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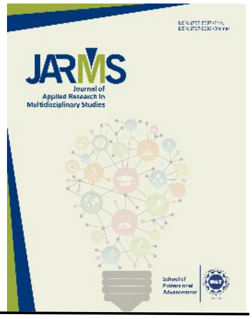

Title:	**Moderating Role of Employer Branding between Talent Acquisition, Talent Retention, and Banks' Performance in Pakistan: Developing Countries' Perspective**
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Moderating Role of Employer Branding between Talent Acquisition, Talent Retention, and Banks' Performance in Pakistan: Developing Countries' Perspective

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Abstract

The banking sector plays an important role in the growth and development of a country's economy. However, the sector's contribution to the growth and development of a country's economy depends on its performance. It was found that Pakistan's banking sector is performing poorly as compared to the performance of the banking sectors of other neighbouring countries. The objective of the current study was to present a conceptual framework for the banking sector of developing economies, such as Pakistan with the goal of enhancing its performance. Literature indicated that through talent acquisition and talent retention, firms can achieve superior performance. Previous research found that talent acquisition and retention have a positive impact on a firm performance. Moreover, literature also indicated that the influence of talent acquisition and retention on a firm performance varies due to the employer's brand. Therefore, the current study proposed a conceptual framework to leverage the performance of the banking sector of Pakistan and examined how this relationship may vary when it interacts with employer branding. The conceptual framework would help to better understand the performance of the banking sector in the developing countries.

Keywords: firm performance, talent acquisition strategy, talent retention strategy

Introduction

The banking sector plays an important role in the development and growth of a country's economy. Banks are the engines of economic growth, as they are the dominant source for both, long-term and short-term capital financing. The banking industry is generally known for its contribution to the wealth creation of a country's economic activities. Without banks, the economies of countries cannot nurture and sustain themselves. Banks

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continually facilitate business transactions and drive economic growth Khalique et al. (2019). A stable banking sector promotes economic efficiency and reinforces social welfare by allocating funds and offering other financial services to organisations and households (Poh et al., 2018; Vuong & Mitra, 2017). Therefore, there is no doubt that the development and performance of the banking sector is directly related to the prosperity and economic development of the country. The last global financial crisis of 2007–2008 attests to this fact.

The Pakistan banking industry comprises of 31 banks with 15,053 branches, of which twenty-two are local private banks, five are public-sector, and four are foreign (State Bank of Pakistan [SBP], 2020). The history of Pakistan banking sector dates back to 1948 when the State Bank of Pakistan (SBP) was established in 1948 to control the financial sector. Pakistani banking sector has witnessed drastic changes over a period of 75 years since its independence. The Pakistani banking sector is facing the problem of poor performance. It suffered from acute shortage of resources, political instability, and lack of trained human resources resulted into poor quality of products and services that lead towards poor performance (Jokhio, 2019). The profitability of Pakistan's banking sector has declined. Moreover, the performance of Pakistani banking sector is also poor as compared to the performance of the banking sector in other countries in the region. In Asia, Pakistani banks rank very low as compared to their counterparts (S & P Global, 2022). Therefore, the current study focused on the variables that can influence the performance of the banking sector.

Literature Review

Firm Performance

With the rapid growth of technology, globalisation and diverse consumer and customer needs, the growth and survival of firms is undergoing fundamental changes. A dynamic, volatile, and constantly changing environment is a major challenge for the performance of organisations, in which organisations have to adapt the increasing competition needs in terms of quality of products or services, speed of reaction, and innovation. (Dehisat & Awang, 2020). Similarly, Fernando et al. (2019) argued that globalisation and rising inflation worldwide have changed the world's landscape in recent times. They also argued that all these events have not only affected the economies of the countries, however, all the business firms have also been affected. All these developments have created new challenges for firms. Therefore, academicians and organisations face the critical challenges of improving innovative capability, operational capability, value-added capabilities, along with other areas of firm performance, in a changing environment

Firms depend on their superior performance for their continued existence and growth. Similarly, superior firm performance depends on a number of factors known as the antecedents of firm performance. Scholars and researchers have identified many antecedents of firm performance (Innocent, 2015). They have examined the relationship between antecedents and firm performance, both conceptually and empirically. From a critical literature review, examples of antecedents to firm performance include total quality management, human resource management, talent management, leadership, workers' motivation, firm culture, compensation, personnel training and development, and firms' strategic and service quality (Masood et al., 2018).

