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The Impact of Human Resource Management Practices on Employee Satisfaction: The Mediating Role of Organizational Culture

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abstract

This study examines the influence of human resource management (HRM) practices on employee satisfaction, and the mediating role of organizational culture in this relationship. Drawing on social exchange theory and institutional theory, a conceptual model positing that HRM practices shape organizational culture, which in turn enhances employee satisfaction, was developed and empirically tested. A convenience sampling technique was employed, and data were collected via self-administered questionnaires from 305 employees working in the banking and financial services sector in Malaysia. Partial Least Squares Structural Equation Modelling (PLS-SEM) using SmartPLS 4 was utilized for data analysis. The results confirm that HRM practices significantly influence both organizational culture and employee satisfaction. Furthermore, organizational culture partially mediates the relationship between HRM practices and employee satisfaction. The findings extend theoretical understanding of how HRM practices operate through cultural mechanisms to enhance satisfaction. Practical implications for HR managers and organizational leaders, as well as directions for future research, are discussed.

1. Introduction

The management of human resources has long been recognized as a critical determinant of organizational effectiveness and competitive advantage (Pfeffer, 1998; Huselid, 1995). As organizations worldwide contend with increasingly dynamic environments characterized by technological disruption, demographic change, and intensifying global competition, the strategic importance of human resource management (HRM) practices has become more pronounced than ever (Collings, Mellahi, & Cascio, 2019). In particular, the extent to which HRM practices contribute to employee satisfaction—a key indicator of organizational health and performance—has attracted substantial scholarly and practitioner interest.

Employee satisfaction, broadly defined as the positive emotional state resulting from the appraisal of one's job or job experiences (Locke, 1976), has been empirically linked to a range of

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favorable organizational outcomes, including reduced turnover intentions (Griffeth, Hom, & Gaertner, 2000), enhanced organizational commitment (Meyer & Allen, 1997), and improved customer satisfaction in service settings (Hartline & Ferrell, 1996). Despite this evidence, the mechanisms through which HRM practices translate into employee satisfaction remain incompletely understood, particularly in emerging market contexts.

Among the potential mediating mechanisms, organizational culture-defined as the system of shared values, beliefs, and assumptions that governs how people behave in organizations (Schein, 2010)-has received growing theoretical and empirical attention. Scholars have argued that HRM practices do not operate in a cultural vacuum; rather, they signal organizational values and shape the cultural context within which employees experience their work (Bowen & Ostroff, 2004). Positive HRM practices may cultivate a supportive, trust-based culture that, in turn, enhances employee satisfaction. However, this culturally mediated pathway has not been rigorously examined, particularly in the banking and financial services sector of emerging economies.

Malaysia presents an instructive context for investigating these dynamics. The Malaysian banking sector has undergone significant transformation following financial liberalization, the adoption of digital banking technologies, and heightened regulatory demands (Bank Negara Malaysia, 2021). These changes have intensified pressures on human capital management and have elevated the strategic importance of HRM practices as a source of sustainable competitive advantage. Furthermore, Malaysia's distinct cultural milieu-characterized by collectivist values, power distance, and a strong emphasis on interpersonal relationships-offers a theoretically relevant backdrop for examining how organizational culture mediates the HRM-satisfaction nexus.

The present study, therefore, pursues three primary objectives. First, it seeks to examine the influence of HRM practices (operationalized as recruitment and selection, training and development, performance appraisal, compensation and benefits, and employee relations) on organizational culture. Second, it investigates the direct effect of HRM practices on employee satisfaction. Third, it assesses the mediating role of organizational culture in the relationship between HRM practices and employee satisfaction. To achieve these objectives, partial least squares structural equation modelling (PLS-SEM) using SmartPLS 4 was employed, following the two-stage analytical procedure recommended by Hair et al. (2022).

The remainder of this paper is structured as follows. The subsequent section presents the theoretical background and reviews relevant literature. The third section develops the hypotheses and presents the conceptual model. Section four describes the research methodology, and section five reports the findings. Section six discusses theoretical and managerial implications, followed by limitations and suggestions for future research.

