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Mapping the Relationship among Strategic HRM, Intent to Quit and Job Satisfaction: A Psychological Perspective Applied to Bangladeshi employees

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Abstract

As a unique line of inquiry from earlier studies, this study examines the meditational influence of intent to quit between strategic HRM (SHRM) and job satisfaction. Applying the Psychological Contract Theory, four hypotheses were examined with using data from 200 full-time Bangladeshi employees. This study applied structural equation modelling for data analysis. The results provide evidence that (i) SHRM has direct effects on employees’ intent to quit and job satisfaction; (ii) intent to quit has negative effect on job satisfaction; and (iii) intent to quit has partial meditational effects on the relationship between SHRM and job satisfaction. Implications of the study results can help organizations to recognize the loss from intent to quit for the effective outcomes of SHRM to influence higher job satisfaction among employees.

Keywords: Strategic HRM, Intent to quit, Job satisfaction, Psychological contract theory

Introduction

The use of strategic HRM (SHRM) that expressively addresses employee needs can help elevate employees’ level of job satisfaction and organizational attachment. However, do the relationships of SHRM on job satisfaction remain the same when employees retain their intent to quit? Because, employees are likely to be positively influenced by SHRM if they hold intent to quit, as SHRM can help them instead maintain their positive attitudes (Haque et al., 2017). In such circumstances, SHRM is likely to reduce employee's intent to quit, leading to increased job satisfaction within organizations. While a predictable positive association has often been detected between HRM and employee’s job satisfaction, there is lack of studies aiming to confirm the mediating influence of intent to quit on the relationship between SHRM and job satisfaction. By examining intent to quit as a meditational influence, this study advances previous studies that apply intent to quit primarily as an outcome variable. Moreover, previous researchers position their investigation at the organizational rather than individual level for both the effectiveness of HRM and the extent to employee attitudes and behaviors (Mao et al., 2013; Haque et al., 2017). Following Wright and Boswell’s (2002) categorization of HRM, this study examines the effects of SHRM at the employee level, a field that has been much less explored than the perspective of organization-level. While several studies have explored the decision leading to an employees’ intentions to leave their organisations as an outcome variable in their research model, however, “additional work is still needed assessing the role of employee’s perceptions of HR practices in determining their attitudinal and behavioral outcomes” (Kehoe and Wright, 2013, p. 367). Therefore, examining the relationship of SHRM with job satisfaction may provide useful insights regarding employees’ intent to quit when it is introduced as a meditational influence.

Following the suggestions of previous scholars (Gerhart, 2005; Boxall and Purcell, 2011; Haque et al., 2017), and in line with the Psychological Contract Theory (Rousseau, 1995), SHRM in this study has been captured with two views. First, SHRM linked to employee motivation (e.g., job satisfaction and intent to quit), and second, the meditational influence of...
employee's intent to quit on the relationship between SHRM and job satisfaction (Delaney and Huselid, 1996; Delery, 1998). This study thus aims to identify relationships between the influences of SHRM for employee motivation from the individual perspective on the one hand, and intent to quit and job satisfaction on the other hand. More significantly, the less known mediating influence of intent to quit for SHRM outcome. In contrast to most previous studies, this study aims not only to identify the aggregate or additive effects of SHRM upon the employee’s job satisfaction and intent to quit but more importantly the mediating effect of employee’s intent to quit for SHRM. According to Delery (1998), the influence of SHRM can be seen as an independent effect on the outcome as an aggregate effect and also may be as an interactive influence for employee's motivational outcome such as job satisfaction and intent to quit. Delery noted, “[SHRM] have a synergistic [aggregate] relationship when together they result in a substantially different effect than the sum of their individual effects would lead one to believe” (1998, p. 294).

This study contributes in four ways to explore the influence of SHRM upon employee’s intent to quit and job satisfaction. First, this study explores the perceptions and responses of individual employees, which has been less investigated with SHRM studies (Guest, 2002; Kehoe and Wright, 2013). Second, this study examines the attitudinal elements (e.g., intent to quit and job satisfaction) through the various effects of SHRM, which is, as a combined outcome of HRM practices aiming to uphold employee motivation. Third, this study advances the HRM literature for the reciprocally between SHRM and employee motivation (Macky and Boxall, 2007; Jiang et al., 2012), by focusing on the aggregate effect of SHRM. Finally, exploring intent to quit as a meditational effect on SHRM outcome to link job satisfaction.

