



**THE EFFECT OF HUMAN RESOURCE MANAGEMENT
PRACTICES ON EMPLOYEE SATISFACTION AND EMPLOYEE
LOYALTY OF SHWE MAHAR MAE KHONG NETWORK
COMPANY, TACHILEIK, MYANMAR**

**MASTER OF BUSINESS ADMINISTRATION
(MBA)**

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SSBR/2023/MBA030499

DECEMBER 2024



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A Thesis Presented

by

MIN KHANT OO

**Submitted to the Swiss School of Business Research in partial fulfillment
of the requirements for the degree of**

**MASTER OF BUSINESS ADMINISTRATION
(MBA)**

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ACKNOWLEDGEMENTS

I would like to begin by expressing my deepest gratitude to Dr. Paing Soe, President of PSM International College, and Dr. Stephen Harrison, Dean of the Swiss School of Business Research, for granting me the opportunity to undertake this study.

My heartfelt thanks go to my supervisor, Dr. Win Than Dar, Professor, for her invaluable guidance, unwavering support, and insightful feedback throughout the entire process. Her patience, expertise, and constructive criticism have been instrumental in shaping this research. Without her guidance, this study would not have reached its conclusion.

I am also profoundly grateful to all the professors, associate professors, visiting lecturers, tutors, and staff members of Centre for Professional Development for their academic support and administrative assistance throughout my studies.

I would like to extend my sincere appreciation to the employees of Shwe Mahar Mae Khong (SMK) Network Co., Ltd., as well as the key individuals within the organization, for providing the necessary data and offering their generous help during the course of my research. Their willingness to share their time and insights during the interview process was essential to the completion of this study.

Lastly, I wish to thank all those who have contributed in one way or another to the success of this study, including my friends and colleagues from the SSBR MBA program. Their encouragement, support, and the knowledge they shared have been a constant source of inspiration.

Min Khant Oo

SSBR/2023/MBA030499

ABSTRACT

This study examines the effect of human resource management (HRM) practices on employee satisfaction and loyalty at Shwe Mahar Mae Khong (SMK) Network Co., Ltd. HRM plays a crucial role in shaping organizational success by influencing employee satisfaction and loyalty. The research explores how key HRM practices such as recruitment and selection, training and development, performance appraisal, and compensation and benefits affect employee satisfaction and how satisfaction, in turn, influences employee loyalty. A quantitative approach was used, collecting primary data from 100 employees through structured questionnaires and secondary data from company records and relevant literature. Linear regression analysis was employed to analyze the relationships between these HRM practices, employee satisfaction, and loyalty. The findings revealed that all four HRM practices significantly positively influence employee satisfaction, with performance appraisal being the most influential factor. Moreover, employee satisfaction was found to be positively correlated with employee loyalty, meaning that satisfied employees are more likely to remain loyal to the organization. In this regard, Shwe Mahar Mae Khong (SMK) Network Co., Ltd. should place more emphasis on formulating and implementing strong performance appraisal systems and policies that enable the organization to strengthen employee loyalty.

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ABBREVIATIONS

HRM	= Human Resource Management
SMK	= Shwe Mahar Mae Khong Network Co., Ltd
O	= Outstanding
VG	= Very Good
G	= Good
NI	= Needs Improvement
U	= Unacceptable

CHAPTER I

INTRODUCTION

Myanmar's technology sector is growing, and in order to develop, technology companies are focusing on technicians. Human resource management is a top priority in order to keep technicians in business for the long term. Once the HR department only concentrates on employee satisfaction and avoids other factors that motivate professionals to remain in their positions for a long time, it may not be able to retain skilled employees. The HR department is therefore important. Therefore, organizations have to pay more attention to their human resources because implementation of human resource practices supports maximizing employees' competences in the organization. Human resource management practices are able to create organizations that are characterized by intelligence, flexibility and competence compared to their rivals. These organizations apply policies and practices of recruiting, selecting, performance appraisal, compensation and benefit, and training skilled employees. These employees in their turn will direct their best efforts toward cooperation within the resource bundle of their organization (Nancy, 2013). A strategy for managing human resources can make businesses smarter, more adaptable, and more capable than their rivals. As a result, firms must pay more attention to their human resources because the application of human resource strategies supports optimizing employees' competencies in the organization. Human resource management methods can help firms become more intelligent, flexible, and competent than their competitors. These organizations use policies and methods for recruiting, selecting, performance evaluation, remuneration and benefits, and training skilled personnel. These employees, in turn, are going to focus their best efforts toward collaboration inside the capital basket of the business (Sonar, 2023).

Recruitment and selection are fundamental HR functions in SMK network company and vary across organizations. Recruitment is the positive process of attracting potential candidates, while selection is the negative process of filtering applicants to identify the most suitable ones. Ethical recruitment and selection policies are essential for organizational sustainability. While online methods are gaining popularity, SMK network company primarily uses employment agencies and competitive sources. Selection involves screening, testing, interviewing, and reference checks to hire qualified individuals with the necessary

skills for the job. These processes help ensure the company hires capable employees to thrive in a competitive environment (Agustian, Zen, Pohan, & Wiwin, 2023).

Performance appraisal practices encompass setting clear goals, providing regular feedback, and utilizing objective performance metrics. These practices often involve formal performance discussions between managers and employees, focusing on achievements and areas for improvement. They aim to foster employee development, ensure fairness, and serve as a basis for rewards and recognition within organizations (Kumar, 2023).

Benefits and compensation include any monetary and non-monetary compensation given to workers in return for their labor. Benefits include health insurance, paid time off, and retirement projects; compensation consists of base pay plus bonuses and incentives. All of it impacts employment, retention, and general job satisfaction and makes up a significant portion of an employee's benefits package. In order to attract top talent to the company and create a favorable work environment, effective administration of compensation and benefits is key (Bester, What Are Compensation and Benefits? (A Complete Guide), 2024).

Employee satisfaction is the general attitude of an individual employee towards the work. It is also an employee's cognitive and affective evaluation of their job. This is the terminology used to describe whether employees are happy, concentrated, and fulfilling their desires and needs at work. Employee satisfaction is an attitude that people have about their jobs and the organizations in which they perform these jobs. Satisfied employees have a strong sense of understanding concerning what is expected of them. 'Employee satisfaction is supremely necessary in an organization because its what productivity depends on. If employees were satisfied, they might turn out superior quality performance in the best time and lead to growing profits (Fisher, 2020).

Employee loyalty is one of the important issues that has a close connection to deepening and consolidating the spirit of work within organizations. Those who view the reality of employee loyalty in organizations can notice that there is a strong connection between loyal staff on the one hand and the development of work within that organization on the other. Employee loyalty leads to a conscious conviction of the requirements of work by bosses and subordinates, which is reflected in effective performance. In other words, increased employee loyalty leads to a reduced employee turnover rate, decreased absenteeism and

delayed attendance, increased organizational effectiveness, and improved job performance (Gogoi, 2024).

The success of a company is inextricably linked to successful Human Resources Management (HRM) practices, which include activities such as human resource planning, recruitment, selection, training, development, performance evaluation, retention, and incentive programs. Human resource management ensures that personnel are strategically aligned with the organization's goals by emphasizing their powers, roles, and job descriptions. Modern firms increasingly see HRM as a direct path to achieving goals and enhancing competitiveness by cultivating employee satisfaction and loyalty. Employee satisfaction refers to people's overall attitudes regarding their jobs, which reflect their cognitive and affective assessments of their job duties and the corporate environment. It indicates whether people are satisfied, focused, and fulfilled in achieving their needs and desires at work, which influences organizational effectiveness (Gouldsberry, 2023).

In 2018, Shwe Mahar Mae Khong (SMK) Network Company employed 133 staff members and operated in three townships. Three major cities are served by SMK Network Company, which has its main office in the eastern region of Myanmar. The main focus of this research on the HR sector is to study SMK Network Company's HRM practices in relation to employee satisfaction and loyalty because it's a service company and the employees are technicians.

1.1 Background information of the Study

Shwe Mahar Mae Khong Network Co., Ltd (branded as SMK) is a Fiber Internet Service Provider. It was founded by Eastern Shan Ethnic Business Entrepreneurs. Headquarter is based in Tachileik, Thailand border in the Eastern Shan State of Myanmar. We have opened branches in other places of Shan State such as Keng Tung, Mong Phyak. In 2018, Shwe Mahar Mae Khong (SMK) Network Company employed 133 staff members and operated in three townships. The mission of Shwe Mahar Mae Khong (SMK) Network Co., Ltd. is to provide fast and reasonably priced fiber internet services with home delivery to the Shan people, especially those residing in the Eastern Shan State, by utilizing cutting-edge technology and knowledge. With these services, the business is dedicated to raising the standard of living in Shan State and Eastern Shan State. Furthermore, through creating international connections, SMK Network aims to deliver high-performance fiber internet, enabling the growth of

Myanmar's information technology industry as well as the development of its many areas and the nation at large.

The study focuses on HRM practices. Several key variables are focused on to examine the relationships between employee satisfaction and employee loyalty. The independent variables include recruitment and selection, which refers to the processes by which the organization attracts, selects, and hires candidates. Effective recruitment ensures that employees are suited for their roles, positively influencing job satisfaction. Training and development involves opportunities for employees to enhance their skills and knowledge, and employees who feel they have room for growth are more likely to be satisfied and stay with the company. Performance appraisal refers to the methods used to evaluate employee performance, provide feedback, and set goals for improvement. A fair and transparent appraisal system can significantly boost employee satisfaction and motivation. Lastly, compensation and benefits include the salary, bonuses, and other benefits offered by the company. Competitive and equitable compensation is a critical factor in determining job satisfaction and employee retention.

The dependent variable in this study is employee satisfaction, which reflects the level of contentment employees feel about their jobs, encompassing factors like job role, work-life balance, recognition, work environment, and career advancement opportunities. Employee Loyalty, the mediating variable, represents the degree to which employees are committed to the organization and intend to remain with the company. High satisfaction typically leads to greater loyalty, with loyal employees being less likely to leave the organization. The study also controls for demographic factors such as age, gender, education level, and years of experience, as these characteristics may influence employee satisfaction and loyalty. Using a quantitative research approach, data are collected through structured questionnaires from employees at SMK Network Co., Ltd., and linear regression analysis is applied to examine how HRM practices influence employee satisfaction and loyalty. The goal is to identify the most effective HR practices for enhancing satisfaction and loyalty and to offer recommendations for improving HR strategies at SMK Network Co., Ltd.

1.2 Problem Statement of the Study

The HR department at Shwe Mahar Mae Khong (SMK) Network Company faces a critical challenge in effectively managing its rapidly growing workforce while maintaining

operational efficiency and employee satisfaction. Shwe Mahar Mae Khong (SMK) Network Company currently has a shortage of technician workers in the country and is facing competing businesses to keep the technician employees in their business. Technicians are more interested in high-paying job opportunities abroad, and the number of technicians working abroad is also facing problems. Therefore, Shwe Mahar Mae Khong (SMK) Network Company is facing the above problems, the HR Department wants to study how it is doing to keep technicians in its business.

The HR Department intends to carry out a thorough analysis in response to these difficulties in order to evaluate the success of its present retention initiatives and pinpoint areas that require development. To ascertain their effect on technician retention, the key objective of the study are the evaluation of current HR procedures related to employee engagement, promotion, recruitment, and salary.

The research includes industry competitive strategies and assess the viability of alternate approaches to addressing the labor shortage, like improved training initiatives or strategic alliances. Gaining understanding of these facets helps the HR Department create focused plans to increase technician retention, enhance overall workforce stability, and make sure the business can continue to attract and retain qualified workers.

1.3 Objective of the Study

The objectives of this research are;

- a. To identify the HRM practices of Shwe Mahar Mae Khong Network Company
- b. To examine the effect of HRM practices on employee satisfaction of Shwe Mahar Mae Khong Network Company
- c. To analyze the effect of employee satisfaction on loyalty of Shwe Mahar Mae Khong Network Company
- d.

1.4 Research Questions of the Study

- i. How do these HRM practices impact employee satisfaction at Shwe Mahar Mae Khong Network Company?
- ii. What is the relationship between employee satisfaction and employee loyalty at Shwe Mahar Mae Khong Network Company?

1.5 Scope and Limitation of the Study

This study mainly focuses on the effect of HRM practices on employee satisfaction to explore employee loyalty at the Tachileik Shwe Mahar Mae Khong Network Company. This study has only covered employees who are working for Shwe Mahar Mae Khong Network Company in Tachileik, Myanmar. The population size of Shwe Mahar Mae Khong Network Company is 133 respondents. The data are collected from employees by using a structured questionnaire. Primary data are collected from employees using a structured questionnaire (Google Form), where 100 employees are selected out of 133 employees. Secondary data are collected from annual reports of the company, websites, text books, research papers, and the internet.

