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Transforming Sustainable HR Practices into Employee Performance: The Sequential Roles of Internal Employer Branding and Job Satisfaction

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Abstract

Sustainable Human Resource Practices (SHRP) are crucial for improving employee welfare, organisational sustainability, and performance; yet the psychological processes connecting SHRP to employee performance are still little examined. Utilising Signalling Theory, Social Exchange Theory, and the Resource-Based View, this research investigates the successive mediating functions of Internal Employer Branding (IEB) and Job Satisfaction (JS) in the correlation between SHRP and Employee Performance (EP). Data were gathered from 307 academic and non-academic staff in Indian higher education institutions via a time-lagged survey and examined using Partial Least Squares Structural Equation Modelling (PLS-SEM). The results indicate that SHRP has a beneficial effect on EP both directly and indirectly via the intermediary processes of IEB and JS. The research enhances the Sustainable HRM literature by illustrating the conversion of sustainable HR investments into employee performance via a cognitive-affective-behavioural mechanism and by establishing Internal Employer Branding as a strategic internal organisational asset.

Introduction

Sustainable competitive advantage increasingly depends not only on attracting talent but also on retain, engage, and develop them through sustainable human resource practices (Aust et al., 2020; Ehnert, 2009; Ehnert et al., 2016; Kramar, 2014; Macke & Genari, 2019). The importance of integrating sustainability into strategic HRM practices has been accelerated by growing stakeholder expectations, socio-environmental responsibilities and competition for skilled talent (App et al., 2012; Aust et al., 2020). Sustainable HR Practices are a mechanism for achieving social sustainability. Sustainable people management contributes to the UN Sustainable Development Goals, particularly: SDG 3 (Good Health and Well-being), SDG 8 (Decent Work and Economic Growth). Sustainable Human Resource Practices (SHRP) is an extension of traditional HRM which considers social, environmental and economic sustainability in the social management of people (Ehnert et al., 2016; Farmanesh et al., 2023). It concerns employee wellbeing, continuous learning, fair career development and long-term capability building of employees (Ehnert et al., 2016; Farmanesh et al., 2023; Sharma et al., 2023). SHRP have been associated with better employee well-being, organisational resilience and sustainable organisational performance (App et al., 2012; Aust et al., 2020; Chillakuri & Vanka, 2021; Mariappanadar, 2024; Podgorodnichenko et al., 2020). Recent research further advances Sustainable HRM as a strategic capability that enhances organisational resilience whilst concurrently improving employee outcomes (Ehnert et al., 2016; Renwick, 2026).

Beyond developing organisational capabilities, SHRPs shape employees' workplace experiences the organisation's commitment to fairness, development and long-term well-being (App et al., 2012; Connelly et al., 2011; Huseynova & Matošková, 2023). Employees interpret these organisational investments and develop perceptions regarding the credibility and attractiveness of their employer and as such, increase Internal Employer Branding (IEB) (Backhaus & Tikoo, 2004; Huseynova & Matošková, 2023; Theurer et al., 2018). Positive employer perceptions then increase Job Satisfaction (JS), which is an employee's

affective assessment of the work environment (Judge et al., 2001; Locke, 1976). Happy employees are more likely to show commitment, discretionary effort and high Employee Performance (EP) (Jiang et al., 2012; Judge et al., 2001; Salvador-Gómez et al., 2023). These relationships suggest that sustainable HR investments can affect employee performance not only directly, but through a chain of cognitive and affective reactions.

Although there is growing evidence of positive effects of SHRP on employees, the mechanisms through which SHRP improve employee performance are not well understood. Prior research has investigated direct relationships or single mediators such as perceived organizational support, employer branding and job satisfaction (Aust et al., 2020; Farmanesh et al., 2023; Huseynova & Matošková, 2023). Although these studies are important, they often overlook the sequential nature of employee responses where cognitive evaluations of organisational practices are followed by affective responses that ultimately influence behaviour. Therefore, there is limited empirical evidence on how employees' perceptions of Sustainable Human Resource Practices develop into emotional responses that in turn lead to enhanced performance (Jiang et al., 2012; Salvador-Gómez et al., 2023). Recent reviews also point to the need for research that integrates multiple psychological mechanisms explaining how Sustainable HRM influences employee behaviour (App et al., 2012; Renwick, 2026).

This study incorporates Signalling Theory, Social Exchange Theory (SET) and the Resource-Based View (RBV) to address the gap and explain the relationship between Sustainable Human Resource Practices and enhanced Employee Performance. According to Signalling Theory, employees view observable HR practices as reliable signals of the organisation's fundamental beliefs, goals and long-term commitment (Connelly et al., 2011; Spence, 1973). Therefore, sustainable HR activities send positive signals of organisational support, fairness, employee development and well-being to employees. Employees can then construct positive cognitive appraisals of their employer via Internal Employer Branding. In line with these cognitive evaluations, SET proposes that employees reciprocate positive organisational treatment with positive attitudes and behaviours (Blau, 1964; Cropanzano et al., 2017; Cropanzano & Mitchell, 2005). Finally, the RBV suggests that the psychological resources created by Sustainable Human Resource Practices, such as a strong Internal Employer Brand and improved Job Satisfaction, become valuable organisational capabilities that lead to sustained competitive advantage (J. Barney, 1991; J. B. Barney, 2001; Wright et al., 1994). By integrating these complementary theoretical perspectives, the present study proposes that SHRP first strengthens employees' cognitive appraisals through Internal Employer Branding, which in turn generates affective reactions in the form of Job Satisfaction leading to improved Employee Performance (Kaur et al., 2020; Ngo et al., 2019; Tumasjan et al., 2020). This sequential cognitive–affective–behavioural model gives a more thorough understanding of how investments in sustainable HR translate into increased employee performance (Bagozzi, 1992; Fishbein & Ajzen, 1977).

The model can be explored in relation to higher education institutions, as their success largely depends on the knowledge, commitment and discretionary efforts of academic and professional staff. In knowledge-intensive organisations like these, human capital is a major strategic resource and thus

sustainable people management is particularly important for institutional effectiveness and long-term sustainability (Anlesinya et al., 2018; Salas-Vallina et al., 2021). Examining the psychological mechanisms linking SHRP and employee performance is particularly relevant within higher education (Jerónimo et al., 2020; Liang & Li, 2025). Against this background, this study examines the sequential mediating roles of Internal Employer Branding and Job Satisfaction in the relationship between SHRP and Employee Performance among teaching and non-teaching employees in higher education institutions.

The study contributes to the Sustainable HRM literature in three ways. First, it moves beyond direct-effect models by demonstrating a sequential cognitive–affective–behavioural mechanism linking SHRP with Employee Performance. Second, it re-conceptualizes Internal Employer Branding as an internal organisational capability developed through the employees' experiences of sustainable HR practices rather than merely a recruitment tool (Backhaus & Tikoo, 2004; Huseynova & Matošková, 2023; Theurer et al., 2018). Third, the study integrates Signalling Theory, SET and the RBV to explain how Sustainable Human Resource Practices are interpreted, reciprocated and transformed into strategic organisational capabilities that enhance employee performance. The proposed model contributes directly to SDG 8 by demonstrating how Sustainable HR Practices enhance employee well-being and performance. It also supports SDG 3 through improved job satisfaction by promoting sustainable people management practices.

2.1 Theoretical Framework

2.1.1 Social Exchange Theory

Social Exchange Theory (SET) argues that organizations and employees are in a mutual exchange of resources. When organizations provide positive actions, it creates a sense of obligation on the part of the employees to reciprocate with positive attitudes and behaviours (Blau, 1964; Cropanzano et al., 2017; Cropanzano & Mitchell, 2005). In the context of SHRP, actions like employee development, work-life balance, fair treatment and well-being are considered valuable socio-emotional investments that represent organizational support and commitment (App et al., 2012; Aust et al., 2020; Farmanesh et al., 2023; Renwick, 2026). The employees' perception of these investments is expected to be reciprocated by the development of favourable perceptions of the organization as an employer, increased job satisfaction and higher levels of employee performance (Blau, 1964; Cropanzano & Mitchell, 2005; Jiang et al., 2012; Judge et al., 2001). Thus, the theory of SET (Cropanzano et al., 2017; Cropanzano & Mitchell, 2005) is the main theoretical basis for the direct and indirect relationships between SHRP, Internal Employer Branding (IEB), Job Satisfaction (JS), and Employee Performance (EP). Specifically, the theory explains how investments in sustainable HR trigger a reciprocal process where employees respond positively through cognitive appraisals (IEB), affective reactions (JS) and constructive work behaviours (EP) (Blau, 1964; Cropanzano & Mitchell, 2005; Renwick, 2026).