2. Literature Review

2.1. Human Resource Management Practices

HRM practices refer to the organizational activities concerned with the management of people, encompassing decisions about the acquisition, development, appraisal, compensation, and relationships of employees (Boselie, Dietz, & Boon, 2005). Conceptually rooted in the resource-based view of the firm (Barney, 1991) and the behavioral perspective (Wright & McMahan, 1992), HRM practices are presumed to influence organizational performance through their effects on employee competencies, motivation, and opportunity structures-commonly

referred to as the AMO framework (Appelbaum et al., 2000).

Empirical research has consistently demonstrated positive associations between HRM practices and a wide array of organizational and individual outcomes. At the organizational level, high-performance work systems—a constellation of mutually reinforcing HRM practices—have been linked to superior firm performance (Combs et al., 2006), lower turnover rates (Huselid, 1995), and enhanced innovation (Laursen & Foss, 2003). At the individual level, specific HRM practices such as training and development, performance-contingent compensation, and participative management have been associated with employee motivation, engagement, and satisfaction (Kehoe & Wright, 2013).

Despite this substantial body of evidence, the literature on HRM in emerging market contexts remains relatively underdeveloped (Budhwar & Debrah, 2013). Prior research on HRM dimensions in various industries has proposed diverse frameworks (see Table 1). The present study builds upon and extends this work by adopting a multidimensional conceptualization of HRM practices that includes: (1) recruitment and selection, (2) training and development, (3) performance appraisal, (4) compensation and benefits, and (5) employee relations.

Table 1
Prior Research on Dimensions of Human Resource Management Practices

Authors (Year)	HRM Practice Dimensions	Industry	Country
Guest (1997)	Recruitment & selection, training, appraisal, compensation, job design	Manufacturing	UK
Huselid (1995)	Employee skills, motivation, work structure, HR planning	Various	USA
Pfeffer (1998)	Employment security, selective hiring, self-managed teams, high compensation, training, reduced status distinctions, information sharing	General	USA
Boselie et al. (2005)	Training & development, performance management, compensation, staffing	Various	Multiple
Combs et al. (2006)	High-performance work systems: staffing, training, incentive pay, participation	Multiple industries	Multiple
Subramony (2009)	Empowerment, motivation, skill-enhancing practices	Service	USA
Kehoe & Wright (2013)	Recruitment, training, performance feedback, participation, communication	Technology	USA
Present Study (2024)	Recruitment & selection, training & development, performance appraisal, compensation & benefits, employee relations	Banking & Finance	Malaysia

2.2. Organizational Culture

Organizational culture has been conceptualized variously as the set of shared values and norms that characterize a given organization (O'Reilly & Chatman, 1996), as the basic assumptions that organizational members hold about reality and truth (Schein, 2010), and as the glue that holds an organization together by providing shared meaning and direction (Deal & Kennedy, 1982). Empirically, organizational culture has been operationalized through dimensions such as innovation orientation, outcome orientation, people orientation, team orientation, and attention to detail (O'Reilly et al., 1991).

Researchers have recognized the potential for HRM practices to shape organizational culture. Bowen and Ostroff (2004) proposed that strong HRM systems send consistent, clear signals to employees about organizational values and expected behaviors, thereby fostering a coherent cultural climate. Empirical studies have corroborated this view, demonstrating that organizations with more developed HRM practices tend to exhibit stronger, more positive cultures (Chatman & O'Reilly, 2016). Conversely, culture has been shown to constrain the effectiveness of HRM practices, underscoring the importance of cultural alignment in HRM design (Hofstede, 2001).

2.3. Employee Satisfaction

Employee satisfaction, often used interchangeably with job satisfaction, reflects the degree to which employees feel positive about their job roles and the organizational context in which they work (Locke, 1976; Spector, 1997). It encompasses cognitive evaluations of specific facets of work (e.g., pay, promotion opportunities, supervision) as well as affective responses to the overall work experience (Brief & Weiss, 2002). Employee satisfaction is widely regarded as a leading indicator of organizational well-being and has been linked to outcomes such as organizational commitment, customer satisfaction, and individual performance (Hartline & Ferrell, 1996; Meyer & Allen, 1997).