In view of this transformation discussed above, firm performance is a vital indicator of a firm's survival. In this regard, Abubakar et al. (2019) defined firm performance as the accomplishment of a firm's goals and objectives. While, Richard et al. (2009) proposed that firm performance includes three specific areas: financial performance, product market performance, and shareholder return. However, Kaplan and Norton (2005) defined firm performance as the ability of a firm to utilise its resources in order to determine its future performance. Therefore, the concept of firm performance is complex, vague, and difficult to define and measure. It is defined differently by different stakeholders. Overall, the concept of firm performance is associated with the achievement of a firm's goals and its continued existence.

Firm performance has been demonstrated as a multi-dimensional construct in numerous studies. Different approaches have been used by researchers to measure firm performance and different classifications have been given for different performance measures. Firm performance measures can be classified as financial and non-financial performance measures (Salman et al., 2020). Similarly, Doval (2020) elaborated that financial measures can be further classified as self-reported financial measures and archival financial performance measures. Self-reported financial performance measures are called subjective measures, whereas archival financial performance measures are called objective measures. It was further argued that objective financial performance measures are not adequate in explaining the overall effectiveness of a firm, even though they are necessary measures.

Moreover, as Carton (2004) explained, different performance measures have been considered by different researchers in capturing the performance of the firm. Examples of these measures include profitability, efficiency, growth, market share, and liquidity. They are measured either in absolute terms or in relative terms. Efficiency measures reflect that how well a firm utilises its available resources. Measures used in determining the efficiency of a firm include ROA (return on assets), ROE (return on equity), ROI (return on investment), and return on net worth. Profitability is measured on the basis of net profit margin, return on sales, and gross profit margin. Growth is measured in terms of sales growth, employee growth, market share growth, total asset growth, and change in net income margin. Liquidity measures the ability of a firm to meet its current financial obligations which is measured in terms of cash flow level, sales level, current ratio, total asset turnover, and quick ratio. Leverage measures the ratio of debt to equity and the ratio of debt to assets, while market share measures the position of a firm in an industry relative to other competitors based on its product sales.

A considerable amount of research has been done on the relationship between antecedents and firm performance (Innocent, 2015). However, the existing literature shows that many studies were conducted in developed economies, while few studies were conducted in developing economies (Masood et al., 2018). On the other hand, there is a lack of similar research in the Pakistani context. Additionally, most of the research has been conducted on the manufacturing industry, while very little research has been done on the service industry, especially the banking industry. Therefore, there is a need to study the relationship between antecedents and firm performance in the context of Pakistan, particularly to fill the gap in the banking sector literature.

Talent Acquisition

According to Armstrong (2006), talent acquisition helps firms find the talent they need in the market. Furthermore, he said, today's business environment is significantly different from the last few years and one of the main reasons is demographics. There is a demand for talented employees who are very few and more difficult to attract and hire from a limited talent pool. It strengthens the need for firms to invest in talent acquisition strategies to remain competitive and achieve superior performance. Based on resource-based view theory by Penrose (1959), firms must focus on building rare, valuable, non-substitutable, and irreplaceable assets as well as finding dynamic ways to combine these assets to gain a sustainable competitive advantage that leads to higher firm performance.