2.1.2 Resource-Based View (RBV)

The Resource-Based View (RBV) argues that firms acquire sustainable competitive advantage by resources that are valuable, rare, inimitable and non-substitutable (J. Barney, 1991; J. B. Barney, 2001). Although individual HR practices can be copied, the aggregate psychological outcomes they generate are considerably more difficult for competitors to imitate (J. Barney, 1991; Delery & Roumpi, 2017; Wright et al., 1994). Sustainable HR Practices create a positive Internal Employer Brand and improve employees' Job Satisfaction, thus generating valuable intangible organisational resources that support workforce commitment and performance (App et al., 2012; Aust et al., 2020; J. Barney, 1991; Farmanesh et al., 2023). These cognitive and affective resources are socially complex, path-dependent, and embedded in organisational culture, making them important sources of sustained competitive advantage (J. Barney, 1991; Delery & Roumpi, 2017; Wright et al., 1994). Thus, RBV supplements SET with knowledge of how the psychological outcomes of Sustainable HR Practices ultimately lead to improved employee performance and long-term organisational success (Ehnert et al., 2016; Mariappanadar, 2024; Renwick, 2026).

2.1.3. Signalling Theory

Signalling Theory helps to explain how observable organisational behaviours are interpreted by individuals as corporate principles, intentions and future actions in the environment of information asymmetry (Connelly et al., 2011; Spence, 1973). Employees cannot directly observe an organisation's long-term commitment to fairness, development or well-being. Instead, they infer these underlying organisational values through observable SHRPs. They consider SHRPs as signals of organisational intent. The company's love for its staff is demonstrated through fair performance management, career progression possibilities, work-life integration and employee wellness initiatives. These signals improve the cognitive evaluation of the organization by the employees, therefore improving Internal Employer Branding. Signalling Theory supports SET by describing how employees evaluate long-term HR investments before reciprocation. In this study, we use Signalling Theory to explain the relationship between SHRP and Internal Employer Branding, SET to explain the mutual attitudes and behaviours, and RBV to explain how psychological resources support organisational performance.

2.2.1. SHRP and Employee Performance

Employee Performance is widely regarded as a key indicator of organisational effectiveness because it reflects employees' contributions to both individual and organisational objectives. Modern organizations have become aware that ensuring sustained high performance in employees demands more than just traditional HR management that emphasizes productivity and efficiency. Consequently, organisations increasingly adopt SHRP, where the focus is on the well-being, development, balancing work and life, equity, and long-term employability of employees in HR processes, leading to both organizational and personal value creation (App et al., 2012; Aust et al., 2020; Ehnert et al., 2016; Kramar, 2014; Macke & Genari, 2019). In contrast to traditional HRM, which aims at maximizing short-term performance, SHRP seeks to develop a resilient, committed, and sustainable workforce (App et al., 2012; Mariappanadar, 2024; Renwick, 2026).

Extensive empirical evidence supports the positive relationship between SHRP and Employee Performance across organisational contexts. Studies consistently demonstrate SHRP boost employees' knowledge, motivation and capability resulting in improved individual and organisational performance (Farmanesh et al., 2023; Podgorodnichenko et al., 2020; Renwick, 2026). One stream of research underlines the developmental role of SHRP, claiming that investments in learning, career development, and employee well-being enhance employee competencies, adaptability, and productivity (App et al., 2012; Ehnert et al., 2016). Another stream focuses on the relational dimension, emphasizing the positive employee responses to sustainable HR practices as a function of the communication of organizational care for their well-being, fairness, and support, which elicits commitment and discretionary effort (Aust et al., 2020; Cropanzano et al., 2017). Even more recent research shows that the effectiveness of sustainable HR initiatives is not only a matter of the practices themselves but also how employees perceive organizational intentions, emphasizing the importance of psychological mechanisms that translate organizational investments into behavioural outcomes (Huseynova & Matošková, 2023; Podgorodnichenko et al., 2020; Renwick, 2026).

These different perspectives imply that the impact of SHRP on Employee Performance cannot be fully explained by resource-based or capability perspectives. Rather, Employee Performance is influenced by employees' perception and evaluation of organisational investment in sustainable people management. SET is a suitable explanation as employees respond to favourable organisational treatment with positive attitudes and behaviours (Blau, 1964; Cropanzano et al., 2017; Cropanzano & Mitchell, 2005). SHRPs indicate the organisation's long-term commitment to employee development, well-being and sustainability, which encourages employees to reciprocate through increased motivation, persistence and performance (Aust et al., 2020; Renwick, 2026). Employee Performance thus reflects an important behavioural outcome of reciprocal social exchange between employees and the organisation.

There is substantial evidence for a positive association between SHRP and Employee Performance but not much research has been conducted on the psychological mechanisms through which sustainable HR Practices are translated into improved employee performance (Mariappanadar, 2024; Renwick, 2026). To fill this gap, direct-effect models should be extended to examine the mediating psychological processes between SHRPs and Employee Performance.

H1

Sustainable HR Practices positively influence Employee Performance.

2.2.2. SHRPs and Internal Employer Branding

Traditionally, employer branding theory was viewed as a strategic method of recruiting and retaining talent by communicating an employer value proposition in the external labour market (Ambler & Barrow, 1996; Backhaus & Tikoo, 2004). However, more recently, employer branding has evolved from a predominantly external recruitment strategy to one that acknowledges employees' internal perceptions as essential to building organisational reputation and maintaining competitive advantage (Backhaus &

Tikoo, 2004; Huseynova & Matošková, 2023; Theurer et al., 2018). This perspective conceptualises Internal Employer Branding (IEB) as the internal perception of the employees about the alignment of organisational practice with the messages the employer communicates. Hence, IEB evolved from a marketing theory to a strategic competence of the organization (Backhaus & Tikoo, 2004; Huseynova & Matošková, 2023; Theurer et al., 2018).

Earlier studies have identified the importance of HR practices in creating favourable employer perceptions (Backhaus & Tikoo, 2004; Theurer et al., 2018). The literature has not reached a clear consensus about which organisational practices are most important for this purpose. Early literature on employer branding focused on communication and employer image (Backhaus & Tikoo, 2004; Theurer et al., 2018). Later studies have indicated that people evaluate organisations based on their HR practices (Backhaus & Tikoo, 2004; Theurer et al., 2018). However, current research indicates that people are increasingly evaluating the organisation based on the quality and sustainability of their experiences with the organisation, rather than its communication activities (Huseynova & Matošková, 2023; Tanwar & Kumar, 2019). This is due to changing employee expectations, with long-term development, well-being, fairness, and responsible practices becoming the main criteria for an organization's attractiveness (Aust et al., 2020; Renwick, 2026). However, the role of SHRP as strategic antecedents of IEB remains under-researched in the domain of Sustainable HRM (Mariappanadar, 2024; Renwick, 2026).

This exclusion has significant theoretical implications as SHRP provide employees with tangible evidence of organisational values. Unlike symbolic employer branding actions, sustainable HR practices are experienced tangibly through performance management that is fair, opportunities for development for career progression, work-life balance practices, well-being programs and fair employment practices (App et al., 2012; Aust et al., 2020; Ehnert et al., 2016; Renwick, 2026). Thus, accordingly employees will develop positive perceptions about their organisation when sustainable HR values are constantly embedded into organisational practices instead of being only branded.