The following sections of the paper present the theoretical and empirical literature on the relationships between SHRM, intent to quit and job satisfaction, and justify the hypothesized research model (Figure 1). After that, this paper highlights the research methodology, and the results are then discussed, including their theoretical and practical implications. Finally, this study concludes with the study limitations and opportunities for future research.

**Theoretical Background**

The notion of job satisfaction has been considered as the degree to which an employee likes his or her current job (Spector, 1997). It has been examined most frequently in organizational studies and considered as an essential element for employee performance (Hong et al., 2005). Job satisfaction has been regarded as an employee attitude, which includes personal determinants such as personality variables, organizational status and general life satisfaction (van der Walt and de Klerk, 2014). Here, personality variables may include self-esteem which refers to the extent to which employees may have a positive or a negative view of themselves (Locke, 1976), coping with stress (Scheier et al., 1986), the locus of control which refers to an individuals’ perception of the source of his or her destiny (Stout et al., 1987; Surrette and Harlow, 1992), patience or tolerance (Bluen et al., 1990), and social trust (Liou et al., 1990). This attitude toward job leads to employees’ intention to stay with their organization or looking for other employment opportunities (Spector, 1997).

On the other hand, Intent to quit significantly linked to turnover, and considered as a significant issue of strategic importance for contemporary organizations. However, intent to quit and turnover are not the same. Turnover refers to the actual number of employees who leave their organization (Rahman and Nas, 2013). On the other hand, intent to quit referring to three specific fundamentals including thoughts of resigning the job, the intention to search for new jobs and the intention to terminate job (Carmeli and Weisberg, 2006). Hence, intent to quit describes whether an individual intends to leave his or her employment. Mobley (1982) suggested that intent to quit is an employee’s personal choice to leave the organization. In comparison to the final organizational turnover, intent to quit has been considered as an individual-level construct. Several researchers have suggested quit intention to be a very effective predictor of the overall turnover rate (Tett and Meyer, 1993; Griffeth et al., 2000; Haque et al., 2017).

The concept of SHRM has been emphasized in various HR practices and also described as high-performance work systems, high-involvement work systems or high-commitment work systems to examine the effects of HRM on both employee and organizational outcomes (Wright and McMahan, 1994). Schuler and Walker (1990) stated SHRM as a set of processes and activities jointly shared by human resources and line
managers to solve people-related business challenges. Armstrong (2011) defined SHRM as an approach to achieve organizational goals through its human resources using integrated HR strategies, policies, and practices. Several studies have explored that the HRM practices intended to enhance employees' performance and associated with positive attitude such as greater commitment(Gong et al., 2009), lower turnover (Batt, 2002), higher productivity or quality (MacDuffie,1995), superior service performance (Chuang and Liao,2010) and higher financial performance (Huselid,1995). However, it is significant to explore the influence of SHRM on job satisfaction from the perspective of Psychological Contract Theory (PCT) and to find the role of intent to quit as a mediator. According to the configuration approach of SHRM (Delery and Doty, 1996), this study considers the multiple strategic functions, such as acquisition, retention, training and promoting which relate to employee motivation. In other words, this configuration approach includes four distinct configurations (e.g., HR practices-acquisition, retention training, and internal employee availability) that are significantly linked to job satisfaction and intent to quit (Delaney and Huselid, 1996). Many scholars have recommended this configuration approach to examine the relationship between SHRM and employees’ behavioral outcomes (Youndt et al., 2004; García Lillo et al., 2017).