This study is specifically focused on SMK and exclusively pertains to data collected from employees of SMK, Tachileik. The results of the study may not be generalizable to other locations of SMK such as Kyaing Tong and Mong Phyak, and other network established locations. Additionally, the study focuses only on the four dimensions of HRM practices which may not capture other HRM practices such as retention plans, working environment,etc., that are effecting employee satisfaction of SMK.

1.6 Organization of the Study

The study is systematically organized into five main chapters, each addressing different aspects of the research. Chapter I, titled "Introduction," provides a comprehensive overview of the study, including background information, the problem statement, objectives, research questions, scope, limitations, and the organization of the study. It sets the stage for understanding the research context and its significance. Chapter II, "Literature Review," reviews the existing body of knowledge related to the study. It introduces the subject area, discusses theoretical concepts and principles, key variables, and empirical studies, and presents the conceptual framework. This review contextualizes the research by examining previous work and theoretical underpinnings relevant to the study. Chapter III, "Methodology," outlines the research methods used in the study. It details the research design, data collection methods, and ethical considerations, providing a blueprint for how the research was conducted to ensure transparency and replicability. Chapter IV, "Analysis and Results," presents the analysis of the data, focusing on the effects of human resources management practices on employee satisfaction and the impact of employee satisfaction on employee loyalty within Shwe Mahar Mae Khong (SMK) Network Company. It includes a detailed

examination of the findings and their implications. Finally, Chapter V, "Conclusion and Recommendations," concludes the study by summarizing the key findings and discussions. It includes suggestions and recommendations based on the research results and identifies areas for further research.

CHAPTER II

LITERATURE REVIEW

This chapter covers relevant literature from a variety of sources with a focus on the influence of human resources management practices on job satisfaction. The review begins with a discussion of literature that relates to the various practices of human resources management that contribute to the satisfaction of employees. Next is a discussion of how it can contribute to loyalty. The main sections covered in this chapter include a theoretical framework, a review of empirical previous studies, and the conceptual framework of the study.

2.1 Human Resources Management

Human Resource Management (HRM) is an inevitable component of an organization that aims, with an application of a series of activities, to manage people and works towards desired ends (Aspridis & Vasileios, 2014). The existence of HRM is linked to the beginning and growth of an organization, defined as a formal constitution of people that work together to achieve the organization's goals (Daniel & Cr, 2023). While its origins appearance is dated in the 19th century, during the industrialization period in the USA, however its roots are traced in the late medieval period (Deadrick & Stone, 2014) but it had been only in the beginning of the 20th century that had shaped its scope and been introduced in the scientific field. Therefore, the field of (HRM) initially formed and known as Personnel Management has experienced many transformations through decades (DeNisi, Wilson, & Biteman, 2014), while many theories, approaches and practices have been developed which have set (HRM) from an important maintenance function to a source of sustained competitive advantage for organizations (Ferris, 1999).

The main purpose of HRM is to accomplish the organizational goals through people. In general, its objectives can be categorized as follows (Katou, 2017). They are societal, organizational, functional, and personal. Societal definition (HRM) attends to the legal, societal, and ethical frames. This means that it should respect them and act in favor of people and society. Otherwise, society will react and be against the organization. Organizational definitions (HRM) support an organization to enrich and increase the sources of competitive advantage by providing the means to achieve efficiency and effectiveness. Functional definitions (HRM) contribute to the effectiveness of the department itself so that the

organization's goals are met. Personal defines HRM empowers people to achieve their personal goals so that they are motivated and remain committed. The combination of accomplishing personal and organizational objectives is an important driving force that improves the employees' effectiveness and productivity.

Armstrong (2006) stated that human resource management operates through related systems and is composed of HR philosophies (guiding principles); strategies (direction); policies (guidelines on values, principles, and specific strategies); processes (procedures); practices (informal approaches); and programs that enable the elements to be implemented (Armstrong, 2006). All the above refer to HRM functions organized in four categories (Katou, 2017).

Effective human resource management (HRM) is essential for organizations striving to achieve their strategic objectives and foster a productive workplace. Central to this process are key practices such as recruitment and selection, training and development, performance appraisal, and benefit and compensation management. These components work synergistically to build a diverse and talented workforce, enhance employee engagement, and drive overall organizational performance. By implementing structured and thoughtful HRM practices, companies can attract top talent, nurture their development, and create an environment that motivates employees to perform at their best. This discussion will delve into each of these vital HRM practices, drawing on insights from prominent authors in the field to underscore their significance in cultivating a thriving organizational culture (Khuong, Mai, & Phuong, 2020).

Effective human resource management (HRM) involves both recruitment and selection. They serve as the cornerstone for developing a diversified, talented workforce that supports corporate objectives. Breugh (2013) asserts that a methodical approach to hiring increases employee retention rates while also drawing in top talent. Effective recruitment procedures, like organized interviews and assessment centers, ensure the selection of the best potential employees based on their qualifications, compatibility with the company's culture, and potential for advancement. Organizations can reduce prejudice and improve the caliber of hiring by placing a high priority on having a thorough understanding of the job requirements and using a range of assessment processes (Breugh & Starke, 2000).

Training and development are important to developing employee skills and promoting career advancement once talent has been attracted. Resources for continuous learning are essential for having a competitive edge in the quickly evolving corporate environment of today, as Noe (2017) says. Setting in place specialized training programs gives staff members the skills they need, increases their confidence, and improves their job satisfaction. Furthermore, development programs like leadership training and mentoring help with succession planning by preparing staff members for future positions. Employers who make continuous training investments in their staff are likely to see greater rates of employee retention and satisfaction.

Another important component of HRM that covers several functions, such as providing feedback, promoting development, and influencing pay decisions, is performance appraisal. Effective evaluation systems, in the opinion of Murphy and Cleveland (1995), offer an organized structure for assessing worker performance in relation to precise, measurable targets. This procedure makes it easier for managers and staff to communicate honestly, which promotes an environment of accountability and ongoing development. Organizations may guarantee that employees stay motivated to succeed in their positions and are in line with company objectives by incorporating regular feedback and development plans into performance assessments.

Benefit and compensation practices are integral to motivating employees and enhancing job satisfaction. Armstrong (2020) highlights that a well-structured compensation strategy not only attracts and retains top talent but also drives desired behaviors within the organization. Competitive salaries, along with comprehensive benefits such as health insurance and retirement plans, signal an organization's commitment to employee well-being. Moreover, incorporating non-monetary rewards such as recognition programs and flexible work arrangements can significantly boost employee motivation. By adopting a holistic approach to benefits and compensation, organizations create a positive work environment that promotes engagement and loyalty among employees.

2.2 Human Resource Management Practices

Effective HRM practices at organizations significantly impact employee satisfaction and loyalty by focusing on key areas such as recruitment and selection, training and development, performance management, compensation and benefits, and work-life balance.

Hiring talent that aligns with the company's culture enhances job satisfaction, while continuous learning opportunities and regular feedback foster a sense of value and accomplishment among employees. Competitive salaries and comprehensive benefits contribute to job satisfaction, encouraging loyalty and reducing turnover. Additionally, promoting a healthy work-life balance through flexible hours and remote options further enhances satisfaction. Ultimately, high levels of employee satisfaction lead to stronger organizational commitment, driving employees to go above and beyond in their roles (Mansaray, 2019). By investing in these HRM practices, organizations can cultivate a motivated and committed workforce, positioning itself advantageously in a competitive landscape.

2.2.1 Recruitment and Selection

Recruitment and selection is a two-way process, which means the individual is selecting the employer and the employer is selecting the individual. Organizations begins the recruitment and selection process with a comprehensive workforce plan to identify current and future staffing needs based on business objectives and growth projections. This involves conducting job analyses to create detailed job descriptions and specifications (Kaushik, 2024). The next step is sourcing candidates through a combination of internal and external channels, including job boards, social media, and recruitment agencies, while promoting the company's employer brand to attract top talent. Through an online system, applicants submit their materials, which are subsequently vetted to remove those who don't satisfy the necessary requirements. For further optimization of the pool, the assessment process consists of psychometric evaluations, skills tests, and pre-screening interviews. After that, team members, hiring managers, and HR participate in structured interviews where match is evaluated using situational and behavioral methods. Background investigations are carried out to confirm the credentials and before performance of candidates. A formal job offer is made to the chosen applicant, and any required discussions are handled after that. Following acceptance, a comprehensive onboarding procedure is carried out to successfully integrate the new person into the business. Ultimately, input from recruiting teams and recent hires is gathered to assess and enhance the process of recruiting, guaranteeing constant improvement and conformity with changing company requirements (Ghudasara, 2023).

2.2.2 Training and Development

The training and development process at organizations starts with a thorough requirements assessment to identify the knowledge and skill gaps that are in line with both individual responsibilities and organizational goals. This involves collaborating with managers and employees to identify specific training needs in areas such as fiber internet technology, customer service, and project management. Based on these insights, organizations offer hands-on workshops, online courses, and interactive training programs tailored to the company's advanced technology and service needs. Design and implement practical activities by training staff once every three months. The training delivery is structured to incorporate practical exercises and real-world applications, ensuring that employees can directly apply their new skills. Following each training session, the company conducts evaluations to assess the impact on job performance and gather feedback for continuous improvement. To support ongoing professional growth, organizations provide opportunities for further development through mentorship programs, advanced training sessions, and access to industry resources (Team, 2023).

2.2.3 Performance Appraisal

At organizations, the performance appraisal process is designed to enhance employee development and align individual contributions with organizational goals. The process begins with setting clear, measurable objectives and performance standards in collaboration with employees and their managers. Regular check-ins and feedback sessions are held to monitor progress and address any issues proactively. At the end of each appraisal period, typically every six months, a comprehensive performance review is conducted, incorporating self-assessments, peer reviews, and manager evaluations to provide a holistic view of an employee's performance. This review assesses achievements, identifies areas for improvement, and evaluates alignment with company objectives. Constructive feedback is provided, and development plans are created to support career growth and skill enhancement. Performance appraisals at organizations also include discussions on career aspirations and opportunities for advancement, ensuring that employees are motivated and engaged. The process is continually refined based on feedback, and an evolving company needs to maintain its effectiveness and relevance (Terra, 2024).

2.2.4 Benefit and Compensation

In organizations, a competitive and complete compensation and benefits system is offered in an effort to draw in, keep, and inspire top people. The process begins with market research to ensure that salary structures and benefits are aligned with industry standards and regional expectations. Organizations offer a base salary that reflects employees' roles and performance, supplemented by performance-based incentives and bonuses to reward exceptional contributions. Additionally, the company provides a robust benefits package, including health insurance and paid time off, tailored to support employees' well-being and work-life balance. Regular reviews of compensation and benefits are conducted to ensure they remain competitive and responsive to employee needs and market conditions (Bester, 2024). Feedback from employees is also gathered to refine and enhance the benefits package, ensuring it meets their expectations and contributes to their overall job satisfaction. This strategic approach helps organizations maintain a motivated and engaged workforce while supporting the company's long-term goals.

2.3 Employee Satisfaction

Employee satisfaction can be defined as the happiness of an employee in an establishment. Employee satisfaction can be assessed as a gratification that is derived from the working conditions, pay and reward structures, playing conditions, and how employees are overseen in the system.

In the words of Clark (1997), when workers are dissatisfied with their tasks, they may feel disadvantaged from the company because they don't know about their rights, their working conditions are unsafe, their coworkers are uncooperative, their supervisor doesn't treat them with respect, or they aren't taken into account when decisions are being made. The author further stressed that businesses today cannot afford to have discouraged employees because they may be fired for failing to meet supervisor specifications and expectations, which would incur additional expenditures for hiring new employees. Therefore, it is beneficial for firms to provide a flexible working environment to employees where they feel their opinions are valued and they are a part of the organization. Employee morale should be high, as it will be reflected in their performance, because with low morale, they will make fewer efforts to improve.

Many businesses fail to understand the importance of employee satisfaction and thus face a lot of difficulties during their work. Such organizations are internally weak and therefore unable to introduce innovative products into the market to outshine their competitors (Raziq & maula-bakhsh, 2014). Employees are an essential component in the process of achieving the mission and vision of a business. Employees should meet the performance criteria set by the organization to ensure the quality of their work. To meet the standards of an organization, employee satisfaction is very important, and employees need a working environment that allows them to work safely that may restrain them from performing at the level of their full potential. Employee satisfaction is often thought to reflect the extent to which a worker likes his or her jobs. Spector (1997) elaborated that if employees realize that the firm considers them important and they are satisfied with their organization, they will have a high level of commitment, a sense of ownership, and loyalty for their organization.

