



## Employer Brand and Innovative Work Behaviour: Exploring the Mediating Role of Employee Engagement

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### Abstract

Over the recent decade, the employer brand has gained significant interest among academicians and practitioners and it highlights the labour market's strength and uniqueness. However, from the employees' perspective, employer brand outcomes are not rigorously studied and do not capture the entire scenario. Thus, this study postulates the role of employee engagement in the relationship between the employer brand and work behaviour. Four hundred responses were collected using judgemental sampling. The selected sample includes, Indian Informational Technology (IT) firms included in the "most attractive employer" titles chosen for the "Randstad Employer Brand Awards 2018". The results indicate that the employer brand predicted innovative work behaviour, and employee engagement partially mediates the associations. The study has broader implications to the IT sector as it helps to understand the role of the employer brand in innovative work behaviour and facilitates the need for an internal employer brand that provides engagement and opportunities to be innovative.

**Keywords:** Employer Brand, Employee Engagement, Innovative Work Behaviour, Social Exchange Theory, IT sector

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## **Introduction**

In the epoch of globalisation, economic instability has widely affected the organisation's longevity and sustainability. High level of competition exists among organisations to attract and retain a talented workforce (Arasanmi & Krishna, 2019) as employees tend to switch companies frequently in search of the best place to work. In such a scenario, organisations are implementing various tactics to be an 'employer of choice' in the labour market. Crafting an exclusive and compelling employer brand has become a useful strategic tool to overcome this situation. The employer brand provides the firm with a unique identity (Edwards, 2009) as an employer and includes the value system, strategies and actions of the organisation towards recruiting, motivating and retaining the employees of the firm. The term is often used to communicate what the organisation offers to the employees and what makes the organisation distinct and attractive (Lievens, 2007). Employers can channel different recruitment and retention activities under the broad term employer brand (Ahmad et al., 2020). Through the Employer Brand (EB), organisations can build their competitive advantage (Dabirian et al., 2019) and also helps to retain employees through an internalisation of company values. When the employer brand helps the organisation to differentiate itself from the competitors it becomes a unique place to work in (Martin et al., 2011). Employer branding relates to the process of building an employer's identity or image. Employer branding of every organisation has both external and internal dimensions. Internal employer branding caters to the employees of the organisation. It concentrates on establishing a friendly work culture, creating employee growth and development within the organisation. In contrast, external employer branding emphasises on fostering company image in a manner that increases market awareness of the brand, attracts candidates, and highlights the advantages of being employed by the company (Backhaus & Tikoo, 2004).

Recent research has emphasised that creating a strong employer brand can lead to personal and organisational outcomes, providing a strategic advantage to firms. However, previous studies have concentrated on understanding the effectiveness of employer brand on potential employees (Maxwell & Knox, 2009). Only limited number of studies have focused on employees and proposed research models examining employer brand impact on organisational outcomes (Tanwar & Prasad, 2017). Thus, in the current study, the researcher looks at the employee perspective by understanding employer brand outcomes such as employee engagement and innovative work behaviour. Engaged employees devote and commit to the firm and work towards accomplishing the firm's goals (Chawla, 2019); engaging the employees is considered an important strategy of increasing competitive advantage

through building a high-performance workforce (Kashyap & Chaudhary, 2019). The liveliness, sustainability and productivity of organisations centred upon various qualities of these engaged employees such as competence, dedication, and contribution. Furthermore, a growing interest in the area stems from the fact that engaged employees function as an indispensable defence against employee turnover in the labour market and they can create several positive organisational outcomes, including innovative work behaviour (Pukkeeree et al., 2020). Innovative behaviour refers to applying novel and useful ideas in the work role (Slåtten & Mehmetoglu, 2011).

Barrow and Moseley (2005) and Backhaus and Tikoo (2004) stated that employer brand could impact employee's involvement as well as in-role and extra-role performance. Strong employer brands provide various functional, psychological, and economic benefits to the employees (Ambler & Barrow, 1996), that can be considered as resources enjoyed by the employees. Studies assert that organisational resources impact employees (Kwon & Kim, 2020; Schaufeli, 2017). Thus, an employer brand's resources and benefits may act as motivational factors and broaden employees' mindset with positive emotions, high energy levels, enthusiasm about their work and generate positive outcomes such as innovative work behaviour (Fredrickson, 2004). However, there seems to be a gap in knowledge concerning the relationship and there is a surprising dearth of research on connecting employer brand and innovative work behaviour in the academic literature.