Signalling Theory provides an additional insight into the phenomenon of the connection under consideration by arguing that organisational HR activities are the signals that help employees understand the intentions and values of the organisation and how it will behave in the future (Connelly et al., 2011; Spence, 1973). Positive signals sent through SHRPs increase the certainty that the organisation values its employees and their development. These signals help employees believe that the organisation is credible and form more favourable evaluations about the employer (Connelly et al., 2011; Spence, 1973). Following the arguments of SET, the employees that receive such signals have a greater chance to form attachment to the employer (Blau, 1964; Cropanzano et al., 2017; Cropanzano & Mitchell, 2005).

Despite recent research appreciating the increasing relevance of IEB in relation to employee perceptions and organisational performance, very little empirical evidence exists about how SHRPs influence Internal Employer Branding. Recent reviews similarly conclude that Sustainable HRM research has predominantly focused on organisational outcomes, while comparatively less attention has been devoted to uncovering

the psychological mechanisms through which sustainable HR investments influence employee behaviour (Aust et al., 2020; Mariappanadar, 2024; Renwick, 2026). In filling this gap, employer branding literature will be advanced through establishing SHRP as an organisational determinant of employee perceptions of the employer.

H2

SHRP positively influence Internal Employer Branding.

2.2.3. IEB and Job Satisfaction

Job Satisfaction (JS) is considered a widely recognised criterion for evaluating the employee experience of their jobs and has been found to positively relate to numerous organisational benefits, such as increased commitment, decreased turnover rates, and better performance levels (Judge et al., 2001; Locke, 1976). While the traditional approaches have usually identified such elements of Job Satisfaction as pay, leadership, job design, and organisational atmosphere, more recent human resources studies propose a new point of view on Job Satisfaction where the perception of the organisation by its employees becomes another crucial factor (Backhaus & Tikoo, 2004; Huseynova & Matošková, 2023; Theurer et al., 2018).

However, most existing research show a positive correlation between employer branding and employees' attitudes; yet the literature is still conceptually scattered. Early studies mostly considered employer branding as an external organizational tool to recruit potential employees (Ambler & Barrow, 1996; Backhaus & Tikoo, 2004). Later employer branding studies shifted to conceptualize employer branding as an internal organizational practice that affects employees' trust, organizational identification, and psychological identification (Huseynova & Matošková, 2023; Tanwar & Kumar, 2019). Still, the bulk of the empirical findings is concentrated on outcomes for organizations related to recruitment and retention of talents, but relatively less attention is paid to understanding how the perception of the organization impacts the psychological condition of employees (Theurer et al., 2018). Hence, the significance of IEB as a psychological antecedent of Job Satisfaction is poorly explored in the literature (Huseynova & Matošková, 2023; Theurer et al., 2018).

Such a differentiation is of significant theoretical importance because, in the case of employees, their work attitudes tend to emerge through a certain sequence of stages. First, before employees feel satisfied with their job, they assess whether the organization they work for lives up to its commitments through just treatment, career development opportunities, good communication, and proper human resource management (Backhaus & Tikoo, 2004; Huseynova & Matošková, 2023). Such assessments constitute employee perceptions of the employer's integrity, and such perceptions then have an impact on employee affective attitudes towards their working environment (Theurer et al., 2018).

According to Social Exchange Theory, pleasant experiences within an organisation lead to a perception of fairness and benefit in the employment relationship, contributing to trusting and confident attitudes

towards the organisation (Blau, 1964; Cropanzano et al., 2017; Cropanzano & Mitchell, 2005). Research indicates that employees tend to form positive affective attitudes towards their work when they perceive the organisation to be a socially responsible employer, which, in turn results in increased Job Satisfaction (Aust et al., 2020; Renwick, 2026). Recent studies have found that organisations with strong IEB tend to have higher levels of employee engagement, organisational commitment and Job Satisfaction, especially in knowledge and service-based industries (Huseynova & Matošková, 2023; Theurer et al., 2018). Hence, IEB is expected to be a key cognitive process that precedes affective reactions to work.

H3

Internal Employer Branding positively influences Job Satisfaction.

2.2.4. Job Satisfaction and Employee Performance

From amongst various attitudes possessed by employees, Job Satisfaction (JS) has been studied extensively by scholars due to its implications for the performance of employees. The studies have found empirically that satisfied employees have a greater likelihood of being productive, committed, exhibiting lower absenteeism, and achieving better performance (Jiang et al., 2012; Judge et al., 2001; Locke, 1976). Even though extensive evidence about the connection between these two variables, yet there are debates going on concerning the nature of processes involved in this regard and its unidirectional nature.

On one side, the argument is that happy employees do well because positive emotions boost their motivation, creativity, and willingness to devote additional efforts to work tasks (Judge et al., 2001). On the other side, another argument is that highly performing employees can enjoy Job Satisfaction because of organisational rewards and career advancement. Therefore, there seems to be a reciprocal relation between the two concepts. The result of meta-analysis proves that even if there are reciprocal relations, the direction of influence goes from Job Satisfaction to Employee Performance (Judge et al., 2001). Recent research in the area of Sustainable HRM and employee well-being reaches a similar conclusion, suggesting that happier employees are more resilient, engaged, and high performing (Farmanesh et al., 2023; Jiang et al., 2012; Renwick, 2026).

Besides the positive correlation of Job Satisfaction with performance, this variable represents valuable in terms of explanation since it shows how employees evaluate the job experience from the emotional aspect. Those employees who feel satisfied because of the meaningfulness of their tasks, supportive management, just organisational practices, and opportunities for professional growth tend to show persistence, proactive behaviour, and organisational citizenship behaviours, which improve performance. Such positive emotions in terms of SET show that employees are willing to reciprocate the positive treatment of the organisation with behaviours that help achieve organisational goals (Blau, 1964; Cropanzano et al., 2017; Cropanzano & Mitchell, 2005).

From a strategic perspective, organizations with high levels of Job Satisfaction have the advantage of retaining and exploiting their human capital more efficiently. Job Satisfaction is not a strategic resource per se but is a mechanism through which organizations achieve the strategic benefits of Sustainable HR Practices by creating, retaining and utilizing their employees' knowledge and skills (J. Barney, 1991; Delery & Roumpi, 2017; Wright et al., 1994). Hence, through increasing Job Satisfaction, organizations can improve employee performance and at the same time enhance their strategic capability (Renwick, 2026).

The literature reviewed shows that Job Satisfaction is an important affective process linking positive job experiences with employee performance. Consequently, employees with higher Job Satisfaction are expected to perform better.

H4

Job Satisfaction positively influences Employee Performance.

2.3.1. The Mediating Role of IEB

Despite the fact that SHRP have always had a positive effect on employees, the process through which these organisational practices are turned into enhanced Employee Performance is not fully comprehended. In the current Sustainable HRM literature, researchers have largely focused on direct relationships or have applied mediators such as organisational commitment, employee engagement, perceived organisational support and psychological well-being (Aust et al., 2020; Farmanesh et al., 2023; Mariappanadar, 2024; Podgorodnichenko et al., 2020; Renwick, 2026). While these studies confirm that employees' perceptions matter, they provide only limited explanations of how employees form perceptions of Sustainable Human Resource Practices.

One limitation in the employer branding literature is that IEB has rarely been conceptualised as a psychological mechanism linking Sustainable Human Resource Practices with Employee Performance. Although IEB has increasingly been recognised as an important factor influencing employees' attitudes, most of the existing research has examined it either as an independent organisational outcome or as a retention mechanism rather than a psychological process connecting HR practices with Employee Performance (Backhaus & Tikoo, 2004; Huseynova & Matošková, 2023; Theurer et al., 2018). The fragmented literature overlooks the possibility that employees may not directly react to HR practices, but to the meaning they derive from these practices (Backhaus & Tikoo, 2004; Theurer et al., 2018).

Social Exchange Theory predicts that positive organisational investments are conducive to the establishment of trust in the employment relationship whereby employees will perceive the organisation as a trustworthy and supportive employer (Blau, 1964; Cropanzano et al., 2017; Cropanzano & Mitchell, 2005). Such positive perceptions motivate employees to reciprocate with greater dedication and improved performance. From a strategic view Internal Employer Branding contributes to the

development of valuable organisational capabilities that support sustained competitive advantage (J. Barney, 1991; Delery & Roumpi, 2017; Wright et al., 1994).