2.4. Employee Loyalty

Loyalty is recognized as a virtue, albeit a problematic one. It is constituted centrally by perseverance in an association to which a person has become intrinsically committed (Kleinig, 2014). Believers pride themselves on their loyalty and allegiance to the organization (Clark, 1972). As a strong desire to stay a member of an organization, loyalty is characterized and contributes to keeping members in the organization (Marič, Dimovski, & Černe, 2011).

According to Diem (2016), loyalty is how much a person has attachment to a particular object; further, that object can be anything—a person, a group of persons, an ideal, a particular job, or any causes that make this person show devotion. Loyalty has become one of the most vital concerns for organizations, especially within the context of the economic tensions associated with the psychological contract between employers and employees. Loyalty itself is expressed by the person's struggle to do good things for that particular object, such actions that show the person's interest in that object (Waqas, Bashir, Sattar, & Abdullah, 2014).

The loyalty of the employees is often viewed as the attitude towards a particular organization. According to Meyer and Allen (1991), loyalty is not such a lot of the attitude that is important in organizations, but the action is of great impact. Solomon (1992) established that the loyalty of an employee is the eagerness to remain touched with the organization. Employees' loyalty is an organizational citizenship behavior that reflects the allegiance of the organization to the promotion of its interests and image to the outsiders. (Gwinner, Bettencourt, & Meuter, 2001). Employees are loyal to their organization when they

show commitment and believe that it is the best option for them to work for the organization (Waqas, Bashir, Sattar, & Abdullah, 2014).

As employee loyalty is the expected result, there are many different ways that academics describe employee satisfaction. According to Logan (1984), loyalty is the close bond that binds workers to their specific company even when it may not be financially advantageous for them to stay there. According to Elegido (2013), employee loyalty is defined as a conscious decision to advance an employer's best interests, even when an employee's self-interest goes beyond what is necessary to comply with one's moral and legal commitments.

2.5 Relationship between Employee satisfaction and employee loyalty

The relationship between employee satisfaction and employee loyalty is multifaceted and intricately woven into the fabric of organizational dynamics. Employee satisfaction often serves as a precursor to loyalty, functioning as a crucial mediator that influences an employee's commitment to their organization. Research indicates that as employees experience higher levels of job satisfaction stemming from factors such as recognition, career development, and a supportive work environment they are more likely to exhibit increased loyalty (Hadj, 2024). This commitment typically manifests in higher retention rates and a greater willingness to go above and beyond in their roles. Consequently, organizations that prioritize employee satisfaction effectively cultivate a loyal workforce, enhancing internal stability and translating these benefits into improved customer service and engagement (Henry, 2024).

Despite the established connection between employee satisfaction and loyalty, recent studies reveal mixed findings, underscoring the complexity of this relationship. While traditional views support a direct correlation, emerging research suggests that other factors, such as employee motivation and organizational context, may play more significant roles in influencing loyalty. For instance, one study highlighted that while employee motivation had a clear impact on loyalty, there was no significant correlation between satisfaction and loyalty itself. This disparity indicates a need for further exploration into the nuances of this relationship, as it may vary across different organizational contexts and industries (Hadj, 2024). Such insights remind organizations that a one-size-fits-all approach may not be effective; they must consider the specific dynamics at play within their own environments to fully understand how satisfaction translates to loyalty (Rajest & Rajan, 2023).

Industry-specific contexts further elucidate the relationship between employee satisfaction and loyalty. In sectors like hospitality and restaurants, the connection appears particularly strong; as employee satisfaction rises, so too does loyalty and retention. Employees in these industries often feel a heightened sense of motivation to remain with their organizations, which not only decreases turnover but also enhances customer service quality. This reinforces the notion that employee satisfaction can significantly influence customer satisfaction, as satisfied employees are more likely to become brand ambassadors who promote the organization's values and deliver exceptional service. Moreover, fostering a strong organizational culture that prioritizes employee satisfaction is essential for enhancing loyalty outcomes. Companies that invest in their employees' experiences through professional development and a stable work environment are more likely to reap the rewards of increased loyalty. Continuous improvement practices, such as regular feedback mechanisms, enable organizations to gauge employee sentiments and proactively address any emerging issues, ensuring that both satisfaction and loyalty remain high (Hadj, 2024).

2.6 Employee Satisfaction and Loyalty: Insights from Empirical Studies

Employee satisfaction and loyalty are vital components of organizational effectiveness, significantly influencing productivity and turnover rates. Recent empirical research has underscored the strong correlation between these two factors, highlighting that satisfied employees are more likely to demonstrate loyalty to their organizations. For instance, Gupta and Sharma (2019) found that effective communication and recognition practices enhance employee satisfaction, which in turn fosters loyalty. Additionally, Lee and Lee (2021) demonstrated that comprehensive training and development opportunities are crucial in nurturing both satisfaction and commitment among employees. More recently, Chen et al. (2022) revealed that a positive organizational culture significantly shapes employee perceptions of their work environment, further impacting their loyalty. In 2023, Williams and Johnson emphasized the role of flexible work arrangements in promoting satisfaction and retention. This section depicts these empirical insights, exploring their implications for effective human resource management strategies (Turkyilmaz, G., & Pastuszak, 2011).

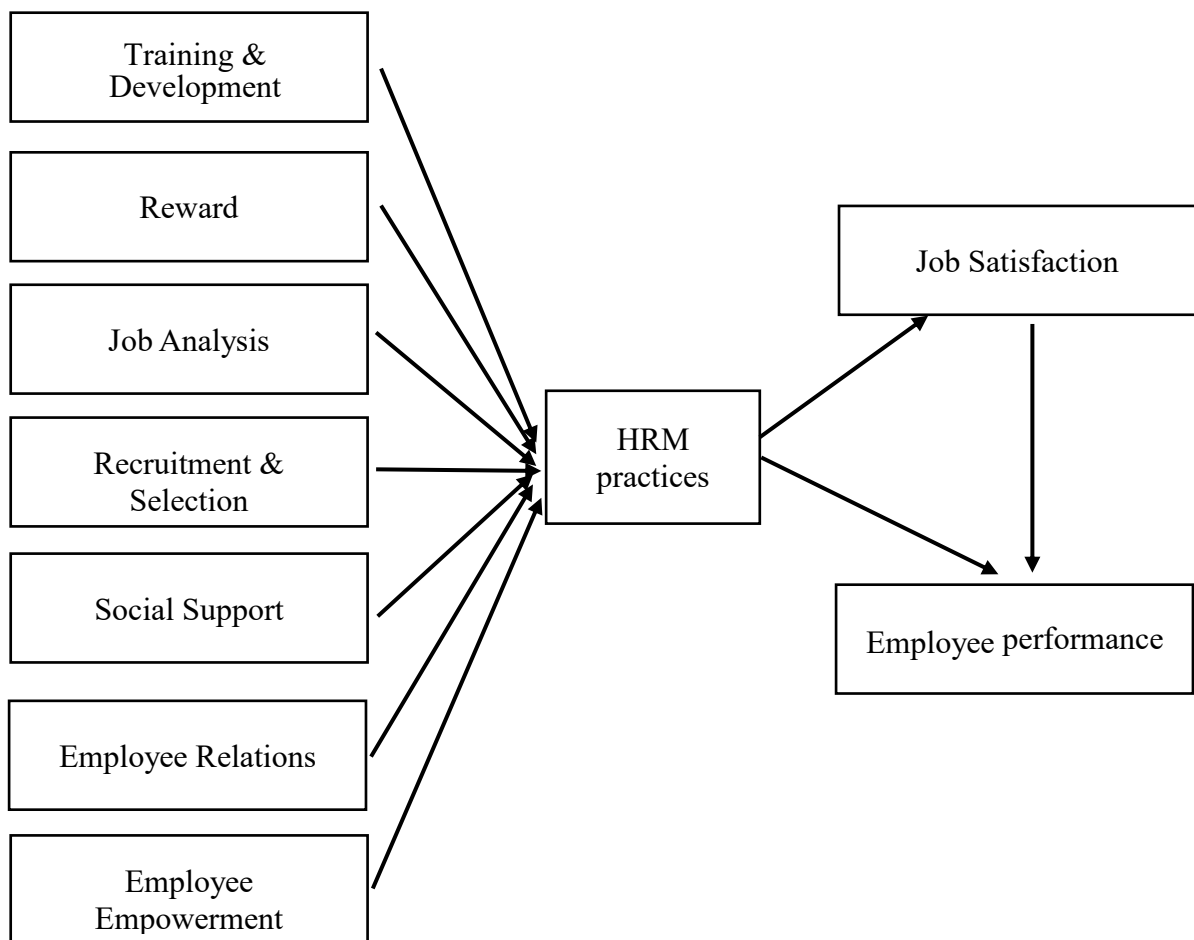
2.6.1 Empirical Studies

This section presents models and findings of some previous researchers' findings on relationships between human resources management practices and employee satisfaction and employee performance.

2.6.2 The Effect of HRM Practices and Employee Job Satisfaction on Employee Performance

The research conducted by Mira et al. (2019) looks at the connection between employee performance as measured by job satisfaction and human resource practices such as training and development, rewards, job analysis, recruitment, and selection, as well as social support, employee empowerment, and employee relationships. The human resource practices study balances the impact of HR practices on workers' output (Nassazi, 2013). Furthermore, this aligns with Adam and Maslow's (1965; 1965) equality thesis, which asserts that employees find satisfaction when their needs are satisfied. The conceptual framework of Mira et al., is shown in Figure (2.1)

Figure (2.1) Conceptual Framework of Mira et al.



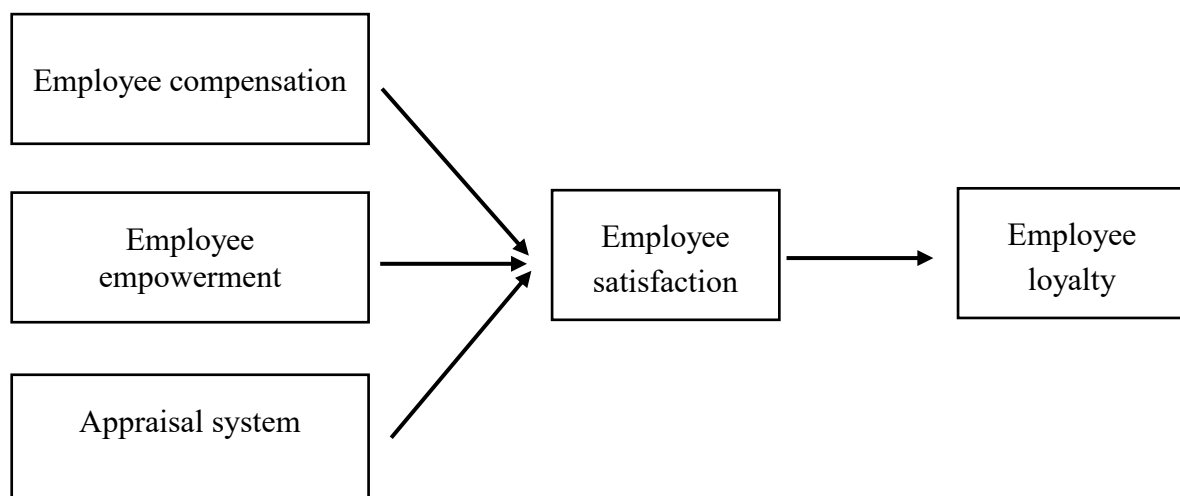
Source: Mira et al. (2019)

The study discovered that there was a statistically significant correlation between job satisfaction and seven HRM practice factors: employee empowerment, job analysis, recruiting and selection, social support, training and development, and reward. The study also showed that worker satisfaction affected worker performance. This study looked into how HRM policies at Amazon, a renowned Internet company, affected cargo employees' job satisfaction in 2022. Job satisfaction was the end variable, and the HRM activities covered training and development, reward systems, job analysis, recruiting and selection, social support, employee retention, and employee empowerment. For example, to assess how well HRM strategies address the needs and expectations of employees, the relationship between these variables was examined (Choong, Thim, & Mira, 2019).

2.6.3 The Effect of HRM Practices and Employee Job Satisfaction on Employee Performance

This study examines the relationships between key HRM practices and their influence on employee satisfaction and employee loyalty. It focuses on the impact of employee compensation, empowerment, the appraisal system, and how these factors collectively affect employee outcomes. The findings highlight the positive connections between these HRM practices, suggesting that fair compensation, empowerment, and an effective appraisal system enhance employee satisfaction and loyalty, which ultimately contribute to organizational success.