In recent years, academicians and practitioners have started showing a significant interest in understanding the role of strong employer brand in improving employee performance. Even though insights are growing about the importance of the employer brand for employee satisfaction (Tanwar & Prasad, 2017), commitment (Barrow & Moseley, 2005) and retention (Suikkanen, 2010), there is less research that examine the influence of employer brand on the employees' innovative work behaviour through employee engagement. These variables could significantly contribute to organisations by providing an inclusive model showing the mediation mechanism linking employer brand with its outcome. As one of the leading players in the international IT circuit, the Indian IT firms were ready to offer employment to about 30 million individuals by 2020 (Tanwar & Prasad, 2017). However, the IT sector has an attrition rate of about 17% and has increased over the years (Narayanan, 2017). Then, there is a necessity for more empirical research that emphasizes the role of employer brand in Information Technology (IT) literature (as well as in academic research in general) and the process through which employer brand influences the

innovative work behaviour of employees in Indian IT firms. This understanding will ultimately help the IT managers to take necessary efforts to strengthen employee retention.

Although there have recently been studies focusing on employer brand, this study is novel in its attempt to empirically examine the effect of employer brand on innovative work behaviour from an IT perspective. Such research would make a theoretical contribution and provide the management of IT firms with an understanding of both the effects of employer brand and the practical tools that can stimulate innovative work behaviour and employee engagement. Hence, the main intention of this study is to look into these three variables – employer brand, employee engagement and innovative work behaviour and relationships between them. The study also seeks to understand how the employer brand can influence employee engagement and how it may lead to innovative work behaviour among the employees in Information Technology (IT) organisations. The paper will examine the internal employer branding concept focusing on the effect of employer brand on employees. The outcomes of this study will increase the current understanding of EB's effectiveness and subsequently help to outline employer brand into a more attractive form in the future.

The next section delves into the previous literature and milieu of the variables under study and forms the hypotheses of the study. Then the methodology for executing the research, including sample and procedure are explained. The section to follow presents the analysis and findings. The article concludes with the implications, limitations, and future directions.

## **Literature Review and Hypothesis Development**

### ***Employer Brand and Innovative Work Behaviour***

The employer brand is an interdisciplinary concept that evolved from branding doctrines in Marketing and was introduced to Human Resource Management in 1990 when Ambler and Barrow introduced the term. Later, they defined the term in their paper 'The Employer Brand' as a package of employment-related functional, economic and psychological benefits that are associated with the employing company (Ambler & Barrow, 1996). The main three benefits explicated are functional, economic and psychological ones. The functional benefits explain the developmental activities and benefits provided by the company to employees working there. The economic dimension indicates all material and monetary benefits that are enjoyed by the employees of the company. The psychological features signify the feelings of

belongingness, purpose and direction. These three attributes drive numerous studies about the employer brand and its importance in an organisation. The study conducted by Tanwar and Prasad (2017) highlights the need for a strong employer brand by bringing dimensions such as Healthy Work Atmosphere, Training and Development, Work-Life Balance, Compensation and Benefits, Ethics and Corporate Social Responsibility into picture. The employer brand's five-dimensional structure is an expansion and practicality of the theoretical framework proposed by Ambler and Barrow (1996). The aspects relating to the compensation and benefits offered to employees come in the 'economic dimension', while the occurrence of a healthy work atmosphere can be dispensed to the 'psychological dimension', where the employer aids workers' social needs by introducing flexi-work programmes. Finally, training and development come under the 'functional dimension', and so do ethics and CSR, which denote the company's face towards employees and society. The latter two contribute to both employees as well as the society.