Researchers have suggested that SHRM emphasizes job satisfaction and leads to various motivational outcomes such as increased productivity, lower absenteeism, and lower employee turnover (Hackman and Oldham, 1975; Mudor and Tooksoon, 2011). Similarly, several studies have explored the relationship between HRM practices and job satisfaction and also reported the positive moderation influence of SHRM (Katou, 2008; Kooij et al., 2010; Jiang et al., 2012). Scholars suggested two main approaches such as ‘best practice’ and ‘best fit’ (Paauwe and Boselie, 2005) to increase employees’ job satisfaction and decrease intent to quit. The ‘best practice’ approach advocates universalism and argues that the organizations improve performance if they adopt best practices for managing people, irrespective of context. Meanwhile, the ‘best fit’ approach advises SHRM will be more effective when it is appropriately integrated with its specific organizational and environmental context (Alleyne et al., 2006). According to the PCT, employees’ perceive the influence of SHRM and its contributions to their achievements and overall performance and increase their motivation and engagement with their organizations (Rhoades and Eisenberger, 2002; Ng and Sorensen, 2008).

**Research hypotheses**

In previous studies (Guest, 2002; Kooij et al., 2010; Jiang et al., 2012), several researchers have found a positive association between SHRM and job satisfaction. Other empirical studies have also demonstrated that SHRM practices are positively associated with employee engagement (Guchait and Seonghee, 2010; Meyer and Smith,2000) to minimize intent to quit and the overall turnover rate (Chew and Chan, 2008; Jiang et al., 2012). In most cases, HRM practices correspond to the configuration approach (acquisition, retention training, and internal employee availability) of SHRM (Becker and Huselid,1998; Kooij et al., 2010; Jiang et al., 2012). Focusing on the previous research outcomes, this study considers the following two hypotheses:

1. **Hypothesis 1 (H1):** SHRM will be positively related to job satisfaction.

2. **Hypothesis 2 (H2):** SHRM will be negatively related to employee’s intent to quit.

Although numerous studies have established the existence of significant relationships between job satisfaction and intent to quit, the opposite nature of these relationships is less examined (Haque et al., 2017). This study examines intent to quit and departs from previous studies that use intent to quit primarily as an outcome variable. Hence, as an independent variable, this study considers the following hypothesis:

3. **Hypothesis 3 (H3):** intent to quit will be negatively related to job satisfaction.

Following the above H1, H2 and H3, the question arises as to whether intent to quit mediates the relationship between SHRM and job satisfaction. Employees who are positively influenced by SHRM would remain devoted to organizations despite having the intent to quit and may show higher job satisfaction. However, employees’ intent to quit may have other association with job satisfaction entirely self-determining of the SHRM influence. For example, instead of being positively influenced by SHRM, employees may find less job satisfaction because of the dominant effect of intent to quit. Hence, the above motivates to examine
whether the intent to quit mediates the relationship between SHRM and job satisfaction. Accordingly, this paper suggests the following hypothesis:

Hypothesis 4 (H4): Intent to quit will mediate the relationship between SHRM and job satisfaction.

From the above discussions, a hypothesized model for this study is shown in Figure 1.

**Figure 1**: Hypothesized model proposing direct (solid lines) and meditational (dotted lines) relationships

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**Method**

**Sample and data**

This study applied a two-phase data-collection procedure (Reynolds et al., 1993). At the first phase, a pilot test was led with 10% of the total sample (N=200) to collect feedback on the online survey questionnaire from Bangladeshi full-time employees to identify their level of comprehension and complications in completing the survey. The response from the pilot test for quality and normality was satisfactory, and no major modifications were required except minor rewordings (e.g., ‘personnel’ was replaced with ‘employee’).

In the second phase, 2,700 email invitations were delivered with a request to participate in an online questionnaire with the service of a professional survey company (Survey Monkey) based in Sydney, Australia. The projected sample size of this study was 200. Also, a power analysis was administered with an effect size of .15 and an error probability of .05, and a limit of 200 responses was deemed satisfactory. The participants comprised a sample of full-time employees from various Bangladeshi industry sectors. To exclude diverse views and attitudes concerning the study variables, only full-time employees were nominated for the study. This study applied a non-probability judgmental sampling technique. A total of 353 replies were collected, from which 200 complete responses were retained for the final data analysis. Hence, 153 incomplete questionnaires were eliminated, and an overall response rate was 13.04%. In the demographic outline, 26 (13%) were female, and 174 (87%) were male. One hundred thirty-one (65.5%) respondents were aged between 26 and 35 years. The majority (33.5%) reported their job experience as between one and three years, and a majority of the respondents (65.5%) had a master’s degree. The overall sample represented a broad range of industries, including the retail, telecom, health, education, garment and financial sectors. Table 1 summarises the descriptive statistics, correlation coefficients and Cronbach’s alpha for the above study variables.
The SEM was first applied to assess the construct validity of SHRM, turnover intent and job satisfaction. The SEM was first applied to assess the construct validity of SHRM, turnover intent and job satisfaction. First, the acquisition was comprised from Snell and Dean (1992), availability (Delery and Doty, 1996). First, the acquisition, retention, training and internal employee subscales addressing the strategic phenomena of the scale was .88 reported by Delaney and Huselid (1996). Fourth, the scale of internal employee availability was included from Delaney and Huselid (1996) indicating the Cronbach’s alpha score of .82. A sample question of this scale was: “Internal candidates are given consideration over external candidates for job openings”.

