The Influence Of Hrm Practices On Job Satisfaction - The Mediating Role Of Organizational Commitment: Case Of Federal Authority For Identity And Citizenship (ICA) UAE

Mohammad Hassan Alhammadi\textsuperscript{a}, Mohd Yamani Bin Yahya\textsuperscript{b}
\textsuperscript{a}UTHM University, Malaysia
\textsuperscript{b}m61611h@hotmail.com, \textsuperscript{b}yamani@uthm.edu.my

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**Abstract:** The impact of HRM practices on employee satisfaction has been a leading area of research in the developed world for many years, while organizational commitment has not been studies in government sector in Unite Arab Emirates (UAE). The aim of this study is to examine the mediation role of organizational commitment on the association between HRM practices and job satisfaction in Federal Authority for Identity and Citizenship (ICA) in UAE using quantitative methods. The result of this study showed a high degree of model fit between HRM practices, organizational commitment, and job satisfaction as well as organizational commitment partially mediates the relationship between HRM practice and job satisfaction. This result lead to a final conclusion that HRM practices, organizational commitment, and job satisfaction are fundamental variables to the success of public and private organizations. Various organizations can benefit from the outcome of this study by knowing the employees level of satisfaction. For the employees indirectly helps them to convey their expectations regard this element is an essential part of any organization and employees satisfaction involves a subjective process, thus making it difficult to define it. It is subject to the influence of internal and external forces, which can affect the physical and mental health of the worker, as well as interfering in their personal and professional behavior (Robbins, 2005; Suzette et al., 2017).

UAE is one of the fastest developing countries in the Gulf region. Due to open market and modernization of employers, UAE has been attracting investors and labors from foreign countries. For optimum results these expatriate labors and employees should be managed by diverse HRM practices (Siddique, 2004). The UAE has 3.11 million foreign workers from 202 countries, employed by approximately 260,000 establishments, according to the 2007 labor report. But some UAE organizations are not implemented HRM practices properly so that leading to low job satisfaction (Alnaqabi, 2011).

It is evident that ineffectiveness of HRM practices shows lack of concern for employees which in return leads to problem of retention/less commitment in employees. In view of Alnaqabi (2011) when HRM practices in context of UAE are not properly followed, it will badly affect the retention and satisfaction of work force. Job satisfaction involves a subjective process, thus making it difficult to define it. It is subject to the influence of internal and external forces, which can affect the physical and mental health of the worker, as well as interfering in their personal and professional behavior (Robbins, 2005; Suzette et al., 2017).

The review of literature shows a lack research on the mediating role of organizational commitment on the association between HRM practices and job satisfaction and commitment (Raju, 2021). The researcher found a linkage between each pair of variables. First between HRM practices and job satisfaction, second between HRM practices and organizational commitment, and third between organizational commitment and job satisfaction. The survey on previous studies shows lack of empirical evidence on the mediation model between these three variables. Thus, this study is an empirical attempt to investigate the mediation role of organizational commitment on the association between HRM practices and job satisfaction.

**2. Research Methodology**

The methodology adopted in this study is quantitative approach and survey design. This method is aimed to investigate the causal association between variables. The objective of causal research is to test hypotheses about cause-and-effect relationships between a set of variables (Raju, 2021). If the objective is to determine which variable might be causing a certain behaviour, i.e. whether there is a cause and effect relationship between variables, causal research must be undertaken (Babbie, 2007). Therefore, this study used a causal and correlation
research methodology in an attempt to investigate the mediation effect of organizational commitment on the causal association between HRM practices and job satisfaction.

3. Population of study

A research population is a well-defined collection of individuals known to have similar characteristics (Saunders et al., 2009). As the unit analysis of the study is at individual level, the population comprises of workers employed by in Federal Authority for Identity and Citizenship (ICA). Those employees were employed into the various departments of this organization. The employees and staff positions range from department all level and the system from the human resources departments. Random sampling has been used to collect the data in the survey inside ICA. The number of respondents in the study sample equal 377.

