

The Effect of HR Service Quality and Organizational Support on Organizational Commitment through Job Satisfaction as an Intervening Variable among Employees of PT Permodalan Nasional Madani (PNM) Medan Branch

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Abstract

Human resources are a strategic asset that determines organizational success in a competitive business environment. This study aims to analyze the effect of HR service quality and organizational support on organizational commitment among female employees of PT Permodalan Nasional Madani (PNM) Medan Branch, with job satisfaction as an intervening variable. A quantitative explanatory approach with a survey technique was employed. A purposive sampling technique was used to select 50 active female employees outside the HR department as respondents. Data were collected using a five-point Likert-scale questionnaire and analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 4.0. The study is grounded in Social Exchange Theory, which posits that high-quality HR services and organizational support are reciprocated by employees through greater job satisfaction, which in turn is expected to strengthen organizational commitment. The findings are expected to provide empirical evidence on the mediating role of job satisfaction in the relationship between HR service quality, organizational support, and organizational commitment in the context of a state-owned microfinance enterprise in Indonesia.

Keywords: HR Service Quality, Organizational Commitment, Human Resource Management, Employee Commitment, PT Permodalan Nasional Madani.

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Introduction

Human resources are a strategic asset that plays a critical role in determining organizational success in an increasingly competitive business environment. Organizational success is no longer determined solely by capital and technology but by the quality of human resource management as the primary driver of organizational performance (Boxall et al., 2021; Ulrich et al., 2020). Hernawaty (2021) demonstrated that effective HR management, including leadership style and motivation, directly contributes to improved employee performance and productivity.

PT Permodalan Nasional Madani (PNM), a state-owned enterprise focused on financing micro, small, and medium enterprises, faces significant challenges in maintaining employee organizational commitment amid rapid business expansion. The Annual Report of PT PNM (2023) indicates an increasing employee turnover trend in several operational units, reflecting fundamental issues in HR management, particularly regarding job satisfaction and organizational commitment.

Two factors receiving growing attention in HR management research are HR service quality and organizational support. The HR function is no longer purely administrative but serves as an internal service provider delivering strategic services to employees as internal customers (Ulrich et al., 2020). Responsive HR services oriented toward employee needs strengthen the psychological bond between employees and the organization (Albrecht et al., 2021; Karatepe & Olugbade, 2022). Perceived Organizational Support (POS), reflecting employees' belief that the organization values their contributions and cares about their well-being, is also an important determinant of positive work attitudes (Robbins & Judge, 2022). Hernawaty (2025) confirmed that organizational support serves as a significant mediator between leadership and employee commitment in the Indonesian organizational context.

The relationship between HR service quality, organizational support, and organizational commitment is not always direct. Research shows that psychological variables such as job satisfaction mediate the influence of organizational factors on employee commitment (Hernawaty et al., 2025; Karatepe & Olugbade, 2022). Job satisfaction, defined as an individual's affective evaluation of their work experience (Judge et al., 2020), is a central construct in organizational behavior that influences loyalty and commitment outcomes.

A key research gap exists: studies specifically integrating HR service quality and organizational support within a job satisfaction mediation model in the Indonesian state-owned enterprise context remain very limited. Moreover, previous studies generally did not separate respondents based on their position as recipients rather than providers of HR services, potentially introducing perceptual bias. This study addresses these gaps by focusing exclusively on female employees outside the HR department. This study aims to analyze: (1) the effect of HR service quality on job satisfaction; (2) the effect of organizational support on job satisfaction; (3) the effect of HR service quality on organizational commitment; (4) the effect of organizational support on organizational commitment; (5) the effect of job satisfaction on organizational commitment; and (6) and (7) the mediating role of job satisfaction in the relationships between HR service quality, organizational support, and organizational commitment among female employees of PT PNM Medan Branch.