According to Jamal and Saif (2011), talent acquisition is an important process because the survival and growth of firms depends on the capacity of human capital and how well it is linked to business strategy. In firms, talent is not just another input into the services production, however, it is definitely the most valuable asset which stands the test of times even before the development of technology and advent of machines. They also said that nothing can happen unless human beings decide to do something and are involved in it. For instance, talent is important in the production process or behind any innovation, ideas, and creativity.

According to Jayaraman et al. (2018), talent acquisition comprises of identifying key positions, building a talent pool, and discriminating based on their contribution to the success of the firm. According to Dayel et al. (2020), the first step is to identify key positions or key jobs, eliminate all C-players or non-performing employees, and then filling those key positions with "A-players" or top performers, ultimately leading to high performance. From this outlook, A-players can be considered as talents. Organizations cannot afford to have A-players in all positions due to limited availability of financial and managerial resources. Therefore, a portfolio approach is highly recommended by employing the A-players or top employees in key positions, the B-players or good performers in supportive positions, and the C-players or non-performing employees and jobs that do not add value, should be excluded. It is acknowledged that high performers in any firm significantly enhance sales revenue and operational productivity as compared to average performers. The second step is building a talent pool which refers to high-potential employees who are able to move forward in the advanced roles that the firm can take them to fill the key positions. The third step is to make decisions on talent based on how they will contribute to the firm's performance. (Deters, 2017).

According to Lyria et al. (2017), the sources of talented employees can be both external and internal. However, in-house sourcing is the best way to build a talent pool as employees already know how business processes work. Internally sourced workers can be directly involved in the new positions which raises the self-confidence of the workers. However, if a firm is planning to renew its culture or making fundamental changes, external sources are considered the best. Moreover, Abunar (2016) argued that potential candidates who are likely to join the talent pool are highly successful and may be disappointed if they are assigned to limited scope positions. On the opposite side of the scale, where employment is complex, employees are more motivated, productive, and satisfied. This seems to be a step towards identifying the talent pool that has the potential to move across multiple roles. It was further added that, subsequently, identifying high performers and potentials according to a specific skill appears to be a worthwhile approach as it would consist of a pool of individuals that are going to be a combination of key competencies, keeping the firm at the top when it needs talent.

The attraction- selection – attrition theory by Schneider (1987) suggests that the outcome of good fit between attraction selection and attrition of talent could be detrimental to the sustained organisational performance, particularly if an organization experiences instability in its market (Schneider et al., 1995). Based on attraction- selection – attrition theory, talent acquisition aimed to attract talent and select the ones that fit with the organization and key positions. If this is done well, there is a fit, leading to lower attrition, higher productivity, and superior organisational performance.

Similarly, the attraction- selection – attrition theory also suggests that the outcome of good fit could be detrimental to the sustained organisational performance, particularly if an organisation experiences instability in its market (Schneider et al., 1995). Thus, these three components are the fundamental pillars of talent acquisition. Talent acquisition is aimed to attract talent and select the ones that fit with the organisation and key positions. When properly implemented talent acquisition, it results in reduced attrition, increased productivity, and greater organisational performance. Therefore, in the context of this study the attraction- selection – attrition theory is used to explain talent acquisition and organisational performance.

Talent Retention

Employee retention is the critical problem of firms: the expenditures exceed 100% of those related to the management of the newly hired workers (Kaewnaknaew et al., 2022). Likewise, Lyria et al. (2017) reported United States' Bureau of Labour Statistics report. According to this report, the national annual voluntary turnover rate is 25%. It was further added that certain important issues are associated with the turnover including an increase in direct costs, loss of firm memory, work disruptions, and the loss of experienced consultants. Therefore, firms are trying to improve their capabilities in order to retain high performers or talent at any cost.