4. Job Satisfaction

Job Satisfaction is the most widely discussed issue in the field of organizational behaviour (Martineau, 2006). The idea of jobs satisfaction started from the very basic definition that satisfaction is everything that shows elements of joy. Positive employee attitude and harmony shows satisfaction of employee at work place.

Different researchers take job satisfaction as the aggregate of all sentiments toward the job and the passionate attitude that employee have for their work (Al-Haydar and Bin Taleb, 2005). JS is the term most widely used and researched in field of management and organization behavior. It is defined as an attitude towards how an employee feels toward the work (Sharma, and Mani, 2013).

Job satisfaction is the feeling of emotional attachment the organization. It is considered crucial for motivating employees on long term basis. It is seen that the committed employees, who are ready to give up themselves for organizations have high level of job satisfaction. Regardless if employees are not satisfied companies have to pay cost in terms of recruitment of new employees (Jikyung and Byung-Kuk, 2011). Due to changes in business structure and environment, most of the researches feel inclination towards the aspects of employees’ satisfaction, commitment, and retention in context of the cultural background of various countries.

Job satisfaction is also defined as an overall evaluation of the work for the company (Chetty & Phung, 2018). Job satisfaction can be viewed as a machine that brings a change in the internal environment in the employee's performance and service quality required in the repair and improvement services to customers. Employee satisfaction is an important thing but never fulfilled at any time and is very difficult to calculate the employee satisfaction (Dorothea, 2015). Job satisfaction in service organizations are very important variable. The employees who are satisfied are employees who are motivated to convey his concern for others and serve the company better (Paul, 2013).

Most of scholars tend to show different importance on sources of satisfaction, which can be classified as either intrinsic or extrinsic. Intrinsic sources depend on the individual characteristics of the person, such as attitudes. Extrinsic sources are situational and depend on the environment, such as workplace climate (Raju, 2018). Theories which rely on extrinsic sources are more typically adopted by economist, albeit by reference to a different terminology, whereas intrinsic sources are more commonly associated with other social sciences (Farndale and Truss, 2005).

5. Human Resource Management

Human Resource Management (HRM) is a process, which consists of four main activities, namely, acquisition, development, motivation, as well as maintenance of human resources. HRM is a function in organizations designed to maximize employee performance in service of their employer’s strategic objectives (Becker and Huselid, 2009).

HRM is a senior management task in modern organizations and in particular big organizations that provide a wide range of services, where the customer facing challenges because of improper staff’s performance who have little experience and low quality of performance (Jamal, 2008) and that human resource management plays an active and vital role in the success of the reform of public organizations.

Zahidul (2015) defines HRM as the "main axis in regulating the relationship between the organization and its employees, and HRM is responsible to achieve organizational goals and this is done through a variety of activities and special programs for human resources development and employ and evaluate their performance, maintenance and keep them effectively", while Saleh (2004) has stressed that human resource management is “based on the stability of the organization and raise the moral spirit as this administration is monitoring the implementation of rules and regulations and laws that have participated in the formulation and adopted by senior management in the organization.”
HR managers are primarily concerned with how people are managed within organization, focusing on policies and systems and are responsible for maintaining good human relations in the organization (Raju & Phung, 2019). It is also concerned with development of individuals and achieving integration of goals of the organization and those of the individuals (Collings and Wood, 2009).

6. HRM practices

HRM practices represent path ways through which employee skills can be upgraded return on investment increases with high market value (Pettijohn et al., 2001). Human resource practices serve as the source to achieve organizational goals by shaping the attitude and behavior of employees (Cummings and Worley, 2009). It is because of best HR practices that organizational commitment can be achieved, their behavior is modified and retention of valuable employees take place at greater pace.

HRM practitioners are required to be able to recognize the needs of employees, aligning the needs of employees with company expectations and strive to do the best steps to encourage those needs are met optimally. Moreover, the HRM function and its practitioners should also be able to create a working environment that empowers employees and motivate them to contribute their best to the company (Muhdi, 2011).