Thus, IEB is suggested as the cognitive process through which SHRP influence EP, thereby adding to the existing Sustainable HRM literature by explaining the direct effects (Mariappanadar, 2024; Renwick, 2026).

H5

Internal Employer Branding mediates the relationship between SHRP and Employee Performance.

2.3.2. The Mediating Role of Job Satisfaction

Even though there is accumulating empirical evidence of the impact of Sustainable HR Practices on favourable attitudes among employees, research investigating whether Job Satisfaction plays the most influential role in translating this impact into employee behaviour remains limited. Thus, there is little empirical evidence explaining whether Job Satisfaction serves as the mediating mechanism through which SHRP influence Employee Performance. This is important because organisational practices influence employee behaviour primarily through employees' psychological experiences (Ehnert et al., 2016; Renwick, 2026).

Recent studies devoted to Sustainable HRM acknowledge the importance of employees' well-being and positive workplace experiences for creating value through sustainable practices (Aust et al., 2020; Kramar, 2014; Renwick, 2026). However, many previous studies consider Job Satisfaction as an organisational outcome rather than the mediating process connecting organisational practices with changes in employee behaviour (Farmanesh et al., 2023; Jiang et al., 2012). Nevertheless, this mediating role is crucial because employees' affective experiences translate positive workplace experiences into improved performance. Therefore, Sustainable HR Practices are expected to influence Employee Performance by shaping employees' emotional experiences.

This assumption is consistent with Social Exchange Theory, which posits that organizations that treat their employees well will elicit positive attitudes and behaviours that are consistent with organizational goals (Blau, 1964; Cropanzano et al., 2017; Cropanzano & Mitchell, 2005). Accordingly, Job Satisfaction functions as the affective mechanism that allows employees to translate positive experiences at work into productive work behaviours. Moreover, organizations that are successful in increasing employees' Job Satisfaction are more likely to retain talented employees, increase workforce commitment, and enhance organizational capability (Delery & Roumpi, 2017; Jiang et al., 2012; Renwick, 2026).

Hence, the mediation of Job Satisfaction offers a more comprehensive explanation of the effect of SHRP on Employee Performance.

H6

Job Satisfaction mediates the relationship between SHRP and Employee Performance.

2.3.3. Internal Employer Branding and Job Satisfaction as Sequential Mediators

Prior empirical literature has provided evidence for different mechanisms through which Sustainable Human Resource Practices influence employee outcomes. However, these mechanisms have been studied independently, assuming that employees' reactions to organisational initiatives are mediated by a single psychological process (Aust et al., 2020; Farmanesh et al., 2023; Mariappanadar, 2024; Renwick, 2026). However, such assumptions underestimate the complexity of employee behaviour, which generally develops through successive cognitive and affective processes. Consequently, the Sustainable HRM literature does not yet provide a comprehensive explanation of how organisational investments are translated into higher Employee Performance.

This study suggests that cognitive perceptions of employees towards their organisation are formed first followed by affective responses which influence the workplace behaviour of employees. Sustainable Human Resource Practices generate cognitive perceptions of organisational justice, responsibility and long-term commitment, so employees see the organisation as an authentic, trustworthy employer and enhance Internal Employer Branding (Backhaus & Tikoo, 2004; Huseynova & Matošková, 2023; Theurer et al., 2018). Positive perceptions of the organisation have positive effects on Job Satisfaction through increased trust, organisational pride and confidence in the employment relationship. This, in turn, results in more willing employees to contribute additional knowledge, skills and discretionary effort which ultimately improves Employee Performance (Frenkel et al., 2012; Lin & Huang, 2010; Lloyd, 2008).

Although the relationships of SHRP, Internal Employer Branding, Job Satisfaction and Employee Performance are empirically supported, there is a dearth of research that integrates the relationships into a coherent cognitive-affective framework (Mariappanadar, 2024; Renwick, 2026), particularly in the context of higher education institutions. This integration of these relationships adds to the literature on Sustainable HRM by demonstrating that organizational investments affect Employee Performance through a series of interrelated psychological processes, rather than through merely direct effects.

The proposed sequential mediation adds to SET that employee reciprocity is a slow psychological process, not an instant behavioural response (Blau, 1964; Cropanzano et al., 2017; Cropanzano & Mitchell, 2005). Employees first interpret organisational investments by forming perceptions of the organisation as an employer, subsequently develop positive affective evaluations of their work, and finally reciprocate through enhanced performance. This sequential process is also consistent with the RBV because it explains how Sustainable Human Resource Practices generate valuable organisational capabilities through employees' cognitive and affective resources (J. Barney, 1991; Delery & Roumpi, 2017; Wright et al., 1994). Internal Employer Branding represents a cognitive evaluation, whereas Job Satisfaction represents an affective evaluation, following attitude formation theory.

Hence, the current study shows that Internal Employer Branding and Job Satisfaction form a sequential psychological mechanism connecting SHRP and Employee Performance.

H7

Internal Employer Branding and Job Satisfaction sequentially mediate the relationship between SHRP and Employee Performance.

The proposed conceptual model shown in Fig. 1 explores the direct impact of Sustainable HR Practices on Employee Performance and the indirect impact through Internal Employer Branding and Job Satisfaction. Grounded in Signalling Theory (Connelly et al., 2011), Social Exchange Theory (Blau, 1964) and the Resource-Based View (J. Barney, 1991), the framework explains how sustainable HR investments influence employees' cognitive and affective responses, which subsequently result in improved work performance.

Source

Authors' own creation

Methodology

3.1. Research Design and Sample

The present study utilised a quantitative time-lagged research design that focused on examining the relationships between constructs in the proposed model (Creswell & Creswell, 2017). Survey research design was applied in the study since it enables systematic data collection from many respondents and can be used effectively to test theoretical relationships between latent constructs via PLS-SEM (Hair & Alamer, 2022).

The study's target population involved teaching and non-teaching staff working in higher education institutions in India. Since the two employee groups play different organizational roles, both were considered in order to get an all-rounded insight of employees' perceptions of SHRP and their impact on IEB, JS, and EP. Stratified convenience sampling method was applied in the study (Etikan, 2016). First, the target population was stratified into two layers based on job categories (teaching and non-teaching staff) and then convenience sampling was performed in each layer depending on respondent availability and willingness to participate in the study. Convenience sampling is one of the popular sampling techniques applied in organizational and educational research when developing a complete sampling frame is not possible (Arbale & Mutisya, 2024; Saunders et al., 2011).

The data were gathered using an online structured questionnaire designed in Google Forms. The survey link was shared through institutional communication channels, professional networks, and social media to ensure maximum participation among the higher education institutions (Evans & Mathur, 2018). Ethical informed consent was received from all the respondents according to ethical guidelines

(American Psychological Association, 2020). Google Forms was chosen due to the efficiency in data collection, reduction of data entry errors, avoidance of incomplete responses with the use of mandatory fields, and automatic compilation of responses in statistical analysis-ready form (Arbale & Mutisya, 2024; Saunders et al., 2011). The instrument consists of 23 measurement items in four latent constructs: SHRP (6 items), IEB (6 items), JS (6 items), and EP (5 items). The measurement scale for all the items is a five-point Likert scale from 1 (Strongly Disagree) to 5 (Strongly Agree).

3.2. Ethical Considerations

Participation in the research was completely voluntary. The respondents were informed about the goals of the research and gave their informed consent online prior to participation. No personal data was gathered, and anonymity and confidentiality of responses were preserved during the entire research process. The data collected were utilized only for academic purposes and were analysed in aggregated format.