Moreover, Kadiri et al. (2018) argued that talent turnover negatively affects the firms' performance and leads to increased costs for new talent acquisition. The direct cost of turnover is related to transitions and replacement costs, while indirect costs refer to low morale, decreased performance levels, loss of production, and unnecessary overtime. Similarly, Lyria et al. (2017) opined that there are two ways to retain employees: through intrinsic and extrinsic incentives. Intrinsic incentives are related to non-financial rewards that can meet the psychological needs of employees, while extrinsic incentives are related to financial rewards that can meet the physiological needs of employees.

Furthermore, Jayaraman et al. (2018) commented that an effective reward management system is based on extrinsic and intrinsic incentives. Extrinsic incentives include competitive salaries, bonuses, and promotions. Intrinsic incentives consist of a sense of self-esteem, learning and career development, a supportive work environment, and challenging and interesting work. They also stated that employees in higher or key positions are more motivated by intrinsic incentives because they feel valued, trusted, and acknowledged. Employees in lower-level positions, on the other hand, are more motivated by extrinsic incentives.

Numerous studies are available in literature on motivation that focus on the nature of incentives affecting individual performance. Herzberg (1968) proposed the two-factor theory. According to this theory, there are two factors. 1) motivating and 2) hygiene factors that affect employees' motivation. If employees are present, motivating factors would encourage them to work harder. On the other hand, if hygiene factors are not present, employees would be less motivated to work. Moreover, Harackiewicz and

Elliot (1993) introduced a model of intrinsic motivation where incentives depend on performance to motivate employees in order to focus on work improvement. Performance depends on incentives which bring the greatest intrinsic motivation. Incentives increase the perceived capabilities and quality of performance, which, in turn, encourages greater intrinsic interest. External contingencies, such as strict deadlines and criticism of performance can decrease an employee's motivation because they see it as a control and interference in autonomy. According to Mensah (2020), extrinsic motivation is a motivator of intrinsic motivation which, in turn, motivates the employees to develop an interest in strategies that can improve performance. The nature of relationship between extrinsic and intrinsic motivation complements each other, and as a result, employee performance is improved. Thus, reward or incentive management is an important factor in the talent retention strategy.

Previous researches conducted on talent retention (Lyria & Namusonge, 2017; Namusonge et al., 2014) made references to Hertzberg's two factor theory. In the context of the current study, it was argued that hygiene factors, such as competitive compensation and reward system and company policies, such as fringe benefits, competitive salary package, having flexible working hours, and offer of insurance and education for children cover all the factors associated with talent retention. Hence, it leads to good organisational performance. Motivational factors, such as growth and promotion opportunities can be associated with talent retention and may influence the employees' decision to remain in the organisation for a long time.

Employer Branding

The earlier studies' conflicting findings in relation to talent acquisition and retention strategies and firms' performance demand further comprehensive studies to examine the relationship between the abovementioned determinants and firms' performance. Thus, to address the inconsistent results of earlier studies, it is appropriate to introduce a moderating variable that potentially influences the relationship between talent acquisition and retention strategies and a firm's performance.

The idea of employer branding was presented by Ambler and Barrow (1996) in which they introduced a strategic framework that combines domains of marketing and human resources management. They explained it as a process of influencing and managing the reputation of the firm as an employer among key stakeholders, employees, and potential candidates. According to Sharif and Sharif (2017), in employer branding, all the activities that firms engage in to make themselves an employer of choice are included. Brands are one of the firm's most valuable assets and brand management is a key activity in many firms. They also mentioned that initially, brand management was required during product and brand development, however, now it is recognised that branding can also play a significant role in the field of human resource management. Therefore, this consolidation of branding and human resource management is known as employer branding. Similarly, Santos et al. (2019) opined that brand is a blend of symbol, design, sign, and name and that the purpose of a brand is to rank the firm's services and products and distinguish them from their competitors. Thus, branding was initially used to differentiate among products or product lines, however, more recently it has been used to differentiate between people, locations, and firms.