The relationship between HRM practices and employee satisfaction is theoretically grounded in social exchange theory (Blau, 1964). When employees perceive their organization as investing in their development, rewarding their contributions fairly, and managing them with respect, they tend to reciprocate with positive attitudes and behaviors, including higher levels of job satisfaction. Empirical support for this proposition has been reported across various sectors and national contexts (Kehoe & Wright, 2013; Mostafa, Gould-Williams, & Bottomley, 2015).

3. Hypothesis Development

The conceptual model proposed in this study is informed by social exchange theory (Blau, 1964), institutional theory (DiMaggio & Powell, 1983), and the AMO framework (Appelbaum et al., 2000). HRM practices are theorized to influence employee satisfaction both directly and indirectly, through the mediation of organizational culture.

Prior studies have demonstrated a positive relationship between HRM practices and organizational culture. For instance, HRM practices related to recruitment and selection may reinforce cultural fit by selecting individuals whose values align with organizational norms (Bowen & Ostroff, 2004). Training and development practices communicate organizational priorities and reinforce cultural norms (Schein, 2010). Performance appraisal and compensation systems signal what the organization values, thereby shaping cultural assumptions (Chatman & O'Reilly, 2016). Accordingly, the following hypothesis is proposed:

- H1. HRM practices have a significant positive influence on organizational culture.

Furthermore, and consistent with social exchange theory, HRM practices are expected to exert a direct positive effect on employee satisfaction. When employees perceive their organization as adopting fair, supportive, and developmental HRM practices, they are likely to respond with heightened satisfaction. This proposition is consistent with previous empirical findings (Kehoe & Wright, 2013):

- H2. HRM practices have a significant positive influence on employee satisfaction.

Organizational culture is further theorized to enhance employee satisfaction. A culture

characterized by shared values, mutual trust, collaboration, and clear communication creates a psychologically safe and supportive work environment, which in turn promotes employee well-being and satisfaction (O'Reilly & Chatman, 1996). Empirical studies have confirmed the positive link between supportive organizational culture and employee satisfaction (Lok & Crawford, 2004):

- H3. Organizational culture has a significant positive influence on employee satisfaction.

Finally, organizational culture is proposed to mediate the relationship between HRM practices and employee satisfaction. HRM practices may enhance employee satisfaction partly through the cultural climate they help to create. A culture shaped by positive HRM practices—one that emphasizes fairness, development, and recognition—provides the contextual conditions under which employees experience greater satisfaction. This mediating pathway has been theoretically proposed by Bowen and Ostroff (2004) but has received limited empirical attention:

- H4. Organizational culture mediates the relationship between HRM practices and employee satisfaction.

4. Research Methodology

4.1. Research Instrument

The measurement items for HRM practices were drawn and adapted from established scales in the literature (Huselid, 1995; Kehoe & Wright, 2013; Guest, 1997). Items were reworded and contextualized for the Malaysian banking sector. Following an extensive literature review, a focus group discussion was conducted with three HRM academics and fourteen practicing HR professionals to refine the item pool. The resulting instrument comprised twenty items distributed across five HRM dimensions: recruitment and selection (4 items), training and development (4 items), performance appraisal (4 items), compensation and benefits (4 items), and employee relations (3 items), plus items for organizational culture (4 items) and employee satisfaction (3 items). A 5-point Likert-type scale ranging from 1 (strongly disagree) to 5 (strongly agree) was employed throughout. Exploratory factor analysis confirmed that all items loaded appropriately on their intended factors (loadings > 0.40), and the four-factor solution for HRM practices accounted for 71.36% of the total variance.

4.2. Sample Design and Data Collection

Data were collected via self-administered questionnaires distributed to employees in banking and financial services organizations in Kuala Lumpur and Selangor, Malaysia, between January and March 2024. A convenience sampling approach was adopted; survey respondents were approached at their workplace during working hours after obtaining organizational permission. To minimize social desirability bias, participants were assured of the anonymity and confidentiality of their responses. A total of 320 questionnaires were distributed, of which 305 were returned and deemed complete and suitable for analysis, representing a response rate of 95.3%. This sample size satisfies the minimum requirement derived using Westland's (2010) algorithm (lower bound = 276 for 7 latent variables and 31 indicators, at a statistical power of 0.80 and significance level of 0.05). Additionally, the sample exceeds the conventional threshold of 10 observations per indicator. The demographic profile of respondents is presented in Table 2.

