



# Human Resource Management and Employee Performance in Coffee Franchises: Examining Mediating and Moderating Effects

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## ARTICLE INFO

### Article history:

Received: 29 January 2024

Revised: 3 May 2024

Accepted: 30 May 2024

Online: 15 May 2026

### Keywords:

HRM

Job satisfaction

Organizational commitment

Employee performance.

## ABSTRACT

This study looks at the link between HRM practices and employee performance among Thai coffee franchisees, with an emphasis on how gender affects the relationship and how organizational loyalty and work satisfaction operate as mediators. The study fills in a big vacuum in our understanding on how well HRM works in the Thai coffee franchise sector, which is growing quickly and may be hard to keep up with in terms of service quality across multiple locations. We used a quantitative survey to get information from 400 people who have worked for coffee franchisees for at least six months. The investigation used Partial Least Squares Structural Equation Modeling (PLS-SEM). The results show that HRM practices have a big direct and indirect effect on how well employees do their jobs by making them more committed to the company and happy with their employment. Organizational commitment had a small effect as a mediator, but work satisfaction had a big effect as a mediator. Gender did not have a big effect on the link between HRM and employee performance, which goes against what many thought and implies that HRM approaches used by Thai coffee franchisees work just as well for men and women. These studies improve HRM theory and practice by showing how HRM practices affect performance in Thai franchise settings. The research gives HR managers and franchise owners vital information for making specific plans to improve employee performance by making them more committed to the company and happy with their jobs. Some of the suggestions are to use detailed HRM methods that prioritize employee engagement and happiness, regularly check on these factors, and make sure that there are clear career paths within the franchise structure.

## 1. INTRODUCTION

### 1.1 Background and significance of the problem

The coffee franchise industry in Thailand is growing swiftly, and competition is getting tougher, especially in big cities like Bangkok. This growth makes it very hard to manage human resources, which is necessary for long-term success and business performance. Other research [23] say that the rapid growth of coffee franchisees makes it hard to keep the same level of service and operational standards at all of their locations. Managing people in a franchise system is more difficult than in a single corporation since you have to oversee staff at many locations that may have different cultural backgrounds, skill sets, and job experience.[35] said that managing human resources in franchises is hard since it is hard to get franchisees and staff to work together and make sure that service standards are the same across the network. Job happiness and dedication to the organization are very important for employee performance, especially in service-based businesses like coffee shops, where the

quality of service directly affects customer pleasure and business success. Organizational commitment is a vital link between human resource management practices and employee performance, especially when it comes to boosting job satisfaction and motivation. [6] Good HRM procedures make employees more committed to their jobs, which makes them work better, especially in the service industry where talking to clients is important (Zhang and Chienwattanasook, 2024). Stanworth et al. (2004) found that good human resource management can increase organizational commitment and job satisfaction, which in turn improves employee performance in service businesses. There has been some research on the link between human resource management and employee performance, but not much has been done to look at how mediating and moderating variables affect this link in the coffee franchise industry. In particular, not much research has been done on the mediating roles of job satisfaction and organizational commitment, or the moderating influence of gender. It is crucial to look at the role of mediating variables because it

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helps to understand how human resource management affects how well employees do their jobs. It says in [6] that looking at mediating variables can help us understand how independent variables affect dependent variables. Also, it's important to think about how gender affects how men and women see and act differently at work. [11] says that disparities between men and women can affect how they react to human resource management policies and practices. Looking at how gender affects things will help businesses make rules and do things that take into account diversity and gender equality. Therefore, the purpose of this study is to examine the relationship between HRM and employee performance in coffee franchise businesses, paying special attention to the moderating influence of gender and the mediating effects of organizational commitment and work satisfaction. By tackling these facets, the research aims to close current knowledge gaps regarding HRM in coffee franchise operations and aid in the development of successful, situation-specific HRM plans for Thailand's coffee franchise industry. It is anticipated that these tactics will improve worker performance, uphold excellent service standards, and encourage long-term company expansion.

## 2. RESEARCH OBJECTIVES

1. Investigating the impact of human resource management on employee performance in a coffee franchise company.
2. To analyze the mediating role of job satisfaction and organizational commitment in the relationship between human resource management and employee performance.
3. To examine the moderating influence of gender on the relationship between human resource management and employee performance.

## 3. LITERATURE REVIEWS

This literature review examines the relationships between Human Resource Management (HRM), Job Satisfaction, Organizational Commitment, Employee Performance, and the moderating role of Gender in the context of coffee franchise businesses. The review is structured around the key components and relationships outlined in the conceptual framework of the research.

The systems, procedures, and rules intended to influence employee performance, attitudes, and behaviors are all included in human resource management [24], [37]. HRM is crucial to the franchise business model because it ensures operational uniformity across outlets while yet meeting the unique requirements of each site [35]. Effective HRM approaches have been linked to better organizational outcomes, including increased job satisfaction, enhanced employee performance, and increased organizational commitment, according to research [14]. Managing employee interactions, performance evaluation, training and

development, remuneration and benefits, and recruiting and selection are examples of common HRM tasks [2].