Finally, using the above four scales as a composite scale of SHRM, this study estimated the Cronbach’s alpha score of .89.

Job satisfaction was measured using a five-item Likert scale (1=Never, 5=All the time) from Schneider et al. (2003). The three-item measure included a sample item: “I am satisfied with the work I am doing in my organization”, and the estimated Cronbach’s alpha score was .75. Lastly, intent to quit was applied from Donnelly and Ivancevich (1975). The three-item scale used a five-point scale (1= strongly disagree, 5= strongly agree) and included items such as “It is likely that I will actively look for a new job soon”. Previous researchers examined a high score of Cronbach’s alpha score of .88 (Fournier et al., 2010). In this study, the Cronbach’s alpha score of intent to quit was also .88.

Table 1: Descriptive statistics and Pearson correlation coefficients for SHRM, intent to quit and job satisfaction

<table>
<thead>
<tr>
<th></th>
<th>M</th>
<th>SD</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>SHRM</th>
<th>IQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>SHRM (α = .89)</td>
<td>3.32</td>
<td>1.11</td>
<td>-0.26</td>
<td>-0.10</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Intent to quit (IQ) (α = .75)</td>
<td>3.36</td>
<td>1.22</td>
<td>-0.23</td>
<td>-0.78</td>
<td>-.294**</td>
<td>1</td>
</tr>
<tr>
<td>Job Satisfaction (α = .75)</td>
<td>3.57</td>
<td>.953</td>
<td>-0.43</td>
<td>-0.15</td>
<td>.522**</td>
<td>-.611**</td>
</tr>
</tbody>
</table>

**P < 0.01 level**

Research model

This study used structural equation modeling (SEM) to analyze the collected data. Following the two-step process (Anderson and Gerbing, 1988), this study examined the hypothesized model (Figure 1). Accordingly, the structural model indicated relationships among the variables and hypotheses as follows: (H1) a direct influence of SHRM on job satisfaction; (H2) a direct influence of SHRM on intent to quit; (H3) a direct influence between intent to quit to job satisfaction; and (H4) meditational effect of intent to quit on the direct relationship between SHRM and job satisfaction. The study used IBM SPSS Statistics 23 (AMOS) software to calculate both the direct and indirect (meditational) relationships. In the meditational analysis, this study satisfied two conditions. First, SHRM must be linked to job satisfaction and intent to quit and second, the presence of intent to quit into the analysis must differ the primarily estimated relationship between SHRM and job satisfaction. As a rule of thumb, a moderately mediated model is specified when the value for indirect effect path is different to the value of total effect path (Byrne, 2010). This study also uses the bootstrapping as an effective technique to confirm the mediation influence of intent to quit between SHRM and job satisfaction.

Measures

In this study, SHRM was measured using four subscales addressing the strategic phenomena of acquisition, retention, training and internal employee availability (Delery and Doty, 1996). First, the acquisition was comprised from Snell and Dean (1992), and the reported the Cronbach’s alpha of this acquisition scale was .83 and included sample item such as: “[Organisation] spends a great deal of money to ensure to select the right people for a job”. Second, retention was included with a seven-item scale developed by Collins (2000) with the Cronbach’s alpha score of .72. A sample question: “[Organisation] allows employees to work flexible hours”. Third, training was adopted from Snell and Dean’s (1992) six-item scale, and a sample question was: “How much priority is placed on training employees in your organization?” the Cronbach’s alpha of the scale was .88 reported by Delaney and Huselid (1996). Fourth, the scale of internal employee availability was included from Delaney and Huselid (1996) indicating the Cronbach’s alpha score of .82. A sample question of this scale was: “Internal candidates are given consideration over external candidates for job openings”.

