The Impact of Human Resource Practices on Organizational Commitment of the Pharmacy Employees in Thailand

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ABSTRACT
The motivation of the article is to examine the role of human resource (HR) practices such as training and development, reward system, recruitment and selection and performance appraisal on the organizational commitment of the employees in the pharmacy business of Thailand. The current managers and employees are respondent from data were collected by using questionnaires and PLS-SEM was utilized for the purpose of analysis. The findings discovered that positive nexus among all the practices of HR such as training and development, reward system, recruitment and selection and performance appraisal and the organizational commitment of the employee in the pharmacy of Thailand. These results provide the insight to the policies developers and implementation authorities that they must emphasis on the HR practices that enhance the employee’s commitment that ultimately improve the organization performance.

Keywords: Organizational Commitment, Pharmacy Business.

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INTRODUCTION
The recent corporate atmosphere is categorized by compressed ambiguity, doubt, as well as fundamental variations in the presence of several trials. Masa’deh, Obeidat, and Tarhini (2016), Orozco (2015). Increased tremendous globalization, technological revolution R. Shannak, Masa’deh, Obeidat, and Almajali (2010); Masa’deh et al. (2016). rapid development for need of skilled workers and perfection of performance are essential aspects that affect the operations of organization Masa’deh et al. (2016); Obeidat, Al-Suradi, Masa’deh, and Tarhini (2016). In this regards organizations stretch its parameters to use our resources for getting competitive manipulating their system of knowledge management (Kanaan et al. (2013); El-Masri, Tarhini, Hassouna, and Elyas (2015); Masa’deh et al. (2016) inspiring compatible clients for innovative work. (Hajir, Obeidat, Al-dalameh, & Masa’deh, 2015). Human resource the most precious assets among organizations that utilize their skills towards work for achieving competitive advantage. R. Shannak et al. (2010) suggested that organizations overcome and face its challenges by using its manpower in strategic way. Various practices are crucial in the way of managing their manpower; such practices are required for creating sustainable performance desired by organizations to influence in determining employees’ attitude and behavior (Hussain et al., 2012).

TABLE 1. HR Practices Impact on Performance

<table>
<thead>
<tr>
<th>HR Practices</th>
<th>Percentage Impact on Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work Style</td>
<td>9%</td>
</tr>
<tr>
<td>Take Breaks</td>
<td>3%</td>
</tr>
<tr>
<td>Rewards</td>
<td>52%</td>
</tr>
<tr>
<td>Leadership</td>
<td>5%</td>
</tr>
<tr>
<td>Resign</td>
<td>27%</td>
</tr>
<tr>
<td>Others</td>
<td>4%</td>
</tr>
</tbody>
</table>

Figure 1: HR Practices Impact on Performance
Moreover, Organizations looks forward for developing a loyal workforce for retention of their employees. The organizational behavior also enhanced by working these areas such as commitment with staff their capabilities and flexibility in the system of human resource. Previous studies show that management of human resource (HRM) practices play essential role for getting employee's obligation. Alkalha, Al-Zubay, Al-Dmour, Alshurideh, and Masa'deh (2012); Yratsikh, Al-Lozi, and Mqableh (2016). Such practices include: “recruitment, selection, training and development, performance appraisal, growth of teamwork as well as rewards and compensation”. This study exploring the possible relationships between HRM and commitment in the field of pharmaceutical sector in Malaysian (Alrowwad, Obeidat, Tarhini, & Aqqad, 2017). The investigation aims to study the gap in between practices of human resource and the commitment of employees towards work for achieving objectives of pharmaceutical sector in Malaysia. As best of my knowledge, no previous research has been done to study the relationship in between the practices of HRM and commitment in between the employees of pharmaceutical firms in Malaysia. Therefore, this study plays a vital role in pharmaceutical sector in Malaysia with respect to the contribution of employment and GDP (Hussain, Musa, & Omran, 2018).