**Employee Performance:** Employee performance, which measures the caliber and volume of work an individual completes, is acknowledged as a crucial outcome variable in organizational research [5]. Employee performance is especially important in service-based businesses like coffee franchises since it has a direct impact on client happiness and the company's overall success. Prior research has consistently shown that employee performance and human resource management (HRM) are strongly correlated. Effective HRM strategies, for example, can lower employee turnover while improving financial results and productivity, according to [13]. Likewise, a meta-analysis conducted by [7] found a strong positive correlation between organizational success and HRM practices.

Job satisfaction is how an employee feels about their job as a whole [20]. It is a complex idea that encompasses being happy with different parts of the job, like the type of work, the level of supervision, the connections with coworkers, the pay, and the chances for professional advancement [31]. Many studies have shown that HRM practices have a big effect on how happy people are with their jobs. For example, [36] showed that things like having freedom, good communication, and training are all associated to increased job satisfaction. It can be hard yet necessary for franchise operations to keep job satisfaction levels constant across all locations in order to keep overall performance high [29]. Also, there is a link between job happiness and employee productivity. The "happy and productive worker" hypothesis says that employees who are happy are usually more productive [33]. The relationship can be complicated, but meta-analytic research usually shows that there is a positive link between job satisfaction and performance.

Organizational commitment is the emotional connection a person has with their company [22]. People often break this idea down into three parts: affective commitment, which is an emotional connection to the organization; continuance commitment, which is the perceived costs or disadvantages of leaving; and normative commitment, which is a moral or social obligation to stay with the organization. Research has revealed that HRM procedures can affect how committed people are to their jobs. For instance, [26] and [38] found that activities like recognition, empowerment, and competency development are linked to emotional and continuous commitment in a good way. It might be hard to get employees to commit to a franchise business because they are connected to both the local franchise and the bigger brand [19]. Many good things have been linked to organizational commitment, such as better job performance and lower turnover [21]. Affective commitment has a very significant link to performance [28].

### 3.1 Mediating Roles of Job Satisfaction and Organizational Commitment

The conceptual framework says that employee performance is affected by HRM through job satisfaction and organizational commitment. This fits with social exchange theory, which says that when an organization treats its people well, they will treat the organization well in return [4]. Many research have backed up these partnerships that act as middlemen. For instance, [9] observed that HRM strategies affect how well an organization does by changing how committed and satisfied employees are with their jobs. In [15], it was shown that employee attitudes, such as job satisfaction and emotional commitment, alter the link between high-performance HR strategies and employee outcomes. The framework also says that job satisfaction is what connects HRM and organizational commitment. Research has shown that job satisfaction generally comes before organizational commitment in causal models [8].

### 3.2 Gender as a Moderator

Adding gender as a moderator to the framework shows that men and women may react differently to HRM practices or that the links between HRM, job attitudes, and performance may be different for men and women. Studies on how men and women act and think at work have not always come to the same conclusions. Some studies have discovered that men and women are not as happy with their jobs or as committed to their organizations as others have found [30]. The results are inconsistent when it comes to how gender affects the relationship between HRM and performance. Some research say that women are more likely to respond to particular HRM activities, including work-life balance programs [17], while other studies say that there aren't any big differences between men and women in how they respond to HRM practices [18].

### 3.3 Thai context

The relationships between Human Resource Management (HRM), job satisfaction, organizational commitment and employee performance in the specific context of Thai coffee franchise companies. The study integrates international HRM theory with Thai research to provide a culturally contextualized framework.

Human Resource Management in the Thai context has unique characteristics and challenges that are shaped by cultural and social factors. Kamoche [16] found that Thai HRM practices are strongly influenced by cultural elements such as the emphasis on relationships and social harmony ("sanook"), hierarchical organizational structures that reflect Thai social values, the importance of saving face and avoiding conflict, and the integration of Buddhist principles into management practices. These cultural elements have a significant impact on how HRM practices are implemented and adopted in Thai organizations. Research by Grothaus [11] has shown that Western HRM practices generally require significant adaptation to be effective in Thai contexts, particularly in the areas of performance appraisal and feedback.

In the specific context of Thai coffee franchises, Ngoachay [23] found that traditional Thai management styles often lead to tensions with international franchise standards. The research found that cultural factors such as family obligations make employee retention difficult, that training programs need to be culturally adapted, and that a relationship-oriented management style has a significant impact on employee satisfaction, which differs significantly from Western contexts.

There are evident patterns in how Thai service workers do their jobs that are affected by culture. Zhang and Chienwattanasook [34] observed that the performance of Thai service workers is greatly affected by group cohesion and collective performance, respect for authority and seniority, saving face in customer service, and Buddhist ideas of merit through performance. In coffee franchise systems, performance criteria typically need to be changed to fit Thai cultural values while still meeting international service standards [23].