Literature Review

A. Social Exchange Theory

Social Exchange Theory (SET) explains the relationship between individuals and organizations based on the principle of reciprocity. When employees perceive support, fairness, and positive treatment from the organization, they are motivated to reciprocate through favorable work attitudes and behaviors (Blau, 1964; Cropanzano & Mitchell, 2005). Within this framework, HR service quality and organizational support represent tangible organizational stimuli that employees respond to through increased job satisfaction and organizational

commitment (Rhoades & Eisenberger, 2002). SET serves as the primary theoretical foundation of this study.

B. HR Service Quality

HR service quality refers to the quality of services provided by the HR unit to employees as internal customers (Albrecht et al., 2021). Ulrich et al. (2020) emphasize that the HR function must serve as a strategic partner delivering real value to employees. Hernawaty (2021; 2025) highlighted that HR management quality is positively associated with employee motivation, performance, and engagement in the Indonesian organizational context. HR service quality is measured using the SERVQUAL model: Reliability, Responsiveness, Assurance, Empathy, and Tangibles (Parasuraman et al., 1988; Prasetyo, 2023).

C. Organizational Support

Perceived Organizational Support (POS) describes employees' belief that the organization values their contributions and cares about their well-being (Eisenberger et al., 1986). Based on SET, POS motivates employees to reciprocate positive organizational treatment through increased loyalty, satisfaction, and commitment (Blau, 1964). Rhoades and Eisenberger (2002) identified POS antecedents including organizational fairness, supervisory support, rewards, working conditions, and employee development policies. Hernawaty (2025) found that organizational support mediates the relationship between leadership and employee commitment in Indonesia.

D. Job Satisfaction

Job satisfaction is defined as positive feelings arising from an individual's evaluation of their work experience (Judge et al., 2020). This study draws on Herzberg's Two-Factor Theory distinguishing intrinsic motivator factors from extrinsic hygiene factors, and Locke's (1976) Discrepancy Theory stating that job satisfaction is a function of the gap between individual expectations and actual work experiences. Hernawaty (2025) demonstrated that work motivation closely correlated with job satisfaction mediates the relationship between organizational factors and employee commitment in Indonesia.

E. Organizational Commitment

Organizational commitment is the state in which employees identify with the organization and desire to maintain their membership (Robbins & Judge, 2022). Meyer et al. (2021) developed the Three-Component Model: (1) Affective Commitment: emotional attachment; (2) Continuance Commitment: awareness of the costs of leaving; and (3) Normative Commitment: moral obligation to remain. Kim and Beehr (2020) demonstrated that organizational commitment correlates positively with performance and negatively with turnover intention. Hernawaty (2025) found that organizational commitment mediates the relationship between HR practices and employee performance in Indonesia.

F. Hypothesis Development

Based on service quality theory, responsive HR services create positive work experiences that increase job satisfaction (Karatepe & Olugbade, 2022). From a SET perspective, high organizational support encourages employees to evaluate their work more positively (Kurtessis et al., 2017). Both HR service quality and organizational support also directly influence organizational commitment by enhancing employees' positive perceptions of the organization (Kim & Beehr, 2020). Job satisfaction in turn strengthens organizational commitment through the formation of emotional attachment (Meyer et al., 2021; Hernawaty, 2025). The conceptual framework is presented in Figure 1.

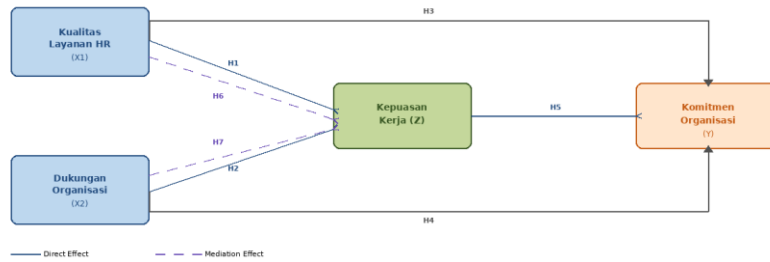


Figure 1. Conceptual Framework

Source: Developed by the researcher (2026)

Based on the theoretical arguments above, seven research hypotheses are formulated as follows:

H1: HR service quality has a positive and significant effect on job satisfaction.