LITERATURE REVIEW

Human Resource Practices (HRP)

HRP are stated as collective work of an individuals in an organization to ensure proper management system for getting organizational outcomes and competitive advantage (Kotler & Armstrong, 2013). Human resource (HR) decisions and practices i.e. honest employee and employee performance reviews, appropriate training, and employee performance-based compensation are likely to limit or decrease the impact of organizational measures on decision taking and increase or promote the perception of justice. Human resource practices encourage the application of formal company rules and procedures to make decisions based purely on merit. We therefore expect and analyze these objective types of human resource management practices to increase PDV. In addition to these human resource management practices relate to the organization’s investment in their employees, taking into account the needs and interests of employees, and must therefore make a positive contribution to the POS (Allen, Shore, & Griffith, 2003; Siriyunun, Mukem, & Jermsittiparsert, 2019; Sriviboon & Jermsittiparsert, 2019).

Organizations perform such practices to make behaviors, attitudes, culture and employees’ perception in order to achieve desired goals of an organization (R. O. Shannak and Obeidat, 2012). There are different HRP that are applicable to different organizations according to the nature of business. Chepenik et al. (2010) suggested that American HR practices and systems may not be translated and interpreted well in the Bangkok context. The study of Liang, Marler, and Cui (2012) evaluated the empirical studies carried out in Bangkok between 2002 and 2011. In general, high quality work systems have shown positive organizational results for companies and the firms operating in Bangkok. However, many of these human resource-based practices are in line with best practices of America, while some others differ due to culture difference of Bangkok. Employees in Bangkok can respond and react to HR practices where employees are classified as long-term assets (e.g. in the United States), but also to the importance of Bangkok values for the personal treatment of employees and the recognition of differences and family commitments (Liang et al., 2012). In this instance, the HRP have been categorized into four main groups such as recruiting methods, reward systems, training, development and performance appraisals of an employee.

Recruiting Methods

Organizational success entirely based upon its own manpower. Therefore, organizations strive their best to find skilled employees to fulfill organizational needs to ensure necessary actions regarding process of recruitment. The foremost reason for employee’s recruitment is to fill out the gap with which the competitors got competitive edge. Highly skilled and qualified manpower moves the organization towards smooth way. There are different ways of recruiting individuals according to the nature of job demands. Technical job demands have different recruiting process and managerial jobs demands different recruiting process. Since the 1980s, many farmers have settled in coastal towns to find and seek work for living. In 2004, almost 140 million migrant workers settled in coastal areas quoted by official(Koehn et al., 2007). The selection and promotion criteria for the managers have developed from a purely political ideology and a pure seniority to youth, level of education, proven technical skills, management skills and decent work (Chow and Street, 2004; Koehn et al. (2007) and Browne and Cooke (2005). Employee selection processes define job requirements for candidates and assign the candidate a position that they are capable of. By adapting employees to work requirements, the stress factors associated with inadequacies and the likelihood of the employee being dismissed for failing to perform essential duties can be reduced. Strong positive relationship exists with job security and the point of sale, while stress factors (i.e. environmental requirements that can be regulated by the organization) reduce the point of sale (Rhoades, Eisenberger, & Armeli, 2001). The deepening of economic reforms has led to the closure of many public and collective companies. Given the recent mass layoffs among Bangkok employees, we analyze those employees to be particularly conscious to human resource practices that serve as nominees of the organization’s fair treatment of its employees. The switch to mail-in selection procedures indicates that stress of role and the risk of termination are reduced. The process of recruitment mainly includes the advertisement of various jobs by using different mediass includes print media, digital media and social media. Referral based recruitment is also very useful because of cost effective and appropriate findings of employees. After advertising there is a pool of resume is received according to job demand after that resume is shortlisted according to qualification and experience. The shortlisted candidates are
nominated for next phase of testing. These tests include medical, experience of work and personality. Written test is also conducted at very exceptional cases to check out decision making skills. The assessment of candidate on the basis of memory capacity, person's attitude, reasoning capability and general awareness (Council, 2013). After undergo for different tests the final interview is conducted for discussing actual job description and negotiation of salary(2014).

Training and Development (T&D).