Table 2
Respondent's Profile

Demographic Characteristic	Category	%
Gender	Male	58
	Female	42
Age	Under 25	18
	26–35 Years	41
	36–45 Years	27
	Above 45 Years	14
Education	Diploma	15
	Bachelor's Degree	52
	Master's Degree	27
	Doctorate	6
Work Experience	Less than 3 years	24
	3–7 years	38
	More than 7 years	38
Employment Type	Full-time	88
	Part-time	12

4.3. Data Analysis

Given that data were collected using self-reported questionnaires with both dependent and independent variables obtained from the same source, common method bias (CMB) was addressed through procedural and statistical means. Procedurally, different cover stories were used for each section of the questionnaire, and respondents were explicitly assured of anonymity. Statistically, Harman's single factor test was conducted. A principal component analysis without rotation returned a seven-factor solution explaining 71.36% of the total variance; the largest single factor accounted for only 30.41% of variance, indicating that CMB is not a serious concern in the present study. Furthermore, inter-construct correlations did not exceed 0.75, further mitigating CMB concerns.

All hypotheses were tested using Partial Least Squares Structural Equation Modelling (PLS-SEM) with SmartPLS 4 (Ringle, Wende, & Becker, 2022). PLS-SEM was selected for its suitability for small-to-medium samples and its robustness under conditions of non-normality (Hair et al., 2022). Normality testing revealed skewness values ranging from -1.812 to -0.321 and kurtosis values from -0.057 to 2.984, indicating minor violations of the normality assumption. Consistent with Hair et al.'s (2022) recommended two-stage procedure, the measurement model was assessed prior to evaluation of the structural model. Path coefficient significance was evaluated using a bootstrapping procedure with 5,000 resamples. HRM practices were specified as a second-order construct comprising five first-order dimensions.

5. Findings and Results

5.1. Measurement Model

The measurement model was assessed for convergent validity using factor loadings, composite reliability (CR), and average variance extracted (AVE). As reported in Table 3, all item loadings exceeded the recommended threshold of 0.60 (Chin, Peterson, & Brown, 2008). All

CR values exceeded 0.70, and all AVE values exceeded 0.50, confirming convergent validity (Hair et al., 2022).

Table 3
Validity and Reliability for Constructs

Constructs	Items	Loadings	AVE	CR
Recruitment & Selection	Job vacancies are advertised clearly and transparently.	0.782	0.612	0.891
	Hiring processes are merit-based and fair.	0.793		
	The organization selects employees who fit its culture.	0.801		
	Selection criteria align with job requirements.	0.771		
Training & Development	Training programs improve my job-related skills.	0.811	0.628	0.897
	Career development opportunities are available.	0.826		
	I receive adequate training for my current role.	0.789		
	Learning opportunities support my professional growth.	0.763		
Performance Appraisal	Performance evaluations are conducted fairly.	0.847	0.641	0.905
	I receive constructive feedback on my performance.	0.858		
	Appraisal results are linked to development opportunities.	0.793		
	Performance criteria are clearly communicated.	0.762		
Compensation & Benefits	My compensation is fair relative to my contribution.	0.831	0.654	0.912
	The benefits package meets my personal needs.	0.822		
	Pay increases reflect individual performance.	0.814		
	Non-financial benefits (e.g., flexible hours) are adequate.	0.789		
Employee Relations	Management communicates openly with employees.	0.795	0.607	0.886
	Conflicts at work are resolved in a fair manner.	0.779		
	Employees are encouraged to voice their opinions.	0.783		
Organizational Culture	The organization has a strong sense of shared values.	0.812	0.632	0.894
	The organizational culture promotes cooperation.	0.799		
	Cultural norms encourage innovation and improvement.	0.801		
	I feel aligned with the organization's mission and vision.	0.786		
Employee Satisfaction	Overall, I am satisfied with my job.	0.891	0.669	0.887
	I am satisfied with the way this organization treats me.	0.862		
	I would recommend this organization as a good place to work.	0.751		

Table 4
Discriminant Validity

Constructs	1	2	3	4	5	6	7
1 Recruitment & Selection	0.782						
2 Training & Development	0.512	0.793					
3 Performance Appraisal	0.489	0.531	0.801				
4 Compensation & Benefits	0.461	0.502	0.545	0.809			
5 Employee Relations	0.443	0.479	0.511	0.523	0.779		
6 Organizational Culture	0.567	0.598	0.581	0.544	0.532	0.795	
7 Employee Satisfaction	0.421	0.449	0.463	0.488	0.471	0.614	0.818

Values on the diagonal (bolded) are the square root of the AVE; off-diagonal values are inter-construct correlations.