Ambler and Barrow (1996) defined employer branding as a bundle of economic, psychological, and functional benefits offered by employment and recognised by the employing firm. Similarly, Backhaus and Tikoo (2004) defined employer branding as a firm's struggle to develop a clear vision of what makes it desirable and different as an employer, both inside and outside the firm. While, Chartered Institute of Personnel and Development CIPD, (2015) defines employer branding as distinctive features of the firm's employment offerings that differentiate it from its rivals.

The concept of employer branding is increasingly used by firms in order to attract and retain talent (Ekhsan et al., 2021). It has been observed that firms have realised the importance of employer branding which is why so many resources are being spent on its implementation, since an effective employer brand helps to acquire and attract talented workers as well as help them adopt and ultimately uphold core values that lead to higher firm performance (Matongolo et al., 2018). Likewise, A'Shawn (2019) argued that the attractiveness of the firm depends on the perception of potential candidates and what they think about the firm. Based on these perceptions, potential candidates have expectations about the culture and values of the firm. It has been observed in the literature that talented employees are more attracted to firms with a positive image. Similarly, Maheshwari et al. (2017)

found that state firms with strong employer branding can attract and retain talent. In the same way, Matongolo et al. (2018) reported that firms are moving towards efficient employer branding and consider it as a key factor in the success of efforts to attract and retain talented workers.

Moreover, Ambler and Barrow (1996) explained that employer branding attracts talented employees by offering the firm as an employer of choice through external marketing. It is supposed that effective employer branding helps firms attract inborn talented employees. Additionally, once the prospective employees are attracted by the strong employer branding signals, they develop a sense of commitment and loyalty to their employer and support the firm's values. On the other hand, internal marketing plays a significant role in retaining talented employees, which develops a workforce that is inimitable and unique, and influences their desire to stay with the firm. Similarly, Kucherov and Zavyalova (2012) established that employer branding contributes to economic growth and it is noteworthy that the firms that practice employer branding are ahead of those operating without it in economic indicators, such as turnover rate and average share of human resource costs in total firm costs.

Similarly, Iqbal and Nijaguna (2018) reported on a study conducted by Talent Solutions that highlighted that, as compared to last year, 59% of firms were increasing their investment in employer branding. Moreover, 85% of firms believe that their values, culture, and mission should be communicated as key components of the employer brand. About 71% of firms use employer branding to advertise development and career opportunities. Likewise, Dabirian et al. (2017) proposed that firms must be concerned about their reputation in the minds and eyes of their current and potential talent pools. Additionally, many studies (Dabirian et al., 2017; Iqbal & Nijaguna, 2018; Ekhsan et al., 2021) are conceptually debating whether employer branding can help in talent acquisition and retention which leads to superior firm performance.

Social exchange theory by Blau (1964) posits that individuals engage in social interactions based on the expectation of reciprocal benefits. It suggests that when individuals perceive that they are receiving favourable outcomes from their relationships, they are more likely to reciprocate with increased commitment, loyalty, and effort. When an organisation has a strong employer brand, it enhances the perception of a positive employer-employee relationship. The organisation's reputation, values, and promises communicated through the employer branding efforts create a favourable perception among employees. Resultantly, employees develop a sense of trust, commitment, and identification with the organisation (Kucherov & Zavyalova, 2012).

The social exchange theory suggests that employees perceive employer branding as a signal of the organisation's investment in their well-being, growth, and development. Employees view the organisation as fulfilling their psychological and social needs, such as recognition, opportunities for advancement, and a supportive work environment. As a result, employees feel a sense of obligation to reciprocate by contributing their best efforts to the organisation which lead towards higher organisational performance (Cropanzano & Mitchell, 2005).