**Results**

According to Anderson and Gerbing (1988), the data were analyzed in two steps. First, the validity of the research variables (e.g., SHRM, intent to quit and job satisfaction) was evaluated as measurement model by confirmatory factor analyses (CFA). Second, the research model (Figure 1) was examined by the corresponding estimation of the measurement and structural models.

First step: Assessment of construct validity

The SEM was first applied to assess the construct validity of SHRM, turnover intent and job satisfaction...
through CFA. Estimating the data from the sample (N=200), this study estimates the three measurements including factor loadings and correlations. The main purpose of CFA is to confirm reliability, validity, and Multicollinearity of the measurements as a single value when examining the hypothesized model (Figure 1). Following Anderson and Gerbing (1988), this study estimates the absolute measures such as chi-square, $\chi^2$/df, p-value, goodness-of-fit index and adjusted goodness-of-fit index and the incremental measures such as relative-fit index, Tucker fit index, and normed-fit indices.

For SHRM, this study used 24 items focusing on acquisition, retention, training and internal employee availability. The fit indices indicated that SHRM fitted the data sufficiently: $\chi^2 = 372.031$, $\chi^2$/df = 2.126, $p = .000$, GFI = .83, AGFI = .78, CFI = .90, TLI = .87, NFI = .82, RMSEA = .075 and SRMR = .0818. In the CFA, three indicators (items)–SHRM 16, SHRM17 and SHRM 18 were omitted for their poor loadings of -.03, 09 and .22 respectively. However, rest of the indicators was considerably loaded on the scale from .28 to .87. The CFA for intent to quit was over-fitted because of only three items signifying GFI = 1, CFI = 1, NFI = 1, and RMSEA = .746 and SRMR = .000. This study estimated a composite reliability score (.88) with each of their standardized loadings from the structural model (Figure 2) and explored that the three items were significantly loaded onto the intent to quit construct (from .73 to .92). Similarly, CFA of job satisfaction showed offer fittings with GFI = 1, CFI = 1, NFI = 1, and RMSEA = .72, SRMR = .000 and the composite reliability score of .76. Finally, all the above three scales’ loadings were significant at $p>.001$ and indicated the minimum threshold of acceptability of .26 and the Cronbach’s alpha scores were above the .75 threshold.

**Second step: Test of the research model**

Figure 2 represents the structural model along with the regression weights for the relationships among SHRM, job satisfaction and intent to quit. The second stage of the two-step modeling technique (Anderson and Gerbing, 1988) represents the structural model along with the regression weights for the relationships among SHRM, intent to quit and job satisfaction. In this study, results from CFA (Figure 2) indicated evidence that the hypothesized model fitted the data satisfactorily ($\chi^2 = 598.309$, $\chi^2$/df = 1.786, CFI = .93; TLI = .89; NFI = .81; GFI = .83, AGFI = .79, RMSEA = .063, SRMR =.0726). Therefore, the two-step modeling technique (Anderson and Gerbing, 1988) for the relationships among SHRM, intent to quit and job satisfaction in constructing the structural model (Figure 1) was justified.

In this study, SHRM explains 38.5% of the variance in job satisfaction, and 31% of that in intent to quit. Intent to quit explains 57% of the variance in job satisfaction. Table 4 summarises all the results from SEM for the tested hypotheses. Also, this study estimated Harman’s one-factor (or single-factor) test for the total variance of all the variables and found it to be below the cut-off point of 50% (31.12%). Table 2 represents all the study results.

**Figure 2: Indirect relationships among SHRM, intent to quit and job satisfaction**
Figure 2 (Note): Indirect relationships among SHRM, intent to quit and job satisfaction. Note n = 200. Bootstrap resample = 5,000, percentile and bias-corrected confidence intervals are on 99%. e1-e30: errors terms for indicators, r1 and r2 are residuals for latent variables, SHRM1 to SHRM24: 24 items of SHRM, TI-1 to TI-3: three items for intent to quit, JS-1 to JS-3: three items of job satisfaction.

