

Using Human Resource Index (HRI) to Analyze Employee Satisfaction, Perceived Organizational Support, and the Impact on Quality of Management and Organizational Effectiveness: A Study in Manufacturing Company

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Abstract

This study examines the impact of Perceived Organizational Support (POS) on employee satisfaction, quality of management, and organizational effectiveness by using HRI attributes to construct the research variables. The research employs a quantitative cross-sectional survey design. A proportionate stratified random sampling technique was used to select a sample of 241 respondents from a population of 415 employees. Descriptive analysis are using with SPSS 27 and using WarpPLS 7.0 for structural path analysis via Partial Least Squares Structural Equation Modeling (SEM-PLS). Findings indicate that POS has a very strong and significant positive effect on employee satisfaction, as well as a moderate but significant positive influence on organizational effectiveness. Employee satisfaction plays a crucial role in improving both management quality and organizational effectiveness directly. Despite the presence of organizational support, employee perceptions of human resource management (HRM) practices remain moderate, with a Human Resource Index (HRI) average score of 3.23, suggesting HRM practices are positive yet not fully optimized. Certain HRI attributes—such as reward systems, employee participation, and organizational concern for employees—show relatively low scores and represent areas needing improvement. Addressing these aspects is vital to reinforce the role of POS in enhancing employee satisfaction, thereby elevating management quality and organizational effectiveness. The study highlights that strategies focusing on tangible organizational support, continuous reward and recognition systems, enhanced employee participation, and improved management quality must be prioritized to foster a more productive work environment, higher employee satisfaction, and more efficient and effective organizations.

1. Introduction

The existence of human resources (HR) is increasingly strategic in achieving company goals and objectives. Therefore, the implementation of its functions must be directed towards achieving the company's vision, mission,

and strategy. However, companies often lack the ability to determine the current position of HR and the extent to which they contribute to achieving company goals and objectives. Therefore, a comprehensive analysis and evaluation of human resource management systems and practices is necessary. This is important to determine the effectiveness of current HR management systems and practices, and whether they support business strategies and achieve organizational effectiveness, productivity levels, and company performance targets.

Employee satisfaction and their perception of organizational support have been recognized as key factors influencing individual performance and overall organizational effectiveness. Research shows that employees who feel satisfied and supported by their organization tend to demonstrate higher loyalty, better productivity, and contribute positively to management quality. In this context, the Human Resource Index (HRI) serves as a comprehensive measurement tool capable of evaluating various HR-related aspects, including employee satisfaction levels and perceptions of organizational support. The HRI provides quantitative data that management can use to assess the organization's internal conditions, identify areas for improvement, and design more effective HR management strategies.

This article aims to analyze the relationship between HRI, employee satisfaction, perceived organizational support, and their impact on management quality and organizational effectiveness. With this approach, it is hoped that the research results can make a significant contribution to the development of more responsive HR management policies oriented towards improving organizational performance. Several studies have demonstrated the role of HR management practices on company performance. Management practices with strategic leadership, communication, and innovation significantly improve organizational effectiveness and company performance (Alshehab, 2024). The crucial role of effective management and operational efficiency improves management quality and effectiveness (Trisusanti et al., 2023). Integrating total quality management will improve organizational performance by encouraging customer focus, employee engagement, and process improvement, which are essential factors in maintaining competitive advantage in a challenging business environment (Bui et al., 2022).

2. Theoretical Basis and Hypothesis

2.1 HRI and Organizational Effectiveness

The concept of the Human Resources Index (HRI) was introduced by Rensis Likert in the 1960s in human resource management accounting. Several experts subsequently attempted to combine human resource accounting with financial accounting, incorporating human resource assessments into financial reports and balance sheets. However, this approach encountered difficulties, including resistance from accounting professionals. Ultimately, human resource accounting focused less on financial data and more on survey data on organizational climate, which is more appropriate for measuring the value and quality of human resources (Schuster, 1986).

Then, in 1985, Schuster developed the Human Resources Index (HRI), an index that measures 15 aspects of human resource management (HRM) systems and practices. The method used was based on the results of a survey of company employees' opinions on the organizational climate or conditions (climate survey), which Franklin (1978) referred to as a feedback survey. This "employee-centered management" approach emphasizes the importance of employee needs and goals and has proven effective in improving organizational performance. (Blackburn and Rosen, 1993; Lawler, 1986; 1992; Huselid, 1994). A management system that facilitates this environment is the true foundation for competitive advantage (Lawler, 1992).

According to Lawler (1986, 1992), the key to organizational effectiveness is fundamentally changing the way the organization is managed. In a competitive environment, organizations require a highly skilled, knowledgeable, and stable workforce. This highly inclusive management model, which distributes knowledge, power, rewards, and communication across all levels, is based on the belief that employees can be relied upon to make critical decisions regarding their work. An employee-centered strategy increases organizational effectiveness by encouraging employee involvement, empowerment, and empowerment (Ougajendy, 2023).

According to Schuster (1986), HRI has been proven in several organizations to: 1) Measure employee attitudes, satisfaction levels, and understanding of organizational goals and objectives; 2) Identify specific issues that require attention; 3) Determine how organizational members perceive the effectiveness of HR organization. Their views or opinions will be valuable in evaluating and improving company performance. There are fifteen aspects of human resources measured in HRI, each consisting of several variables: Reward System, Communication, Organizational Effectiveness, Concern for People, Organizational Objectives, Cooperation, Intrinsic Satisfaction, Supporting Structure, Relationships, Climate, Participation, Workgroup, Intergroup Competence, First-Level Supervision, and Quality of Management. Schuster (1985) used five categories of effectiveness levels in HRI, from lowest to highest: demoralized, underutilized, marginal, effective, and fully committed & utilized.

HRI continues to be developed by researchers, for example, it is used to assess the condition of human resources for organizational health, focusing on dimensions such as leadership, policies, and training. It is said

that the HRI captures important aspects of healthcare workforce management, with scores indicating areas that need improvement, particularly in recruitment and retention (Fort et al., 2017). Furthermore, the HRI is also used to evaluate management quality, organizational structure and career paths, as well as company goals that require company attention (Prayogo et al., 2016). Molin et al. (2021), who used the HRI to measure aspects of the work environment among employees, showed a positive relationship with relational justice and short-term recovery, but a negative correlation with productivity. A review of human resource management systems and practices and organizational performance found that human resources are the most valuable asset that can drive an organization's growth and development, and its ability to compete in the global market (Sukhumpong & Channuwong, 2023).

2.2 Perceived Organization Support

The Resource-Based View (RBV) theory is a fundamental perspective emphasizing that a company's competitive advantage stems from unique and valuable internal resources. Human resource (HRM) management practices play a crucial and key role in ensuring the efficient and effective use of all company resources. People are the key element in organizational or company management. They create strategies and innovations, and they are also the ones who make things happen, happen, and succeed. The saying goes, "assets make things happen, and people make things happen." This reflects the importance of human resources in an organization. How these human resources are able to create competitive advantages depends largely on how they are managed.

Perceived Organizational Support (POS) is the perception or belief held by employees regarding the extent to which the organization they work for values their contributions and cares about their well-being. This concept emphasizes how employees assess the attention, support, and appreciation provided by the organization, both explicitly (for example, through welfare policies and programs) and implicitly (through daily attitudes and treatment). According to Eisenberger et al. (2002), POS arises from a reciprocal relationship between employees and the organization. Organizations that demonstrate support and concern encourage employees to be more committed, improve performance, and make positive contributions to the organization.