Proposed Conceptual Framework

Talent Acquisition and Firm Performance

Numerous empirical investigations demonstrated a favourable influence of talent acquisition on the performance of organisations. Cheraisi and Busolo (2020), for instance, conducted a study exploring the impact of talent acquisition on the performance of hotels in the South Rift region. The outcomes revealed that talent attraction accounted for a substantial proportion, specifically 65.7% of the hotels' overall performance. Similarly, El Dahshan et al. (2018) investigated the relationship between talent management and firm performance in Shebin El-Kom hospitals. Their findings indicated a highly significant positive correlation between firm performance and talent acquisition. Additionally, Al-Lozi et al. (2017) conducted a research on the Arab Potash Company in Jordan to examine the connections between talent management practices and firm performance. The study population encompassed managers at various hierarchical levels within the Arab Potash Company in Jordan. The findings revealed that talent acquisition and succession strategy had a significant and positive impact on achieving firm excellence, which, in turn, contributed to improved firm performance. Therefore, these studies collectively imply that organizations with a robust talent acquisition process are likely to exhibit higher levels of productivity and profitability.

However, it is important to note that several studies have presented contradictory evidence regarding the positive impact of talent acquisition on firms' performance. One such study conducted by Palanisamy et al.

(2021) aimed to provide empirical evidence on the relationship between talent acquisition and firm performance in Malaysian manufacturing small and medium-sized enterprises (SMEs). Surprisingly, their findings revealed that talent acquisition had no significant influence on firm performance. Similarly, Lancaric et al. (2021) investigated Slovakian business firms to assess the relative importance of individual talent management practices in relation to overall firm performance. The study examined talent strategy, acquisition, development, assessment, and retention strategies. The results indicated that talent strategy, acquisition, and assessment did not have a significant impact on firm performance. These findings align with the previous studies conducted by Aziz et al. (2016) and Saar (2013), suggesting that all phases of talent management do not equally affect firm performance.

One potential explanation for these results could be the unique contextual factors present in developing countries, which may hinder the effectiveness of talent acquisition. Factors, such as underdeveloped financial markets, conflicts arising from cultural and religious differences, and structural imbalances can impede the implementation of talent acquisition strategies and yield different outcomes as compared to developed countries. This argument was also supported by Jokhio (2018) in his study conducted in the Pakistani banking sector.

Therefore, it is crucial to further investigate how talent acquisition impacts firm performance, particularly in emerging economies. Building upon these arguments, the current study conducted an in-depth examination of the relationship between talent acquisition and firm performance, specifically focusing on the context of emerging economies. Based on the aforementioned discussions, the following proposition was formulated:

Proposition 1: Talent acquisition has a positive impact on banks' performance.

Talent Retention and Firm Performance

Numerous studies have extensively investigated the relationship between talent acquisition and firm performance, consistently reporting a positive impact. For instance, Kaewnaknaew et al. (2022) conducted an empirical study focusing on the construction industry in Bangkok, Thailand. They surveyed 394 managers and employees of construction companies, employed a business analytics model to examine talent management strategies and their predictive power for performance. The study encompassed various talent management strategies including talent development and talent retention. The findings indicated that an integrated talent management model could effectively predict the performance of construction companies in this sector, demonstrating high explanatory power.

Similarly, Kusi et al. (2020) explored the impact of talent retention on the performance of public universities in Ghana. The data was collected from 430 lecturers and the results revealed that talent retention had a significant positive influence on the performance of public universities. Hence, it can be inferred from these studies that in order to enhance firm performance, management must effectively devise and implement talent retention strategies that are tailored to the specific needs of the organization. This involves providing adequate resources and fostering an environment conducive to the successful implementation of talent acquisition practices. In addition, superior firm performance can be achieved by offering a comprehensive compensation package that includes attractive salaries, bonuses, life and disability insurance, flexible working hours, post-retirement benefits, recognition, and a supportive work environment. These strategies collectively motivate talented individuals to stay and work with the organization.