Studies of job satisfaction in Thailand suggest that culture plays a big role. Studies have regularly shown that Thai workers are most satisfied with their jobs when they have good relationships with their bosses and coworkers, can balance work and family responsibilities, get recognition that boosts their "face" and status, and have chances to make money at work [16]. These elements demonstrate a clear pattern that is different from Western models of job satisfaction and needs to be looked at in a specific way in the context of a franchise.

In Thailand, organizational commitment has certain unique traits. Chienwattanasook and Jermstittiparsert's [6] study indicated that in Thai organizations, organizational commitment is heavily influenced by social links between people, and loyalty is generally focused on personal relationships rather than ties to the organization. The study also shows how Buddhist ideas about karma and merit affect commitment, as well as how familial obligations play a big role in long-term commitment decisions.

There are both old and new ways that gender affects the workplace in Thailand. Studies have shown that there are a lot of women working in the service industry, that men and women have different ideas about what makes a good leader, that conventional gender roles still affect professional development, and that work-life balance affects men and women in different ways [11]. These gender-specific elements are very important in determining how things work at Thai companies and how people can move up in their careers.

This study's theoretical framework builds on existing theories while also taking into account these Thai specifics. We changed social exchange theory to include Thai "bunkhun" relationships, which are interactions where both people give and receive. We also changed job characteristics theory to include Thai work ideals. The ideas behind Organizational Commitment Theory were combined with

Thai Buddhist ideas, and the ideas behind Gender Role Theory were put in the context of Thai social standards.

There has been a lot of research on HRM practices in Thailand [16, 23, 34], but there is still a big gap in our understanding of how these practices work in the fast-growing coffee franchise business. This study fills in this gap by looking at HRM practices in the context of Thai culture, looking at how Thai work culture affects relationships between employees, looking at how gender affects hiring in the Thai service sector, and giving managers of Thai coffee franchise employees useful tips. This deeper understanding helps both the theory and the practice of HRM in Thai franchise firms.

#### 4. RESEARCH HYPOTHESES

H1: Human resource management has a positive impact on employee performance.

H2: Human resource management has a positive impact on organizational commitment.

H3: Human resource management has a positive impact on job satisfaction.

H4: Job satisfaction has a positive influence on organizational commitment.

H5: Organizational commitment has a positive influence on employee performance.

H6: Job satisfaction has a positive influence on employee performance.

H7: Organizational commitment mediates the relationship between human resource management and employee performance.

H8: Job satisfaction mediates the relationship between human resource management and employee performance.

H9: Job satisfaction mediates the relationship between human resource management and organizational commitment.

H10: Job Satisfaction and Organizational Commitment mediate the relationship between human resource management and employee performance.

H11: Gender moderates the relationship between human resource management and employee performance.