This support can take the form of recognition for contributions, concern for employee well-being, fairness, and assistance when employees face problems or challenges in the workplace. Based on this theoretical review, Perceived Organizational Support (POS) is defined as employees' perceptions of the extent to which the organization values their contributions and cares about their well-being and needs, and the extent to which employees feel valued and supported by the organization. Perceived Organizational Support (POS) positively impacts organizational effectiveness by increasing employee trust, job satisfaction, and commitment (Paillé, 2015). Steps to improve POS include supportive HR practices, fairness, and employee empowerment (Sun, 2019).

Perceived organizational support significantly influences employee performance, which is crucial for organizational effectiveness. Positive organizational support fosters a conducive work environment, increasing employee engagement and commitment, ultimately contributing to the organization's overall success and sustainability. Both organizational support and job engagement significantly influence employee performance. Together, they have a significant impact on employee performance (Siahaan et al., 2023).

Perceived organizational support (POS) is related to organizational effectiveness because it increases employee job satisfaction, commitment, and organizational citizenship behavior, ultimately leading to improved organizational performance. Supportive and equitable HR practices further strengthen this relationship, thus fostering a positive work environment (Sun, 2019). POS provides the psychological safety, resources, and motivation needed for intern nurses to fully realize their creative potential (Saleh et al., 2025; Narcikara and Zehir, 2016; Albassemi et al., 2022; Siahaan, et al. (2023).

POS has also been reported to significantly impact organizational effectiveness by improving employee performance, well-being, and organizational orientation. Several studies have shown that strong POS correlates with positive outcomes in leadership, human resource practices, and overall working conditions. This mutual reinforcement strengthens the relationship between supervisors and employees, which is crucial for navigating today's dynamic work environment (Stinglhamber et al., 2011; Eisenberger & Stinglhamber, 2011; Artatanaya et al., 2023; Gemilang & Riana, 2021). Research findings by O'Dell (2024) and Zada et al., (2024) indicate that POS positively influences job satisfaction. Furthermore, Perceived Organizational Support Theory supports the individual happiness aspect (Sam et al., 2024).

Based on the theoretical review and research results above, we can propose the following hypotheses regarding the influence of POS on employee satisfaction and organizational effectiveness:

H1: POS has an influence on employee satisfaction

H2: POS has an influence on organizational effectiveness

2.3 Employee Satisfaction

Employee satisfaction is a positive feeling or emotion resulting from job evaluations of job performance, compensation received, supervisor support, recognition and promotion opportunities, and coworker support. Measuring job satisfaction is a multifaceted process that utilizes various theoretical frameworks and tools to assess employee satisfaction in the workplace. Key models, such as Herzberg's Two-Factor Theory and the Job Characteristics Model (JCM), provide fundamental insights into the intrinsic and extrinsic factors that influence job satisfaction.

Theoretically, job satisfaction has a distinct but closely related locus of motivation. Herzberg's Two-Factor Theory distinguishes between motivational factors originating within the job itself (intrinsic factors) and hygiene factors (extrinsic factors) originating outside the job. However, the two are inseparable in the context of motivation, emphasizing their importance for job satisfaction (Macopa-Guro, 2024). Based on the theories of Herzberg (1968), Locke (1976), Çalışkan & Köroğlu (2024; and Neto et al., (2024), job satisfaction is a construct that describes the positive feelings of employees regarding what they have received and felt about what they have done in the company, both satisfaction derived from the work itself (intrinsic factors) such as the work environment, work facilities, and others, as well as satisfaction derived from outside the work (extrinsic factors) such as salary, compensation, benefits, and others.

Studies on employee satisfaction and organizational effectiveness report a statistically significant positive relationship between job satisfaction and organizational effectiveness, indicating that higher employee satisfaction contributes to increased organizational performance. Merwe and Olivier (2024) emphasize the focus of managers on increasing job satisfaction to improve overall effectiveness in their organizations. Positive relationship between job satisfaction and organizational effectiveness Employee satisfaction is positively correlated with organizational effectiveness, as satisfied employees contribute to higher productivity and commitment. A study by Behera et al., (2023) also shows that employee satisfaction has a greater impact on organizational effectiveness than employee commitment. Employee satisfaction also has a significant impact on organizational effectiveness by increasing productivity, engagement, and reducing employee turnover (Karuna et al., 2024).

Job satisfaction is essential for the development of any organization. Top management must improve working conditions and pay fair wages (Sibhoko and Bayat, 2019). Employee satisfaction significantly impacts organizational effectiveness, as evidenced by a strong positive correlation with employee performance. Satisfied employees are more committed, resulting in improved performance and a positive work environment, which are essential for the development of any institution, including educational institutions (Jahan et al., 2023).

Employee job satisfaction significantly impacts organizational effectiveness, as evidenced by research at Buffalo City College, which found employee dissatisfaction with pay, recognition, and advancement opportunities, ultimately impacting the college's overall growth and effectiveness. Employees at Buffalo City College were dissatisfied with pay. Recognition and advancement opportunities were also areas of dissatisfaction (Sibhoko & Bayat, 2019). Research by Koys (2001) also reported that employee satisfaction significantly impacts organizational effectiveness. Job satisfaction, as a key component of work attitudes, correlates with increased profitability. Based on a review of previous theories and research, the hypotheses regarding the direct and indirect influence of employee satisfaction on management quality and organizational effectiveness are as follows:

H3: Employee satisfaction influences management quality.

H4: Employee satisfaction influences organizational effectiveness.

2.4 Quality of Management

The Resource-Based View (RBV) theory is a fundamental viewpoint emphasizing that a company's competitive advantage stems from unique and valuable internal resources. Human resource management (HRM) practices play a crucial and key role in ensuring the efficient and effective use of all company resources. People are the key element in organizational or company management. They create strategies and innovations, and they are also the ones who make things happen, happen, and succeed. The saying goes, "Assets make things happen, and people make things happen." This reflects the importance of human resources in an organization. How these human resources are able to create competitive advantages depends largely on how they are managed. Therefore, the role of HRM is nothing less than enhancing the productive contribution of people within the organization to achieve its goals.

To achieve these organizational goals and objectives, HRM activities include acquiring, developing, deploying, evaluating, maintaining, and retaining the appropriate number and types of people or workers. With this in mind, HRM activities are a shared responsibility of all managers. Effective HRM enhances operational efficiency and organizational effectiveness. Research by Imron et al. (2024) reports that effective HRM practices, such as recruitment and training, significantly enhance operational efficiency and organizational success in a competitive global market.

Quality management within an organizational context is crucial for achieving operational efficiency and meeting stakeholder expectations. Effective management encompasses multiple dimensions, including business process optimization, quality management system integration, and the development of a supportive organizational culture. The following section outlines these key aspects. A systematic approach to managing business processes is essential for optimizing performance and resource utilization (Riepina & Tepluk, 2023). Organizations must align their processes with external customer demands to increase efficiency and adaptability (Riepina & Tepluk, 2023).

In the 1980s, Peter Drucker made significant contributions to management theory and practice. Linkletter (2024) emphasized the application of Drucker's concepts to the key functions of management practice, defining management as the act of transforming human and economic resources into useful results, involving planning, organizing, directing, and controlling to achieve organizational goals effectively and efficiently. He distinguished between effectiveness as "doing the right things" and efficiency as "doing the right things." In this context, management must select appropriate goals and optimally utilize resources to achieve them. He focused on setting clear goals and measuring performance based on their achievement. This approach helps increase employee motivation and engagement in achieving the organization's vision, and investing in employee training and development leads to better performance and overall organizational effectiveness.