Table 2: Summary of the results for the tested hypotheses

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Relationship</th>
<th>Beta value (β) with significance (p-value)</th>
<th>Results of analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>$H_1$</td>
<td>SHRM on job satisfaction</td>
<td>(β= .385; p &lt; .001)</td>
<td>Accepted</td>
</tr>
<tr>
<td>$H_2$</td>
<td>SHRM on intent to quit</td>
<td>(β = -.309; p &lt; .001)</td>
<td>Accepted</td>
</tr>
<tr>
<td>$H_3$</td>
<td>Intent to quit on job satisfaction</td>
<td>(β = -.568; p &lt; .001)</td>
<td>Accepted</td>
</tr>
<tr>
<td>$H_4$</td>
<td>Mediational influence of intent to quit on the relationships among SHRM and job satisfaction</td>
<td>Direct influence of SHRM on Job satisfaction reduces from (β= .562; p &lt; .001) to (β=.176; p &lt; .001)</td>
<td>Partially mediated</td>
</tr>
</tbody>
</table>

Control variables

This study examined the hypothesized model (Figure 1) with three control variables. This variables included age (from 18–25, 26–35, 36–45, 46–55, 56-65 and above 65 years), gender (with male and female) and tenure (from less than or up to 1, 2-3, 4-7, 8-11, 12-15 and over 15 years). Results with the control variables suggested that none of the three control variables had any significant influence on the relationships. For example, age was found as no significant for intent to quit and job satisfaction (.464 and .007, p < .001). Table 3 summarises these findings.

Table 3: Estimation of the control variables (age, gender and tenure)

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Relationship</th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P (p &lt; .001)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>Job satisfaction</td>
<td>-.177</td>
<td>.242</td>
<td>-7.32</td>
<td>.464</td>
</tr>
<tr>
<td>Age</td>
<td>Intent to quit</td>
<td>-.995</td>
<td>.367</td>
<td>-2.715</td>
<td>.007</td>
</tr>
<tr>
<td>Gender</td>
<td>Job satisfaction</td>
<td>.244</td>
<td>.420</td>
<td>.580</td>
<td>.562</td>
</tr>
<tr>
<td>Gender</td>
<td>Intent to quit</td>
<td>-.681</td>
<td>.645</td>
<td>-1.057</td>
<td>.291</td>
</tr>
<tr>
<td>Tenure</td>
<td>Job satisfaction</td>
<td>.321</td>
<td>.134</td>
<td>2.398</td>
<td>.016</td>
</tr>
<tr>
<td>Tenure</td>
<td>Intent to quit</td>
<td>.131</td>
<td>.206</td>
<td>.634</td>
<td>.526</td>
</tr>
</tbody>
</table>

**. P < 0.01 level

This study claims no effect of common method bias (CMB) for the hypothesized model. This is because
of the Multicollinearity and normality tests and the satisfactory outcomes for the tolerance value (1-R²) and variance inflation factor. In addition, the value of skewness was within -0.15 to 1.99 for all three measurements and indicated a normal distribution. Moreover, this study assessed the marker variable approach (Lindell and Whitney, 2001) and included a weakly related marker variable in the SEM technique (Figure 2). The results show that the relationship among the marker variable, SHRM, intent to quit and job satisfaction are not significant as the average correlation coefficient is -.092, with an average significance of 0.185 (p>0.01).

Discussion and Implications

As proposed in H1, SHRM was positively related to job satisfaction. The positive relationship between SHRM and job satisfaction reveals that organizations can emphasize SHRM to enhance employees’ job satisfaction at work. As predicted in H2 that SHRM was negatively associated with employees’ intent to quit. The negative relationship between SHRM and intent to quit also explains the significance of SHRM’s effective outcome for employee relations. As proposed in H3, intent to quit was negatively related to job satisfaction. This negative relationship was significant, and all these results are in line with previous studies showing that the compromised psychological contract is represented in low job satisfaction for effective HRM (Korff et al., 2017; Haque et al., 2017). Finally, the mediational result of H4 shows the precarious role intent to quit that could play in determining the effectiveness of SHRM for job satisfaction. This paper claims that intent to quit partially mediates the effect of SHRM on job satisfaction. In other words, SHRM is more likely to reduce the organizationally driven intent to quit, because of its strategic issues (e.g., acquisition, retention, training and internal employee availability), than employee-driven intent to quit (due to career progression drives, higher salary etc.)