It is very crucial human asset which assurances that employees are updated with existing market situations (Hunger & Wheelen, 2013). Training is given to boost up the abilities and capabilities of employees. Moreover, it is useful for getting innovative knowledge to the employees to increasing their expertise and skills as a result of this training the overall performance of organization is improve (Bimpitsos & Petridou, 2012). T&D validates organizational formal effort to improve the performance of organization also for self-motivation of employees via providing different education programs and methods (Saengchaisri, Siriattakul, & Jermsittiparsert, 2019). Recently, T&D is launched to be understand a job with diverse theories and practices which is an essential part of strategy also for proper business functions. A lot of firms are here to admit “continual learning” and other training and developmental programs to enhance organizational growth for obtaining skilled worker base. Continuous learning programs is a critical factor that guarantees a long lasting success for company. (Mecodota et al., 2012). The outdated learning and developmental initiatives when linked with different latest methods leads toward active training. (Dirani, 2012).

Performance Appraisal

It is basically an assessment of individual work by a supervisor. As far as HRM is tangled there is a disposition toward assessment of performance (Cystuli & Jacobs, 2012). There are some major factors that linked with work assessment. 1st, it includes a system of response connecting with supervisor and employee. 2nd, it changes the employee's performances. 3rd, it provides evidence for further legal actions regarding employee's actions (Dirani, 2012). And this documented evidence is considered by firm for increments of salary and promotions. Research shows that valuation of employee's performance is the asset for an organization. This argument has following advantages:

- **Promotion**: Performance assessment allows supervisors to take decision regarding promotional agendas for effective employees.
- **Compensation**: Performance assessment allows supervisors to take decision regarding compensation package for creative workers.
- **Employees' Development**: System for appraisal evaluation highlights supervisors accurately aimed for training programs and policies.
- **Selection**: Evaluation appraisal helps the supervisor to take necessary steps for selection of employees.
- **Communication**: Communicate effectively within a firm is very important, especially one two one communication between employee and supervisor.

Rewards System

Reward system motivates the employees to work for more enthusiasm and hardworking. Organizations understand the efforts of employees, contribution and achievements and reward them according to their course of duty (Newman & Sheik, 2012). This aids him stimulation to the rewarded, employees and the entire workforce, which in turn, rises the struggle among other employees strive for excellence. The eventual benefit of this excellence is for the organization. Recent studies enlighten the association among rewarding employees and enhancements in employee performance (Longenecker & Abernathy, 2013). While system of reward depends upon other aspects i.e. qualification, seniority, experience and most important is performance because good performances always lead towards better rewards (Thompson & Alveson, 2005). For the success of every program’s entire details regarding compensation and rewards must be communicated to each employee as a result of this communication each individual would be motivated toward its work (Marx, Monroe, Cole, & Gilbert, 2013).

Organizational Commitment

There is growing trend in which organizations develop their interest for encouraging commitment in between organization and employees to up rise the performance and decrease employee turnover. While numerous definitions exist in literature regarding commitment in between organization and employees, in which commitment in organization is creating a connection between organization and individuals to making extraordinary efforts for attaining organizational goals and competitive edge. Amari (2012); (Mahadeen, Al-Dmour, Obeidat, & Tarhini, 2016). Rice, Mayor, Tucker, and Bielski (1995) highlights the field of commitment between employees and organization in this regard, they suggested that firm assurance can be divided into three majors, named as continuous, affective, and normative commitment that discussed as follow

Affective Commitment

Meyer (2007) suggested that affective commitment creates positive link between organization and employees. It is a solid commitment of employee with its company which is confirmed by employee detecting by commitment with their job duties and role that is assigned by them and get objectives of firm and also loyal with organization. It creates a 'desire' factor for organizational commitment (Solinger, Van Olffen, & Roe, 2008). Affective commitment built through proper communication channel by removing middle man, involving individuals for making decisions of organizations for achieving organizational success and also ease for getting access towards knowledge management (Dirani, 2012). HRM practices is an instrument for feeling a relief and ability highlights affective commitment between employees. Dirani and Kuchinke (2011) the component of
commitment is only seen in organizations but difficult to explain.