Data Analysis and Results

The collected data were analysed using Partial Least Squares Structural Equation Modelling (PLS-SEM) approach (Hair & Alamer, 2022). PLS-SEM was selected because it is suitable for prediction-oriented research, accommodates complex models, and does not require multivariate normality (Hair & Alamer, 2022; Henseler et al., 2016). Following the two-stage procedure proposed by (Hair & Alamer, 2022), the measurement model was assessed for reliability and validity, while the structural model was evaluated using VIF, bootstrapping, R^2, f^2, and Q^2. This approach ensured the robustness, explanatory power, and predictive capability of the proposed research model (Hair & Alamer, 2022; Shmueli et al., 2019). A total of 307 valid responses were obtained. The demographic characteristics of the respondents are presented in Table 1.

Table 1
Respondents' profile (N = 307)

Variable	Category	Frequency	Percentage (%)
Gender	Male	176	57.3
	Female	131	42.7
Age	20–29 years	47	15.3
	30–39 years	158	51.5
	40–49 years	85	27.7
	50 years and above	17	5.50
Qualification	UG	63	20.5
	PG	77	25.1
	Ph.D.	167	54.4
Work Experience	< 2 years	17	5.50
	2–5 years	57	18.6
	6–10 years	75	24.4
	11–15 years	101	32.9
	> 15 years	57	18.6

In total, out of the 307 responses, males 57.3% and female 42.7%. The study sample consists of 54.4% belong to teaching having educational qualifications Ph.D., and the remaining belonged to the non-teaching with post-graduation 25.1%, and 20.5% with under graduation. With respect to work experience, approximately one-third (32.9%) were in the experience category of 11–15 years, indicating that the sample consisted predominantly of experienced employees.

4.1. Measurement Model Assessment

Table 2
Measurement Model Assessment

Construct	Item	Outer Loading	VIF	Cronbach's Alpha	rho_A	Composite Reliability	AVE
EP	EP1	0.733	1.710	**0.885**	**0.891**	**0.916**	**0.687**
	EP2	0.866	2.615				
	EP3	0.880	2.816				
	EP4	0.823	2.350				
	EP5	0.834	2.255				
IEB	IEB1	0.827	2.835	**0.926**	**0.934**	**0.942**	**0.73**
	IEB2	0.824	2.214				
	IEB3	0.880	3.147				
	IEB4	0.855	2.837				
	IEB5	0.849	2.440				
	IEB6	0.890	3.358				
JS	JS1	0.868	2.826	**0.915**	**0.916**	**0.934**	**0.702**
	JS2	0.839	2.695				
	JS3	0.815	2.368				
	JS4	0.820	2.525				
	JS5	0.815	2.304				
	JS6	0.868	2.827				
SHRP	SHRP1	0.841	2.564	**0.926**	**0.929**	**0.942**	**0.731**
	SHRP2	0.886	3.087				
	SHRP3	0.863	3.080				
	SHRP4	0.867	2.930				
	SHRP5	0.805	2.129				
	SHRP6	0.865	2.756				

Note: EP = *Employee Performance*, **IEB =** *Internal Employer Branding*, **JS =** *Job Satisfaction*, **SHRP =** *Sustainable Human Resource Practices*

Table 2 gives the findings regarding the assessment of the measurement model. The indicator loadings had values between 0.733 and 0.890, surpassing the minimum value of 0.70 for indicator reliability. Indicator VIFs had values between 1.710 and 3.358, being lower than the maximum accepted value of 5.0 (Hair & Alamer, 2022), hence showing that there is no multicollinearity problem. Besides, all constructs displayed excellent internal consistency since their Cronbach's alpha (0.885–0.926), rho_A (0.891–0.934) and Composite Reliability (0.916–0.942) values are higher than the minimum requirement of 0.70. In addition, convergent validity was established, as the AVE values (0.687–0.731)

Table 3
Discriminant Validity (Fornell-Larcker Criterion and HTMT Ratio)

Construct	EP	IEB	JS	SHRP
EP	**0.829**	0.510	0.646	0.599
IEB	0.462	**0.854**	0.542	0.416
JS	0.580	0.505	**0.838**	0.375
SHRP	0.549	0.401	0.347	**0.855**

Note: Diagonal values (bold) represent the square root of the Average Variance Extracted (AVE). Values in the lower triangular matrix represent the Fornell–Larcker inter–construct correlations, whereas values in the upper triangular matrix represent the HTMT ratios.

Discriminant validity was assessed using both the Fornell–Larcker criterion and the HTMT ratio. As shown in Table 3, the square root of the AVE for each construct, presented along the diagonal, exceeded its corresponding inter-construct correlations reported below the diagonal, satisfying the Fornell–Larcker criterion. In addition, the HTMT values presented above the diagonal ranged from 0.375 to 0.646 and remained below the recommended threshold of 0.85. These findings provide convergent evidence of satisfactory discriminant validity and confirm the empirical distinctiveness of EP, IEB), JS, and SHRP.

4.2. Structural Model Assessment

Upon confirming the measurement model's adequacy, the structural model was evaluated. First, collinearity among predictor constructs was examined based on variance inflation factor (VIF) values. Next, path coefficients were assessed through the bootstrapping procedure. The explanatory power of the model was assessed by the coefficient of determination (R^2), while effect sizes (f^2) were used to evaluate the contribution of each predictor construct. Predictive relevance was assessed via Stone-Geisser's Q^2 from the blindfolding procedure. The blindfolding analysis showed positive Q^2 values for all endogenous constructs, indicating the model's predictive relevance. Specifically, the highest predictive relevance of Employee Performance ($Q^2 = 0.321$), Job Satisfaction ($Q^2 = 0.176$), and Internal Employer Branding ($Q^2 = 0.109$) were found. Since all of the Q^2 values were greater than zero, the proposed structural model has satisfactory predictive relevance.

Table 4 presents the structural model assessment results coefficient of determination, effect sizes, and predictive relevance.

Table 4
Structural Model Assessment (R^2, f^2, and Q^2).

Construct / Relationship	R^2	Adjusted R^2	Q^2	f^2
Endogenous Constructs				
EP	0.473	0.470	0.321	–
IEB	0.161	0.158	0.109	–
JS	0.255	0.252	0.176	–
SHRP	–	–	–	–
Effect Size (f^2) of Structural Paths				
SHRP → EP	–	–	–	0.261
SHRP → IEB	–	–	–	0.192
SHRP → JS	–	–	–	–
IEB → EP	–	–	–	–
IEB → JS	–	–	–	0.342
JS → EP	–	–	–	0.327

Note: EP = *Employee Performance*, **IEB =** *Internal Employer Branding*, **JS =** *Job Satisfaction*, **SHRP =** *Sustainable Human Resource Practices*

4.3. Hypothesis Testing

The hypotheses were tested using the bootstrapping procedure with bias-corrected confidence intervals. Statistical significance was determined based on the path coefficients (β), t-values, p-values, and confidence intervals. The results in Table 5 indicate which hypotheses were supported or rejected and provide empirical evidence for the proposed conceptual framework.

Table 5
Hypothesis Testing Results.

Hypothesis	Path	β (O)	Mean (M)	Std. Dev.	t-value	p-value	Bias	95% BCa CI	Decision
Direct Effects									
H1	SHRP → EP	0.395	0.398	0.044	8.911	< 0.001	0.002	[0.303, 0.479]	Supported
H2	SHRP → IEB	0.401	0.404	0.048	8.367	< 0.001	0.002	[0.298, 0.487]	Supported
H3	IEB → JS	0.505	0.506	0.044	11.454	< 0.001	0.002	[0.411, 0.585]	Supported
H4	JS → EP	0.442	0.441	0.043	10.301	< 0.001	-0.001	[0.355, 0.524]	Supported
Specific Indirect Effects									
H5	SHRP → IEB → JS	0.203	0.205	0.033	6.135	< 0.001	0.002	[0.139, 0.268]	Supported
H6	IEB → JS → EP	0.223	0.224	0.032	6.943	< 0.001	0.001	[0.165, 0.289]	Supported
H7	SHRP → IEB → JS → EP	0.090	0.091	0.018	4.968	< 0.001	0.001	[0.059, 0.129]	Supported

Note: *β = standardized path coefficient; M = bootstrap sample mean; Std. Dev. = bootstrap standard deviation; CI = bias–corrected 95% bootstrap confidence interval (2.5%–97.5%). A hypothesis is supported when* **p < 0.05** *and the confidence interval does not include zero.*

Discussion

The current study examined the impact of Sustainable Human Resource Practices (SHRP) on Employee Performance (EP) through Internal Employer Branding (IEB) and Job Satisfaction (JS). The results provide substantial support for the theoretical underpinnings of Social Exchange Theory (SET) and Resource Based View (RBV). More importantly, the study reveals that SHRP and EP are connected through a sequential cognitive–affective process, contributing to Sustainable HRM literature. The study fills the literature vacuum on the psychological mechanisms via which continuous HR investments influence employee performance.