Quality management in an organizational context involves clarifying performance requirements, utilizing reward systems, and fostering open communication. Effective leaders encourage diverse perspectives and manage conflict through problem-solving, ensuring alignment with the company's unified goals for optimal performance (Petkov & Sptyska, 2022). In companies, quality management relies heavily on effective communication among all levels of staff to meet employee needs and expectations. Engaging employees through motivation and clear communication fosters a culture of quality and accountability (Emanoil et al., 2015).

Quality management in an organizational context is viewed as a systemic factor that enhances efficiency, effectiveness, and competitiveness. It involves evaluating both general activities and detailed processes, utilizing improved methods and tools for organizational development and growth opportunities. Quality management enhances organizational efficiency, effectiveness, and competitiveness. New programs for process management design in industrial companies are needed (Mayakova, 2016). Quality management is crucial for organizational effectiveness, increasing competitiveness, and operational efficiency. The principles of Total Quality Management (TQM) and Quality 4.0, along with strong leadership, are essential for successfully implementing a quality management system that drives organizational excellence (Gallardo, 2024).

HRI can be used to identify and measure strategic human resources and how effective HRI management can improve company performance. The RBV provides a theoretical foundation for understanding how HRI contributes to the development of organizational capabilities and the utilization of an organization's unique assets. From the perspective of RBV theory, HRI can help identify and measure the effectiveness of HRI practices. HRI can be used to evaluate how HRI management practices (reward systems, training and development, employee relations, performance management, and others) contribute to the development of organizational capabilities. By identifying areas for improvement in HRI management, HRI can help companies develop strategies and policies to enhance employee performance, productivity, and company performance.

Management quality improvement involves integrating advanced technology and innovative practices, fostering employee engagement, and visionary leadership. This strategy improves organizational effectiveness and company performance, leading to optimized processes, increased operational efficiency, and sustainable competitive advantage in the marketplace (Vittorio et al., 2024). Management quality improvement involves adaptive leadership, effective change management, and fostering a learning organization. Emphasizing communication, talent management, and a strong organizational culture increases effectiveness and ultimately improves company performance in a rapidly changing environment (Razali et al., 2024).

The role of total quality management (TQM) can identify which parts of a company need improvement and which need replacement, including employee productivity (Pealeu, 2023). Human resource management and total quality management practices are said to have a significant positive impact on company performance. In this paper, the authors consider the issue of improving operational efficiency and organizational quality of production processes in companies and propose a set of organizational structures, processes, procedures, and resources necessary to implement overall quality management, along with documented performance rules, forms, and practices (Mustafaev et al., 2020). A significant positive relationship between management factors and performance management effectiveness is also reported. (Anvari, 2023).

The relationship between quality management and company performance is increasingly recognized as crucial to organizational success. Total Quality Management (TQM) practices, which emphasize customer focus, continuous improvement, and employee engagement, have been shown to significantly improve various performance metrics across sectors. This synthesis highlights key aspects of TQM's impact on company performance. Total Quality Management (TQM) practices, including customer focus, top management commitment, continuous improvement, and employee engagement, positively impact company performance by improving operational efficiency, customer satisfaction, and overall performance outcomes (Fofanah et al., 2024).

Rasamy & Avadaiyar (2024) reported that total quality management (TQM) factors, specifically customer focus, continuous improvement, and employee engagement, were positively correlated with company performance in the private healthcare sector, explaining 73% of the performance variance, while traditional leadership approaches can negatively impact outcomes. Research by Maknun et al. (2024) found that implementing Total Quality Management (TQM) significantly improves company performance by increasing operational efficiency, innovation, customer satisfaction, productivity, and product quality. Key factors include customer focus, continuous improvement, employee engagement, and effective communication, all of which contribute to increased competitiveness.

Total Quality Management (TQM) has a significant impact on company performance by increasing employee productivity. This study demonstrates a positive relationship between TQM and company performance and highlights the importance of an efficient management system in improving overall business results in the garment sector. Organizational effectiveness refers to how well an organization achieves its goals, while company performance is generally measured through financial indicators of economic success. These two concepts are interrelated, with effectiveness influencing performance, and emerging frameworks emphasizing the importance of sustainability in performance measurement (Gutterman, 2023). In a study conducted in Indonesia, Astini & Mandala (2024) reported that TQM positively impacts company performance by improving service quality, thereby meeting customer needs and expectations. This relationship is mediated by employee job satisfaction, suggesting that satisfied employees can contribute to improved overall company performance.

The mediating role of employee satisfaction in improving management quality and organizational effectiveness can be based on the impact of employee-centered management on improving organizational effectiveness by prioritizing employee well-being and development. This approach fosters trust, respect, and empowerment, leading to increased productivity, performance, and loyalty, ultimately contributing to sustainable business success and a healthy work-life balance. People-centered management improves employee well-being and performance. Trust, respect, and empowerment within the organization foster a healthy work-life balance. This highly inclusive management model, which distributes knowledge, power, rewards, and communication across all levels, is based on the belief that employees can be relied upon to make important decisions regarding their work. A management system that facilitates this environment is a true foundation for competitive advantage (Lawler, 1992).

Based on a review of previous theory and research, the hypotheses regarding the influence of management quality on organizational effectiveness and the mediating role of management quality on the influence of job satisfaction and POS on organizational effectiveness are as follows:

- H5: There is an influence of Management Quality on Organizational Effectiveness.
- H6: Employee satisfaction mediates the influence of perceived organizational support on management quality.
- H7: Management quality mediates the influence of perceived organizational support on organizational effectiveness.

3. Research Methods

This study employed a quantitative research design with a cross-sectional survey approach. The survey sample was randomly drawn from a proportional population based on job group, a technique known as proportionate stratified random sampling (Sekaran, 2019). The population of 415 employees was classified by job level: 12 managers, 57 supervisors, 159 senior staff/foremen, and 187 staff/operators. Therefore, with a sample size of 241 respondents, the sample composition per job group was 7 managers, 33 supervisors, 92 senior staff/foremen, and 109 staff/operators.

The sample size exceeded the minimum sample size required by the Slovin formula of 204 (Sugiyono, 2019), thus meeting the sample size and probability sampling technique. Data analysis was conducted descriptively and inferentially. Descriptive analysis was conducted to measure the HRI index and descriptive analysis of research variables using SPSS 27 software, while inferential statistical analysis was conducted with a series of measurement model tests and structural path analysis using the SEM-PLS method with WarpPls 7.0 software.

3.1 Measuring HRI Attributes

The research instrument used a Human Resource Index (HRI)-based questionnaire to measure 15 attributes of HR management systems and practices from Schuster (1985, 2020). The HRI index attribute measurement uses a 5-point Likert scale of agreement, namely 1 (Strongly Disagree), 2 (Disagree), 3 (Undecided), 4 (Agree), and 5 (Strongly Agree), into categories Very Low (1.00 – 1.79), Low (1.80 – 2.59), Moderate (2.60 – 3.39), High (3.20 – 4.19), and Very High (4.20 – 5.00) (Sugiyono, 2019). Then, these categories can be adapted to the level of effectiveness of HR management systems and practices according to Schuster, namely Very Low = Demoralized, Low = Under Utilized, Moderate = Marginal, High = Effective, and Very High = Fully Committed and Utilized. Table 4 below shows the centralization of data, namely the average of all HRI attributes.

The HRI index is determined by calculating the average of each HRI attribute. Table The following 4 are the preparation of HRI attributes that have been prepared based on factor analysis that has been compiled by Schuseter (1095).