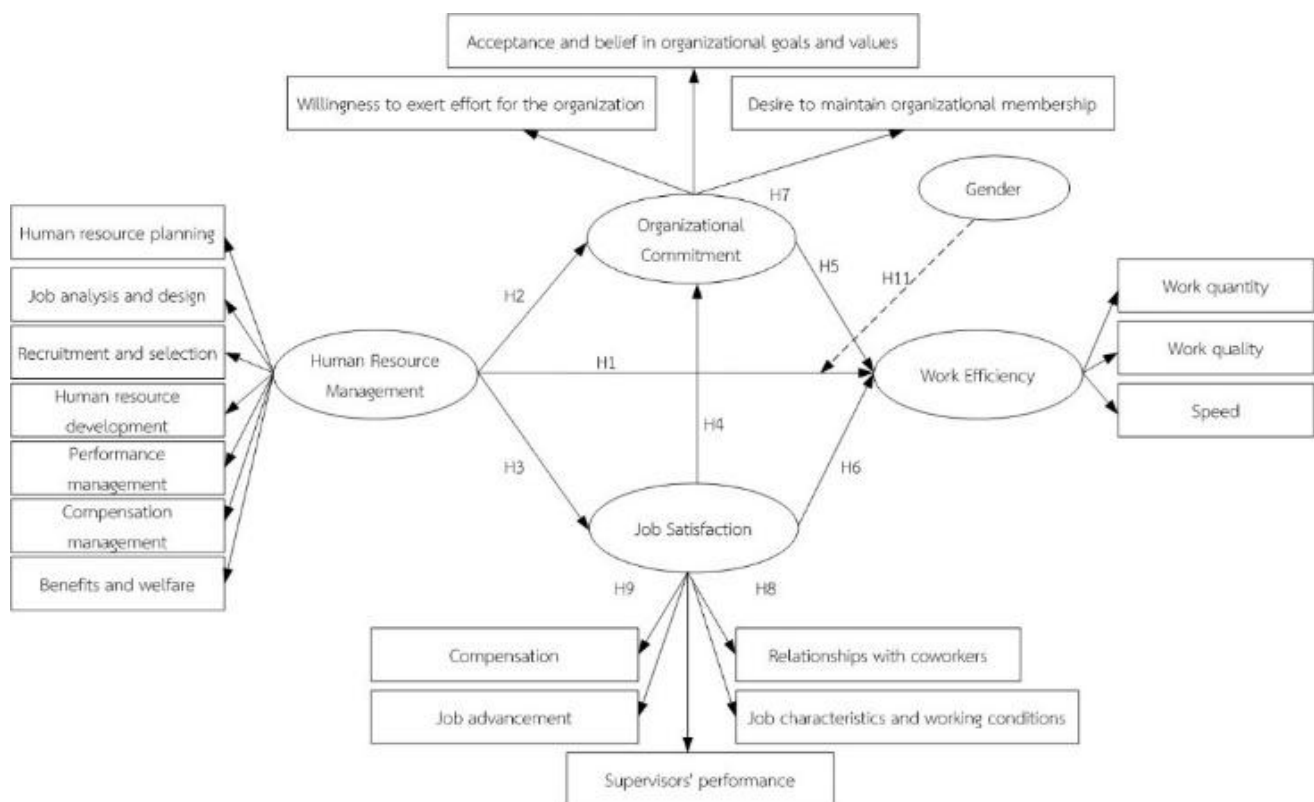


Fig. 1. Research Conceptual Framework.

#### 5. MATERIALS AND METHODS

This study has a distinctive study design and is quantitative in nature, employing the survey approach. A questionnaire is the tool used to collect data. There are 400 participants in all, and the sample group is made up of workers who have

been employed by coffee franchisees for at least six months. Statistical software was used by the researcher to process the data that was gathered. The frequency, percentage, mean, and standard deviation are among the statistics used in data analysis. The study used Partial Least Squares Structural Equation Modeling (PLS-SEM) with specific software to

test the hypotheses. In a reflective model, this technique is employed to examine the connections between latent and observable variables. Both the inner model (structural model) and the outer model (measurement model) have measurement standards that match the statistical criteria utilized. These models are used to analyze the relationships between the variables in the structural model as well as the quality and dependability of the research instrument. The study questions and hypotheses may be thoroughly investigated thanks to this all-encompassing approach, which also sheds light on the connections between employee performance, organizational commitment, work satisfaction, and HRM practices in the context of coffee franchisees.

## 6. RESULTS AND DISCUSSION

### 6.1 Part 1: Analysis of basic statistics on respondents' general information

**Table 1. Shows the number and percentage of general information of the questionnaire respondents**

General Information	Group	Count	Percentage
Gender	Male	89	22.25
	Female	311	77.75
Age	20-30 years	96	24.00
	31-40 years	260	65.00
	41-50 years	44	11.00
Education Level	Below Bachelor's Degree	392	98.00
	Above Bachelor's Degree	8	2.00
Years of Service	Less than 1 year	2	0.50
	1-2 years	74	18.50
	3-4 years	51	12.75
	More than 5 years	273	68.25
Employment Type	Permanent	387	96.75
	Temporary	13	3.25
Position	Managerial Level	3	0.75
	Supervisor Level	46	11.50
	Operational Level	351	87.75

Average Monthly Income	10,000-14,999 THB	2	0.50
	15,000-19,999 THB	91	22.75
	20,000-24,999 THB	166	41.50
	Above 25,000 THB	141	35.25
Total		400	100.00

The total number of respondents was 400. The majority were female (77.8%), while the proportion of men was 22.3%. Most of the respondents were 31-40 years old (65.0%) and had an education below bachelor's degree (98.0%). The majority had been working for more than 5 years (68.3%), were employed at operational level (87.8%) and had an average monthly income of 20,000-24,999 baht (41.5%).

### 6.2 Part 2: Analysis of opinion level regarding human resource management, job satisfaction, organizational commitment and employee performance using descriptive statistics

The analysis of the level of opinion regarding human resource management showed that the respondents had a high level of agreement (mean = 3.917, SD = 0.425). With regard to job satisfaction, respondents showed a high level of agreement (mean = 4.118, SD = 0.449). The aspects of job satisfaction, ranked from highest to lowest mean, were: Compensation (mean = 4.131, SD = 0.483), job characteristics and working conditions (mean = 4.129, SD = 0.496), relationships with colleagues (mean = 4.121, SD = 0.464), career advancement (mean = 4.106, SD = 0.462), and supervisor performance (mean = 4.101, SD = 0.498). Respondents showed a high level of agreement with organizational commitment (mean = 4.176, SD = 0.432). The aspects of organizational commitment, ranked from highest to lowest mean, were: affective commitment (mean = 4.208, SD = 0.469), normative commitment (mean = 4.163, SD = 0.461), and continuous commitment (mean = 4.135, SD = 0.450). In terms of employee performance, respondents showed a high level of agreement (mean = 4.060, SD = 0.448). The aspects of employee performance, ranked from highest to lowest mean, were: Quantity of work (mean = 4.083, SD = 0.506), Speed of work (mean = 4.076, SD = 0.487) and Quality of work (mean = 4.031, SD = 0.478).