Sustainable HR Practices enhance employee performance because employees interpret sustainable investments as credible organisational signals of long-term organisational support and fairness. Sustainable HRM programs improve employee performance by investing in employee capacities, well-being, and organisational support in the long term (Farmanesh et al., 2023; Podgorodnichenko et al., 2020). However, this study shows that, contrary to previous research on direct encounters, this immediate impact is just one stage of a larger psychological process. The significant indirect effects suggest that sustainable HR practices create organisational value through the influence of many psychological mechanisms that improve employee performance.

Fair treatment, employee development, work–life balance and well-being programs, which signal trustworthiness and commitment to employees (Connelly et al., 2011; Spence, 1973), promote internal employer branding. The employer branding literature (Backhaus & Tikoo, 2004; Huseynova & Matošková, 2023) posits that HR practices are the preeminent channels through which organizations can communicate their employer value proposition internally to current employees. Investments in sustainable HR signal corporate commitment and credibility, and thus, support the Signalling Theory. Social Exchange Theory suggests that employees boost the internal corporate brand by leaving good ratings for their firm. This means that Internal Employer Branding is a core organisational capability developed by Sustainable Human Resource Practices and not only a recruitment tool.

Positive employer impressions increase job happiness through increasing trust, trustworthiness and congruence in organisational ideals and workplace experiences. Previous studies suggest that good employer branding promotes employee's emotional connection and job happiness (Backhaus & Tikoo, 2004; Huseynova & Matošková, 2023; Strenitzerová & Achimský, 2019). More importantly, the current research introduces Internal Employer Branding as the cognitive mechanism via which SHRP affect employees' affective responses. Employer branding influences the work experience of employees after they join the organization, not only during recruitment.

Job satisfaction is associated with better employee performance as suggested by organisational behaviour research. This is in line with earlier studies that showed that satisfied workers are more motivated, committed to their companies, ready to work hard and more productive (Judge et al., 2001). Job satisfaction is employees' reciprocal response to organisational support which motivates them to work harder towards organisational goals in the SET framework. This suggests that higher education institutions should give appropriate organisational resources and favourable psychological experiences to drive staff to perform beyond job standards. Mediation analysis shows the psychological dynamics of Sustainable HRM. The study finds that Internal Employer Branding mediates the relationship between Sustainable HR practices and work satisfaction. This suggests that employees are happy when they regard sustainable HR practices as evidence that the company values, supports and invests in them. Positive cognitive appraisals result in positive feelings in the workplace. This cognitive-to-affective path fills a gap in the Sustainable HRM literature by investigating Internal Employer Branding as the link between SHRP and EP. Also, the study shows that Job Satisfaction mediates between IEB and EP. Thus, positive employer impressions alone are not sufficient to enhance employee performance unless they

are translated into pleasant emotional experiences. Internal Employer Branding is the cognitive evaluation of the organization by employees whereas Job Satisfaction is the emotive process that converts these good thoughts into productive activity. This supports the SET and the cognitive–affective–behavioural paradigm which holds that cognitive evaluations precede emotional responses that affect behaviour.

The primary finding of this research is that Internal Employer Branding and Job Satisfaction are successively mediating between SHRP and EP. The results support the cognitive-affective pathway of Sustainable HRM and show that IEB leads to positive cognitive judgments about the organization, which in turn leads to Job Satisfaction and increased Employee Performance. The results of this study differ from earlier studies that have only examined direct relationships or individual mediating mechanisms. Sustainable Human Resource Practices impact employee performance through interconnected psychological processes instead of isolated organizational actions. The study reveals that Sustainable Human Resource Practices boost employee performance through a cognitive–affective sequential process, not only through organisational effects, as well as more than verifying the suggested research model. Internal Employer Branding is the process by which employees create cognitive evaluations about corporate support, credibility and commitment. Cognitive evaluations induce affective responses (e.g., Job Satisfaction) and improved Employee Performance. The study adds to the Sustainable HRM literature by going beyond direct-effect and single-mediator models to explain the mechanism via which sustainable HR investments influence employee behaviour.

Signalling Theory, Social Exchange Theory (SET), and the Resource-Based View (RBV) are improved by revealing how Sustainable Human Resource Practices (SHRPs) affect employee performance. According to Signalling Theory, sustainable HR practices convey ideas of equity, assistance, employee growth, and enduring dedication, which helps employees form positive cognitive assessments of their employer through Internal Employer Branding. According to SET, employee reciprocity is a sequential psychological mechanism in which positive cognitive assessments lead to emotional responses, which promote Job Satisfaction and Performance. The study also supports the Resource-Based View by showing that SHRP's cognitive and emotional assets, particularly Internal Employer Branding and Job Satisfaction, are valuable, socially complex, and difficult to replicate organisational competencies that boost competitive advantage. The research uses a cognitive–affective–behavioural paradigm to explain how sustainable HR investments improve employee performance.

Implications

6.1. Theoretical Implications

This paper contributes significant theoretical advances to SHRM. First, it expands Sustainable HRM research beyond direct-effect models and provides empirical evidence of the psychological mechanisms by which Sustainable HR Practices improve Employee Performance. The results show that Sustainable HR Practices shape employees' cognitive assessments and emotive responses, providing a more

complete explanation of employee behaviour than just strengthening organisational structures. Earlier studies disregarded the multi-stage psychological processes relating sustainable HR investments to employee outcomes. This contribution fills that gap.

Second, the study redefines internal employer branding as an organisational competence rather than a recruiting and talent attraction approach. Sustainable HR practises improve employees' perceptions of organisational credibility and support, positioning Internal Employer Branding as a strategic organisational resource developed through workplace experiences. This approach expands employer branding theory by explaining how it affects employee attitudes and behaviours after joining the company.

Third, this study shows that sequential psychological processes mediate employee reciprocity, applying Social Exchange Theory empirically. Employees generate positive cognitive appraisals of their employer, which are transformed into positive emotional responses before affecting workplace behaviour. Employee reciprocity is better explained by this sequential cognitive-affective process than by Social Exchange Theory's direct-effect theories.

The study also extends Signalling Theory by demonstrating that Sustainable Human Resource Practices function as credible internal organisational signals that shape employees' cognitive evaluations before reciprocal attitudes and behaviours emerge. While Signalling Theory has traditionally been applied to recruitment and labour market contexts, this study shows its relevance for explaining how current employees interpret sustainable HR investments through Internal Employer Branding.

The study concludes that Sustainable HR Practices produce Internal Employer Branding and Job Satisfaction, which are key intangible resources for the firm. RBV is extended by showing how sustainable HR investments create long-term competitive advantage through human capital by integrating psychological resources to generate organisational skills that are hard to mimic and sustain employee performance.

6.2. Practical Implications.

The findings have significant implications for higher education institutions that use sustainable people management to boost staff performance. First, institution management must recognise SHRP is strategic, not trivial. Institutions must provide career sustainability programs that include mentoring, leadership training, career development, and continual learning for teaching and non-teaching staff. Flexibility, performance evaluation, promotion policies, work-life balance, and well-being programs like mental health counselling can also boost employee performance and organisational care and commitment.

Second, higher education institutions require an internal employer brand to demonstrate their values and attract people. Internal communication, accomplishment distribution, onboarding, and leadership that promotes fairness, inclusivity, and organisational support can reinforce the ideals. Employee work experience and values consistency boost the institution's employer appeal.