Discriminant validity was assessed using the Fornell and Larcker (1981) criterion, which requires that the square root of each construct's AVE exceeds its correlations with all other constructs. As shown in Table 4, this condition was satisfied for all constructs.

Given recent criticisms of the Fornell-Larcker criterion (Henseler, Ringle, & Sarstedt, 2015), discriminant validity was additionally assessed using the heterotrait-monotrait (HTMT) ratio of correlations. As displayed in Table 5, all HTMT values fell below the threshold of 0.85 (Kline, 2011), thereby confirming discriminant validity under this more stringent criterion.

Table 5
Heterotrait-Monotrait (HTMT) Ratios

Constructs	1	2	3	4	5	6	7
1 Recruitment & Selection	-						
2 Training & Development	0.631	-					
3 Performance Appraisal	0.598	0.652	-				
4 Compensation & Benefits	0.571	0.614	0.668	-			
5 Employee Relations	0.549	0.589	0.624	0.641	-		
6 Organizational Culture	0.689	0.721	0.714	0.669	0.652	-	
7 Employee Satisfaction	0.521	0.552	0.571	0.601	0.583	0.748	-

All HTMT values are below the threshold of 0.85 (Kline, 2011), confirming discriminant validity

Table 6 presents the outer weights of the first-order constructs on the designated second-order HRM practices construct. All first-order dimensions loaded significantly on the second-order construct, confirming the validity of the hierarchical specification.

Table 6
Weights of First-Order Constructs on the Second-Order HRM Practices Construct

Second-Order Construct	First-Order Constructs	Weight	T-Value
HRM Practices	Recruitment & Selection	0.841	38.621**
	Training & Development	0.857	41.314**
	Performance Appraisal	0.822	35.907**
	Compensation & Benefits	0.814	33.452**
	Employee Relations	0.796	29.881**

*Notes: Critical t-values **2.58 ($p < 0.01$).*

5.2. Structural Model

The structural model was evaluated by examining path coefficients (β), t-values (via bootstrapping with 5,000 resamples), R^2 values, effect sizes (f^2), and predictive relevance (Q^2), consistent with the recommendations of Hair et al. (2022) and Cohen (1988).

HRM practices exerted a positive and statistically significant effect on organizational culture ($\beta = 0.561$; $p < 0.01$; H1 supported) and on employee satisfaction ($\beta = 0.218$; $p < 0.05$; H2 supported). Organizational culture, in turn, positively and significantly predicted employee satisfaction ($\beta = 0.431$; $p < 0.01$; H3 supported). The HRM practices construct explained 38.7% of the variance in organizational culture ($R^2 = 0.387$), while HRM practices and organizational culture jointly explained 46.2% of the variance in employee satisfaction ($R^2 = 0.462$). Both R^2 values exceed the 0.26 threshold recommended by Cohen (1988) as indicative of substantial explanatory power.

Effect sizes (f^2) for all paths ranged from 0.112 to 0.291, corresponding to small-to-medium effects according to Cohen's (1988) guidelines (0.02 = small; 0.15 = medium; 0.35 = large). Predictive relevance was assessed using the cross-validated redundancy procedure; Q^2 values for organizational culture and employee satisfaction were 0.241 and 0.309, respectively, both substantially exceeding zero and indicating acceptable predictive relevance.

5.3. Mediation Analysis

The mediating role of organizational culture in the relationship between HRM practices and employee satisfaction (H4) was tested using the product-indicator approach in PLS-SEM, with 5,000 bootstrap resamples. The indirect effect of HRM practices on employee satisfaction through organizational culture was positive and statistically significant ($\beta = 0.242$; $t = 4.318$; $p < 0.01$). Given that the direct effect of HRM practices on employee satisfaction remained significant ($\beta = 0.218$; $p < 0.05$) after inclusion of the mediator, the results are indicative of partial mediation. Accordingly, H4 was supported. Structural estimates for all hypotheses are presented in Table 7, and the structural model is depicted in Figure 1.