Tabel 1 Attribute measurement of Human Resource Index (HRI)

No	Attribute of HRI	Item of Questionnaire	Validity Test	Cronbach Alpha
1	<i>Reward system</i>	7, 22, 26, 33.	All item valid	All attribute reliable
2	<i>Communication</i>	1, 9, 13, 18, 24, 27, 30, 34, 41, 60, 64.	All item valid	All attribute reliable
3	<i>Organizational effectiveness</i>	2, 6, 8, 36, 39, 47, 57, 61, 62, 64.	All item valid	All attribute reliable
4	<i>Concern for people</i>	13, 23, 27, 45, 63.	All item valid	All attribute reliable
5	<i>Organization objectives</i>	3, 9, 14, 16, 23, 31, 34, 44, 46, 58.	All item valid	All attribute reliable
6	<i>Cooperation</i>	15, 18, 24, 37, 42, 52, 59, 63.	All item valid	All attribute reliable
7	<i>Intrinsic satisfaction</i>	4, 10, 12, 20, 21, 28, 40, 49, 54.	All item valid	All attribute reliable
8	<i>Supporting structure</i>	5, 32, 35, 53	All item valid	All attribute reliable
9	<i>Relationship</i>	11, 16, 51, 63.	All item valid	All attribute reliable
10	<i>Organization climate</i>	2, 6, 11, 17, 18, 21, 24, 25, 29, 31, 38, 45, 50, 55, 58, 60, 61, 64	All item valid	All attribute reliable
11	<i>Participation</i>	12, 17, 19, 29, 43, 48, 56	All item valid	All attribute reliable
12	<i>Work group</i>	14, 16, 37, 48.	All item valid	All attribute reliable
13	<i>Intergroup competence</i>	1, 43, 46, 51, 59.;	All item valid	All attribute reliable
14	<i>First level supervision</i>	8	Item valid	Atribute reliable
15	<i>Quality of management</i>	19, 23, 37, 50, 55, 57.	All item valid	All attribute reliable

Source: Human Resource Index (HRI) (Schuster, 1985)

The questionnaire has been tested for validity and reliability, where all questionnaire items were declared valid (r count > r table) and all HRI Cronbach-Alpha attributes ranged from 0.757 - 0.929, which means that statistically the questionnaire instrument is reliable and can be used.

3.2 Measurement of Research Variables

Research variables are attributes, traits, or values of a person, object, or activity that vary, determined by the researcher for study and conclusion drawing. According to Sugiyono (2009), researchers can independently determine any research variables to be studied to obtain information about them and then draw conclusions. The object of research, or the focus of a study (Suharsimi Arikunto, 1998), is also referred to as the construct to be studied, and its value varies (Kerlinger, 2006).

In this study, the variables were determined using reflective constructs from the HRI index attributes, based on the concepts and theories used. The research variables used were employee satisfaction, perceived organizational support, quality of management, and organizational effectiveness. The following is a description of the operational definitions of the research variables. Based on the theory of Herzberg and Locke, employee satisfaction is defined as the level of satisfaction felt by employees with various aspects of their work, reflecting positive or negative perceptions of the overall work experience. In this context, employee satisfaction can be constructed from two main dimensions: the reward system and intrinsic satisfaction. The reward system indicator is measured using items 7, 22, 26, 33, 36, and 62. The intrinsic satisfaction indicator is compiled from the HRI questionnaire, including items 20, 28, 40, 49, and 54.

POS reflects employees' belief that the organization will provide support, fairness, and attention to them as individuals and as part of a work team. The POS definition can be constructed using HRI attributes and consists of five indicators: concern for people, participation, communication, relationships, and organizational climate. Concern for people reflects the extent to which the organization demonstrates attention, concern, and empathy for employee well-being and provides support for employees' personal or work-related problems. Based on this definition, the concern for people indicator consists of items 13, 23, and 27 in the HRI questionnaire; participation consists of items 43, 48, and 56 in the HRI questionnaire; communication consists of items 30, 41, and 60; and relationships consists of items 16, 51, and 63. and organizational climate from items 25, 50, and 55.

Quality of management is the extent to which a company is able to plan, implement, direct, and control the achievement of predetermined goals or objectives and continuously improve processes, products, and services. Quality of management is the level of effectiveness and quality of leadership and resource management within an organization, including managerial capabilities to support, coordinate, and facilitate teamwork in order to optimally achieve organizational goals. This variable can be constructed from HRI attributes, namely supporting structure, intergroup competence, first-level supervision, and cooperation, and managerial skills. The supporting structure indicator is operational smoothness. Based on this definition, the supporting structure indicator consists of items 32, 35, and 53; Intergroup competence consists of items 39 and 59; First-level supervision consists of items 8 and 17; cooperation consists of items 37, 42, and 52; and quality of management as indicators consisting of items 44, 57, and 58.

Organizational effectiveness is the extent to which an organization successfully achieves its goals and objectives by optimally utilizing its resources, including the effectiveness of empowering human resources. Organizational effectiveness is a measure of the extent to which an organization is able to achieve its stated goals and objectives efficiently and effectively. Organizational effectiveness encompasses the organization's ability to optimally utilize available resources (such as labor, capital, technology, and information) to produce desired outputs and meet stakeholder needs. Organizational effectiveness in this study is a unidimensional variable construct of the HRI attribute, namely organization effectiveness with items 12, 29, 47, and 54. Organizational objectives consist of HRI attributes, namely items 14, 19, 31, 34, and 46.

4. Result and Discussion

4.1 Descriptive Analysis of HRI

Descriptive statistical analysis uses data centering calculations, namely the average, median, and mode, and data dispersion calculations, namely standard deviation. Data centering is needed to describe the number at which the respondent's data is centered on each variable, while data dispersion is used to see the picture of the dispersion of the respondent's data in the responses to each research variable. The description of each variable is analyzed using the category of how high the respondents responded to the research variable converted from a 5-point Likerts agreement scale, then the category can be adapted to the level of effectiveness of the HR management system and practices according to Schuster, namely Very Low = Demoralized, Low = Under Utilized, Moderate = Marginal, High = Effective, and Very High = Fully Committed and Utilized. Figure 1. is the average of all HRI attributes and the overall HRI index.

Source: Primary data processed (2025)

Fig. 1 Human Resource Index (HRI) PT. XYZ

The average of 3.23 indicates that the assessment of the 15 HRI attributes generally falls in the middle range (on a scale of 1–5). This indicates that employee or respondent perceptions of the organization's HRM practices and conditions tend to be positive, but not yet optimal. The median of 3.26 means that half of the attribute scores are above, and half are below this value. A slightly above-average median indicates a relatively symmetrical or slightly left-skewed data distribution, resulting in a consistent majority of responses at a moderate level. The mode of 3.08 is the most frequently occurring value, and this below-average mode indicates that some attributes were rated slightly lower by some respondents, but still within the middle range.

Overall, the HRI index has an average of 3.23, which falls within the moderate category. This suggests that the company's HRM systems and practices fall within the moderate or marginal Schuster category. The centralization of the HRI index data was also relatively homogeneous, with a distribution or standard deviation of 0.55, indicating that respondents rated HR management systems and practices relatively similarly, typically in the moderate or good category.

Nine HRI attributes had average scores equal to or greater than 3.23, namely: organizational effectiveness (3.30), organizational objectives (3.33), cooperation (3.30), organizational climate (3.27), intrinsic satisfaction (3.25), supporting structure (3.23), relationships (3.38), organizational climate (3.27), workgroup (3.28), intergroup competence (3.23), and first-level supervision (3.83). Meanwhile, the HRI attributes that have below the overall average index are reward system (2.67), concern for people (3.03), participation (2.98), and quality of management (3.19). The average number of attributes that are above the HRI index can be used as factors for strengthening and improvement, likewise for the number of attributes that are below the HRI index, it can be used as a factor analysis for improvement and enhancement in the HR management system and practices by making a gap analysis of the questionnaire items on each attribute.