Figure (2.2) Conceptual Framework of Hassan



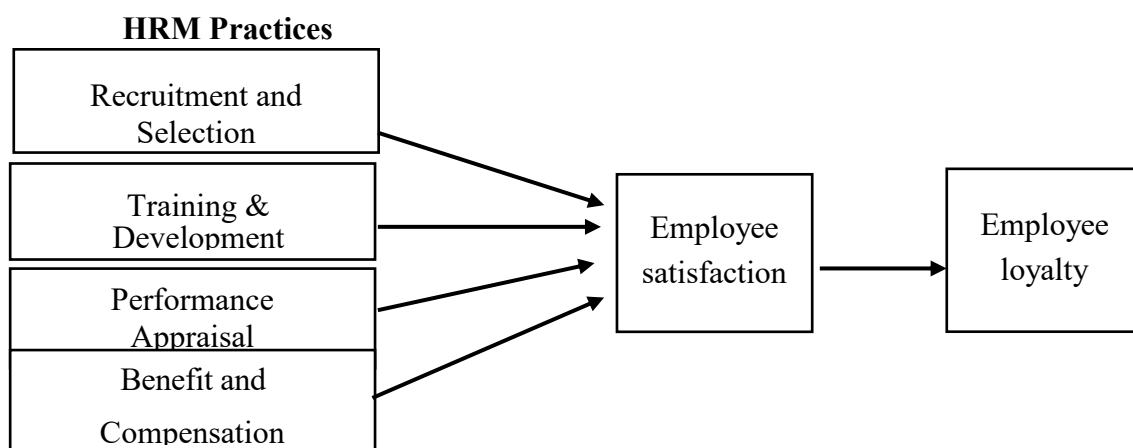
Source: Hassan (2013)

Figure 2.2. This framework investigates the interconnectedness of HRM practices and their impact on employee satisfaction and employee loyalty. The primary variables considered in the model include employee compensation, employee empowerment, the appraisal system, employee satisfaction, and employee loyalty. The study employs correlation analysis to examine how these variables relate to each other and influence employee outcomes. The findings reveal significant, positive relationships: employee compensation is positively correlated with employee satisfaction, indicating that fair compensation leads to higher job satisfaction. Similarly, employee empowerment—the process of granting employees more autonomy and control in their roles—has a positive effect on satisfaction. The appraisal system, which involves evaluating and recognizing employee performance, also enhances satisfaction when it is perceived as fair and effective. Furthermore, the study shows that employee satisfaction is strongly linked to employee loyalty, meaning satisfied employees are more likely to remain committed to the organization. These results suggest that HRM practices, such as fair compensation, empowerment, and an effective appraisal system, play a crucial role in boosting employee satisfaction and fostering employee loyalty, ultimately contributing to long-term organizational success (Choong, Thim, & Mira, 2019).

2.7 Conceptual Framework of the Study

According to the results from the prior researches, the following conceptual framework is developed for this study. The conceptual framework of this study shows how human resources management practices effect on employee satisfaction and how employee satisfaction effect on employee loyalty of organization. Human resources management practices are defined with four factors. The employee loyalty is inclined by employee satisfaction. The conceptual framework of the study is shown in the Figure (2.3).

Figure (2.3) Conceptual Framework of the Study



Source: Own Compilation

In the conceptual framework of the study, three major sections are involved. They are human resources practices, employee satisfaction, and employee loyalty. To measure the level of human resources practices, four factors are used to collect the data. They are recruitment and selection, training and development, performance appraisal, and benefit and compensation. Employee satisfaction is measured upon multifactor satisfaction questionnaires. Employee loyalty is measured based on a multi-dimensional concept. Although previous studies measured the relationship between HRM practices and employee performance, employee satisfaction is explicitly linked to employee loyalty in this study because of the nature of the job of the organizations. This conceptual framework only explains the connection between employee satisfaction and employee loyalty. This framework describes how HRM practices impact employee satisfaction and how employee loyalty is affected by employee satisfaction of employees at organizations.

CHAPTER III

METHODOLOGY

The methodology for this study on the effect of human resource management practices on employee satisfaction and loyalty at Shwe Mahar Mae Khong Network Company, Tachileik, Myanmar, is carefully structured. Research Methods: This study adopts a quantitative approach, allowing for the empirical examination of relationships between HR practices and employee outcomes. Research Design: The designs are both descriptive and correlational, enabling the analysis of existing HR practices while exploring their impact on employee satisfaction and loyalty. Data Collection Method: Data is gathered using a structured, closed-ended questionnaire featuring Likert scale items to measure employees' perceptions of HR practices alongside their levels of satisfaction and loyalty. The employees are given this questionnaire to guarantee thorough coverage. Ethical Consideration: concerns about ethics remain crucial; participants' informed consent was sought., ensuring confidentiality of their responses, and there are measures in place to reduce the risk of discomfort while the research proceeds, thereby safeguarding participant rights and the integrity of the study.

3.1 Research Methods

In this study, the simple random selection technique was used for selecting 100 employees from the Shwe Maha Mekong (SMK) network company in Tachileik, Eastern Myanmar. Using a Google Form, the survey data was prepared to be completed in a structured way. The study begins with a demographic profile of respondents, gathering data on key variables such as gender, age, marital status, education level, working experience, department, and income. The second part of the structured questionnaire is concerned with the main objective of the study: HRM practices, employee satisfaction, and employee loyalty, with each statement rated on a Likert scale from 1 (strongly disagree) to 5 (strongly agree). This approach allows for quantitative analysis of employees' perceptions regarding recruitment and selection, training and development, performance appraisal, and benefits and compensation. A sample of 100 employees was selected from a total population of 133, using simple random sampling to ensure representativeness. Data collection occurs via Google Forms, ensuring accessibility and ease of response. Additionally, secondary data was gathered from the company's annual reports and relevant literature to enrich the analysis.

This study employs a structured and systematic methodology to explore the relationship between HRM practices, employee satisfaction, and loyalty within the Shwe Maha Mekong network company. By utilizing a simple random sampling technique and a comprehensive questionnaire, the research captures diverse employee perspectives, ensuring robust data for analysis. The combination of primary and secondary data sources provides valuable insights into the effectiveness of HRM strategies in fostering a positive workplace environment in Tachileik.

3.2 Research Design

The objective of the research design was to complete the goals of the study. The research design for this study on the Shwe Mahar Mae Khong Network Company (SMK) in Tachileik, Myanmar, is both descriptive and correlational in nature, allowing for a comprehensive analysis of human resource management practices and their impact on employee satisfaction and loyalty. The descriptive aspect focuses on outlining the existing HR practices within the organization, providing a clear snapshot of the current state of employee management and engagement. By collecting demographic data and perceptions of HR practices, the study establishes a baseline for understanding employee experiences. The correlational aspect seeks to identify and analyze the relationships between various HR practices such as recruitment, training, performance appraisal, and compensation and employee outcomes, including satisfaction and loyalty. This dual approach not only facilitates the identification of patterns and trends but also enables the exploration of potential causal links, thereby enhancing the robustness of the findings. Overall, the research design is structured to yield actionable insights that can inform HR strategies at SMK, contributing to a more engaged and loyal workforce. Data collection period was in October 2024.

3.2.1 Questionnaire Development

The questionnaire developed for this study on the Shwe Mahar Mae Khong Network Company (SMK) in Tachileik, Myanmar, was meticulously crafted to ensure comprehensive coverage of key variables related to human resource management practices, employee satisfaction, and loyalty. Structured as a closed-ended survey, the questionnaire consists of multiple sections, each focusing on specific HRM practices such as recruitment and selection, training and development, performance appraisal, and benefits and compensation. Each

statement is designed to gauge employees' perceptions on a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree), allowing for nuanced responses that facilitate quantitative analysis. To enhance validity and reliability, the questionnaire was subjected to a pre-test with a small group of employees, ensuring clarity and relevance of the items. Feedback from the pre-test was incorporated to refine the questions further, making them more accessible and relevant to the target population. The final version of the questionnaire captures essential demographic information but also provides a structured means to evaluate the interplay between HR practices and employee outcomes, thus contributing to the overall objectives of the study.

3.2.2 Sample Size

In this study on the impact of human resource management practices on employee satisfaction and loyalty at Shwe Mahar Mae Khong Network Company (SMK), the sample size was carefully determined to ensure representativeness and statistical validity. A total population of 133 employees was identified within the organization, from which a sample of 100 employees was selected using simple random sampling techniques. This approach not only facilitates a broad representation of the workforce but also minimizes selection bias, thereby enhancing the reliability of the findings. The sample size of 100 is significant enough to provide robust data for analysis, allowing for meaningful insights into the relationship between HR practices and employee outcomes.

The Yamane formula's computation is predicated on the sample's greatest variability (with a 5% allowable margin of error) and a 95% confidence level:

$$n = N / 1 + N(e)^2$$

Where:

- n = sample size needed
- N = total population size
- e = margin of error (expressed as a decimal)

Given:

Total population size N=133

Margin of error e=0.05 (assuming a 5% margin of error)

Let's calculate the sample size n:

$$\begin{aligned}n &= N / 1 + N(e)^2 \\n &= 133 / 1 + 133 (0.05)^2 \\&= 133 / 1 + 0.3325 \\&= 133 / 1.3325 \\&= 99.81 \\n &= 100\end{aligned}$$

Therefore, according to the Yamane formula, a sample size of approximately 100 employees is sufficient for this study, ensuring a statistically valid representation of the population at SMK Network Company in Tachileik.

The choice of a sample size of 100 employees is supported by statistical principles, which suggest that larger samples typically yield more accurate estimates of the population parameters. Given the manageable population size, selecting approximately 75% of the total workforce helps ensure that diverse perspectives and experiences are captured, enriching the data set. The sampling method also allows for various demographic factors such as age, gender, and department to be represented proportionately, enhancing the study's generalizability. Overall, this carefully determined sample size supports the research objectives, providing a solid foundation for examining the effects of HRM practices on employee satisfaction and loyalty at SMK. In addition, those selected are the managers of Shwe Mahar Mae Khong Network Company, supervisors, and team members. Table (3.1) shows the data collection list of the Shwe Mahar Mae Khong Network Myanmar company.

Table (3.1) Total Employees in the Shwe Mahar Mae Khong (SMK) Network Co.,Ltd

Sr.	Departments	No. of Employees
1	HR & Admin	11
2	Account & Finance	6
3	Marketing	14

4	Supply Chain	4
5	Corporate Services	3
6	Transmission	62
	Total Employees	100

Source: SMK (2024)

3.3 Data Collection Method

A structured questionnaire on employee satisfaction and loyalty was used to gather primary data for this study from SMK Network Company workers. To ensure the statistical validity and reliability of the data, 100 employees were selected at random from a population of 133 using simple random sampling. Data was collected from employees using a questionnaire (Google Form). Selected employees are notified upon approval by HR. Data was collected from employees using a questionnaire (Google Form). Questionnaires (Google Forms) sent via email and Viber groups, and data collected. Additionally, secondary data gathered from annual reports, relevant texts, journal articles, and reputable internet sources to provide contextual insights into SMK Network Company, industry dynamics, and existing literature on HRM practices.

3.3.1 Data Analysis

Data collected from the surveys was analyzed using both descriptive and inferential statistics to ensure a comprehensive understanding of employee perceptions at Shwe Mahar Mae Khong Network Company (SMK). Descriptive statistics summarized the demographic information and responses regarding HRM practices, employee satisfaction, and loyalty, providing insights into trends and patterns. Inferential statistics, conducted using SPSS version 26 and Microsoft Excel (2016), explored relationships and potential causal links between HR practices and employee outcomes. This dual approach was to facilitate robust conclusions and inform actionable HR strategies tailored to enhance employee satisfaction and loyalty within the organization.

3.4 Ethical Consideration

This study rigorously observes ethical standards in research by obtaining informed consent from all participants prior to data collection. Its objective of the study, the extent of

each participant's involvement, and the confidentiality of their answers are explained to them all. Participants are made fully aware that their participation in the study is completely voluntary, and they are free to leave at any time without incurring any penalties. Every piece of information gathered was handled with the highest confidentiality and used just for this study, the study additionally points out how crucial it is to guarantee that the information acquired is true, reliable, and devoid of biases in order to preserve the reliability of the research process.

CHAPTER IV

ANALYSIS AND RESULTS

In this chapter, the focus is on analyzing the data collected from the study and interpreting the results. This chapter is divided into two main sections: Description of Population and Sample and Statistical Analysis and Interpretation of Results. Here's a breakdown of what should be covered in each section.

4.1 Description of Population and Sample

Population

The population for this study consists of all employees at Shwe Mahar Mae Khong Network Company (SMK) in Tachileik, Myanmar, totaling 133 individuals. This diverse group includes employees from various departments, such as HR & Admin, Accounting & Finance, Marketing, Supply Chain, Corporate Services, and Transmission. The range of roles and backgrounds among these employees provides a comprehensive foundation for analyzing the impact of human resource management practices on employee satisfaction and loyalty.