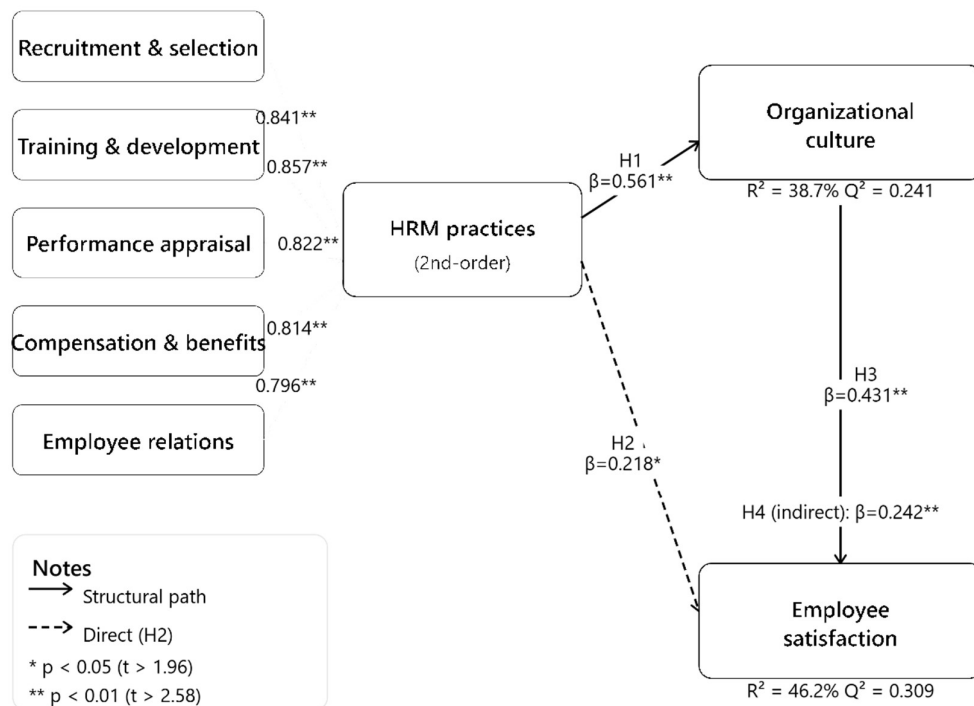


Fig. 1. Structural Model

Table 7
Structural Estimates (Hypotheses Testing)

Hypotheses	Beta	T Value	Decision	f Square	Mediation
H1: HRM Practices → Org. Culture	0.561	8.341**	Supported	0.291	-
H2: HRM Practices → Employee Satisfaction	0.218	2.761*	Supported	0.112	-
H3: Org. Culture → Employee Satisfaction	0.431	5.612**	Supported	0.198	-
H4: HRM Practices → Org. Culture → Employee Satisfaction (Mediation)	0.242	4.318**	Supported	0.144	Partial

Notes: Critical t -values. *1.96 ($p < 0.05$); **2.58 ($p < 0.01$).

6. Discussion and Theoretical Implications

The findings of this study make several noteworthy contributions to the extant literature on HRM, organizational culture, and employee satisfaction. The results of the PLS-SEM analyses, conducted using SmartPLS 4, support all four hypotheses, demonstrating that HRM practices exert a positive influence on organizational culture (H1), that HRM practices directly and positively affect employee satisfaction (H2), that organizational culture positively influences employee satisfaction (H3), and that organizational culture partially mediates the HRM–satisfaction relationship (H4).

The confirmation of H1 and H2 is consistent with prior theoretical arguments (Bowen & Ostroff, 2004) and empirical evidence (Kehoe & Wright, 2013; Combs et al., 2006), and extends these findings to the Malaysian banking sector. The positive effect of HRM practices on organizational culture ($\beta = 0.561$) is particularly noteworthy, suggesting that well-designed HRM systems are powerful shapers of organizational culture. This finding aligns with institutional theory (DiMaggio & Powell, 1983), which posits that formal organizational practices—including HRM—transmit normative signals that gradually crystallize into shared cultural assumptions.