Employer brand as a primary ideology of the firm requires a process of building a unique and identifiable employer identity, which is taken care of by employer branding. There are three steps involved in the process of employer branding, of which the first is the development of an employer value proposition. Later, this value proposition is marketed to the organisation's external and internal markets (Backhaus & Tikoo, 2004). As a result of this process, the employer brand creates a unique workforce and enable the firm to achieve a unique identity as an employer in the labour market. Internal employer branding outlines an essential element of the employer branding framework; research suggests that internal employer branding shapes insights into organisational identity and culture, thereby creating better employee outcomes (Backhaus, 2016). When employees internalise brand values, they will continuously deliver on the brand promise across all contact points between the company and its stakeholders, thereby broadening the scope of employer branding (Punjaisri & Wilson, 2007). Nevertheless, for a long time, there was a dearth of studies that focused more on the gains of an employer brand on employees, since most studies concentrated on understanding the concept of employer brand from different perspectives.

The concept of employer brand has gained much significance in the recent past due to its benefits to organisations for attracting and retaining a skilled workforce (Barrow & Mosley, 2005; Berthon et al., 2005). As per Berthon et al. (2005), the employer brand provides opportunities to offer lower payment to employees in similar positions than companies that do not have a good employer brand. It also aids

in employee retention, thereby reducing employee turnover and Human Resource (HR) costs of the company. Further adding to the importance of employer brand, Davies (2008) stated that perceived differentiation, loyalty, satisfaction and affinity increase with employer brand help, which motivates employees to stay for a more extended period in the organisation. Internal marketing of employer brand ultimately proliferates organisational identification among employees, contributing to employees' willingness to stay in the organisation (Karjaluo & Paakkonen, 2019). The loyalty of employees created by the employer brand forges a strong commitment and job satisfaction. Even more significantly, studies point out that organisations with better employer brand tend to have employees moving to in-role and extra-role performance (Burawat, 2015; Martin et al., 2011) such as Organisational Citizenship Behaviour (OCB) and Innovative Work Behaviour (IWB).

Innovation and creativity are often used interchangeably by researchers in many studies. Creativity is mainly the production of novel and useful ideas and is often used to refer to the creation of new knowledge or doing something for the first time (Woodman et al., 1993). Whereas innovation deals with the generation or adoption of useful ideas and idea implementation (Van de Ven, 1986). Janssen (2000) defined IWB as the purposeful creation, establishment, and deployment of new ideas within a work role, group, or organisation, in order to benefit the role performance, the group or the organisation (Janssen, 2000). This innovative work behaviour comprises employees' behaviour that is directly or indirectly leading to innovation at the workplace. Through innovative work behaviour, employees tend to contribute to the organisation's competitive advantage and wealth creation. Throughout the last decades, plenty of research has centred on understanding the backdrop to innovative work behaviours and speeding up ways of encouraging and improving employees' creative efforts. Empirically validated findings have demonstrated that employees consider innovative work behaviour as a tool for coping successfully with large workloads. That is, the higher job demands frequently activate innovative responses in the individuals suggesting that innovative work behaviour helps as a problem-focused coping gambit used by workers to cope with enhanced task requirements (Janssen, 2000). The precursors that linked to innovative work behaviour includes namely perceived organisational support (Sulistiawan et al., 2017), transformational leadership (Muchiri et al., 2020; Afsar et al., 2014), psychological empowerment (Bhatnagar, 2012), employee engagement (Slåtten & Mehmetoglu, 2011) and superior and workgroup relationship quality (Sulistiawan et al., 2017). When employees observe that the organisation provides support for innovation, they are inclined to engage in activities signalling innovativeness to augment their image

within the organisation. When a strong employer brand provides employees with benefits, resources and other support for innovation, it indicates to an employee that the organisation believes in emphasizing an employee's involvement, recognises their importance, and is concerned about their knowledge and skills. The employees would instantaneously interchange positive and constructive organisational efforts by enhancing their job-related behaviour (Kaur et al., 2020), resulting in innovative behaviour.