Sample

From the total population, a sample of 100 employees was selected using a simple random sampling technique to ensure representativeness and minimize selection bias. This sample constitutes approximately 75% of the total workforce, enabling a broad representation of different demographics, including age, gender, marital status, education level, working experience, department, and income levels. By focusing on this carefully determined sample size, the study aims to capture diverse employee perspectives, enhancing the reliability and generalizability of the findings regarding the relationship between HRM practices and employee outcomes. Selected participants include managers, supervisors, and team members, further enriching the data collected for analysis. Inferential statistics, conducted using SPSS version 26 and Microsoft Excel (2016), explored relationships and potential causal links between HR practices and employee outcomes.

4.1.1 Demographic profile of the Respondents

In this section, the demographic profile of the respondents from the Shwe Mahar Mae Khong Network Company, which provides a contextual background for the analysis of the study was presented. The demographic data collected includes various variables such as gender, age, marital status, education level, work experience, department, and income level.

4.1.2 Respondents by Gender

In this study, the genders of the respondents—male, female, and others—are divided into three groups. Table (4.1) displays the respondents by gender.

Table (4.1) Respondents by Gender

Sr. No.	Gender	No. of Respondents	Percentage
1	Male	84	84.00
2	Female	16	16.00
	Total	100	100.00

Source: Survey Data (Oct 2024)

According to Table (4.1), the survey includes 100 respondents. Of these, 84 are male and 16 are female, resulting in a gender distribution of 84% male and 16% female. This indicates that the company has not yet achieved gender balance. To address this imbalance, it would be advisable for the company to focus on hiring more female employees.

4.1.3 Respondents by Age

In this study, the age of the respondents was 18 to 25 years old, 26 to 35 years old. It is divided into four groups: 36 to 45 years old and over 46 years old. Table 4.2 shows the respondents' ages.

Table (4.2) Respondents by Age

Sr. No.	Age (Years)	No. of Respondents	Percentage
1	18 - 25 years	30	30.00
2	26 - 35 years	42	42.00
3	36 - 45 years	19	19.00
4	46 and above	9	9.00
	Total	100	100.00

Source: Survey Data (Oct 2024)

According to Table (4.2), the survey encompasses 100 respondents divided by age groups. The breakdown shows that 30 respondents are aged 18-25 years, 42 are in the 26-35 year range, 19 are between 36-45 years, and 9 are aged 46 and above. This distribution results in 30% of respondents being in the 18-25 age group, 42% in the 26-35 age group, 19% in the 36-45 age group, and 9% in the 46 and above category. This suggests a predominance of

younger individuals in the workforce. To enhance age diversity, the company may want to consider recruiting candidates from the older age brackets.

4.1.4 Respondents by Education Level

In this study, the education levels of the respondents are categorized into five groups: Under Graduate, Graduated, Post Graduated (Master), Post Graduated (PhD), Others (please specify). The distribution of respondents by their education level is presented in Table (4.3)

Table (4.3) Respondents by Education Level

Sr. No.	Education Level	No. of Respondents	Percentage
1	Under Graduate	38	38.00
2	Graduated	58	58.00
3	Post Graduated (Master)	4	4.00
	Total	100	100.00

Source: Survey Data (Oct 2024)

The table presents the educational qualifications of 100 survey respondents, detailing their distribution across three levels of education. Of the total respondents, 38% are undergraduates (38 people), 58% have completed their bachelor's degree (58 people), and 4% are postgraduates with a master's degree or higher (4 people). This shows that the majority of respondents have completed undergraduate studies, while a smaller proportion have pursued advanced degrees. The total number of respondents is 100, and the percentages sum to 100%, reflecting the full distribution of educational backgrounds in the sample. This breakdown shows us a lot about the participants' educational background, allowing us to understand what the outcomes of the survey mean.

4.1.5 Respondents by Marital Status

In this study, the respondents were divided into two groups: single and married. The marital status of the respondent employees is shown in Table (4.4).

Table (4.4) Respondents by Marital Status

Sr. No.	Marital Status	No. of Respondents	Percentage
1	Single	61	61.00
2	Married	39	39.00
	Total	100	100.00

Source: Survey Data (Oct, 2024)

Table (4.4), which shows that 61 respondents are single, representing 61% of the total, while 39 respondents are married, accounting for 39%. This data highlights the predominance of single individuals among the respondents. The marital status of respondents may provide additional context for understanding their perspectives and experiences in the study.

4.1.6 Respondents by Income level

In this study, the income levels of employees are categorized into four groups: 1,000,000 to 1,500,000 Kyats, 1,500,001 to 2,000,000 Kyats, 2,000,001 to 2,500,001 Kyats, and 2,500,001 Kyats and above. The distribution of respondents by their monthly income is presented in Table (4.5).

Table (4.5) Respondents by Income Level

Sr. No.	Income	No. of Respondents	Percentage
1	1000000 – 1500000 Kyats	9	9.00
2	1500001 – 2000000 Kyats	31	31.00
3	2000001 – 2500000 Kyats	41	41.00
4	2500001 Kyats and above	19	19.00
	Total	100	100.00

Source: Survey Data (Oct 2024)

According to Table (4.5), The table shows the income distribution of 100 survey respondents, with 9% earning between 1,000,000 and 1,500,000 kyats, making it the smallest income group. A larger proportion, 31%, earn between 1,500,001 and 2,000,000 kyats, while the largest group, 41%, earn between 2,000,001 and 2,500,000 kyats. Finally, 19% of respondents earn above 2,500,000 kyats. This indicates that most respondents earn within the middle to higher income ranges, with the highest concentration in the 2,000,001 to 2,500,000

Kyats range, and the smallest group falls in the lowest income bracket. The total number of respondents is 100, and the percentages sum to 100%, providing a clear overview of the income distribution.

4.1.7 Respondents by Working Experience

In this study, respondents' working experiences are categorized into four groups: less than 3 years, 3-6 years, 7-10 years, and 10 years and above. The distribution of respondents by their years of experience is shown in Table (4.6).

Table (4.6) Respondents by Working Experiences

Sr. No.	Working Experiences (Years)	No. of Respondents	Percentage
1	Less than 3 years	27	27.00
2	3-6 years	40	40.00
3	7-10 years	18	18.00
4	10 years and above	15	15.00
	Total	100	100.00

Source: Survey Data (Oct, 2024)

According to Table (4.6), the breakdown of working experience among the workforce reveals valuable insights into their professional backgrounds, expertise, and skill levels. With 27% of respondents having less than 3 years of experience, 40% between 3-6 years, 18% with 7-10 years, and 15% having 10 years or more, this distribution highlights the diversity in experience levels. Understanding this distribution can inform career development strategies and help align professional growth with the company's needs.

4.2 Analysis of HRM practices on Employee Satisfaction and Loyalty of SMK

This section presents the statistical analysis conducted to assess the impact of Human Resource Management (HRM) practices on employee satisfaction and loyalty at Shwe Mahar

Mae Khong Network Company in Tachileik, Myanmar. The analysis uses quantitative data collected from employee surveys and applies various statistical methods to interpret the results.

4.2.1 Reliability Test

The Cronbach's alpha test or the reliability coefficient was used to determine the internal consistency between the multiple dimensions of a variable in a questionnaire. Sekaran (2009) defined that all questions of each variable are needed to measure the reliability which may apply Cronbach's coefficient alpha scale. If the result of the calculation of the alpha test is above 0.6 or equal to 0.6, all questions are consistent and reliable to be applied as the research instrument for this study (Sekaran & Bougie, 2009).

Cronbach's alpha ranges in value from 0 to 1 and is used to describe the reliability of factors of extract from questionnaires. According to Gliem and Gliem (2003), the closer Cronbach's alpha coefficient to 1.0 the greater the internal consistency of the items in the scale (Sekaran & Bougie, 2009). If alpha is less than 0.6 which means the results are unreliable. The result 0.6 or 0.7 indicates that the data resulted is reliable. Table (4.7) describes the reliability of the research instruments and the Cronbach's alpha found in the study of preceding factors on HRM practices, and the relationship between employee satisfaction and employee loyalty.

A structured questionnaire was distributed among employees to gather data on key HRM practices. The variables measured included:

Table (4.7) Reliability Test

Sr. No.	Variables	No. of items	Cronbach's Alpha
1	Recruitment and Selection	5	0.818
2	Training and Development	6	0.708
3	Performance Appraisal	8	0.606
4	Benefit and Compensation	8	0.606
5	Employee Satisfaction	7	0.637
6	Employee Loyalty	6	0.607

Source: Survey Data (Oct, 2024)

The Table (4.7) shows that the values of the reliability analysis which are tested the Cronbach's alpha outcome. Alpha values for all the variables are more than 0.6, and

which indicates all the questions are reliable and suitable to apply as the research instrument for this study.

4.2.2 Correlation Analysis

Correlation analysis is a statistical method used to assess the strength and direction of relationships between two or more variables, often measured using the Pearson correlation coefficient (r). This coefficient ranges from -1 to +1, where +1 indicates a perfect positive correlation, -1 indicates a perfect negative correlation, and 0 indicates no correlation. The p-value associated with the correlation tests its statistical significance, with a p-value less than 0.05 indicating a significant relationship. A p-value greater than 0.05 suggests the correlation may not be statistically significant. Thus, the p-value helps determine whether the observed correlation is likely due to chance or represents a real relationship between variables.

Human resource management (HRM): Understanding the strength of relationships between various practices and employee outcomes is essential for formulating effective strategies. One of the most common statistical tools used to assess these relationships is the Pearson correlation coefficient. This measure indicates the degree and direction of association between two variables. In his influential work, "Statistical Power Analysis for the Behavioral Sciences" (1988, Jacob Cohen) established a widely accepted classification for interpreting correlation coefficients. Cohen's framework categorizes correlation strengths as small ($r = 0.10$ to 0.29), moderate ($r = 0.30$ to 0.49), and strong ($r = 0.50$ and above), offering a clear guide for researchers to assess the significance of relationships in their data. This classification plays a crucial role in the analysis of HRM practices, helping to evaluate how effectively specific HR strategies influence employee satisfaction and organizational outcomes.

Table (4.8) Correlation between HRM Practices and Employee Satisfaction

Sr. No	Variable	Pearson Correlation	Sig.(2-tailed)
1	Recruitment and Selection	0.370**	0.000
2	Training & Development	0.591**	0.000
3	Performance Appraisal	0.377**	0.000
4	Benefit and Compensation	0.459**	0.000

Source: Survey Data (Oct, 2024)

According to Table 4.8 presents the correlation between various Human Resource Management (HRM) practices and employee satisfaction, providing valuable insights into how these practices influence employee satisfaction. The Pearson correlation values indicate the strength and direction of these relationships, while the significance values confirm their statistical reliability. Recruitment and Selection shows a moderate positive correlation of 0.370**, suggesting that improvements in these practices are associated with increased employee satisfaction. With a significance value of 0.000, this relationship is statistically significant, meaning the correlation is unlikely to be due to chance. Training and development displays the strongest positive correlation at 0.591**, indicating a robust relationship with employee satisfaction. This suggests that effective training and development initiatives significantly enhance employee satisfaction, and the p-value of 0.000 further confirms the reliability of this finding. Performance appraisal reveals a positive correlation of 0.377**, slightly higher than recruitment and selection, signifying a moderate relationship with employee satisfaction. The significance value of 0.000 ensures that this correlation is also statistically significant. Additionally, Benefit and Compensation shows a moderate to strong correlation of 0.459**, indicating that employee satisfaction is positively influenced by the benefits and compensation provided by the organization. This relationship is also statistically significant, with a p-value of 0.000. In summary, Table 4.8 highlights that all four HRM practices recruitment and selection, training and development, performance appraisal, and benefits and compensation are positively correlated with employee satisfaction.

All four HRM practices—performance appraisal, training and development, benefits and compensation, and recruitment and selection—have a positive relationship with employee satisfaction, as Table 4.8 shows. Training and development have the largest association (0.591**), whereas the other correlations are more favorable and have significance levels of 0.000, indicating that they are statistically reliable. With every association as statistically significant, these results show that benefits to various processes in HRM may result in higher employee satisfaction.

4.2.3 Respondent Perception on Recruitment and Selection

The method of interpreting mean scores on a 5-point Likert scale by assigning broader categories works as follows: A mean score between 0.01 and 1.00 is classified as strongly disagree, indicating strong dissatisfaction. A score between 1.01 and 2.00 is considered disagree, showing general dissatisfaction but not as intense. A mean score from 2.01 to 3.00 is

labeled as neutral, meaning respondents are indifferent and neither agree nor disagree strongly. A score between 3.01 and 4.00 is classified as agree, indicating positive sentiment or satisfaction, though not necessarily strong. Finally, a mean score from 4.01 to 5.00 is categorized as Strongly Agree, representing high satisfaction or strong agreement. This method is simpler and more intuitive, grouping responses into larger, easier-to-understand categories. It is especially useful for high-level interpretations when precise breakdowns of responses are not needed (Mohammed, 2016).