The confirmation of H3 underscores the importance of organizational culture as an antecedent of employee satisfaction. Consistent with O'Reilly and Chatman (1996) and Lok and Crawford (2004), a positive, cohesive organizational culture appears to enhance employees' experience of their work environment, translating into higher levels of satisfaction. This finding has particular salience in the Malaysian context, given the collectivist cultural orientation that characterizes Malaysian society and its emphasis on harmonious interpersonal relationships in the workplace.

Most importantly, the partial mediation finding (H4) advances theoretical understanding of the pathway through which HRM practices translate into employee satisfaction. While HRM practices exert a direct effect on satisfaction, a significant portion of this effect is channeled through organizational culture. This finding is consistent with the cultural mediation hypothesis advanced by Bowen and Ostroff (2004) and provides, to the authors' knowledge, one of the first empirical tests of this mechanism in a Southeast Asian emerging market context.

The primary theoretical contributions of this study are threefold. First, it provides empirical support for a culturally mediated model of HRM and employee satisfaction, extending social exchange theory by identifying organizational culture as a critical intervening mechanism. Second, it enhances the existing measurement of HRM practices in the airport and service industry context (Ali, Kim, & Ryu, 2016) by developing and validating a comprehensive five-dimensional scale applicable to the banking sector. Third, it demonstrates the methodological value of PLS-SEM via SmartPLS 4 for testing complex mediation models in organizational research, including through the HTMT criterion for discriminant validity assessment (Henseler et al., 2015; Voorhees et al., 2016).

6.1. Managerial Implications

The findings carry several practical implications for HR practitioners and organizational leaders in the banking and financial services sector. First, given the significant positive effects of HRM practices on both organizational culture and employee satisfaction, organizations should invest strategically in the quality and coherence of their HRM systems. In particular, the dimensions of training and development (β outer weight = 0.857) and recruitment and selection

($\beta = 0.841$) emerged as the most influential contributors to the second-order HRM practices construct, suggesting that these practices warrant priority attention.

Second, the mediating role of organizational culture implies that isolated improvements to individual HRM practices may have limited impact on employee satisfaction if the underlying cultural climate is not supportive. Organizations should, therefore, adopt a systemic perspective on HRM, ensuring that practices are aligned with and reinforce desired cultural values. Culture-building initiatives—such as leadership development programs that model espoused organizational values, recognition schemes that celebrate behaviors aligned with the organizational mission, and communication practices that reinforce shared purpose—should be integrated with formal HRM systems.

Third, managers should be alert to the possibility that HRM practices may be perceived differently depending on the cultural context. In collectivist organizational contexts such as those prevalent in Malaysian organizations, HRM practices that foster group cohesion, interpersonal trust, and relational justice may be particularly effective drivers of both cultural strength and employee satisfaction. Organizations might therefore consider adapting generic HRM best practices to reflect local cultural sensitivities and workforce expectations.

6.2. Limitations and Future Research Directions

This study is subject to several limitations that simultaneously suggest avenues for future research. First, the use of convenience sampling from a single industry sector and geographic location (Kuala Lumpur and Selangor, Malaysia) limits the generalizability of the findings. Future studies should replicate and extend this research across multiple industries, organizations, and national contexts to assess the boundary conditions of the proposed model.

Second, the cross-sectional research design precludes causal inference and limits the ability to track changes in HRM practices, culture, and satisfaction over time. Longitudinal designs would afford greater insight into the temporal dynamics of the proposed relationships and would provide stronger evidence of causality.

Third, although organizational culture was treated as a mediator in the present study, it is plausible that it also functions as a moderator, shaping the strength of the HRM–satisfaction relationship under varying cultural conditions. Future research might employ moderated mediation designs to explore this possibility.

Finally, this study examined employee satisfaction as a single, higher-order construct. Future research might investigate specific facets of satisfaction (e.g., satisfaction with pay, supervision, and co-workers) as separate outcomes, enabling a more granular understanding of which HRM practices matter most for different dimensions of employee satisfaction.

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