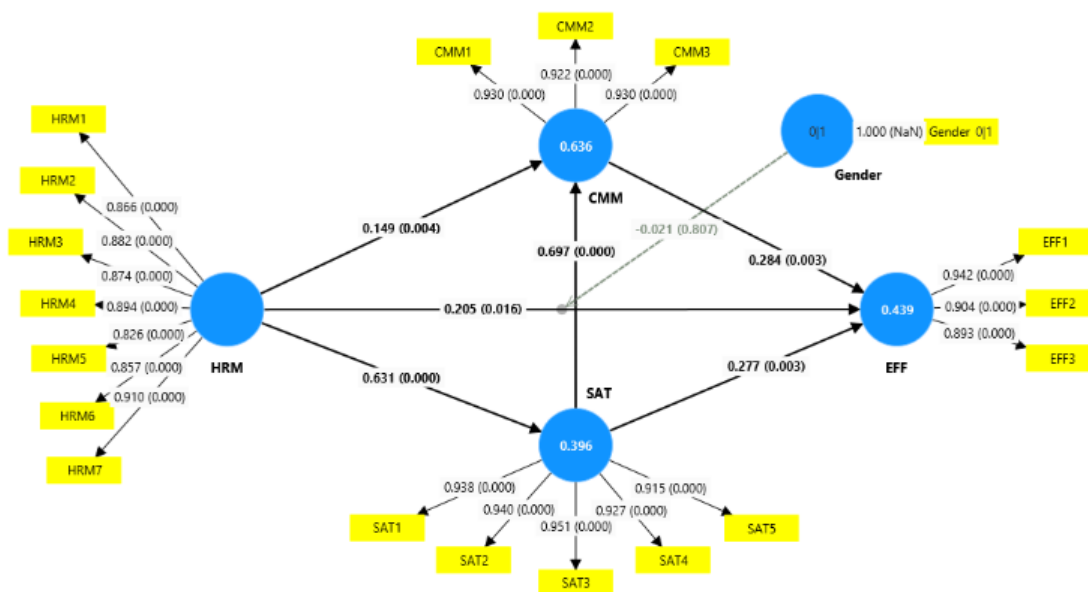
### 6.3 Part 3: Analysis of the measurement model (outer model)

The conditions were met since the reliability of each index or observed variable was more than 0.7 and the average variance extracted (AVE) for all variables was greater than

0.5. Dijkstra-Henseler's rho ( $\rho_A$ ), Jöreskog's rho ( $\rho_c$ ), and Cronbach's alpha reliability measurements were all higher than 0.7. The research measurements showed great reliability, with Cronbach's alpha ranging from 0.900 to 0.964, Dijkstra-Henseler's rho ( $\rho_A$ ) from 0.906 to 0.964, and Jöreskog's rho ( $\rho_c$ ) from 0.938 to 0.972. High discriminant validity was indicated by the fact that each latent variable's correlation with itself was greater than its association with other latent variables. Discriminant validity was further confirmed by the fact that all correlation values between latent variables were less than 0.85.

**6.4 Part 4: Analysis of the Structural Model or Inner Model**

The whole model's fit was evaluated by calculating the "coefficient of determination ( $R^2$ )". The model explained 63.6%, 39.6%, and 43.9% of the variance in organizational commitment (CMM), job satisfaction (SAT), and employee performance (EFF), respectively, according to the  $R^2$  values of 0.636, 0.396, and 0.439.



**Fig. 2. Model of factors influencing employee performance in coffee franchises with gender as a moderating variable.**

**6.4.1 Direct hypotheses:**

The first hypothesis states that employee performance (EFF) is positively impacted by human resource management (HRM), with a path coefficient of 0.205 that is statistically significant ( $P < 0.016$ ).

The second hypothesis has a path coefficient of 0.149, which is significant at  $P < 0.004$ , indicating that HRM has a positive impact on organizational commitment (CMM).

Hypothesis 3: HRM has a positive impact on job satisfaction (SAT), with a path coefficient of 0.631 and a significance level of  $P < 0.000$ .

The fourth hypothesis, which is supported by a path coefficient of 0.697 and significant at  $P < 0.000$ , states that job satisfaction (SAT) positively affects organizational commitment (CMM).

The fifth hypothesis is that employee performance (EFF) is positively impacted by organizational commitment (CMM), with a path coefficient of 0.284 that is significant at  $P < 0.003$ .