Recruitment and selection is one of the HRM practices. Ten questions are used to measure the employee perception of recruitment and selection practiced by Shwe Mahar Mae Khong (SMK) Network Company. The mean scores of respondent perception on recruitment and selection are shown in Table (4.9).

Table (4.9) Respondent Perception on Recruitment and Selection Practices

Sr. No.	Description	Mean	Std. Deviation
1	Unstructured interviews assess candidates' suitability for positions.	3.92	0.394
2	Recommendations and personal acquaintances influence candidate selection.	3.96	0.197
3	Informal qualifications are important in selection criteria.	4.08	0.563
4	The website is regularly updated with vacancies.	4.15	0.458
5	The company includes employees in planning.	4.32	0.548
	Overall Mean	4.08	

Source: Survey Data (Oct, 2024)

According to Table 4.9, the overall perception of Shwe Mahar Mae Khong's (SMK) Network Company's recruitment and selection practices is largely positive, with an overall mean score of 4.08, indicating general satisfaction among respondents. The highest ratings were given to the statement "The company includes employees in planning" (mean: 4.32), which suggests strong agreement with employee involvement in the recruitment process. Other areas that received positive feedback include "The website is regularly updated with vacancies" (mean: 4.15) and "Informal qualifications are important in selection criteria"

(mean: 4.08), which highlight the company's efforts to maintain transparent communication and the recognition of qualifications beyond formal education.

However, there were some areas where responses were more mixed. "Unstructured interviews assess candidates' suitability for positions" (mean: 3.92) and "Recommendations and personal acquaintances influence candidate selection" (mean: 3.96) received lower ratings, suggesting that these practices might not be as well-accepted or effective as other methods. The moderate agreement on the importance of informal qualifications (mean: 4.08) and employee involvement in planning (mean: 4.32) also had higher standard deviations, indicating some variability in respondents' opinions. These findings suggest that while SMK Network's recruitment and selection practices are generally viewed positively, areas such as the use of unstructured interviews and the role of informal qualifications could benefit from refinement to better align with organizational goals and ensure greater consistency in practices.

4.2.4 Respondent Perception on Training and Development

The second component of HRM practices in this study is training and development. To measure the employee perception of the training and development practices of Shwe Mahar Mae Khong (SMK) Network Company, ten questions are used. The mean score of training and development is shown in Table (4.10).

Table (4.10) Respondent Perception on Training and Development Practices

Sr. No.	Description	Mean	Std. Deviation
1	The company prioritizes effective development programs.	4.41	0.494
2	Continuous training improves performance.	4.18	0.386
3	Planning ahead ensures training programs meet development goals.	3.70	0.461
4	Advanced technology enhances the training experience.	3.98	0.619

5	Cross-departmental training fosters collaboration and skill-sharing.	4.34	0.623
6	New approaches keep training relevant and engaging.	4.23	0.423
	Overall Mean	4.14	

Source: Survey Data (Oct, 2024)

According to Table 4.10, employees at Shwe Mahar Mae Khong (SMK) Network Company generally have a positive perception of the company's training and development practices, with an overall mean score of 4.14, indicating general satisfaction. The highest ratings were given to the statement "The company prioritizes effective development programs" (mean: 4.41), reflecting strong agreement with the company's focus on development initiatives. Other areas that received positive feedback include "Continuous training improves performance" (mean: 4.18) and "cross-departmental training fosters collaboration and skill-sharing" (mean: 4.34), highlighting the value employees place on ongoing skill development and teamwork. Additionally, "New approaches keep training relevant and engaging" scored 4.23, showing that employees value innovative and engaging training methods.

However, there are areas that could be further improved. The statement "Planning ahead ensures training programs meet development goals" received the lowest mean of 3.70, suggesting that employees feel there is room for better alignment between training planning and development objectives. Similarly, "Advanced technology enhances the training experience" scored 3.98, indicating moderate satisfaction with the use of technology in training but also room for improvement. These findings suggest that while SMK Network's training and development practices are well-regarded, enhancing the planning process and expanding the use of advanced technologies could further elevate employee satisfaction and the effectiveness of training programs.

4.2.5 Respondent Perception on Performance Appraisal

The third component of HRM practices in this study is performance appraisal. To measure the employee perception of the performance appraisal practices of Shwe Mahar Mae Khong (SMK) Network Company, ten questions are used. The mean score of performance appraisal is shown in Table (4.11).

Table (4.11) Respondent Perception on Performance Appraisal

Sr. No.	Description	Mean	Std. Deviation
1	Appraisals are shared with employees on time.	4.12	0.327
2	Employees have a good understanding of appraisal criteria.	4.06	0.239
3	The performance appraisal system is effective.	4.05	0.219
4	Appraisal outcomes are fair, and performance is fairly rated.	4.41	0.494
5	The company has a professional appraisal system.	4.27	0.446
6	The company provides feedback to employees.	4.57	0.498
7	The company values employees' opinions.	3.81	0.506
8	The company encourages employee growth and development.	4.09	0.288
	Overall Mean	4.17	

Source: Survey Data (Oct, 2024)

According to Table 4.11, the respondents generally have a positive perception of the performance appraisal system at SMK Network Company. The highest-rated aspects include feedback provision (mean: 4.57), with employees strongly agreeing that they receive feedback, and fairness of appraisal outcomes (mean: 4.41), indicating that employees feel their performance is rated accurately. Other strengths include the timeliness of appraisals (mean: 4.12), the professionalism of the system (mean: 4.27), and the encouragement of employee growth and development (mean: 4.09), all of which have relatively low standard deviations, suggesting strong consensus. However, the lowest-rated aspect is the valuation of employees' opinions (mean: 3.81), where employees feel that their input in the appraisal process is not sufficiently considered. While the system is generally perceived as effective (mean: 4.05), with some variability in responses, there is room for improvement in areas like feedback consistency and employee involvement in the process.

4.2.6 Respondent Perception on Benefit and Compensation

The final component of HRM practices assessed in this study is compensation and benefits. Employee perceptions of these practices at Shwe Mahar Mae Khong (SMK) Network Company were evaluated using ten questions, yielding an overall mean score of 4.17, which indicates a positive perception among respondents. Table (4.12) presents the detailed statistics.

Table (4.12) Respondent Perception on Benefit and Compensation

Sr. No.	Description	Mean	Std. Deviation
1	Timely appraisals ensure transparency and clarity.	4.12	0.327
2	A good understanding of appraisal criteria ensures consistency.	4.06	0.278
3	The effective performance appraisal system motivates and fosters growth.	3.95	0.386
4	Fair appraisal outcomes ensure unbiased performance ratings.	4.42	0.496
5	A professional appraisal system reflects the company's commitment to fairness.	4.25	0.479
6	Holding employee accountable drives responsibility and high performance.	3.99	0.266
7	Feedback fosters improvement and alignment with company goals.	4.56	0.519
8	Encouraging employee growth and development supports continuous learning and career progression.	4.07	0.326
	Overall Mean	4.17	

Source: Survey Data (Oct 2024)

According to Table 4.12, the respondents at SMK Network Company generally have a positive perception of the company's benefit and compensation practices, with an overall

mean score of 4.17, indicating satisfaction with how the company manages these aspects. The highest-rated statement is feedback fostering improvement and aligning with company goals (mean: 4.56), reflecting that employees feel feedback is essential for their growth and alignment with company objectives. Fair appraisal outcomes (mean: 4.42) also received a high score, with employees agreeing that the performance ratings are unbiased and fair. Other positive perceptions include professionalism in the appraisal system (mean: 4.25) and the timeliness of appraisals (mean: 4.12), which contribute to transparency. Areas that could be improved include the statement about the appraisal system motivating and fostering growth (mean: 3.95) and holding employees accountable for high performance (mean: 3.99), where respondents felt slightly less positive, suggesting room for improvement in these areas.

4.2.7 Respondent Perception on Employee Satisfaction

Employee satisfaction at Shwe Mahar Mae Khong (SMK) Network Company was assessed through seven questions, resulting in an overall mean score of 4.16, reflecting a generally positive perception among respondents. Table (4.13) provides the detailed statistics:

Table (4.13) Respondent Perception on Employee Satisfaction

Sr. No.	Description	Mean	Std. Deviation
1	I am satisfied with clear instructions and adequate facilities for new assignments.	4.22	0.416
2	I am satisfied with being clearly informed about work expectations.	3.96	0.585
3	I am satisfied with how management addresses employee issues and provides counseling.	4.26	0.676
4	I am satisfied with the career development opportunities.	4.36	0.560
5	I am satisfied that the company cares about me.	3.94	0.679
6	My company is a great place to work.	4.24	0.588
7	I am satisfied with my job security.	4.19	0.581
	Overall Mean	4.16	

Source: Survey Data (Oct 2024)

According to Table 4.13, the respondents generally express a positive perception of their job satisfaction at SMK Network Company, with an overall mean score of 4.16, indicating general contentment with their work environment. The highest-rated aspect is career development opportunities (mean: 4.36), reflecting that employees are largely satisfied with the growth prospects available to them. Other strong areas include management addressing employee issues effectively (mean: 4.26), clear instructions and adequate facilities for new assignments (mean: 4.22), and the company being a great place to work (mean: 4.24). However, there are some areas where employees feel less satisfied, such as being clearly informed about work expectations (mean: 3.96) and feeling that the company cares about them (mean: 3.94), both of which have lower mean scores. The job security aspect is also moderately rated (mean: 4.19), suggesting that while employees generally feel secure, there is still room for improvement. Overall, the results show high levels of satisfaction, with opportunities for improvement mainly in career development and management issue resolution.

4.2.8 Respondent Perception on Employee loyalty

Employee loyalty at Shwe Mahar Mae Khong (SMK) Network Company was assessed through ten questions, resulting in an overall mean score of 4.54, indicating a strong sense of loyalty among respondents. Table (4.14) presents the detailed statistics:

Table (4.14) Respondent Perception on Employee loyalty

Sr. No.	Description	Mean	Std. Deviation
1	Passion for my job drives my dedication and enthusiasm.	4.89	0.314
2	Defending the organization shows my commitment and loyalty.	4.59	0.494
3	Pride in representing the company reflects my belief in its values.	4.51	0.502
4	Promoting the organization's services helps drive growth and success.	4.44	0.499
5	My effort to succeed fuels my personal and	4.29	0.456

	professional growth.		
6	Long-term commitment shows my satisfaction with the company until retirement.	4.57	0.498
	Overall Mean	4.54	

Source: Survey Data (Oct 2024)

According to Table 4.14, the respondents at SMK Network Company display a strong sense of employee loyalty, with an overall mean score of 4.54, indicating high levels of commitment and dedication to the organization. The highest-rated statement is "Passion for my job drives my dedication and enthusiasm" (mean: 4.89), reflecting that employees feel deeply passionate about their work, which fuels their motivation and loyalty. Other strong indicators of loyalty include defending the organization to show commitment (mean: 4.59) and pride in representing the company (mean: 4.51), both of which suggest a deep belief in the company's values. Employees also feel that promoting the organization's services (mean: 4.44) and having long-term commitment (mean: 4.57) reflect their dedication to the company's growth and success. The statement "My effort to succeed fuels my personal and professional growth" (mean: 4.29) shows that employees are motivated by their personal growth in alignment with the company's goals. These results suggest that employees are highly loyal, driven by both passion for their jobs and a strong connection to the company's success and values.

4.2.9 Analysis on the Effect of HRM Practices on Employee Satisfaction of Shwe Mahar Mae Khong (SMK) Network Company.

The relationship between Human Resource Management (HRM) practices and employee outcomes, particularly satisfaction and loyalty, has garnered significant attention in organizational studies. This analysis employs multiple regression techniques to evaluate how various HRM practices influence employee satisfaction and loyalty at Shwe Mahar Mae Khong (SMK) Network Company in Tachileik, Myanmar. Grounded in the premise that effective HRM practices enhance employee satisfaction and loyalty, the analysis focuses on key independent variables, including recruitment and selection, training and development, performance appraisal, and benefits and compensation. The following equation explains the

relationship between these independent variables and the dependent variables of employee satisfaction and loyalty.

The proposed model is:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where:

Y = Employee satisfaction

X_1 = Recruitment and selection practices

X_2 = Training and development initiatives

X_3 = Performance appraisal systems

X_4 = Benefits and compensation structures

β_0 = Constant (Intercept)

$\beta_1, \beta_2, \beta_3, \beta_4$ = The coefficients for each HRM practice,

ε = The error term.