Social Exchange Theory exerts that relations amongst people will become consistent and reliable over time as they accept certain specific rules of exchange (Cropanzano & Mitchell, 2005). The rules of exchange promote reciprocity such that one party's responses activate the responses of the other one (Blau, 1964). The economic and socio-emotional resources received from the organisation make employees feel obliged to reciprocate in kind and recompense the organisation. So, when an employer brand provides psychological, economic, and financial benefits or resources to the employees, they feel bound to reciprocate and repay the organisation. This reciprocation to the organisation can be in any form, including innovative work behaviour and employees would consider it as an exchange to the organisation for the benefits they receive from it. Hence, the extent of cognitive, emotional, and physical resources that an individual allocates in the performance of one's work roles is contingent on benefits and resources that they received from the organisation (Saks, 2006). Though it is imperative to study this relationship, there is a dearth of knowledge that explores it. Therefore, this study has tried to identify the relationship between employer brand and innovative work behaviour. Based on these inferences, researchers formulate the following hypothesis.

H<sub>1</sub>: There exists a positive relationship between employer brand and innovative work behaviour

### ***Mediating Role of Employee Engagement***

According to Kahn (1990), personal engagement is the state in which organisational members commit physically, cognitively, and emotionally to their work roles and produce substantial outcomes. Later, Schaufeli and Bakker (2004) defined work engagement as a positive, fulfilling, work-related state of mind, distinguished by vigour, dedication, and absorption. In recent decades employee engagement has become a pivotal means of fostering a high-performance culture to force the organisation to succeed. Although 'employee engagement' and 'work engagement' are often used interchangeably, this study utilizes the latter, as it is more

specific. Work engagement refers to the employee's relationship with the work role, whereas employee engagement may also consider the employees' relationship with the organisation.

Employees directly align with the company's growth and development and add to a successful organisation's fundamental proficiencies. Any employee, who does not strategically engage in their jobs, is the primary element that affects organisational productivity. The more engaged an individual is, the more his readiness to go the 'extra mile' to achieve the firm's goals (Chawla, 2019). Employee engagement is thus an ultimate factor that contributes to the success of an organisation. It can be stated that engagement of employees is associated positively with a bunch of positive outcomes such as retention, job satisfaction, commitment (Sundaray, 2011) discretionary efforts, and innovative work behaviour (Slåtten & Mehmetoglu, 2011), and negatively with employee's intention to quit (Saks, 2006), and, therefore, is a crucial element for determining the overall productivity of the organisation.

Much of the previous literature states that the employer brand is used as a strategy to attract talents and engage the current workforce in an organisation (Tanwar & Prasad, 2017; Burawat, 2015). Social Exchange Theory can be used to expound the relationship between employer brand and employee engagement. As stated earlier, there is an innate tendency for employees to respond to resources and facilities obtained from the organisation (Chawla, 2019). Hence, when employees get benefits, they tend to reciprocate through higher levels of employee engagement. Employer brand creates a human asset that is always engaged and committed to the organisation. More reliable the employer brand, the better will be the organisation's employees' engagement levels (Kunerth & Mosley, 2011).

Studies verify that employee engagement and innovative work behaviour tend to have a high correlation (Slåtten & Mehmetoglu, 2011). The engagement level of employees is considered to be a precursor for innovative work behaviour. Recent studies attest that engaged employees have elevated energy levels and are fervent about their work resulting in a positive emotional state. Further, the created positive emotional state of engaged employees can stimulate Innovative Work Behaviour in them. Previous research in this field has disclosed that employees with a positive state of mind are more favourable to the possibilities at work, more outgoing and exhibit desirable and service-oriented behaviours to others. Additionally, positive emotions are often associated with creativity or innovation. Engaged employees with a positive state of mind have a greater ability to be more creative when offering a service. Thus,



as previous research revealed, positive emotions, implicit in engagement, relate both to behaviour and creativity, or what this study labels as innovative work behaviour (Slåtten & Mehmetoglu, 2011). Strong theoretical background for explaining this relation can be identified in the Social Exchange Theory. The theory postulates that employees feel obliged to organisations that provide values to them. This obligation initiates them to repay the organisation by showing engaged behaviour. This engaged behaviour motivates them to showcase extra-role behaviour, resulting in innovation and creativity (Rao, 2016; Xerri & Brunetto, 2013).

Engaged employees are more determined and proactive in their work as they acquire fulfilment from their work which generates positive attitudes (Park et al., 2014). Such employees work to the fullest and tend to take a proactive approach towards solving problems. Innovation concerns the generation and implementation of new ideas and it necessitates employees to update relevant skills and knowledge recurrently, which encompass substantial energy, effort and encouragement.