4.2 Descriptive Analysis of Variables

Descriptive analysis aims to provide an overview of the data obtained in this study. Data were analyzed using descriptive statistics such as number of data points (N), mean, median, mode, standard deviation, and minimum and maximum values for each variable studied. The Employee Satisfaction variable had an average value of 3.04, indicating a moderate to good level of employee satisfaction. The median of 3.03 confirmed that the data distribution was relatively symmetrical. The Perceived Organizational Support (POS) variable, with an average value of 3.12 and a median of 3.13, indicated that employee perceived support was quite positive.

Table 2 *Descriptive of variable constructs*

Statistic	Employee Satisfaction	POS	Quality of Management	Organizational Effectiveness
Mean	3.04	3.12	3.36	3.22
Median	3.03	3.13	3.43	3.23
Mode	3.00	3.20	3.00	3.45
Std. Deviation	0.67	0.62	0.59	0.64
Minimum	1.17	1.13	1.40	1.23
Maximum	4.83	4.80	4.90	4.75

a Multiple modes exist. The smallest value is shown

Source: Primary Data Processed (2025)

Quality of Management had the highest average value of 3.36, indicating a positive perception of the quality of management within the organization. The higher median of 3.43 indicates that most respondents rated it equal to or higher than the average. Organizational Effectiveness had an average value of 3.22 and a median of 3.23, indicating that organizational effectiveness was also generally considered quite good. The mode value (the most frequently occurring value) for all variables ranges from 3, indicating respondent consistency in their assessments. The standard deviation of the variables ranges from 0.59 to 0.67, indicating moderate variation among respondents in assessing these variables. Table 2 summarizes the descriptive variables, calculated from the frequency distribution and then the percentages for each category.

In general, the data shows that respondents gave fairly good ratings of employee satisfaction, organizational support, management quality, and organizational effectiveness. The relatively small variation in scores indicates relatively homogeneous perceptions among respondents, with some areas that could be improved based on lower minimum scores. Overall, the descriptive results indicate fairly positive and consistent perceptions among respondents regarding employee satisfaction, organizational support, management quality, and organizational effectiveness. Management quality received the highest score, indicating a strong recognition of management's

role in the organization. Moderate variation in the data indicates that these ratings are relatively homogeneous, although there are opportunities for improvement in some aspects that received lower scores.

The majority of respondents fell into the Moderate category (41%), followed by High (31%) and Low (22%). The extreme categories of Very High and Very Low were relatively small, at 2% and 4%, respectively. This indicates that most employees are moderately to highly satisfied, with a small number being very satisfied or very dissatisfied. The majority of respondents rated POS in the Moderate (44.8%) and High (32.8%) categories. The Low category accounted for 17%, while Very Low and Very High were below 5%.

Table 3 *Descriptive of variables*

Interval	Category	Employee Satisfaction	POS	Quality of Management	Organizational Effectiveness
4.20-5.00	Very High	2%	3.7%	5%	7%
3.40-4.19	High	31%	32.8%	48%	35%
2.60-3.39	Moderate	41%	44.8%	40%	41%
1.80-2.59	Low	22%	17.0%	6%	16%
1.00-1.79	Very Low	4%	1.7%	2%	2%
Total		100%	100%	100%	100%

Source: Primary data processed (2025)

This indicates that employee perceived support is generally moderate to high, although a small percentage felt that support was inadequate. Respondents' responses to Quality of Management were categorized as High (48%), followed by Moderate (40%). Low scores were very few, with 6% in the Low category and 2% in the Very Low category. Perceptions of management quality were positive and tended to be stable. Meanwhile, respondents responded to Organizational Effectiveness with the most Moderate (41%) and High (35%) categories. Low scores were 16% and Very Low (2%). Perceptions of organizational effectiveness were quite good, although some rated it low.

Overall, the data shows that the majority of respondents rated all measured variables in the Moderate and High range. This reflects a fairly positive perception of employee satisfaction, organizational support, management quality, and organizational effectiveness. However, the presence of low scores for several variables indicates room for improvement in overall organizational quality and effectiveness.

4.3 Statistical Analysis with SEM-PLS

This was followed by a multivariate analysis to test the research hypotheses using SEM-PLS, a Structural Equation Modeling (SEM) approach with the Partial Least Squares (PLS) method, and WarpPLS 8.0 software. Prior to conducting the structural model analysis, a measurement model was first conducted to test the reliability and validity of the indicators forming the latent construct, using confirmatory factor analysis (CFA) at the first order stage. Second-order construct testing was conducted using a two-stage test: first, the analysis of the latent construct dimensions with their indicators, and second, the analysis of the latent construct with its dimensions.

The results of the data model measurement, there are several items forming the construct whose loading factor value is still below 0.6, so it cannot meet the rule of thumb for confirmatory research, while for the stage of construct development and measurement scale or research instrument development, the loading factor value of 0.4 - 0.5 is considered sufficient (Hulland, 1999; Hair et al., 2013). In Table 1, there are constructs that still have an AVE (Average Variance Extracted) value of <0.5, so the items in the construct that have an AVE value <0.5 must be dropped, namely items that have the lowest loading factor on the construct with the aim of increasing the AVE value and meeting the requirements of the rule of thumb measurement model. The items that must be dropped are Var7 (0.683), Var33 (0.683) and Var36 (0.651), as well as Var47 (0.601) and Var46 (0.568) for the reward system construct, then re-analysis was carried out. Meanwhile, the Full collinearity VIF value for each construct has met the rule of thumb requirements of the measurement model, namely <3.3, which means that there is no multicollinearity problem between indicators. The results of the first-order re-estimation confirmatory factor analysis are shown in Table 1 below.

Table 4 First order re-estimation confirmatory factor analysis

Items	Factor Loadings	Attributes of HRI	Composite Reliability	AVE	Full collin. VIF
VAR7	0.683	<i>Reward System</i>	0.815	0.595	2.830
VAR22	0.769				
VAR26	0.766				
VAR33	0.683				
VAR36	0.651				
VAR62	0.779				
VAR20	0.778	<i>Intrinsic Satisfaction</i>	0.861	0.555	2.081
VAR28	0.797				
VAR40	0.733				
VAR49	0.758				
VAR54	0.626				
VAR23	0.866	<i>Concern for People</i>	0.889	0.727	2.693
VAR27	0.835				
VAR13	0.857				
VAR43	0.821	<i>Participation</i>	0.772	0.533	1.982
VAR48	0.640				
VAR56	0.717				
VAR30	0.783	<i>Communcination</i>	0.814	0.594	2.475
VAR41	0.724				
VAR60	0.804				
VAR51	0.811	<i>Relationship</i>	0.768	0.527	1.954
VAR63	0.701				
VAR16	0.657				
VAR25	0.732	<i>Organization Cilmate</i>	0.864	0.681	2.497
VAR50	0.863				
VAR55	0.872				
VAR32	0.796	<i>Supporting Structure</i>	0.773	0.535	1.950
VAR35	0.756				
VAR53	0.629				
VAR59	0.815	<i>Intergroup Competence</i>	0.798	0.664	2.521
VAR39	0.815				
VAR17	0.784	<i>First-level Supervision</i>	0.761	0.614	1.446
VAR8	0.784				
VAR37	0.684	<i>Cooperation</i>	0.804	0.579	2.316
VAR42	0.794				
VAR52	0.798				
VAR57	0.795	<i>Quality of Management</i>	0.812	0.593	2.271
VAR44	0.653				
VAR58	0.849				
VAR47	0.601	<i>Organization Effectiveness</i>	0.799	0.571	2.053
VAR64	0.728				
VAR12	0.743				
VAR29	0.791				
VAR14	0.728	<i>Organization Objectives</i>	0.813	0.521	2.499
VAR31	0.651				
VAR34	0.785				
VAR19	0.718				

Source: Primary Data Processed (2025)

After re-analysis, it can be concluded that all items forming the dimensional constructs are valid, with factor loading values greater than 0.6. Furthermore, the AVE values for each construct, which were greater than 0.5, indicate that all constructs meet convergent validity criteria (Hulland, 1999; Hair et al., 2013). Similarly, the composite reliability values for each dimensional construct were also excellent, exceeding 0.7, thus meeting internal consistency reliability. Furthermore, the full collinearity (VIF) values for each construct also met the

measurement model's rule-of-thumb requirement of <3.3, indicating no multicollinearity issues between indicators.