More and more talented employees can be retained with innovative implementation of HR practices. The employees should be kept fully motivated and satisfied, for this purpose appropriate techniques of job satisfaction are implemented properly by the HR department (Martineau, 2006). The study by Murat et al. (2014) shows strong relationship between HRM practices, employee commitment and overall job satisfaction. They found that rewards and benefits (one of the HR practices), leads to employee job satisfaction. In the same way other positive practices like training and development also effects worker commitment and satisfaction level of employees.

Based on the findings from previous studies and reviewing the factors that contributed to HRM practices. This study will measure HRM practices through five factors as shown in Figure-1: (1) Planning, (2) Training & Development, (3) Recruitment, (4) Rewards and Incentives, (5) Performance appraisal.

Every HRM practice focuses on validity of procedures followed among various practices. So if practices are not coherent with each other than companies have to bear high cost in terms of losing valuable/ highly motivated employees. HR practices can lead to motivation of employees and managers can get advantage by properly applying HRM practices for employee motivation.

![Figure 1: The factors of HRM practices](image)

7. Organizational Commitment

The concept of organizational commitment is highly applicable in modern management. It dates to 1950. In simple words commitment, means showing feeling of courtesy, respect and love. Myer and Allen (1984) presented many studies in in which they define commitment as an emotional attachment with a particular individual or entity.

A true implementation of HRM practices in any organization leads to improvement in level of organizational commitment. Maheshwari et al. (2005) have found that the commitment level of employees working in health sector. The results of the study have shown that officials of certain district do not have physiological contract and emotional bonding with their divisions. It was suggested that there is dire need to change Human Resource
Management practices and employee involvement should be improved for strengthening the working of health sector. The study also recommended that training and development programs of health professional by considering efforts on career growth prospects should be implemented properly.

Smeenk et al. (2006) mentioned some of the factors affecting level of job commitment among employees of Dutch university between two different faculties as having various identities. The result of data shows that factors that affect separatist faculty were compensation, training and development. While in hegemonies members of faculty working hours, employee involvement in social programs and degree of autonomy affected level of commitment. The factors like participation of and interaction of employees were common factors with both faculties.

Meyer and Allen’s (1990) came up with three types of organizational commitment:

- **Affective Commitment**: This is as certain type of emotional attachment and loyalty for the organization. Worker becomes so much in love with the organization that he try to fulfill his objectives timely and want to remain with organization forever. The affective workers just ‘want to’ work for organization. These affective members view their personal goals with the beliefs for organization (Beck and Wilson, 2000). The organization is considered as identity of employee. Affective commitment is firstly base on identifying one’s desires in relation to that of organization and secondly on the creating congruence between the personal and goals of organization.

- **Continuance Commitment**: He has to be the member of the organization on lifelong basis because he will face loss of friends and economic gains. According to Beck & Wilson (2000) when employee realizes the cost benefit of leaving the job then the Continuance Commitment arises. It is the assessment of benefits which he received from the organization. The exchange of benefits in return of employee’s service is the basic principle of continuance commitment.

- **Normative commitment**: Allen and Mayer define normative commitment as an obligation from employee toward the work, it represent ‘ought to’ principle. The tri-dimensional view of commitment is very famous in organizational research theory. People get attracted towards the salary and other benefits associated with the job.

8. Mediation Role of Organizational Commitment

Several Studies showed that organizational commitment plays a mediation role. Heyecan et al. (2013) in a study of turkey engineers concluded that strong relation exists in commitment and workers’ satisfaction. The findings were different as compared to the old ones in the literature. It shows that level of satisfaction is not that important in construction workers. If job satisfaction is not there among employees then frustration, anxiety and turnover takes place which results in poor performance among employees.