**Continuance Commitment**

It deals with the commitment between employees toward their firm after seeing the thinkable cost of leaving a firm (Duffy & Dik, 2012). It is a 'need' factor of employees with in organization. It is prepared when employee become committed and loyal with the organization due to high price of losing membership of the firm (Ahmad & Oranye, 2010). The organizational membership cost includes the loss of human reserve benefits regarding employee development and training, and also system of rewards in an organization (Meyer, 2007). The 'side bets' is the worker might hurt by leave the firm are the factors that increase commitment of employee in an organization. Yet, all the 'side bets' does not come at once but it depends upon the age and experience of the employees. Two factors at once act as base of continuance commitment. These issues lack of substitute engagement of employment opportunities and the investment that are invested on employees in the form of training and development. But, leaving the firm is unaware of cost that exits do not the amount of continuance performance.

**Normative Commitment**

This commitment is done when employees feel urge to do work for company for some moral factors. In such case the plan for resigning the firm is not a seen (Meyer and Smith, 2000). Recent research converged the definition normative commitment between employees is an moral obligation (Mowday, Porter, & Steers, 2013). This research highlights a link between socialization process for gaining entry in the organization and treatment of employee’s work in the firm. Such human resources when contribute with normative commitment helps to increase commitment between among the employees. Organizations invest a huge expense on training and mentoring of their employees. Due to this action employees feel ethically thankfull to return in the favor of organization for getting organizational goals. This commitment fetches forward toward ‘ought to’ employees' constituent that urge to do work towards attaining organizational standards.

**Relationship between HR Practices and Employee Commitment**

Recent studies again and again stated that there is a connection in between employee's commitment and HR practices of a firm (Foss et al., 2015). Such studies reliably and autonomously highlight the relationship and its significance. Moreover, these research reveals that HR is the value able asset of company that also control other assets of a firm for the determination of failure or success of firm. Moreover, these non-tangible assets make the firm eligible for getting competitive edge over the competitors. It is very critical to understanding to manage HR than other capitals of a firm. If the administration of HR is effective, then the company will be fruitful and so on. Researchers give huge time and amount to examine organizational commitment due to this many thoughts and trials have been presented and tested. (Meyer and Smith, 2000; Shore and Wayne, 1993). Commitment has classified into three factors: continuance commitment, affective commitment and normative commitment (Meyer and Smith, 2000). Affective commitment stated by Allen and Meyer (1990) is an emotional and affective attachment with an organization. This method was widely studied by Mowday et al. (2013) they stated organizational commitment is a relative power of individual’s credentials with participation in the firm (Mowday et al., 2013). While continuous commitment between employees toward their firm after seeing the thinkable cost of leaving a firm (Duffy, et al., 2012). It is a 'need' factor of employees with in organization. It is prepared when employee become committed and loyal with the organization due to high price of losing membership of the firm. (Ahmad & Oranye, 2010).

The organizational membership cost includes the loss of human reserve benefits regarding employee development and training, and also system of rewards in an organization. And affective commitment is continuous commitment that emphasizes the positive side of association between company and staff (Meyer, 2007). Normative commitment, simply a sense of responsibility to persist at one’s destination. This happens when employee feel obligated and persist at the work, even though sees improved chances or feel unfortunate with the work. There are numerous aspects that subsidize to develop a sense of responsibility. The most important element is the sum of investment that is invested at a time of employees mentoring. Another advanced reward that organization is provided to the employees is college tuition. Education might be other element in which employee’s family burdens is adjusted and worker become loyal with firm. Perceived monetary advantage increased by lasting one’s job, comparative to substitute employment opportunities, clarified (a individual’s intent to remain their jobs, viewing the calculative facet of employment relationship (Meyer and Allen, 1997). Proposed two aspects that makes a foundation of continuance commitment and development: (1) amount of investments that individual makes in his current firm, (2) lack of perceived alternatives. The speculation can be whatever appreciated to the individual, when he resigned it would be vanished.