The next step, the researchers analyzed the indicators forming the second-order constructs. This means the analysis was conducted from the latent constructs and their dimensional constructs for multidimensional constructs. Table 5 shows the results of the second-order confirmatory factor analysis. Based on the results of the second-order confirmatory factor analysis above, it can be seen that the dimensions forming the latent construct (variable) are valid, with the resulting loading factor value being > 0.7 for the reflective construct. A construct with one indicator has a loading value of 1.

Table 5 *Second order confirmatory factor analysis*

Second-order constructs	First-order constructs	Loadings Factor	AVE	CR	Outer Weight	p-value	Conclusion
Employee Satisfaction	Reward system	0.867	0.751	0.858	0.577	<0.001	Valid and reliable
	Intrinsic satisfaction	0.867			0.577	<0.001	Valid and reliable
Percieved Organization Support	Concern for people	0.744	0.589	0.877	0.253	<0.001	Valid and reliable
	Participation	0.722			0.245	<0.001	Valid and reliable
	Communication	0.805			0.273	<0.001	Valid and reliable
	Relationship	0.762			0.259	<0.001	Valid and reliable
	Organization climae	0.801			0.272	<0.001	Valid and reliable
Quality of Management	Supporting structure	0.767	0.570	0.868	0.269	<0.001	Valid and reliable
	Intergorup competence	0.768			0.269	<0.001	Valid and reliable
	First-level supervision	0.612			0.215	<0.001	Valid and reliable
	Cooperation	0.803			0.282	<0.001	Valid and reliable
	Quality of management	0.808			0.282	<0.001	Valid and reliable
Organizational Effectiveness	Organizational effectiveness	0.881	0.776	0.874	0.568	<0.001	Valid and reliable
	Organization objectives	0.881			0.568	<0.001	Valid and reliable

Source: Primary Data Processed (2025)

Next, a discriminant validity test was conducted for the latent constructs (variables) in this study. Discriminant validity assessment is carried out in studies involving latent variables to prevent multicollinearity problems. One way to see discriminant validity is by comparing the correlation between variables with the square root of variance extracted (the value of the square root of AVE). In Table 6, it can be seen that all correlation values between variables (latent constructs) are below the square root of AVE (see the diagonal line, in parentheses). Based on the method in determining discriminant validity, namely comparing the square root of each AVE on the diagonal with the correlation coefficient (off-diagonal) for each construct in the relevant row and column of each variable (Fornel & Larcker, 1981), then overall, discriminant validity is acceptable for this measurement model and supports discriminant validity between variable constructs.

Table 6 Discriminant validity

	<i>POS</i>	<i>QtyMjn</i>	<i>Emp.sat</i>	<i>Org.eff</i>
<i>POS</i>	(0.827)			
<i>QtyMjn</i>	0.768	(0.755)		
<i>Emp.sat</i>	0.766	0.630	(0.867)	
<i>Org.eff</i>	0.779	0.729	0.701	(0.881)

Note: *POS* (Perceived Organizational Support), *Qty.Mjn* (Quality of Management), *Emp.sat* (Employee Satisfaction), *Orang.eff* (Organizational Effectiveness)

Source: Primary Data Processed (2025)

This study, in addition to testing the hypothesis, also aims to find a model that fits the original data. This is very useful for measuring the quality of the model. To evaluate the model fit, it must follow the criteria recommended by experts. Table 7 below is an explanation for each measure of fit based on the general result output above, namely the recommended P-value cut-off value for APC, ARS, and AARS as an indication of model fit must have a significance level of 5% (≤ 0.05), while the output above shows the APC, ARS, and AARS values are at a significance level of $P < 0.001$, which means the model is very good. For the Symson's Paradox (SPR) index, the resulting value is 1, the R-squared Contribution Ratio (RSCR) is 1, the Statistical Suppression Ratio (SSR) is 1 and the Nonlinear Bivariate Causality Direction Ratio (NLBCDR) produces a value equal to 1, which means the SPR index, SSR model index, RSCR index, and NLBCDR are ideal, which overall means there is no causality problem in the model.

Table 7 Model fit and quality indices

No	Model Fit dan Quality Indices	Value	Remark
1	Average path coefficient (APC)	0.457	$P < 0,001$
2	Average R-squared (ARS)	0.550	$P < 0,001$
3	Average adjusted R-squared (AARS)	0.547	$P < 0,001$
4	Average block VIF (AVIF)	3.411	diterima jika ≤ 5 , idealnya $\leq 3,3$
5	Average full collinearity VIF (AFVIF)	3.478	diterima jika ≤ 5 , idealnya $\leq 3,3$
6	Tenehouse GoF (GoF)	0.608	kecil $\geq 0,1$, sedang $\geq 0,25$, besar $\geq 0,36$
7	Symson's paradox ratio (SPR)	1,000	diterima jika $\geq 0,7$, idealnya = 1
8	R-squared contribution ratio (RSCR)	1,000	diterima jika $\geq 0,9$, idealnya = 1
9	Statistical suppression ratio (SSR)	1,000	diterima jika $\geq 0,7$, idealnya = 1
10	Nonlinier bivariate causality direction ratio (NLBCDR)	1,000	diterima jika $\geq 0,7$, idealnya = 1

Source: Primary Data Processed (2025)

AVIF and AFVIF are two model fit measures used to test collinearity problems in the PLS model. The recommended values for both measures should be ≤ 3.3 (ideal) or ≤ 5 (acceptable), according to the output in Table 7. indicating no multicollinearity problems in the model. For the Symson's Paradox (SPR) index, the resulting value is 1, the R-squared Contribution Ratio (RSCR) is 1, the Statistical Suppression Ratio (SSR) is 1 and the Nonlinear Bivariate Causality Direction Ratio (NLBCDR) produces a value equal to 1, which means the SPR index, SSR model index, RSCR index, and NLBCDR are ideal, which overall means there is no causality problem in the model.

The resulting goodness of fit (GoF) is 0.608 (≥ 0.36) which means that the model fits well, which indicates that the model's predictive power is very strong. For SPR is an index measure that indicates causality problems, ideally this index should be equal to 1 or ≥ 0.7 (acceptable), which means there are no causality problems in a model. RSCR is an index to measure the extent to which a model is free from negative R-squared contributions, ideally this RSCR index should be equal to 1 or ≥ 0.9 (acceptable), which means there are no negative R-squared contributions in a model. SSR is an index to measure the extent to which a model is free from statistical suppression effect problems. An acceptable SSR value is ≥ 0.7 which means 70% or more of the paths in the model are free from statistical suppression.