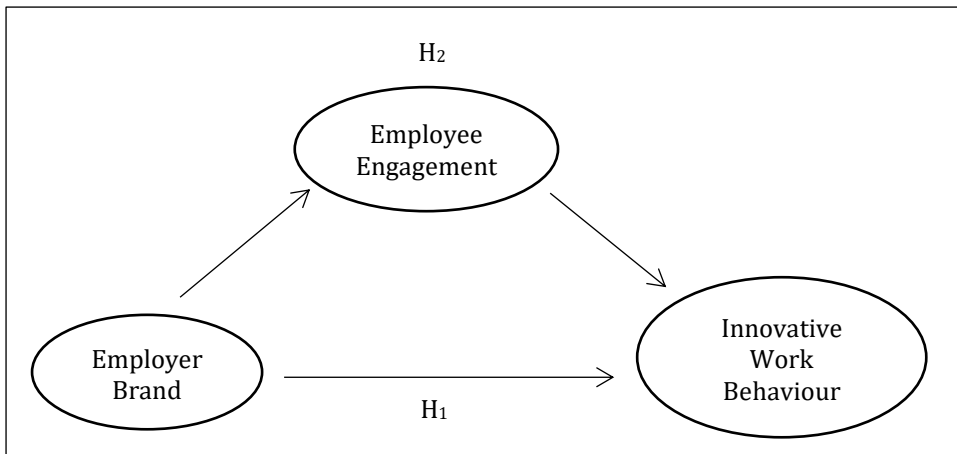
Besides, the intervening effect of employee engagement on the relationship between several organisational factors and outcomes has been confirmed in numerous studies. As a source of knowledge, there are studies stating the mediating role of employee engagement. Saks (2006) argued that employee engagement partially mediates the relationship between the antecedents of employee engagement, i.e., perceived organisational support, rewards and recognition, procedural justice, and distributive justice and outcomes of employee engagement, which includes job satisfaction, organisational commitment and organisational citizenship behaviour. Thus, as the study concluded, the employer brand tends to improve the engagement levels of the current employees in the organisation. When the engagement level of employees increases, as explained by SET, they tend to exhibit innovative behaviour (Slatten & Mehmetoglu, 2011) as a reciprocal mechanism for the benefits they enjoy from the organisation (Cropanzano & Mitchell, 2005). The following hypothesis was associated with the mediating effect on employee engagement on the relationship between employer brand IWB.

H<sub>2</sub>: Employee engagement mediates the relation between employer brand and innovative work behaviour.

Based on the above hypotheses, the conceptual framework of the study shown in Figure 1 is framed to empirically test the relationship between employer brand and innovative work behaviour via employee engagement. These links in this study are

established within the framework of Social Exchange Theory. This theory argues that obligations are created through a sequence of exchanges amongst parties who are in a state of reciprocal interdependence. A basic tenet of Social Exchange Theory is that relationships develop gradually into trusting, loyal and mutual commitments as long as the parties involved stand by specific “rules” of exchange. Rules of exchange generally encompass reciprocity or repayment rules such that the actions of one party lead to a response or actions by the other party.

**Figure 1: Conceptual Framework of the Study**



**Measures**

The variables presented in Figure 1 were operationalised in the study in the following manner.

*Employer Brand*

Employer brand was measured using a 23-item scale developed by Tanwar and Prasad (2017). The scale comprises five dimensions: a healthy work atmosphere with six items, training and development with six items, work-life balance with three items, ethics and corporate social responsibility with four items, and compensation and benefits with four items. A sample item in the healthy work atmosphere dimension was ‘my organisation provides autonomy to its employees to make decisions’. The Cronbach’s  $\alpha$  for this dimension was 0.873. A sample item in training and development was ‘my organisation provides us online training courses’. The Cronbach’s  $\alpha$  for this dimension was 0.893. A sample item in the dimension of a work-life balance was ‘my organisation offers the opportunity to work from home’. This dimension’s Cronbach’s  $\alpha$  was 0.754. A sample item in the dimension of ethics and corporate social responsibility was ‘my organisation has a fair attitude towards

employees'. The Cronbach's  $\alpha$  for this dimension was 0.865. A sample item in the dimension of compensation and benefits was 'my organisation provides overtime pay'. The Cronbach's  $\alpha$  for this dimension was 0.783. All the 23 items were rated on a five-point Likert-type scale that ranged from strongly disagree (1) to strongly agree (5).