Hypothesis 6: With a path coefficient of 0.277 and a significance level of  $P < 0.003$ , job satisfaction (SAT) has a positive impact on employee performance (EFF).

**6.4.2 Mediating hypotheses**

Hypothesis 7: An indirect effect of 0.042, which is not statistically significant ( $P < 0.055$ ), was examined but not substantiated for the mediating role of organizational commitment (CMM) between HRM and employee performance (EFF).

Hypothesis 8: Job satisfaction (SAT) and employee performance (EFF) are mediated by organizational commitment (CMM), with an indirect impact of 0.198 that is statistically significant at  $P < 0.003$ .

Hypothesis 9: With an indirect effect of 0.175, significant at  $P < 0.004$ , job satisfaction (SAT) mediates the association between HRM and employee performance (EFF).

Hypothesis 10: An indirect impact of 0.439, significant at  $P < 0.000$ , supports the idea that job satisfaction (SAT) mediates the association between HRM and organizational commitment (CMM).

Hypothesis 11: The connection between HRM and employee performance (EFF) is jointly mediated by job satisfaction (SAT) and organizational commitment (CMM), with an indirect impact of 0.125 that is significant at  $P < 0.005$ .

### 6.4.3 Moderating hypotheses

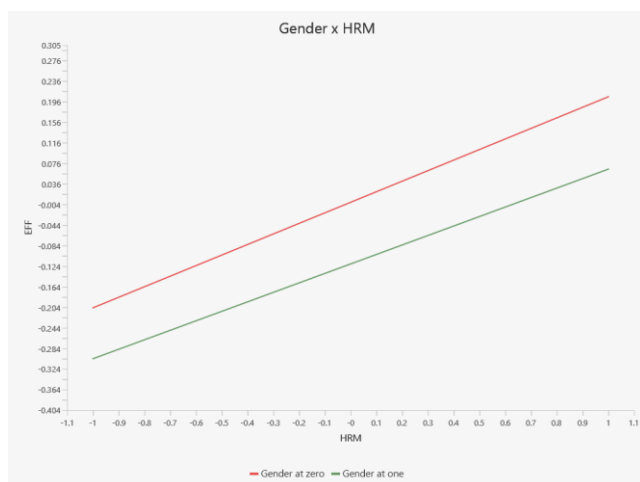
Hypothesis 12: Whether gender moderates the link between HRM and employee performance (EFF) was examined in the analysis. In this situation, gender has no discernible impact on the relationship between HRM and employee performance, as evidenced by the moderation effect, which was very minor (-0.021) and not statistically significant ( $P = 0.807$ ).

Overall, these findings demonstrate the critical role that HRM, job satisfaction, and organizational commitment play in affecting employee performance and support the majority of the direct and mediating hypotheses. The lack of significance in the moderating effect of gender, however, indicates that gender is not a significant factor in altering these associations.

The function of gender as a moderator in the link between HRM and employee performance was investigated in this study on HRM and its effects on worker performance. As the graph "Gender x HRM" illustrates, the analysis's findings indicate that gender has little to no influence on this relationship.

The gender-specific association between HRM and employee performance is depicted in this graph. The results for the various genders are displayed in two main lines on the graph. The findings for one gender group, such as males, are displayed by the red line, and the results for the other gender group, such as women, are displayed by the green line.

Both lines on the graph have a positive slope, indicating that when HRM procedures are better (as indicated by higher X-axis scores), employee performance also gets better (as indicated by higher Y-axis scores). However, the red line's slope is somewhat steeper than the green line's, indicating that, however barely, the gender represented by the red line—possibly men—responds more favorably to HRM practices than the gender represented by the green line—possibly women.



**Fig. 3.** illustrates the interaction between gender and Human Resource Management (HRM) on employee performance.

Importantly, the two lines in this graph are almost parallel, showing that the impact of HRM on employee performance is positive for all genders and the difference between gender groups is minimal. This is consistent with the statistical analysis, which showed that the moderating effect of gender is negative (-0.021) and not statistically significant ( $p = 0.807$ ). This means that gender does not play a significant role in changing the relationship between HRM and employee performance.

To summarize, this study suggests that HRM has a positive impact on employee performance, regardless of gender. The presence of gender as a moderator does not significantly alter this relationship. The differences between the genders are minimal and it cannot be concluded that gender is an influential factor in determining performance outcomes related to HRM.

## 7. CONCLUSIONS

The study's three primary goals were to investigate how human resource management (HRM) affects employee performance, how job satisfaction and organizational commitment mediate these relationships, and how gender modifies these relationships in the context of the coffee franchise industry. The study's findings can be analyzed in light of current theories and literature.

Objective 1: The impact of HRM on employee performance. The findings of this investigation indicate that human resource management (HRM) has a substantial positive influence on employee productivity. This discovery is in accordance with a corpus of research that indicates that employee performance is enhanced by effective HRM practices, including performance management, compensation, and employee development. For instance, [10]. contended that HRM practices enhance motivation and skills, thereby improving individual employee performance and organizational outcomes. The critical role that HRM plays in the coffee franchise sector's employee performance outcomes is underscored by this consistency with established research.