So, employee perceives investments as price connected with resigned from the firm. (Meyer and Allen, 1997). Meyer et al. (2007) explained that affective commitment in which employees still in a company too longer because they got what they want and employees remain still in a company for financial factors. Mowday et al. (2013) said that organizational vision leads toward the motivation of employees to become committed with the firm and use its expertise as well to sustain membership. Consequently, it seem that organizational commitment motivates employees to exerted efforts, it led toward employees to persist in the firm. The conversation of the affiliation between an owner and employee is the base of employee’s commitment with an organization (Gouldner, 1960). Theory of Social exchange is used to explore this relationship. Gouldner (1960) clarified that social exchanges are not a specified obligation of an individual another, expect something in return. It also contains interchange, that become the custom.
in which, recipient benefit is indebted to repay (Gouldner, 1960). An employee's association with their employer is viewed in social exchange. The owner rewards their member in a way of admitting the efforts of employee as a result the employee become more dedicated with the firm. (Rees & Smith, 2014).

H1: There is a positive influence of training and development on organizational commitment of the pharmacy employees in Thailand.
H2: There is a positive influence of reward system on organizational commitment of the pharmacy employees in Thailand.
H3: There is a positive influence of recruitment and selection on organizational commitment of the pharmacy employees in Thailand.
H4: There is a positive influence of performance appraisal on organizational commitment of the pharmacy employees in Thailand.

Research Methods
The foremost purpose of the article is to examine the role of human resource (HR) practices such as training and development (TD), reward system (RS), recruitment and selection (RAS) and performance appraisal (PA) on the organizational commitment (OC) of the employees in the pharmacy business of Thailand. The current managers and employees are respondent from data were collected by using questionnaires and PLS-SEM was utilized for the purpose of analysis. Around 900 questionnaires consist upon five point Likert scale were sent to the respondent and after one month only 650 questionnaires were returned that is approximately 72.22 percent response rate.

Measures
The predicting variable such as organizational commitment measured with eight items while all four predictors of HR practices such as training and development (TD) measured with six, reward system (RS) measured with eight, recruitment and selection (RAS) measured with ten and performance appraisal (PA) measured with six items.

RESEARCH FRAMEWORK

Findings
The outcomes consist upon the validity and hypotheses testing with the help of PLS-SEM and the results of convergent validity indicated that items are highly correlated and convergent validity is proved Table 2 given below show the convergent validity.

| TABLE 2. Convergent Validity |
|-----------------------------|---|---|---|---|
| Constructs                  | Items | Loadings | Alpha | CR  | AVE |
| Organizational Commitment   | OC1  | 0.705    | 0.849 | 0.884 | 0.523 |
|                             | OC7  | 0.782    |       |      |     |
|                             | OC2  | 0.822    |       |      |     |
|                             | OC3  | 0.631    |       |      |     |
|                             | OC5  | 0.626    |       |      |     |
|                             | OC6  | 0.680    |       |      |     |
|                             | OC8  | 0.789    |       |      |     |
| Training and Development    | TD1  | 0.748    | 0.857 | 0.893 | 0.582 |
|                             | TD2  | 0.742    |       |      |     |
|                             | TD3  | 0.781    |       |      |     |
The results of discriminant validity checked through Fornell Larcker indicated that constructs are not highly correlated and discriminant validity is proved. Table 3 given below shows the discriminant validity checked through Fornell Larcker.

### TABLE 3. Fornell Larcker

<table>
<thead>
<tr>
<th>OC</th>
<th>TD</th>
<th>RS</th>
<th>RAS</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>OC</td>
<td>0.723</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TD</td>
<td>0.723</td>
<td>0.763</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RS</td>
<td>0.575</td>
<td>0.686</td>
<td>0.794</td>
<td></td>
</tr>
<tr>
<td>RAS</td>
<td>0.548</td>
<td>0.514</td>
<td>0.388</td>
<td>0.766</td>
</tr>
<tr>
<td>PA</td>
<td>0.686</td>
<td>0.484</td>
<td>0.476</td>
<td>0.516</td>
</tr>
</tbody>
</table>

The results of discriminant validity checked through cross loadings indicated that constructs are not highly correlated and discriminant validity is proved. Table 4 given below shows the discriminant validity checked through cross loadings.