### *Employee Engagement*

Employee engagement was measured using a nine-item Intellectual, Social, Affective (ISA) scale developed by Soane et al. (2012). The scale comprises three dimensions: intellectual engagement having three items, social engagement with three items, and affective engagement with three items (Soane et al., 2012). A sample item in the dimension of intellectual engagement included 'I concentrate on my work'. The Cronbach's  $\alpha$  for this dimension was 0.904. A sample item in the dimension of social engagement was 'I share the same work values as my colleagues'. The Cronbach's  $\alpha$  for this dimension was 0.936. A sample item in the dimension of affective engagement included 'I feel positive about my work'. The Cronbach's  $\alpha$  for this dimension was 0.944. The total nine-item scale was rated on a five-point Likert-type scale that ranged from strongly disagree (1) to strongly agree (5).

### *Innovative Work Behaviour*

This study used a scale developed by Janssen (2003) to measure innovative work behaviour. The scale had nine items, and a sample item was 'I think up new ideas for difficult problems'. This scale also employed a five-point Likert scale that ranged from strongly disagree (1) to strongly agree (5). The Cronbach's  $\alpha$  was 0.94, which shows that the instrument was reliable.

## **Methods**

### *Overview of Sample and Procedure*

The conceptual model is empirically tested on a sample of full-time employees employed in the Indian Information Technology (IT) industry in South India. Two-stage judgemental sampling was used for studying in order to ensure that the respondents selected had adequate knowledge about the company they are working. At first, the top Indian IT firms falling under the category of the 'most attractive employer' title selected for the 'Randstad Employer Brand Awards 2018' were selected for sampling. The Randstad Employer Brand Award is presented each year to the most attractive employer in various countries across the globe. Later, in the second stage, the employees who had two years of experience were factored out of the shortlisted companies' talent pool. The purpose of selecting employees with job

tenures of more than two years was that they ought to have adequate and appropriate information about the organisation's practices and policies. Data collection was done on both online and offline modes from January to April 2019. Of the 590 questionnaires distributed, 400 were usable questionnaires accounting for a response rate of 68%.

The data were analysed using IBM SPSS 23.0. Descriptive statistics were used to develop the profile of the respondents and to summarise the variables. The demographic profile of the 400 respondents shows that 220 (55 %) were males and 180 (45%) were females. Additionally, 25.75 % of the respondents (103) were in the age group of 25 – 30 years, and 51.25% of them (205) were in the age group of 31 – 35 years. Only 0.75% of respondents fall into the less than 25 years of age category, and only 0.5% of respondents belongs to 46 – 50 years of age.

Further, it is observed that out of the 400 respondents included in the survey, 67.5% (270) were from middle-level management, 26.5 % (106) were from junior-level management, and 6% (24) belonged to top-level management. Concerning the respondents' educational qualifications, 50.75% (203) of the respondents are post-graduates, while 45.25% (181) are graduates. Only 4 % (16) of the respondents have other educational qualifications. The data also shows that among 400 respondents, 41.75% have 5 – 7 years of experience working in the present company.

## **Data Analysis**

The initial screening was done using IBM SPSS 23, and further regression and mediation analysis were conducted to assess the proposed mediation model using PROCESS Macro model no. 4. PROCESS Macro regression analysis is an advanced and robust regression-based approach focusing on mediation, moderated mediation models and the conditional indirect effect. It incorporates the stepwise procedure, which facilitates the indirect effect analysis, Sobel's standard theory test, and a bootstrap estimation of the confidence intervals.

The collected data were initially screened using the mean, standard deviation, and the correlations. From the descriptive statistics in Table 1, it is evident that the variables under study are moderately correlated.