Objective 2: The mediating role of organizational commitment and job satisfaction. Additionally, the investigation disclosed that employee performance is significantly influenced by job satisfaction and commitment to the organization. This discovery is consistent with the assertion made by [22], which is that job satisfaction and organizational commitment are critical components of understanding the impact of HRM on employee outcomes. In particular, job satisfaction was identified as a critical factor, which is consistent with research that demonstrates the significance of morale and job satisfaction in transforming HRM interventions into improved performance.

The study did find, nevertheless, that organizational commitment didn't have as strong of an effect on the relationship between HRM and performance as expected.

This could not be what prior research has shown, which generally stresses the role of organizational commitment as a mediator. The difference could be because of the unique situation of the coffee franchise business, where things like significant staff turnover and the type of labor may affect how strong the mediating role of organizational commitment is. Objective 3: The moderating influence of gender

Ultimately, the investigation determined that the correlation between HRM and employee performance is not substantially influenced by gender. This result is in contrast to certain studies that indicate that gender may influence the impact of HRM practices on performance. For instance, research conducted by [3] suggested that gender could influence work-related outcomes, contingent upon the industry and specific HR practices [3]. Nevertheless, the absence of substantial moderation in the franchised coffee business may suggest that the HRM practices are equally effective for all genders or that gender differences in this industry are negligible.

## 8. DISCUSSION

### 8.1 Impact of Human Resource Management on Employee Performance

The research showed that there was a strong positive link between how human resources are managed and how well employees do their jobs ( $\beta = 0.205$ ,  $p < 0.016$ ). Guest's [10] earlier study demonstrated that good HRM procedures boost employee performance by making them more skilled and motivated. This outcome is in line with that research. In the Thai coffee franchise business, this relationship seems to be especially significant because this industry places a lot of value on service quality and consistency.

There are a number of things that make this relationship strong in Thailand. Kamoche [16] discovered that the focus on creating relationships and social harmony in Thai firms makes it possible for HRM practices to have a real impact on performance. The big positive effect revealed in this study shows that the coffee franchises have been able to keep their operational standards while adapting their HRM practices to Thailand's cultural norms.

### 8.2 The Role of Job Satisfaction

The analysis revealed that job satisfaction is a key mediating factor between HRM practices and employee performance (indirect effect = 0.175,  $p < 0.004$ ). This result goes beyond previous research by showing the particular importance of job satisfaction in the Thai service sector. The strong mediating effect suggests that HRM practices influence performance mainly through their ability to create a satisfying work environment.

The high mean score for job satisfaction (4.118) suggests that current HRM practices in Thai coffee franchises are generally effective in creating a positive work environment.

Of particular note is the high level of satisfaction with compensation (mean = 4.131), which contradicts some previous findings on satisfaction levels in the Thai service sector. This suggests that coffee franchises have developed effective compensation structures that meet employee expectations in the Thai context.

### 8.3 Organizational Commitment's Mediating Role

The study found that organizational commitment significantly mediated the relationship between job satisfaction and employee performance (indirect effect = 0.198,  $p < 0.003$ ). However, the direct mediating effect of organizational commitment between HRM and performance was not statistically significant (indirect effect = 0.042,  $p < 0.055$ ). This nuanced result provides new insights into the complexity of commitment in Thai work environments.

The high mean score for organizational commitment (4.176) indicates strong employee commitment to their company. The particularly high score for affective commitment (mean = 4.208) is consistent with Thai cultural values that emphasize emotional bonds and relationships in the workplace, as noted by Chienwattanasook and Jemsittiparsert [6].

### 8.4 Gender's Non-Significant Moderating Effect

Contrary to expectations, gender did not significantly moderate the relationship between HRM and employee performance ( $\beta = -0.021$ ,  $P = 0.807$ ). This result challenges some existing assumptions about gender differences in the workplace and suggests that in Thai coffee franchises, HRM practices are equally effective regardless of gender.

This non-significant moderation effect could be explained by several factors:

1. The professionalization of the coffee franchise sector has created a standardized work environment that transcends traditional gender roles.
2. The high proportion of female employees (77.8%) may have led to a workplace culture that caters to both genders.
3. Modern urban workplaces in Thailand may be evolving beyond traditional gender differences in response to HRM practices.

### 8.5 Sequential Mediation Effect

The investigation demonstrated a substantial sequential mediation effect of organizational commitment and job satisfaction (indirect effect = 0.125,  $p < 0.005$ ). This finding implies that HRM practices initially impact job satisfaction, which in turn influences organizational commitment and, ultimately, employee performance. A more nuanced comprehension of the manner in which HRM practices contribute to enhanced performance in Thai coffee franchise organizations is provided by this sequential process.