5. Result and Discussion

5.1 Result of Hypotesis Testing

Figure 2. below presents the results of the structural model analysis which can then be used as a basis for drawing conclusions on the hypothesis testing proposed in this study, and then presented in detail in Table 6. The results of the hypothesis testing indicate the existence of POS on employee satisfaction, which has a structural coefficient of 0.770 and a p-value <0.001, this provides evidence that Hypothesis-1 (H1) is accepted. A positive coefficient number indicates a positive and significant influence of POS on employee satisfaction, meaning that increasing POS in employees will increase employee satisfaction, and this number can explain that the POS construct has a very large influence on increasing employee satisfaction directly.

The influence of POS on organizational effectiveness has a structural coefficient of 0.372 and a p-value <0.001, this result proves that Hypothesis-2 (H2) is accepted. This number proves a moderate and significant positive influence of POS on organizational effectiveness, meaning that the higher POS will directly increase organizational effectiveness.

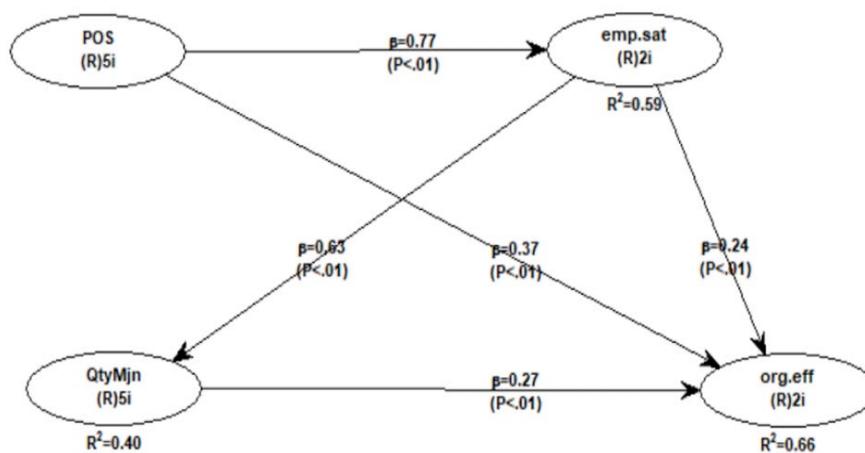


Fig. 2 Structural model analysis results

Source: Primay Data Proseded (2025)

The effect of employee satisfaction on quality of management has a structural coefficient of 0.632 and a p-value <0.001. These results support the acceptance of Hypothesis 3 (H3) and demonstrate a strong and significant positive effect of employee satisfaction on quality of management. This means that higher employee satisfaction directly increases quality of management. Furthermore, the effect of employee satisfaction on organizational effectiveness has a structural coefficient of 0.372 and a p-value <0.001. This result supports the acceptance of Hypothesis 4 (H4). This figure demonstrates a moderate and significant positive effect of employee satisfaction on organizational effectiveness. This means that higher employee satisfaction directly increases organizational effectiveness.

Table 8 *The results of hypothesis testing*

	Hypothesis	Path coefficients	p-value	Decision
H1	There is an Influence of Perceived Organizational Support (POS) on Employee Satisfaction	0.770	<0.001	Accepted
H2	There is an Influence of Perceived Organizational Support (POS) on Organizational Effectiveness	0.372	<0.001	Accepted
H3	There is an Influence of Employee Satisfaction on Quality of Management	0.632	<0.001	Accepted
H4	There is an Influence of Employee Satisfaction on Organizational Effectiveness	0.243	<0.001	Accepted
H5	There is an Influence of Management Quality on Organizational Effectiveness	0.269	<0.001	Accepted
H6	There is an Influence of Perceived Organizational Support (POS) on Organizational Effectiveness with Employee Satisfaction as intervening variables.	0.277	<0.001	Accepted
H7	There is an Influence of Perceived Organizational Support (POS) on Quality Management with Employee Satisfaction as intervening variables.	0.187	<0.001	Accepted

Source: Primary Data Processed (2025)

Next, testing the effect of quality of management on organizational effectiveness yields a structural coefficient of 0.269 and a p-value <0.001, thus accepting Hypothesis 5 (H5). A positive coefficient indicates a positive and significant effect, meaning that improving quality of management increases organizational effectiveness. This figure indicates that the quality of management construct has a moderate effect on improving organizational effectiveness.

Meanwhile, testing the hypothesis of the indirect effect of POS on quality of management with employee satisfaction as the intervening variable showed significance with a structural coefficient of 0.277 and a p-value <0.001, thus accepting Hypothesis 6 (H6). Similarly, testing the hypothesis of the indirect effect of POS on organizational effectiveness with employee satisfaction as the intervening variable showed significance with a structural coefficient of 0.187 and a p-value <0.001, thus accepting Hypothesis 7 (H7). Because the direct effect of POS on both quality of management and organizational effectiveness is also significant, the role of job satisfaction only provides a partial mediation role for both POS effects.

Considering the indirect effect of POS on quality of management, which has a path coefficient of 0.277, it can be concluded that the mediating effect of employee satisfaction is relatively small and partial in improving quality of management. Similarly, the mediating role of employee satisfaction in increasing organizational effectiveness has a structural coefficient of 0.187 and a p-value <0.001, this figure indicates that job satisfaction has a very small role in the mediating function of the indirect influence of POS on organizational effectiveness.

6. Discussion

The results of the hypothesis testing in this study indicate that Perceived Organizational Support (POS) has a positive and significant influence on two main variables: employee satisfaction and organizational effectiveness. The Influence of POS on Employee Satisfaction. The structural coefficient of 0.770 with a p-value <0.001 indicates that POS has a very strong and significant influence on employee satisfaction. This means that when employees perceive high levels of organizational support—such as attention, appreciation, and assistance from the organization—their level of satisfaction with their jobs and work environment also increases significantly. This large coefficient confirms that POS is a key factor that can directly increase job satisfaction, which in turn has the potential to boost employee performance and loyalty.

The Influence of POS on Organizational Effectiveness has a structural coefficient of 0.372 with a p-value <0.001, indicating a positive and significant, albeit relatively moderate, influence of POS on organizational effectiveness. This means that organizational support perceived by employees not only increases their personal satisfaction but also significantly contributes to improving the effectiveness of the organization's overall performance. Good organizational effectiveness typically encompasses the achievement of organizational goals, operational efficiency, and coordination between work units, all of which are driven by the support and motivation felt by employees. Improving perceived organizational support (POS) significantly impacts employee satisfaction and has a significant positive effect on organizational effectiveness. This finding underscores the importance of

organizations providing tangible support to employees, whether through recognition, compensation, resources, or effective communication, as a key strategy for improving employee well-being while driving better organizational performance.

This study also shows that employee satisfaction has a positive and significant effect on management quality, with a structural coefficient of 0.632 and a p-value <0.001 . This means that the higher the level of employee satisfaction, the more likely it is that the quality of management in the organization will significantly improve. This indicates that employee satisfaction is a crucial factor in supporting effective managerial performance. Furthermore, employee satisfaction also has a positive and significant effect on organizational effectiveness (coefficient 0.372; $p < 0.001$). Increased employee satisfaction is directly correlated with increased organizational effectiveness, indicating that satisfied employees will support the achievement of organizational goals and optimal performance.