Helen et al. (2010) conducted study on Blue-collar workers Australians. They found dissatisfaction in skilled labor who works on sites. The factors leading to dissatisfaction was long working hours and work family conflict. The young workers especially give suggestion for flexi time and more balanced life. The other finding is that managers have high rate of tri dimensional commitment (affective, normative and continuance), the reason can be managers high level of salary. Professional also show high rate of commitment and dissatisfaction

The study by Khalid et al(2012) showed that turnover rate in public sector is very high. It was found from the past literature that public sector has limited number of employees who are highly committed in nature. Public organizations are lacking strong HRM practices and even HR departments are not seen to be working on deliberately basis for keeping employees satisfied and retained. Their study suggested that if public sector focuses on employee needs by implementation of genuine HRM practices then employees will be satisfied and turnover can be enhanced.

Another study by Abel (2012) found that all bank employees are not fully satisfied from the HRM practices. Some seems dissatisfied from the compensation other from the training and development. This happens when organization do not understand their employees properly. There is dire need for improving the HR Practices through consultants and practitioners.

According to Khalid et al (2013) level of job satisfaction varies in expatriate and local employees in banking sector of UAE. Nationality is having highly significant effect on the job satisfaction. International employees feel dissatisfied from the HR Practices while local employees feel higher level of satisfaction with the HR practices like pay, employee benefits, and promotion and growth opportunities. While Iljigu (2015) shows that HR practices like recruitment, training and development, compensation package have significant effect on job satisfaction but organizational commitment should influence this relationship. There results were in congruence with Mir Mohammed et al (2010) and Rathnaweera (2010). The results of these studies lead to a conclusion that effective HRM practices lead to high degree of worker commitment to the organization and asl increases job satisfaction.
Based on the findings from previous studies and the results of literature review; this study will test the following four hypotheses as shown in the conceptual framework in Figure 2.

Figure 2: The Conceptual Framework

9. Results and Discussions

A mediator variable is a variable than explains the relationship between a predictor variable and a criterion variable. Mediators tell us how or why something works. The mediator is considered an intervening variable which explains the relationship between a predictor variable and a criterion variable. This study assumes that organizational commitment mediates the relationship between HRM practices and Job satisfaction. To test this hypothesis, the research has conducted a mediation analysis in this section based on Baron and Kenny’s (1986) framework for mediation analysis which has become a standard part of the consumer researcher’s toolkit: an independent variable IV affects some mediator M that in turn affects some dependent variable DV (IV: independent variable, M: Mediator, DV: Dependent variable).

The Baron and Kenny (1986) method is an analysis strategy for testing mediation hypothesis of this study between three variables HRM practices, organizational commitment, and job satisfaction. In this method for mediation, there are two paths to the dependent variable. The independent variable (HRM practices) must predict the dependent variable (job satisfaction), and the independent variable must predict the mediator (organizational commitment) as well. The mediation is tested through three regressions:

1. Independent variable predicting the dependent variable (HRM practices)
2. Independent variable predicting the mediator (organizational commitment)
3. Independent variable and mediator predicting the dependent variable (job satisfaction)

Moreover, the following conditions must be met in the results to support mediation:

- The independent variable is shown to significantly influence the dependent variable in the first regression equation.
- Independent variable is shown to significantly influence the mediator in the second regression equation.
- Mediator must significantly influence the dependent variable in third equation. Here, the independent variable and mediator are entered as predictors.

Complete mediation is present when the independent variable no longer influences the dependent variable after the mediator has been controlled and all of the above conditions are met. Partial mediation occurs when the independent variable’s influence on the dependent variable is reduced after the mediator is controlled (Baron and Kenny’s, 1986).
In the basic setup, an independent variable (HRM practices) is thought to “cause” a distal dependent variable (job satisfaction) through the mechanism of a mediating construct through organizational commitment.

The causal effect of chain implies that there should be no partial effect of IV (HRM practices) on DV (job satisfaction) once one controls for the mediator (organizational commitment). If one allows for the possibility that IV could affect DV “directly” (path a) as well as indirectly (path b and path c), then mediation is commonly understood to imply that the relationship between IV and DV when one controls for M should be weaker than the relationship between IV and DV when one does not control for M.