The study shows that HR initiatives alone cannot improve employee performance in educational organisations. Universities must provide supportive leadership, formal employee recognition and rewards, career progression opportunities, participation in decision-making, performance feedback, and teamwork to improve job satisfaction.

Finally, the validated sequential mediation model suggests that higher education institutions use an integrated HR strategy where SHRP strengthens Internal Employer Branding, Job Satisfaction, and Employee Performance. University administration should establish integrated HR systems that combine sustainable HR policies with internal branding, communications, recognition, and well-being activities. The study found that sustainable people management in higher education institutions may establish a committed workforce, improve employee performance, and gain a sustainable competitive edge.

Limitations and Future Research Directions

Both theoretical and empirical consequences of the work are important. When evaluating the findings, various constraints must be addressed. First, time-lagged research methodology creates temporal distance between the predictor and dependent variables to mitigate common method bias and strengthen temporal precedence of relationships, but it does not allow causal conclusions.

Research included both teaching and non-teaching staff in higher education. It gives valuable information regarding the sustainability of people management in educational organisations, but higher education organisations' unique governance and nature may make it difficult to apply to other organisations. Thus, future study must apply the paradigm to health care, manufacturing, finance, hospitality, public sector, and information technology.

Third, employees' perceptions measured performance. Self-report measurements are prevalent in organisational behaviour research, and a time-lagged measurement design reduces method bias, although subjective performance assessments may differ from objective or supervisor-based measures. To verify the claimed links, future research should use multi-source assessments such supervisor ratings or objective performance measures.

Finally, this study examined Internal Employer Branding and Job Satisfaction as sequential cognitive and affective pathways linking SHRP and EP. Employee attitudes and behaviour are affected by psychological and organisational factors. This approach can be expanded by studying various mediating mechanisms such organisational commitment, engagement, psychological empowerment, identity, and employee well-being. Future studies should also consider boundary conditions like responsible leadership, ethical leadership, organisational culture, psychological safety, and sustainability climate to better understand how SHRP improves Internal Employer Branding, Job Satisfaction, and EP. These approaches help overcome study limitations and make SHRM research more generalisable, theoretical comprehension deeper, and organisational practice lessons more practical.

Conclusion

Sustainability Human Resource Practices (SHRP) and Employee Performance (EP) were evaluated through the sequential mediation of Internal Employer Branding (IEB) and Job Satisfaction (JS). This study established and empirically verified a sequential mediation model based on Signalling Theory, Social Exchange Theory, and the Resource-Based View to understand how sustainable HR investments improve employee performance. The study surveyed 307 higher education teaching and non-teaching staff and used PLS-SEM to support all hypothesised direct and indirect correlations.

SHRPs directly and indirectly affect employee performance through IEB, improving Job Satisfaction and Performance. The study found that sustainable HR strategies go beyond employee-centricity. Their strategic worth rests in shaping employees' views of the company and creating great workplace experiences that boost commitment and performance. The study found that Internal Employer Branding is the cognitive mechanism by which employees evaluate organisational investments and Job Satisfaction is the affective mechanism that leads to positive workplace conduct.

The study contributes to Sustainable HRM literature in numerous ways. First, it answers recent recommendations for study on Sustainable HR Practices' methods of impact on employee outcomes, beyond direct-effect models. Second, this research conceptualises Internal Employer Branding as a strategic competency generated through sustainable HR practices rather than an external recruitment technique, adding to the employer branding literature. Third, by integrating Signalling Theory, SET and RBV, the study provides a thorough theoretical explanation of how sustainable HR practices generate psychological resources that boost employee performance. Thus, the proven sequential mediation model illuminates sustainable employee behaviour's cognitive and affective processes. The findings show that higher education institutions should view SHRP as long-term strategic investments rather than administrative tasks. SHRP should be combined with internal employer branding and employee well-being programs to boost employee performance, organisational perceptions, and work happiness. This integrated approach may preserve workforce performance, organisational effectiveness, and institutional competitiveness.

This study concludes that SHRP provide organisational value by influencing employee performance and developing positive cognitive and affective employee reactions. The study empirically tests the pathway between SHRP and IEB, JS, and EP to better understand sustainable people management and lays the groundwork for future research on the psychological mechanisms by which sustainable HR investments lead to long-term organisational success.

Declarations

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Author Contributions:

Srinivas Cheekatla: Introduction, Conceptualisation, Research Design, Methodology, Literature Review, Data Collection, Data Analysis, Results, Writing Original Draft.

Naresh Babu Muddangala: Supervision, Validation, Critical Review and Editing.