However, it is important to note that a few studies presented contradictory evidence regarding the positive influence of talent retention on firm performance. For instance, Al Aina and Atan (2020) examined the effect of talent retention on sustainable firm performance in real estate companies located in the United Arab Emirates (UAE). The findings indicated that talent retention had no significant impact on sustainable firm performance, suggesting a lack of adequate attention to talent retention by management in the industry. Similarly, Ruprelia and Shah (2019) studied the impact of talent management on the performance of public and private sector banks in Gujarat, India. The results revealed insignificant relationships between firm performance and talent retention. Therefore, these studies emphasized the importance of effective talent retention strategies specifically tailored to the organization's needs. In addition to the involvement of top management, sufficient resources and a supportive environment are essential to facilitate the successful implementation of talent retention practices.

Based on the aforementioned discussions, the current study proposed a further examination of the impact of talent retention on firm performance, particularly within emerging economies. By investigating this relationship in diverse contexts, a more comprehensive understanding of the factors influencing firm performance can be attained. Based on these arguments, the following proposition was developed:

Proposition 2: Talent retention has a positive impact on banks' performance.

Employer Branding as a Moderator

The earlier studies' conflicting findings in relation to talent acquisition and talent retention and firm performance demand further comprehensive studies in order to examine the relationship between the abovementioned determinants and firm performance. Thus, to address the inconsistent results of the earlier studies, it is appropriate to introduce a moderating variable that potentially influences the relationship between talent acquisition and talent retention, and a firm performance.

The introduction of employer branding as a moderator is in line with the contingency theory which states that firm performance can be enhanced when important variables are properly aligned (Luthans & Stewart, 1977). Earlier studies also identified the moderating effect of employer branding which supports the notion that a well-implemented employer branding strategy appears to strongly moderate talent acquisition, talent retention, and firm performance (Huseynova, 2022; Slavkovic, 2019; Tumasjan, 2020). Additionally, studies have shown that employer branding is related to firm performance (Aldousari et al., 2017; Biswas & Suar, 2016). Taken together, employer branding is positively related to talent acquisition, talent retention, and firm performance.

Similarly, Bugg (2015) suggested that firms should develop the concept of employer branding to attract talent in order to improve firm performance. Additionally, Aldousari et al. (2017) concluded while studying Sri Lankan firms: organisations with a developed employer branding strategy perform much better than organisations without it or with a partially developed strategy. In the same way, Lievens and Slaughter (2016) concluded that employer branding strategy improves firms' financial performance.

Additionally, studies have shown that employer branding is related to organisational performance (Aldousari et al., 2017; Biswas & Suar 2016).

Available empirical evidence reveals that employer branding is directly and indirectly related to organisational performance. Specifically, studies have established the moderating effect of employer branding on organisational performance (Huseynova, 2022; Slavkovic, 2019; Tumasjan, 2020). Taken together, employer branding is positively related to talent acquisition and performance.

From the above discussion, it is evident that employer branding influences talent acquisition and organisational performance. Thus, the following proposition was developed:

Proposition 3a: Employer branding moderates between talent acquisition and banks' performance.

Organisations are moving towards employer branding as a critical success factor in their struggle to retain talent. The employer brand puts forth an image showing the organisation as a good place to work. Many organisations have developed formal employer branding or are interested in developing such a program in an attempt to retain their talent (Matongolo et al., 2018). Similarly, Jain and Bhatt (2015) argued that employer branding has the ability to retain talent by providing an environment that allows employees to live the brand through various aspects, such as training and progression. This increases their satisfaction and likelihood of remaining employed in the organisation. Likewise, Gilani and Cunningham (2017) opined that employer branding has been recognised to increase employee morale and satisfaction, and, resulting in improved retention which has a positive impact on organisational performance. Moreover, employer branding heightens the employee morale. It has been suggested that employees who enjoy working for an organisation subconsciously become brand ambassadors. Therefore, talent retention is the prime mover of all the factors that can affect the performance of organisations in the future.