Baron and Kenny’s (1986) most cited lines refer to three tests:

“A variable function as a mediator when it meets the following conditions: (a) variations in levels of the independent variable significantly account for variations in the presumed mediator (i.e., Path b). (b) variations in the mediator significantly account for variations in the dependent variable (i.e., Path c), and (c) when Paths b and c are controlled, a previously significant relation between the independent IV and dependent variables DV is no longer significant, with the strongest demonstration of mediation occurring when Path a’ is zero.” as shown in the Figure-3.

![Figure 3: A Three-Variable Non-Recursive Causal Model (Baron and Kenny’s, 1986)](image)

Note that Condition (c) requires a significance test for the “direct” Path a. Paths c, b, and a’ are tested and estimated by three regressions, Equations 4.1, 4.2, and 4.3 below:

\[
M = i_1 + bIV + e_1 \quad \text{Equation 0.1}
\]

\[
DV = i_2 + aIV + e_2 \quad \text{Equation 0.2}
\]

\[
DV = i_3 + aIV + cM + e_3 \quad \text{Equation 0.3}
\]

Before testing the mediation effect, it is necessary to examine the relationship between HRM practices and job satisfaction before inserting the mediation effect of organizational commitment as shown in Figure 4.
Figure 4: The model between HRM practices and job satisfaction without mediation role of organizational commitment.

Reading the data in Table 4 shows that the relationship between the independent variable (HRM practices) and the dependent variable (Job satisfaction) before and after the mediator affect the direct relationship between HRM practices and Job satisfaction (p ≤ 0.05, Sig.).

Table 1: The Magnitudes of Standard Regression between These Three Variables

<table>
<thead>
<tr>
<th>DV</th>
<th>M</th>
<th>DV</th>
<th>a</th>
<th>a’</th>
<th>b</th>
<th>c</th>
</tr>
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<tbody>
<tr>
<td>HRM practices</td>
<td>Organizational commitment</td>
<td>Job satisfaction</td>
<td>0.72</td>
<td>0.32</td>
<td>0.56</td>
<td>0.66</td>
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<td></td>
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In addition to that, the direct and causal effect (regression) of HRM practices on Job satisfaction is decreased from 0.94 to 0.611 due to the partial mediation effect of Organizational commitment. Moreover, both the indirect effects (relationships) between HRM practices and Organizational commitment (b= 0.897, p ≤ 0.05, Sig.) as well as the relationship between Organizational commitment and Job satisfaction are significant (c= 0.343, p ≤ 0.05, Sig.). Thus, a partial mediation relationship is occurred due to the indirect effect of Organizational commitment (mediator). As for the mediation model of this study, it is found that organizational commitment partially mediates the relationship between HRM practices and job satisfaction.

10. Conclusion

The review of literature and previous studies shows that HRM practices have strong link with Job satisfaction and organizational commitment. HR practices serves provide a strong foundation for organizations on the way of business success. Importance of employees and individuals running the industry cannot be ignored. Humans are involved in day to day production and help in giving competitive advantage to the organizations. Effective and true implementation of HRM practices like training, compensation, planning, selection and recruitment, employee benefits, health and safety can generate many positive results in the firms. When employees realize these facts their organizations are really concerned for employees then employees feel contented and relaxed, they show their loyalty by putting more effort in making their organizations proposer.
The empirical results of this study showed a high degree of model fit between HRM practices, organizational commitment, and job satisfaction as well as organizational commitment partially mediates the relationship between HRM practice and job satisfaction.

11. Recommendations

Based on the findings of this study, HR managers should know the importance of HRM practices and engage employees by involving them in decision making. Small informal meetings should be held for keeping good relations with employees. For engaging employees free the employees give them autonomy and sometimes authority to decide at their own. ICA has a great deal of meaning to the employees. The managers in this organization should continue to reinforce the feeling of one family inside the workplace, doing that will increase the sense of belonging to this organization and let the employees feel part of the organization and which develop a sentimental value to it. Moreover, the employees should always have job safety. HR manager in the organization is a strong player in this feeling and encourage the individuals staying with this organization as a matter of necessity and discuss with them of few options to consider if leaving this organization.

References