Two hypotheses were tested in the study. The results revealed that both proposed hypotheses are supported. Regression analysis revealed that the entire model explained 16.41% of the variance in IWB ( $R^2 = 0.1641$ ). Here, in the study, the

indirect effect is the employer brand's pathway to innovative work behaviour through employee engagement. The direct path estimates between the employer brand and IWB confirm that the path coefficient is positive, and the corresponding *p*-value indicates that the coefficient is statistically significant. This value indicates that the data supported the first hypothesis ( $H_1$ ) ( $\beta = 0.1763$ ,  $SE = 0.053$ ,  $p < 0.05$ ,  $CI\ 95 [0.07, 0.28]$ ). Therefore, the first hypothesis ( $H_1$ ) is accepted, indicating that employer brand has an effect on innovative work behaviour.

**Table 1: Correlations and Descriptive Statistics**

Variable	EB	EE	IWB	Mean	S.D.
EB	1			3.86	0.690
EE	0.553**	1		3.88	0.782
IWB	0.335**	0.340**	1	3.97	0.598

Notes: 1. \*\* denotes correlation significant at the 0.01 level

2. EB: Employer Brand; EE: Employee Engagement; IWB: Innovative Work Behaviour

Further, mediation was tested using the bootstrapping method using bias-corrected confidence estimates (Preacher & Hayes, 2004). As stated in the literature (MacKinnon et al., 2013), a bootstrap procedure is included in the current study to account for the small sample size. Bootstrapping uses random sampling observations with replacement from the data set to calculate the anticipated statistic in every resample. The 95% confidence interval of the indirect effects was obtained with 5000 bootstraps resamples (Hayes & Preacher, 2014). Results of the mediation analysis confirmed the mediating role of employee engagement in the relationship between employer brand and the IWB ( $\beta = 0.143$ ,  $SE = 0.047$ ,  $p < 0.05$ ,  $CI\ 95 [0.05, 0.24]$ ). The results illustrate that the direct effect of employer brand on the IWB remained significant at  $p < 0.05$  with path coefficient 0.1763, when controlling for employee engagement, thus suggesting partial mediation. In other words, employee engagement only mediates part of the effect of employer brand on IWB; that is, the intervention (employer brand) has some residual direct effect even after the mediator (employee engagement) is introduced into the model.

**Table 2: The Direct, Indirect and Total Effects**

Path	Direct	Indirect	Total
EB→IWB	0.1763	0.1436	0.3199

Note: EB: Employer Brand; EE: Employee Engagement; IWB: Innovative Work Behaviour

The entire path is 95% of the bootstrap estimates, not including zero, which concludes that the employer brand's indirect effects on innovative work behaviour are significantly different from zero (Preacher et al., 2007). An examination of the specific indirect effect (see Table 2) indicates that employee engagement is a mediator since its 95% confidence interval does not contain zero. Therefore, the relationship between the employer brand and IWB is mediated by employee engagement, supporting the second hypothesis (H<sub>2</sub>) of the study.

The employer brand is often characterised by the functional, economic and psychological benefits provided in the organisation which helps in analysing the influence of employer brand. One of the most critical findings from the current study is that the employer brand of the organisation influences employees' Innovative work behaviour. It is empirically evidenced that the employer brand positively relates to innovative work behaviour ( $\beta = 0.1763, p < 0.01$ ). The other notable result from the present study shows that employee engagement partially mediated the relation between employer brand and innovative work behaviour. The mediation analysis helps us understand the role of employee engagement in the relationship between the employer brand and innovative work behaviour.

## **Discussion and Conclusion**

The present study is based on the view that a strong employer brand results in improving the innovative work behaviour of employees in organisations. The employer brand is often outlined by the set of benefits and resources that are offered in the organisations for assisting the employees (Ambler & Barrow, 1996). In analysing the impact of employer brand on job outcomes the most crucial finding from the current study is that employer brand was a significant predictor of innovative work behaviour. The finding was in line with the study of Martin et al. (2011) which discussed the key role of employer brand in crafting reputational capital through innovations and states that strong employer brand facilitates employees to be innovative.

The other notable result from the current study is that employee engagement mediates the link between employer brand and innovative work behaviour. The mediation analysis helps to understand the role of employee engagement in boosting the relationship between employer brand and innovative work behaviour. In particular, the employer brand of the organisation helps to synergise intellectual, emotional and social engagement levels of employees. This synergy of three levels

of engagement fuels innovative work behaviour (Agarwal, 2014). The resources provided are interwoven in their impact on engagement and innovative work behaviour is a result of it (Kwon & Kim, 2020).