Multiple regression analysis is used to test the impact of independent variables (recruitment and selection, training and development, compensation and benefit, performance appraisal) on the dependent variable (employee satisfaction). The results are shown in Table 4.15.

Table (4.15) Effect of HRM Practices on Employee Satisfaction

Model	Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
	B	Std. Error	Beta	t	Sig.	Tolerance	VIF
Constant	1.995	0.657		3.037	0.003		
Recruitment and Selection (X_1)	0.475	0.165	0.307	2.878	0.005	0.501	1.997

Training and Development (X ₂)	0.995	0.161	0.977	6.185	0.000	0.228	4.384
Performance Appraisal (X ₃)	-1.624	0.425	-0.895	-3.820	0.000	0.104	9.643
Benefit and Compensation (X ₄)	0.671	0.234	0.414	2.863	0.005	0.272	3.678
R	.678 ^a						
R Square	0.459						
Adjusted R Square	0.436						
Durbin-Watson	1.129						
F Value	20.154						

Source: Survey Data (Oct 2024)

Notes: ***Significant at 1% level, **Significant at 5% level, *Significant at 10% level

Dependent Variable: Employee Satisfaction

According to Table 4.15, presents the results of a regression analysis examining the effect of HRM practices on employee satisfaction. The unstandardized coefficients show that each HRM practice affects employee satisfaction differently. The recruitment and selection process (X₁) has a positive impact with a coefficient of 0.475, indicating that improvements in recruitment and selection increase employee satisfaction. Training and Development (X₂) has the strongest positive effect with a coefficient of 0.995, suggesting that investment in employee development leads to a significant increase in satisfaction. Conversely, performance appraisal (X₃) has a negative coefficient of -1.624, implying that more frequent or harsher performance appraisals can reduce satisfaction. Benefit and Compensation (X₄) also positively influences satisfaction with a coefficient of 0.671, indicating that better compensation packages improve satisfaction.

The standardized coefficients (Beta) show the relative strength of each HRM practice in explaining employee satisfaction. Training and Development (X₂) has the highest beta (0.977), signifying it has the strongest influence on satisfaction, while Performance Appraisal (X₃) has the largest negative effect with a beta of -0.895. All variables are statistically significant, with t-values and significance levels indicating that these HRM practices

meaningfully contribute to explaining employee satisfaction. The collinearity statistics, such as the Variance Inflation Factor (VIF), show no multicollinearity among the predictors, as all VIF values are below 10, and tolerance values are within acceptable ranges.

The model's R square value of 0.459 indicates that 45.9% of the variation in employee satisfaction is explained by the HRM practices, suggesting a moderately good fit. The adjusted R square (0.436) suggests that the model does not overfit the data. The Durbin-Watson statistic of 1.129 indicates no significant autocorrelation in the residuals, confirming the reliability of the model. The overall model is statistically significant, as indicated by the F value of 20.154, showing that HRM practices collectively have a meaningful impact on employee satisfaction. This analysis highlights the importance of focusing on training and development and benefit and compensation to enhance satisfaction, while suggesting that the performance appraisal system might need revision to avoid negative effects.

4.2.10 Analysis on Effect of Employee Satisfaction on Employee Loyalty of Shwe Mahar Mae Khong (SMK) Network Company.

Multiple regression analysis is used to test the impact of independent variable (employee satisfaction) on dependent variable (employee loyalty). The results are shown in the Table (4.16).

Table (4.16) Effect of Employee Satisfaction on Employee Loyalty

Model	Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
	B	Std. Error	Beta	t	Sig.	Tolerance	VIF
Constant	3.321	0.172		19.342	0.000		
Employee Satisfaction (Y)	0.205	0.041	0.450	4.992	0.000	1.000	1.000
R	.450 ^a						
R Square	0.203						

Adjusted R Square	0.195
Durbin-Watson	1.356
F Value	24.915

Source: Survey Data (Oct 2024)

Notes: ***Significant at 1% level, **Significant at 5% level, *Significant at 10% level

Dependent Variable: Employee loyalty.

According to Table 4.16, results of a regression analysis examining the effect of employee satisfaction on employee loyalty within Shwe Mahar Mae Khong (SMK) Network Company. The unstandardized coefficient for employee satisfaction is 0.205, indicating that for every unit increase in employee satisfaction, employee loyalty increases by 0.205 units, with a statistically significant p-value of 0.000. The standardized coefficient (Beta) of 0.450 further emphasizes the strength of this positive relationship, suggesting that employee satisfaction plays a crucial role in fostering employee loyalty. This indicates that higher satisfaction leads to greater commitment to the company.

The R square value of 0.203 means that 20.3% of the variation in employee loyalty is explained by employee satisfaction, indicating a moderate correlation between the two variables. However, the adjusted R square of 0.195 suggests that other factors, beyond employee satisfaction, could also significantly influence employee loyalty. The F value of 24.915 confirms the overall statistical significance of the model, demonstrating that employee satisfaction has a meaningful impact on loyalty. Additionally, the Durbin-Watson statistic of 1.356, which falls outside the optimal range of 1.5 to 2.5, suggests the presence of potential autocorrelation in the residuals, which needs further examination to ensure the reliability of the model.

CHAPTER V

CONCLUSION

This chapter deals with the findings and discussions upon human resources management practices and the effects of them on the level of employee satisfaction at Shwe Mahar Mae Khong (SMK) Network Company. Moreover, the effect of employee satisfaction on the level of employee loyalty is also discussed. Based on these findings and discussions, suggestions and recommendations for the enhancement of employee satisfaction and employee loyalty are made. Finally, the needs for further research are discussed.

5.1 Findings and Discussions

This study aims to examine the human resource management (HRM) practices at Shwe Mahar Mae Khong (SMK) Network Company and assess their impact on employee satisfaction. Additionally, it explores how employee satisfaction impact on employee loyalty within the organization.

Based on the findings of the demographic profile, most of the respondents are male respondents. It shows that the company has not yet achieved gender balance and it may be the nature of network business. A predominance of younger individuals, especially 18-25 years old and 26-35 years age groups, is mainly employed as a workforce. In addition, 61% of the respondents are single. Therefore, the marital status of respondents may provide additional context for understanding their perspectives and experiences in the study. All of the respondents are also educated.

According to the income distribution of the respondents, there are varying percentages across the income brackets. This income data can provide insights into the economic conditions and financial well-being of the employees surveyed. The breakdown of working experience among the workforce reveals valuable insights into their professional backgrounds, expertise, and skill levels. As a data, most of the respondents have three to six years working experience.

The values of the reliability analysis which are tested the Cronbach's alpha outcome are more than between 0.6, and which indicates all the questions are reliable and suitable to apply as the research instrument for this study. According to the survey on employee perceptions of recruitment and selection practices at Shwe Mahar Mae Khong (SMK) Network

Company, the overall system is considered effective, with an average mean score of 4.08. The highest-rated aspect is employee involvement in planning (mean: 4.32), reflecting strong engagement, while the regular update of vacancies on the company website (mean: 4.15) indicates transparency. However, unstructured interviews (mean: 3.92) and the influence of personal recommendations (mean: 3.96) received lower scores, suggesting areas for improvement in standardizing the recruitment process. Overall, while the company's practices are perceived positively, refining the interview and selection methods could enhance fairness and consistency.

Employee perception on training and development practices at Shwe Mahar Mae Khong (SMK) Network Company: Employees strongly agree that the company prioritizes effective development programs (mean: 4.41) and sees continuous training as key to improving performance (mean: 4.18). Cross-departmental training is also highly valued for fostering collaboration (mean: 4.34), while planning training programs to meet development goals received the lowest score (mean: 3.70), suggesting an area for improvement. The overall mean of 4.14 indicates a generally positive perception of the company's training initiatives, with room for further enhancement in the use of advanced technology and planning.

According to the performance appraisal practices at Shwe Mahar Mae Khong (SMK) Network Company, employees perceive the appraisal system positively, with the highest mean score (4.57) for the company's provision of feedback. Appraisal outcomes are viewed as fair (mean: 4.41), and employees generally understand the appraisal criteria (mean: 4.06). However, the company's emphasis on valuing employee opinions received a lower score (mean: 3.81), indicating potential areas for improvement in employee engagement. The overall mean score of 4.17 reflects a strong appreciation for the company's professional and effective appraisal system, though there is room to enhance employee involvement in decision-making.

According to the survey on respondent perceptions of benefits and compensation at SMK Network Company, employees generally view the performance appraisal system positively. The highest mean score (4.56) was given to feedback fostering improvement and aligning with company goals, highlighting the value of constructive feedback. Fair appraisal outcomes (mean: 4.42) were also highly appreciated, reflecting trust in the system's objectivity and fairness. The professionalism of the appraisal system, which indicates the company's commitment to fairness, scored well (mean: 4.25).

However, there were areas for improvement, particularly in motivating growth (mean: 3.95) and holding employees accountable (mean: 3.99), suggesting that these aspects could be enhanced to boost employee performance and responsibility. Encouraging growth and development (mean: 4.07) was also viewed positively, indicating the company's support for continuous learning. With an overall mean of 4.17, the appraisal system is generally well regarded, though improvements in motivation and accountability could further strengthen its effectiveness.

According to the regression analysis of HRM practices on employee satisfaction, all of the variables of human resource practices have significant effects on employee satisfaction at the 1% level. This suggests that recruitment and selection, training and development, and competitive compensation packages contribute positively to employees' overall satisfaction, which in turn fosters greater loyalty within the organization. These findings highlight the importance of focusing on employee satisfaction as a key driver of loyalty, influenced by robust appraisal and compensation practices. However, performance appraisal has negative significant on employee satisfaction implying that more frequent or harsher performance appraisals can reduce satisfaction.

According the result of simple linear regression analysis of employee satisfaction and employee loyalty of Shwe Mahar Mae Khong (SMK) Network Company, there is a statistically significant effect of employee satisfaction on employee loyalty at the 1% level. This positive relationship suggests that as employee satisfaction increases, loyalty to the company also rises. A unit increase in employee satisfaction results in a 0.205 unit increase in employee loyalty, holding all other variables constant. This indicates that higher employee satisfaction directly contributes to increased loyalty among employees at Shwe Mahar Mae Khong (SMK) Network Company. By prioritizing initiatives that enhance employee satisfaction, SMK can effectively retain talented and committed employees, which, in turn, is likely to improve overall job performance in the workplace.

5.2 Suggestions and Recommendations

The findings of the research make it clear that, even though SMK Network Company (SMK) has put in place a number of HRM processes, such as recruitment and selection, training and development, benefits and compensation, and performance appraisals, there is

still possibility for improvement to enhance these procedures' overall effectiveness. Employees generally perceive SMK's HRM practices as positive. The study reveals that training and development is the most significant HRM practice influencing employee satisfaction, with its standardized coefficient beta being the highest among all practices. In addition, the mean value for employee perception on performance training and development is still above four, indicating that employees fully perceive the system of training and development as fair or effective. To address this, SMK should focus on revising and strengthening its training and development practices by making it more transparent, consistent, and objective. Setting precise and objective performance goals, providing quick and helpful feedback, and incorporating employee input to make the process more equitable and effective are all ways to do this. Moreover, management should ensure that employees are held accountable for their performance in a way that aligns with the company's goals.

Recruitment and selection practices were also identified as significant effect on employee satisfaction, it is also an essential human resource practice for employee satisfaction, these practices could benefit from a more thorough and comprehensive approach. Therefore, SMK should consider integrating both structured and unstructured interview techniques to assess candidates more accurately, ensuring that they are not only qualified but also a good cultural fit for the organization. In addition, SMK should implement more precise and sophisticated selection methods, such as psychometric testing and situational judgment assessments, to better match candidates with roles that suit their skills and the company's needs. Involving current employees in the recruitment process could further enhance the quality of candidate selection, helping to ensure that new hires are aligned with the company's values and work culture.

The study reveals that training and development is the most significant HRM practice influencing employee satisfaction, with its standardized coefficient beta being the highest among all practices. In addition, the mean value for employee perception on performance training and development is still above four, indicating that employees fully perceive the system of training and development as fair or effective. To address this, SMK should focus on revising and strengthening its training and development practices by making them more transparent, consistent, and objective. Setting precise and objective performance goals, providing quick and helpful feedback, and incorporating employee input to make the process more equitable and effective are all ways to do this. Moreover, management should ensure that

employees are held accountable for their performance in a way that aligns with the company's goals.