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Figures

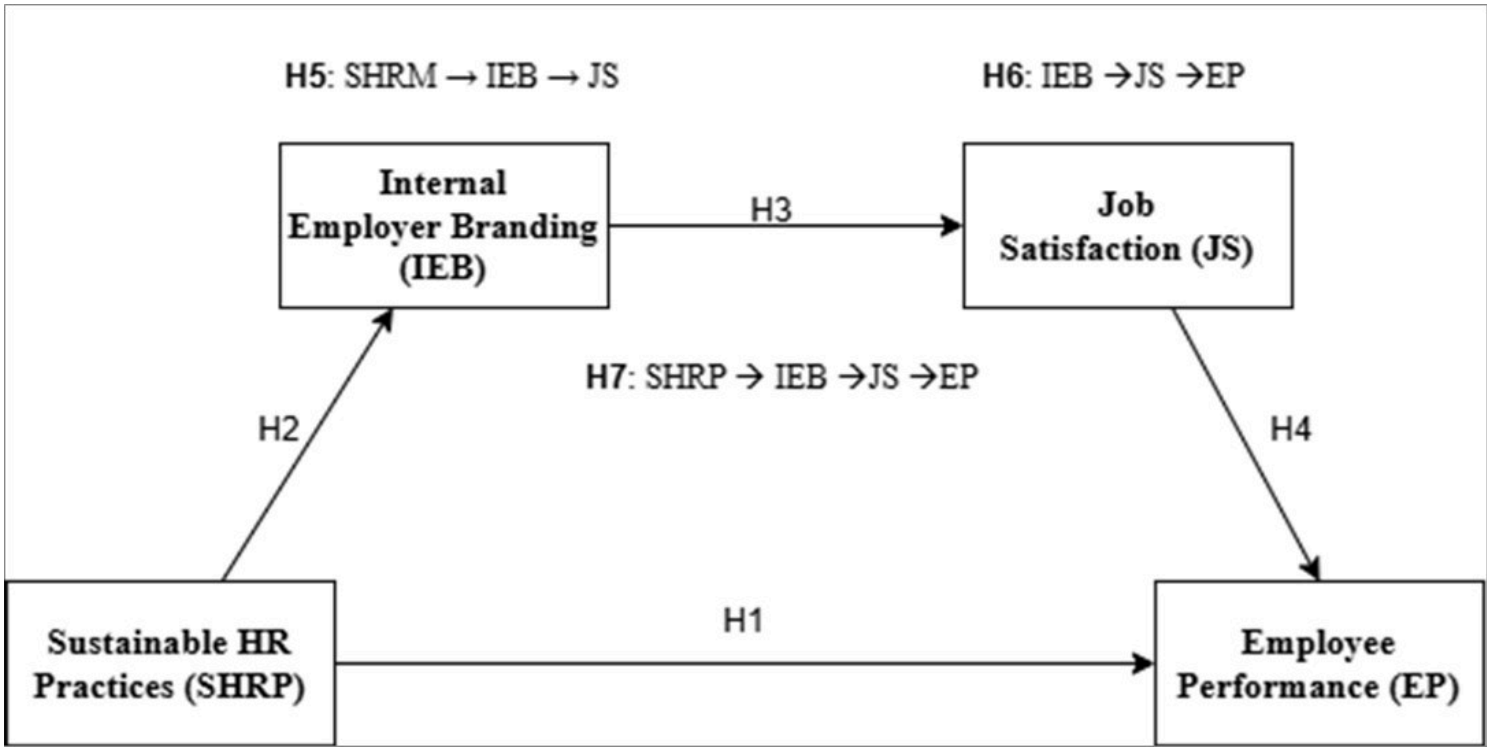


Figure 1

Proposed Conceptual Framework

Source:*Authors' own creation*

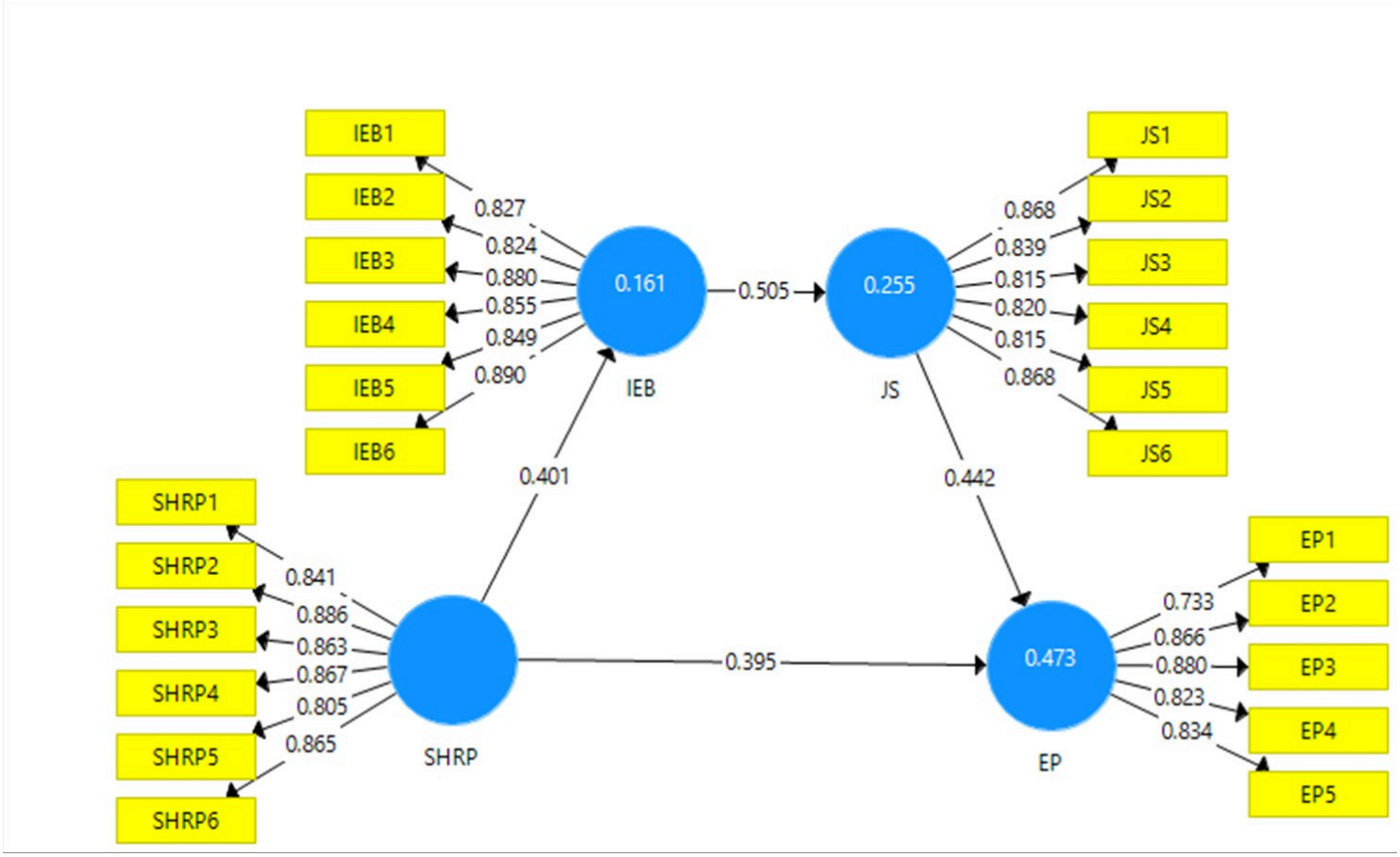


Figure 2

Measurement Model Results

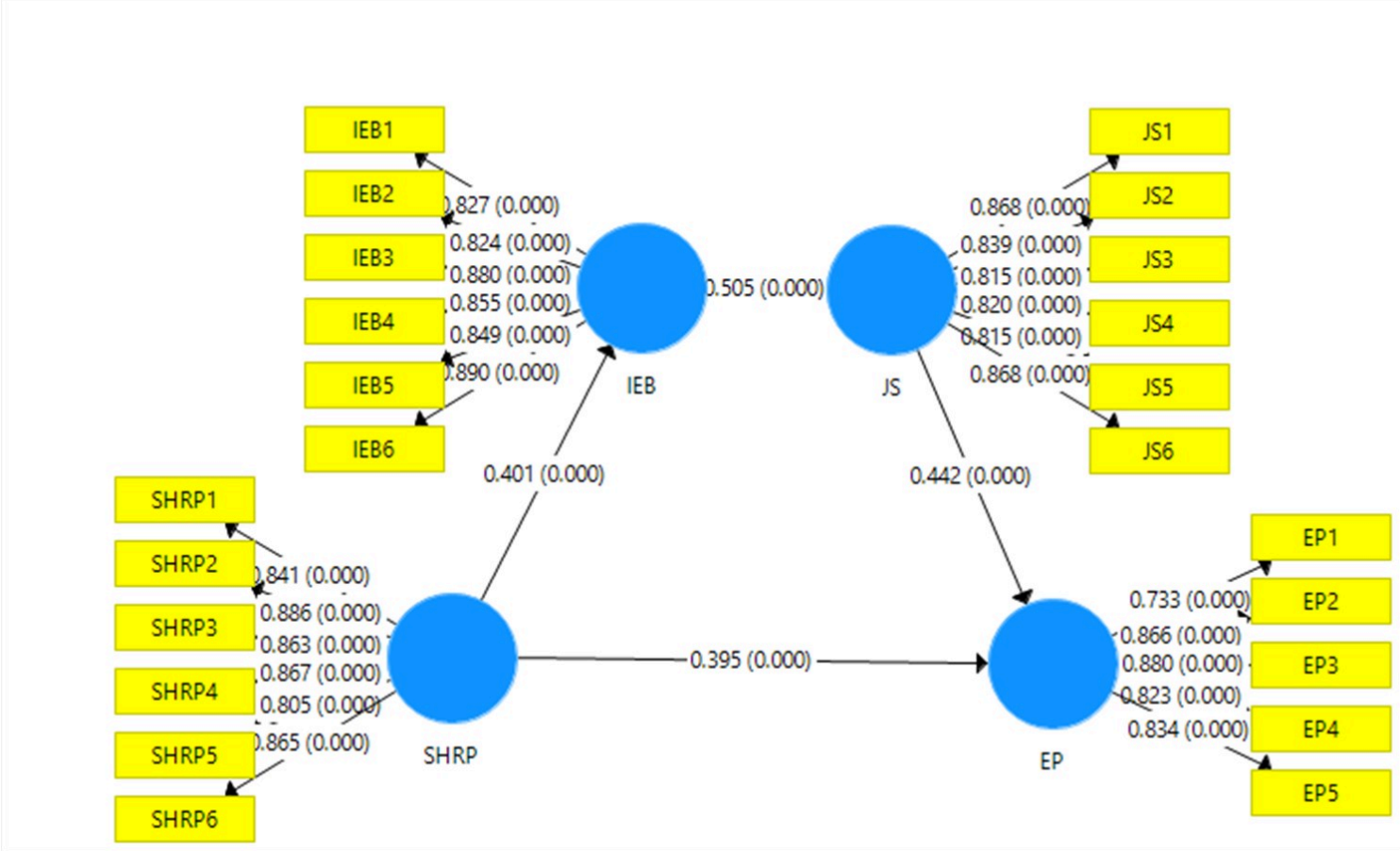


Figure 3

Structural Model Assessment