The employee satisfaction variable uses unidimensionality, namely reward and recognition, so that it refers to Locke (1976) and Robbins (2020) that employee satisfaction is "A pleasant or positive emotional state resulting from the assessment of a person's work or work experience, or in other words employee satisfaction as a person's sense of satisfaction with their work, it can be said that the high level of employee satisfaction in this company is indicated by the satisfaction with the rewards and recognition obtained while working in the company. Furthermore, management quality also plays a significant role, with a positive influence on organizational effectiveness (coefficient 0.269; $p < 0.001$). Although this influence is considered moderate, improving management quality can enhance an organization's ability to achieve its goals and run its operations more efficiently. Overall, these findings emphasize the importance of the synergistic relationship between employee satisfaction, management quality, and organizational effectiveness. Improving employee satisfaction not only directly improves management quality but also impacts organizational effectiveness. Therefore, strategies to improve employee well-being and satisfaction, as well as develop managerial skills, need to be prioritized in efforts to improve overall organizational performance.

The test results indicate that Perceived Organizational Support (POS) has a significant indirect influence on Quality of Management and Organizational Effectiveness through the intervening variable, Employee Satisfaction. The structural coefficients of 0.277 ($p < 0.001$) for the indirect effect of POS on Quality of Management and 0.187 ($p < 0.001$) for the indirect effect of POS on Organizational Effectiveness indicate that employee satisfaction acts as a partial mediator linking POS with both variables. Although statistically significant, the mediation coefficient is relatively small, particularly for its effect on Organizational Effectiveness. This indicates that POS largely influences Quality of Management and Organizational Effectiveness directly, while employee satisfaction only contributes as a partial, additional reinforcement. Practically, this finding indicates that while increased perceptions of organizational support can drive improvements in management quality and organizational effectiveness through increased employee satisfaction, employee satisfaction is not the only important pathway. Organizations must still pay direct attention to the factors supporting POS that directly influence management and effectiveness.

The results of the hypothesis test indicate that Perceived Organizational Support (POS) has a very strong and significant positive effect on employee satisfaction (coefficient 0.770) and a significant positive effect on organizational effectiveness (coefficient 0.372). Employee satisfaction also plays a significant role in improving management quality (0.632) and impacts organizational effectiveness (0.372). Overall, the synergistic relationship between POS, employee satisfaction, management quality, and organizational effectiveness is essential for improving organizational performance.

The HRI index averaged 3.23 (moderate category), indicating that employee perceptions of the company's HR management practices remain positive but suboptimal. This is consistent with the results of the hypothesis test, which confirmed that organizational support (SOS) and employee satisfaction have not yet reached the optimally high levels required to maximize organizational effectiveness and management quality. Several attributes in the HRI index that scored below average—such as the reward system (2.67), employee participation (2.98), and organizational attention to employees (3.03)—indicate areas of weakness in HRM practices that could potentially hinder employee satisfaction, which, according to the hypothesis, significantly impacts management and organizational effectiveness.

This means that despite the presence of organizational support, there are still shortcomings, particularly in the areas of appreciation, participation, and attention to employees, which must be addressed for POS to more optimally enhance employee satisfaction. Improving these attributes, according to the hypothesis test findings, will strengthen the role of POS, thereby directly helping to improve management quality and organizational effectiveness. The descriptive results of the HRI index strengthen and provide practical context to the results of the hypothesis test, namely that comprehensive improvements to HRM systems and practices, especially those related to employee rewards, participation, and recognition, are strategic steps that need to be taken to improve POS, employee satisfaction, and ultimately organizational effectiveness and quality.

7. Conclusion

Perceived Organizational Support (POS) has a very strong positive and significant influence on employee satisfaction, as well as a significant but more moderate positive influence on organizational effectiveness. Employee satisfaction also plays a crucial role in directly improving management quality and organizational effectiveness. Despite the presence of organizational support, employee perceptions of current human resource management (HRM) practices remain moderate, with an average HRI index of 3.23, indicating that HRM practices are positive but not yet optimal.

Several management aspects, such as the reward system, employee participation, and organizational attention to employees, show relatively low scores and are areas in need of improvement. Improvements in these aspects are crucial to strengthening POS's role in increasing employee satisfaction, which in turn will improve management quality and overall organizational effectiveness. In other words, strategies to increase tangible organizational support, a sustainable reward and recognition system, increased employee participation, and improved management quality should be prioritized to foster a more productive work environment, more satisfied employees, and an effective and efficient organization.

In general, the synergy between POS, employee satisfaction, management quality, and a sound HRM system is key to achieving optimal and sustainable organizational performance. This study demonstrates that Perceived Organizational Support (POS) has a very strong positive and significant influence on employee satisfaction and a significant positive influence on organizational effectiveness. This means that the greater the perceived support employees receive from the organization—including attention, appreciation, and assistance—the higher their level of satisfaction with their jobs and work environment, which in turn contributes to improved performance and loyalty. Furthermore, employee satisfaction plays a crucial role in improving management quality and directly impacts organizational effectiveness. High employee satisfaction, particularly regarding rewards and recognition, encourages more effective management and optimal achievement of organizational goals.

Furthermore, management quality also contributes moderately positively to organizational effectiveness, strengthening the synergy between employee satisfaction, management, and organizational performance. Overall, these findings confirm that strategies focused on increasing organizational support for employees and job satisfaction through rewards and recognition should be a top priority. This not only improves management quality but also enhances overall organizational effectiveness, thereby creating a productive and sustainable work environment. The indirect effect of POS on Management Quality and Organizational Effectiveness through Employee Satisfaction is significant but relatively small, indicating a partial mediation role. Most of the effects of POS on these two variables occur directly, without going through employee satisfaction. This reinforces the importance of directly maintaining POS and developing job satisfaction as additional factors for continuously improving management performance and organizational effectiveness.

8. Implications of The Research

The practical implications of the research findings regarding the influence of Perceived Organizational Support (POS) on employee satisfaction, management quality, and organizational effectiveness are as follows:

- 1) Organizations must provide tangible attention, appreciation, and support to employees through fair and consistent policies, as POS has been shown to significantly increase employee satisfaction and loyalty.
- 2) Reward and recognition systems need to be designed in a transparent and sustainable manner to motivate and enhance employee engagement.
- 3) Management must develop responsive leadership that understands employee needs to improve management quality and achieve organizational goals.
- 4) POS and employee satisfaction need to be managed in an integrated manner, as they mutually reinforce organizational effectiveness and encourage optimal employee contribution.
- 5) A holistic approach is needed to improve not only direct POS but also aspects that strengthen job satisfaction, such as the work environment, work-life balance, and effective communication.
- 6) A supportive and respectful work culture is essential for strengthening emotional bonds, commitment, and loyalty, while reducing morale and turnover issues.

9. Research Limitations

This study developed a model of the influence of POS on employee satisfaction, management quality, and organizational effectiveness in state-owned enterprises (SOEs). Future research could be conducted in other private companies and SOEs, with different industries and broader work areas. Although employee satisfaction proved to be a significant mediator, the magnitude of this mediation effect was relatively small. This suggests that other, more dominant pathways explaining the relationship between POS and management quality and organizational effectiveness remain undiscovered. Cross-sectional studies are unable to measure changes in

perceptions of POS, satisfaction, and organizational effectiveness dynamically over time, thus under-capturing the long-term evolution of attitudes and performance. These limitations offer opportunities for further research to expand the variables studied, employ mixed methods, enlarge and expand the sample, and conduct longitudinal research to obtain more comprehensive and representative results within a dynamic organizational context.

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Conflict of Interest

Authors declare that there is no conflict of interests regarding the publication of the paper.

Author Contribution

The author confirms sole responsibility for the following: study conception and design, data collection, analysis and interpretation of results, and manuscript preparation.

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