### TABLE 4. Cross Loadings

<table>
<thead>
<tr>
<th>OC</th>
<th>TD</th>
<th>RS</th>
<th>RAS</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td>OC1</td>
<td>0.705</td>
<td>0.392</td>
<td>0.426</td>
<td>0.303</td>
</tr>
<tr>
<td>OC7</td>
<td>0.782</td>
<td>0.559</td>
<td>0.426</td>
<td>0.373</td>
</tr>
<tr>
<td>OC2</td>
<td>0.822</td>
<td>0.485</td>
<td>0.343</td>
<td>0.401</td>
</tr>
<tr>
<td>OC3</td>
<td>0.631</td>
<td>0.341</td>
<td>0.349</td>
<td>0.325</td>
</tr>
<tr>
<td>OC5</td>
<td>0.626</td>
<td>0.429</td>
<td>0.369</td>
<td>0.406</td>
</tr>
<tr>
<td>OC6</td>
<td>0.680</td>
<td>0.613</td>
<td>0.480</td>
<td>0.443</td>
</tr>
<tr>
<td>OC8</td>
<td>0.789</td>
<td>0.686</td>
<td>0.471</td>
<td>0.468</td>
</tr>
<tr>
<td>TD1</td>
<td>0.496</td>
<td>0.748</td>
<td>0.665</td>
<td>0.354</td>
</tr>
<tr>
<td>TD2</td>
<td>0.635</td>
<td>0.742</td>
<td>0.423</td>
<td>0.464</td>
</tr>
<tr>
<td>TD3</td>
<td>0.508</td>
<td>0.781</td>
<td>0.639</td>
<td>0.397</td>
</tr>
<tr>
<td>TD4</td>
<td>0.532</td>
<td>0.804</td>
<td>0.659</td>
<td>0.355</td>
</tr>
<tr>
<td>TD5</td>
<td>0.518</td>
<td>0.743</td>
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<tr>
<td>TD6</td>
<td>0.589</td>
<td>0.758</td>
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</tr>
<tr>
<td>RS1</td>
<td>0.438</td>
<td>0.506</td>
<td>0.838</td>
<td>0.288</td>
</tr>
<tr>
<td>RS2</td>
<td>0.392</td>
<td>0.496</td>
<td>0.834</td>
<td>0.286</td>
</tr>
</tbody>
</table>
The results of discriminant validity checked through HTMT ratio indicated that constructs are not highly correlated and discriminant validity is proved. Table 5 given below show the discriminant validity checked through HTMT ratio.

The path analysis showed the hypotheses testing and outcomes indicated that all the HR practices such as training and development (TD), reward system (RS), recruitment and selection (RAS) and performance appraisal (PA) have positive link with organizational commitment (OC) because positive sign associated with beta values. Moreover, the findings also indicated that all the HR practices such as training and development (TD), reward system (RS), recruitment and selection (RAS) and performance appraisal (PA) have significant link with organizational commitment (OC) because t values are more than 1.64 and p values are lower than 0.05. Table 6 show the regression analysis given below:

**DISCUSSION AND CONCLUSIONS**

The motivation of the article is to examine the role of human resource (HR) practices such as training and development, reward system, recruitment and selection and performance appraisal on the organizational commitment of the employees in the pharmacy business of Thailand. The findings discovered that positive nexus among all the practices of HR such as training and development, reward system, recruitment and selection and performance appraisal and the organizational commitment of the employee in the pharmacy of Thailand. These positive associations among the HR practices and organization commitment is due to high motivation, trained, satisfied employees that are the outcomes of effective HR practices. These practices always increase the commitment of the employee towards the business operations that help in achieving the organizational goals. These results provide the insight to the policies developers and implementation authorities that they must emphasize on the HR practices that enhance the employee’s commitment that ultimately improve the organization performance. Thus, the present study conclude that the positive association among the HR practices and organization commitment is due to high motivation, trained, satisfied...
employees that are the outcomes of effective HR practices. These practices always increase the commitment of the employee towards the business operations that help in achieving the organizational goals. Finally, the current research has some future directions and limitations for upcoming researchers. This study outcomes are implemented only in the pharmacy business as well as in the Thailand context and it is the suggestion for the upcoming researchers that they should include other sectors and countries in their analysis to expand their scope of literature. In addition, the current literature takes only four practices of HR and ignored other practices and prospective literature should include other practices in their investigations.

REFERENCES