This study contributes to the literature in several ways. First, the study makes a novel contribution to HRM literature by drawing attention to the relational element of SHRM and using PCT as an analytical frame to explore the relationship between SHRM and job satisfaction. Hence, it extends organizations’ limited understanding of SHRM and its relationship with employees’ behavioral consequences from the perspective of PCT. Second, this study examines the unique mediational role of intent to quit in the relationship between SHRM and job satisfaction. By analyzing employees’ intent to quit as a mediational influence, this study advances previous studies that use intent to quit mostly as an outcome variable. When employees are hiding their thoughts of quitting, this study draws attention to the deteriorating psychological contract between such employees and the organization, and the impact on job satisfaction. Finally, this study contributes the literature of HRM with the evidence that when employees hold intent to quit, more dependence of SHRM significantly is likely to be fruitless for employee’s job satisfaction.

Practically this paper suggests that SHRM can affect employees’ job satisfaction and intent to quit. Hence, this paper recommends that HR development and training workshops can inspire and promote the effective use of SHRM (Korff et al., 2017). These initiatives could involve designing SHRM practices that encourage both managers and employees to manage strategically, thus aligning with employees’ satisfaction at work and intend to stay with their organizations. Moreover, a mediator such as intent to quit is not easy to detect, as it is a latent and unobserved issue (Haque et al., 2017). This paper helps to simplify SHRM issues to maximize organizations’ HRM outcomes and, accordingly, employee’s job satisfaction. Finally, this study recommends that organizations that aim to ensure higher levels of employee’s job satisfaction should promote new SHRM-development initiatives that improve their context of HRM. For example, organizations may choose to revise existing HRM practices so as that smooth the application of SHRM practices. As a result, SHRM can also be considered from the employee’s perspective as an opportunity to move ahead with higher attention to employee's job satisfaction and retention.

Finally, HR managers of organizations seeking to reduce employee’s intent to quit and enhance job satisfaction, these results are eloquent, and further effort in SHRM can significantly improve their employee engagement. By the comprehension of this paper, organizations that are proactive in the use of SHRM to motivate and improve the skills of employees will be the employers that are more likely to retain satisfied employees.

Limitations and Conclusion
This study should naturally be considered with few limitations. First, the cross-sectional nature of the study prevents future researchers from any conclusion of causality among SHRM, intent to quit and job satisfaction. A further longitudinal study measuring levels of SHRM, intent to quit and job satisfaction before and after implementation of such practices would establish such causality. Second, measuring all three variables through a self-administered questionnaire may consider a risk of CMB. However, this study reported Harman’s one-factor (or single-factor) test and the marker variable approach (Lindell and Whitney, 2001) to overcome the CMB effect. Finally, this study suggests that future researchers improve the proposed model by including additional mediators (e.g., organizational commitment or managerial support) or moderators (e.g., trust or work environment) to provide further rigor to the model. The presence of these mediators or moderators will help organizations develop new HR strategies to influence and boost organizational performance. For example, by adding organizational commitment as a study variable, researchers could study the extent to which organizational commitment on intent to quit could influence SHRM effectiveness.

As a unique line of inquiry from earlier studies that investigated HRM outcomes, this study applies intent to quit as a mediator to examine the SHRM outcomes among Bangladeshi employees. The results of this study are in line with several previous studies conducted in the US (Scroggins, 2008), UK (Harvey et al., 2013), Europe (Apospori et al., 2008), Australia (Haque et al., 2017) and Asia (Miah et al., 2013). Thus, the study results suggest that SHRM can promote employee motivation, and therefore influence to increase job satisfaction, as well as reduce the detrimental effects of intent to quit. More importantly, the findings of this study recommend that organizations expecting to increase employees’ job satisfaction by SHRM may get favorable outcome if intent to quit is lessened.

References


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