Therefore, employer branding is an important moderator of talent retention and organisational performance relationship. Certain employer branding dimensions affect the strength of talent retention and organisational performance relationships. Examples of employer branding dimensions that can affect talent retention include functional benefits (nature of work, training opportunities, career growth options, and personal growth), economic benefits (salary, work plan, bonuses, employment guarantees; salary, bonuses, job security, and incentives), and psychological benefits (corporate culture, team work, competent co-workers, and objective evaluation of work). Therefore, all these employer branding dimensions affect talent retention in one way or other, depending on whether they are favourable or unfavourable.

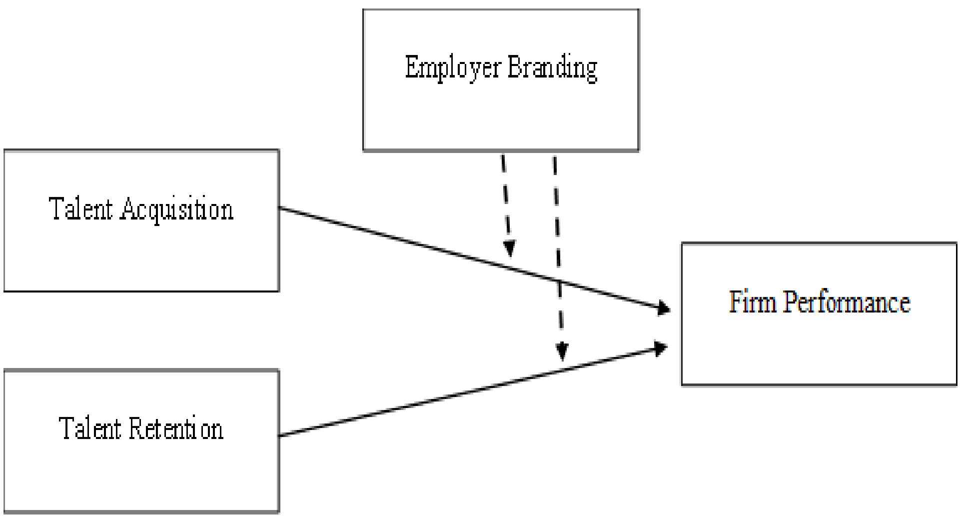
From the above discussion, it is obvious that employer branding affects talent retention and performance of the organisation. Consequently, the following proposition was formulated:

Proposition 3b: Employer branding moderates between talent retention and banks' performance.

Accordingly, based on the available literature, it can be argued that talent acquisition and talent retention qualify as predictors of firm performance in a proposed research model. The relationship between talent acquisition, talent retention, and firm performance, along with employer branding as a moderator, has not previously been studied in a single research model. The proposed conceptual framework shows the direct relationships between talent acquisition, talent retention, and firm performance. It is assumed that firm performance is influenced by talent acquisition and talent retention, which are dependent on the moderating variable of employer branding. The proposed conceptual framework is shown below in Figure 1.

Figure 1

Proposed Conceptual Framework



Conclusion

Under the background of globalisation, privatization, and technology development, the competition among firms has grown more intense and the business models have shifted from market-and financial-oriented modes to talent-oriented modes. Thus, it is essential for firms to acquire and retain talent in order to achieve higher firm performance, particularly in highly competitive business environment. Therefore, the current study proposed a conceptual framework that incorporates direct relationships between talent acquisition, talent retention, and firm performance. It also assumed that the impact of talent acquisition and talent retention on firm performance is contingent on the moderating variable of employer branding. According to the practical implications of the study, bank management would be able to effectively formulate and implement talent acquisition and talent retention in order to improve firm performance in a dynamic and constantly changing environment. Additionally, for policymakers, this study proposed to formulate a policy for talent acquisition and talent retention and integrate the same into their traditional human resource functions in order to improve firm performance. Further understanding of the proposed research framework would pave the way for future researchers to study more complex models that include other possible mediating and moderating variables, such as organisation culture and leadership style.

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