### 8.6 Contextual Implications

The results must be interpreted in the specific context of Thai coffee franchises. The high level of job satisfaction and organizational commitment indicates that these businesses have successfully adapted international franchise practices to the Thai cultural context. The emphasis on relationships and harmony in Thai culture may have facilitated the development of effective HRM practices that balance standardization requirements with local cultural values.

### **8.7 Theoretical Implications**

This research contributes to existing theory in several ways:

1. It demonstrates the applicability of Western HRM models in Thai contexts when adapted accordingly.
2. It demonstrates the importance of sequential mediation in understanding the effectiveness of HRM.
3. Challenges assumptions about gender differences in response to HRM practices in the workplace.
4. It emphasizes the role of cultural factors in shaping the effectiveness of HRM interventions.

### **8.8 Limitations and Future Research Directions**

Some limitations should be noted:

1. The study focused exclusively on coffee franchises, which limits their generalizability to other service sectors.
2. The high proportion of female respondents may influence the interpretation of gender-specific results.
3. The cross-sectional nature of the data prevents causal conclusions about the observed relationships.

### **8.9 Future research could:**

1. Investigate these relationships in other service sectors in Thailand.
2. Conduct longitudinal studies to establish causality.
3. Investigate the role of specific cultural factors in mediating HRM effectiveness.
4. Compare these findings with other Southeast Asian contexts.

## **9. SUGGESTIONS**

### **9.1 Academic Suggestions**

1. Theoretical models that are specifically tailored to HRM in franchises should be developed or refined by academics in the disciplines of management and organizational behavior. This could be done by organizing academic workshops or conferences focused on HRM in franchise systems where researchers can collaborate on theoretical frameworks.

2. Special research programs or centers should be established by business schools and research centers to concentrate on franchise management, with a particular emphasis on the challenges and opportunities of HRM.

These centers have the potential to publish special journal issues on franchise HRM, conduct symposia, and coordinate research efforts.

3. It is recommended that researchers in the field of organizational culture work in conjunction with HRM academicians to investigate the manner in which franchise culture influences the relationship between HRM practices and employee outcomes. This could entail the development of novel franchise organizational culture metrics and the execution of multilevel analyses for various franchise brands.

4. International business researchers should initiate comparative studies between the franchise sectors in Thailand and other Southeast Asian countries. This could include research partnerships with universities and franchise associations in countries such as Malaysia, Indonesia and Singapore to conduct cross-cultural comparisons.

### **9.2 Policy Suggestions**

1. The Franchise Association of Thailand, in collaboration with the Ministry of Commerce, should develop comprehensive guidelines for best HRM practices in franchise businesses. These guidelines should be developed through a consultation process involving franchisees, HR professionals and labor law experts, and should be updated regularly to reflect the changing business environment.

2. The Department of Business Development should implement a certification program for franchisors that provide excellent HRM training to their franchisees. This program could include workshops, online courses, and assessment tools to ensure that franchisors are able to assist their franchisees with HR issues.

3. The Department of Labor should establish a task force to review and adjust labor guidelines for the franchise sector. This task force should conduct public hearings and consultations with stakeholders across Thailand to gather input on the unique challenges faced by franchise employees and employers.

4. The Board of Investment (BOI) should consider providing tax incentives or other benefits to franchise companies that demonstrate excellence in human resource management and employee outcomes. This could be implemented through an annual awards program that recognizes the best franchises in various HRM categories.

### **9.3 Practical Suggestions**

1. Franchise HR managers should develop and implement a comprehensive HRM strategy that focuses on increasing job satisfaction and organizational commitment. This strategy should include regular employee surveys, performance management systems and career development programs tailored to the franchise environment.

2. Franchisees should conduct semi-annual assessments of employee satisfaction and commitment using standardized instruments. The results should be analyzed by

HR professionals and used to create action plans to improve workplace conditions and HRM practices.

3. Large franchise chains should establish dedicated HRM support teams at their headquarters to assist franchisees in implementing effective HRM practices. These teams should develop standardized HRM toolkits, conduct on-site consultations and provide regular webinars and training for franchise managers.

4. The Thai Franchise Academy, in collaboration with leading business schools, should develop special training programs for franchise managers that focus on strategic HRM. These programs should include case studies, role-plays and hands-on projects that address real-life HRM challenges in franchise businesses.

5. Franchise HR departments should design clear career paths for their employees, including opportunities for cross-location transfers and advancement to leadership positions. This should be supported by mentoring programs and skills development initiatives.

6. Franchise companies should establish digital communication platforms that facilitate regular exchanges between franchisors, franchisees and employees. These platforms should include features for sharing best practices, addressing concerns and soliciting feedback on HRM initiatives. Virtual town halls and feedback sessions should be held regularly to ensure open communication at all levels of the franchise network.

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