The evidence on the indirect influence of employee engagement on this relationship attests that employee engagement plays a vital role in determining the employees' innovative work behaviour (Agarwal, 2014). Hence the findings of the current study suggest that in order to stimulate and enhance the employees' innovative work behaviour, they should improve the employees' engagement level, which can be assisted by a well-crafted employer brand.

Findings of the study emphasise the importance of employer brand among employees and its predictive power in inculcating innovative work behaviour. The validation of the employer brand outcomes framework brings a vital contribution to literature in its attempts to comprehend the role of employer brand in organisational settings (Backhaus & Tikoo, 2004). The study strengthens the significance of Social Exchange Theory in explaining the role of employer brand and its association with positive job outcomes. The employees' functional, economic, and psychological benefits create an obligation that encourages them to reciprocate to the organisation. The study demonstrates that employees' reciprocation can take the form of employee engagement and innovative work behaviour. Thus, it provided empirical evidence for the relevance of Social Exchange Theory in employer brand theory development. By explaining the need and significance of the relationship between the employer brand and innovative work behaviour in the IT sector, new theoretical insights are presented into the underlying linkages. Also, in the IT sector, aspects related to increasing employee engagement have begun. In light of this, the present study has made a modest attempt to verify the findings of previous studies on employer brand and employee's innovative work behaviour. The mediation analysis also provides an insight into the role of employee engagement in strengthening the relationship between employer brand and innovative work behaviour of employees.

The study implies that managers need to have a proper understanding of the role of employer brand and employee engagement in fostering innovative work behaviour among IT sector employees. Enhancing innovative work behaviour is always crucial, and it contributes to organisational effectiveness and competitive advantage (Dobni, 2010). Such behaviour is always associated with the longevity and sustainability of IT organisations. Our study demonstrates that the employer brand can attract a talented pool of employees (Sokro, 2012), create dynamic and engaged employees

and retain them in the organisation and, thus, is capable of creating an environment facilitating engagement in the workplace. This talented pool of employees shows a high level of engagement and gets a platform to showcase their innovative work behaviour (Huhtala & Parzefall, 2007). This increases profitability and results in organisational competitiveness. Managers should realise that the employees' innovative work behaviour is also instrumental in determining the organisation's long-term success. The study also showcases the importance of the process through which employer brand is leading to innovative behaviour. Therefore, organisations should focus on those aspects that can enhance employees' engagement level, which ultimately leads to innovative work behaviour. The research also stipulates the need for focusing on an employer brand where the organisation can engage the employees and retain the employees, and the results are employee satisfaction, well-structured succession plan and improved brand image.

In a nutshell, this research provides a more extensive understanding of the relationship between employer brand and innovative work behaviour. It enhances the literature by incorporating the mediation effect of employee engagement between employer brand and innovative work behaviour. Theoretically, the study strengthens the significance of Social Exchange Theory in explaining the relevance of an employer brand and its implications on job outcomes. This paper also adds empirical evidence for the importance of a strong employer brand in the organisation for creating a competitive workforce with a higher level of engagement and encouraging innovative work behaviour in them. This added benefit would be likely to result in improved processes and organisational effectiveness, which contribute to the organisation's competitive advantages (Riex & Karlsson, 2014); Uebbing, 2015).

### ***Limitations and Scope for Future Research***

A specific sample of employees from a particular sector was used to make generalisations challenging across different sectors and organisations. Moreover, a cross-sectional design was employed throughout, and hence the determination of causal relationships is impossible. The data was collected through a self-report questionnaire. Thus, biasness of subjectivity may be leading to a concern for common method bias. The primary focus of this study was to examine the role of the employer brand in enhancing IWB. There are other potential drivers of IWB that could be added in for further refining the research. The role of demographic variables in the relationship between the employer brand and IWB can be a possible extension of the study.



## Declaration of Conflicting Interests

The authors declared no potential conflicts of interest with respect to the research, authorship, and publication of this article.

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