organizational performance instead of just focusing on applicant and recruitment related HR outcomes.

Limitations

Although, this study consists of firm-level analysis, multisource data design with three data sources and collective theoretical model, some limitations are acknowledged:

Firstly, less research is done on variable Employee Experience, as compared to other HR subjects, it needs more empirical exploration.

Secondly, our sample is consisted of only four 'top employers' and 'employer of choice' firms in Pakistan. This can limit the generalizability of results. Being a developing country, Pakistan's most of the economic activity is run by SMEs. So more empirical research is needed for SMEs to practice employer branding (Ewerlin & Süß, 2016).

Thirdly, we have used perceptual measure in regard to measuring firm performance that may take into account validity of this study. We encourage future researchers to focus on objective measures of firm performance.

Lastly, while model of this study is based upon theoretically firm propositions but it limits the causal inferences because of cross sectional nature of this study due to time and cost limitations.

Practical Implications

Results of this study can be used as an argument for HR practitioners and top level management of firms to support investment in employer branding initiatives to enhance HR outcome such as intention-to-stay.

It also emphasizes the role of employee experience in moderating the relationship between employer branding orientation and intention-to-stay i.e. more positive the employee experience more it will enhance intention-to-stay among incumbent employees.

Moreover, indirect positive effect of employer branding orientation on firm performance is due to enhanced intention-to-stay. Such positive findings lend support for HRM practitioners to explain to leaders of firm that why investment in employer branding is vital for company growth and incumbent employees' engagement towards firm and what effect it has on their attitudes to stay in their firm.

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