Training and development is also critical to employee satisfaction. Although employees acknowledge that SMK provides good opportunities for development, the quality and relevance of the training programs could be improved. SMK should enhance the quality of its training initiatives by offering more targeted programs that directly align with employees' roles and career aspirations. Additionally, the company should leverage modern training tools, such as digital platforms and virtual workshops, to make training more accessible, flexible, and cost-effective. Continuous professional development opportunities should be encouraged, with a focus on leadership, innovation, and other advanced skills that support long-term career growth.

Performance appraisal practice is one of the important practices of human resource management. In addition, according to the result of regression analysis, performance appraisal practice of SMK has negative significant effect on employee satisfaction. Therefore, SMK company should emphasis on performance appraisal practices to improve employee satisfaction. Management of SMK company should choose appropriate appraisal methods for their employee such as 360-degree feedback, behaviorally anchored rating scale method, MBO process method, assessment center method, psychological appraisals method, critical incident method, dating scale method...etc. In addition, SMK company should make effort and ensure on justice of these appraisal methods implementation.

Compensation and benefits are seen as significant drivers of employee satisfaction, but there is potential for improvement in this area as well. To ensure SMK remains competitive in the market, regular reviews of compensation packages should be conducted, ensuring that base salaries, bonuses, and financial incentives are attractive both for current employees and for attracting new talent. The company should also consider expanding its benefits package to include health and wellness programs, professional development allowances, and flexible working arrangements. Furthermore, SMK could focus on non-financial recognition and rewards, such as employee appreciation events, recognition programs, and career advancement opportunities, to motivate employees and increase job satisfaction.

The study further highlights the importance of employee loyalty, emphasizing that high levels of satisfaction are closely linked to increased employee loyalty. To build a more

engaged and loyal workforce, SMK should foster an open and transparent organizational culture where employees feel comfortable providing feedback and sharing their concerns. By adopting an open-door policy, management can demonstrate a commitment to listening to employees and acting on their suggestions. Regular, constructive feedback should be provided to employees, not just about their performance but also regarding their career development. Empowering employees by offering them opportunities to take on new responsibilities and participate in challenging projects will increase job satisfaction and strengthen loyalty. Additionally, investing in employee well-being, such as offering mental health support, fitness programs, or flexible work arrangements, will make employees feel valued and cared for, further enhancing loyalty.

SMK should continuously assess and improve its HRM practices by conducting regular employee surveys and benchmarking against industry standards to identify areas for enhancement. By making ongoing adjustments to HR policies, SMK can stay responsive to employee needs and foster a supportive work environment. Focusing on key areas like performance appraisal, recruitment, training, compensation, and employee engagement will boost satisfaction, loyalty, and overall performance, contributing to the company's long-term success.

5.3 Needs for Further Research

According to the results, this study only focuses on four factors of HRM practices: recruitment and selection, training and development, performance appraisal, and compensation and benefit of Shwe Mahar Mae Khong (SMK) Network Company. This study also emphasizes employee satisfaction and loyalty in SMK. In terms of other possible future lines of research, it would be suggested three possible studies. Firstly, researchers should consider carrying out other motivators such as pay, salary increases, leave, and overtime payments. Secondly, it is important to consider the study and direct effects of workplace safety management on job satisfaction incorporating new and similar organizations. Lastly, there is the possibility of including new variables in the empirical model for contrast, with a view to widening and enriching the different cause-effect relations proposed. Therefore, these studies should be done as the further studies.

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APPENDIX A

SERVEY QUESTIONNAIRES

Demographic Profile of the Respondents

No.	Statements	Category
Respondents		
1	Gender	☐ Male ☐ Female ☐ Other
2	Age (Years)	☐ 18 to 25 years ☐ 26 to 35 years ☐ 36 to 45 years ☐ 46 and above
3	Marital Status	☐ Single ☐ Married
4	Level of Education	☐ Under Graduate ☐ Graduated ☐ Post Graduated (Master) ☐ Post Graduated (PhD) ☐ Others (please specified-----)
5	Income Level	☐ 1000000 – 1500000 Kyats ☐ 1500000 – 2000000 Kyats ☐ 2000000 – 2500000 Kyats ☐ 2500000 Kyats and above
6	Working Experiences (Years)	☐ Less than 3 years ☐ 3-6 years ☐ 7-10 years ☐ 10 years and above
7	Department	☐ HR & Admin ☐ Account & Finance ☐ Marketing ☐ Supply Chain ☐ Transmission

Section (B) HRM practices

Instruction: Please choose one of the following numbers on each line according to the index.

Index: 1 = strongly disagree

2 = disagree

3 = neutral

4 = agree

5 = strongly agree

Recruitment and Selection

No.	Statement	1	2	3	4	5
1	Unstructured interviews assess candidates' suitability for positions.					
2	Structured interviews evaluate candidates for roles.					
3	Selection methods like application forms, assessment centers, psychometric tests, interviews, CVs, references, and group interviews are vital.					
4	Recommendations and personal acquaintances influence candidate selection.					
5	Informal qualifications are important in selection criteria.					
6	The company attracts high-quality employees.					
7	The website is regularly updated with vacancies.					
8	Recruitment practices are fair.					
9	The company includes employees in planning.					
10	The company forecasts HR needs.					

Training and Development

No.	Statement	1	2	3	4	5
1	The company prioritizes effective development programs.					
2	Continuous training improves performance.					
3	Planning ahead ensures training programs meet development goals.					
4	Advanced technology enhances the training experience.					
5	Cross-departmental training fosters collaboration and skill-sharing.					
6	New approaches keep training relevant and engaging.					
7	Teamwork seminars build strong, collaborative teams.					
8	Recognition motivates employees for continued success.					
9	Fair access to workshops and training is a priority.					
10	Learning opportunities support employee growth and development.					

Performance Appraisal

No.	Statement	1	2	3	4	5
1	Appraisals are shared with employees on time.					
2	Employees have a good understanding of appraisal criteria.					
3	The performance appraisal system is effective.					
4	Appraisal outcomes are fair, and performance is fairly rated.					
5	The company has a professional appraisal system.					

6	Employees are held accountable for their work.					
7	The company provides feedback to employees.					
8	The company values employees' opinions.					
9	The evaluation system is transparent and equitable.					
10	The company encourages employee growth and development.					

Benefit and Compensation

No.	Statement	1	2	3	4	5
1	Timely appraisals ensure transparency and clarity.					
2	A good understanding of appraisal criteria ensures consistency.					
3	The effective performance appraisal system motivates and fosters growth.					
4	Fair appraisal outcomes ensure unbiased performance ratings.					
5	A professional appraisal system reflects the company's commitment to fairness.					
6	Holding employee accountable drives responsibility and high performance.					
7	Feedback fosters improvement and alignment with company goals.					
8	Awareness of employee opinions helps address concerns and improve satisfaction.					
9	The transparent and equitable evaluation system builds trust and fairness.					
10	Encouraging employee growth and development supports continuous learning and career progression.					

Employee Satisfaction

No.	Statement	1	2	3	4	5
1	I am satisfied with clear instructions and adequate facilities for new assignments.					
2	I am satisfied with being clearly informed about work expectations.					
3	I am satisfied with how management addresses employee issues and provides counseling.					
4	I am satisfied with the career development opportunities.					
5	I am satisfied that the company cares about me.					
6	My company is a great place to work.					
7	I am satisfied with my job security.					

Employee Loyalty

No.	Statement	1	2	3	4	5
1	Passion for my job drives my dedication and enthusiasm.					
2	Defending the organization shows my commitment and loyalty.					
3	Pride in representing the company reflects my belief in its values.					
4	Promoting the organization's services helps drive growth and success.					
5	Staying with the company, even for a lower salary, shows loyalty and satisfaction.					
6	My effort to succeed fuels my personal and professional growth.					
7	Encouraging others to work here reflects my positive experience and belief in the culture.					
8	Long-term commitment shows my satisfaction with the company until retirement.					
9	Pride in being an employee reflects my respect for the company's mission.					
10	Loyalty to the company motivates me to contribute to its success.					

APPENDIX B

SATTISICAL OUTPUTS

Effect of HRM Practices on Employee Satisfaction

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.678 ^a	.459	.436	.24820	1.129

a. Predictors: (Constant), Recruitment and Selection Mean, Training Development Mean, Performance Appraisal Mean, Benefit and Compensation Mean

b. Dependent Variable: Employee Satisfaction Mean

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	4.966	4	1.242	20.154	.000 ^b
Residual	5.852	95	.062		
Total	10.819	99			

a. Dependent Variable: Employee Satisfaction Mean

b. Predictors: (Constant), Recruitment and Selection Mean, Training Development Mean, Performance Appraisal Mean, Benefit and Compensation Mean

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
	B	Std. Error	Beta	t	Sig.	Tolerance	VIF
Constant	1.995	0.657		3.037	0.003		
Recruitment and Selection (X_1)	0.475	0.165	0.307	2.878	0.005	0.501	1.997
Training and Development (X_2)	0.995	0.161	0.977	6.185	0.000	0.228	4.384
Performance Appraisal (X_3)	-1.624	0.425	-0.895	-3.820	0.000	0.104	9.643
Benefit and Compensation (X_4)	0.671	0.234	0.414	2.863	0.005	0.272	3.678

a. Dependent Variable: Employee Satisfaction Mean

Effect of Employee Satisfaction on Employee Loyalty

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.450 ^a	.203	.195	.13509	1.356

a. Predictors: (Constant), Employee Satisfaction Mean

b. Dependent Variable: Employee Loyalty Mean

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	.445	1	.455	24.915	.000 ^b
Residual	1.788	98	.018		
Total	2.243	99			

a. Dependent Variable: Employee Loyalty Mean

b. Predictors: (Constant), Employee Satisfaction Mean

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
	B	Std. Error	Beta	t	Sig.	Tolerance	VIF
Constant	3.321	0.172		19.342	0.000		
Employee Satisfaction (Y)	0.205	0.041	0.450	4.992	0.000	1.000	1.000

a. Dependent Variable: Employee Loyalty Mean

Coefficient Correlations^a

Correlations						
		Recruitment and Selection	Training & Development	Performance Appraisal	Benefit and Compensation	Employee Satisfaction
Recruitment and Selection	Pearson Correlation	1	.383**	.778**	.627**	.370**
	Sig. (2-tailed)		0.000	0.000	0.000	0.000
	N	100	100	100	100	100
Training & Development	Pearson Correlation	.383**	1	.642**	.612**	.591**
	Sig. (2-tailed)	0.000		0.000	0.000	0.000
	N	100	100	100	100	100
Performance Appraisal	Pearson Correlation	.778**	.642**	1	.903**	.377**
	Sig. (2-tailed)	0.000	0.000		0.000	0.000
	N	100	100	100	100	100
Benefit and Compensation	Pearson Correlation	.627**	.612**	.903**	1	.459**
	Sig. (2-tailed)	0.000	0.000	0.000		0.000
	N	100	100	100	100	100
Employee Satisfaction	Pearson Correlation	.370**	.591**	.377**	.459**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	
	N	100	100	100	100	100

** Correlation is significant at the 0.01 level (2-tailed)

Performance Appraisal Form of Shwe Mahar Make Khong (SMK) Network Co., Ltd

PERFORMANCE APPRAISAL

Employee: _____ Title: _____

Period Covered: _____

Instructions for completion:

The employee's performance is evaluated based on factors in five performance categories. Each factor should be given a point value based on the employee's performance, is indicated below:

Productivity:	O	VG	G	NI	U
Performs tasks/assignments efficiently					
Produces high volume of work					
Achieves desired results in work					

Initiative:	O	VG	G	NI	U
Undertakes tasks without being asked					
Requires minimal supervision					
Seeks resources and/or asks questions to improve performance					

Reliability:	O	VG	G	NI	U
Consistently completes tasks on time in a thorough manner					
Comes to work on time: adheres to meal, break, and work schedule					
Follows stated rules and procedures in performing tasks					

Team Orientation:	O	VG	G	NI	U
Cooperates with others to achieve common goals					
Keeps supervisors and peers informed					
Is flexible and able to adjust to meet association needs					

Customer Service:	O	VG	G	NI	U
Asks customers how he/she can help					
Handles customers complains effectively					
Gives customers full attention when assisting them					
Maintains a friendly, positive attitude					

Add up the total number of points in each column to determine the total performance score and final rating: 64 – 49 = Outstanding, 48 – 33 = Excellent, 32 – 17 = Good,

16 – 1 = Needs Improvement, Less than 0 = Unacceptable

Final Rating Score: _____

Performance Goals: (Examples may include action plans, tasks, projects, work assignments, etc. Goals must include timeframe for completion).

Employee's Comments

Signature of Employee: _____

Date: _____

Signature of Supervisor: _____

Date: _____

****Please note, original document should be placed in the employee's personnel file.**

Source: SMK, 2024

Thank you very much for your kind cooperation