H2: Organizational support has a positive and significant effect on job satisfaction.

H3: HR service quality has a positive and significant effect on organizational commitment.

H4: Organizational support has a positive and significant effect on organizational commitment.

H5: Job satisfaction has a positive and significant effect on organizational commitment.

H6: Job satisfaction mediates the effect of HR service quality on organizational commitment.

H7: Job satisfaction mediates the effect of organizational support on organizational commitment.

Research Methodology

This study employed a quantitative approach with an explanatory research design to examine causal relationships among variables through hypothesis testing (Creswell & Creswell, 2018; Sekaran & Bougie, 2016). A structured five-point Likert-scale questionnaire (1 = strongly disagree to 5 = strongly agree) was used for data collection. The research was conducted at PT Permodalan Nasional Madani Medan Branch in 2026.

The population comprised all active female employees of PT PNM Medan Branch who did not work in the HR department. This criterion was established to avoid perceptual bias, since HR staff evaluating their own services would introduce response bias. A sample of 50 respondents was selected through purposive sampling with the criteria: (1) active female employees of PT PNM Medan Branch; (2) not working in the HR department; (3) minimum one year of employment; and (4) experience interacting with HR services. The sample size of 50 was determined based on the minimum PLS-SEM criterion of Hair et al. (2021): ten times the largest number of structural paths directed at any endogenous construct. The model has four paths entering the organizational commitment construct, requiring a minimum of 40 respondents; thus 50 respondents adequately exceeds this threshold.

The operational definitions of variables are presented in Table 1.

Table 1. Operational Definition of Variables

Variable	Operational Definition	Dimensions
HR Service Quality (X1)	The quality of services provided by the HR function to employees as internal customers, encompassing reliability, responsiveness, assurance, empathy, and tangibles (Albrecht et al., 2021; Parasuraman et al., 1988).	Reliability; Responsiveness; Assurance; Empathy; Tangibles.
Organizational Support (X2)	Employees' perception that the organization values their contributions and cares about their well-being (Eisenberger et al., 1986; Rhoades & Eisenberger, 2002).	Organizational recognition; organizational concern; work support; employee development.

Variable	Operational Definition	Dimensions
Job Satisfaction (Z)	An individual's affective evaluation of their work or work experience based on the comparison between expectations and reality received (Judge et al., 2020; Robbins & Judge, 2022).	Work itself; compensation; promotion; supervision; co-workers.
Organizational Commitment (Y)	The psychological attachment of employees to the organization, reflected in the desire to maintain membership and contribute to organizational goals (Meyer et al., 2021).	Affective commitment; continuance commitment; normative commitment.

Source: Compiled by researcher (2026)

Data analysis will use PLS-SEM with SmartPLS 4.0. PLS-SEM was selected because it can simultaneously analyze direct and indirect (mediation) relationships in complex models and is robust with small sample sizes (Hair et al., 2021). Analysis consists of two stages: (1) outer model evaluation: convergent validity (outer loading ≥ 0.70 and AVE ≥ 0.50), reliability (Cronbach's Alpha and Composite Reliability ≥ 0.70), and discriminant validity (Fornell-Larcker criterion and HTMT < 0.85); and (2) inner model evaluation: collinearity (VIF < 3.3), coefficient of determination (R-square), predictive relevance (Q-square > 0), and hypothesis testing through bootstrapping with 5,000 subsamples. Mediation effects will be assessed based on the significance of indirect effects and the Variance Accounted For (VAF) value.

Conclusion

This study examines the effect of HR service quality and organizational support on organizational commitment among female employees of PT Permodalan Nasional Madani Medan Branch, with job satisfaction as an intervening variable. Based on Social Exchange Theory, it is expected that HR service quality and organizational support will positively and significantly influence both job satisfaction and organizational commitment. Job satisfaction is further expected to serve as a partial mediating variable that bridges the influence of HR service quality and organizational support on organizational commitment. The findings of this study are anticipated to provide practical recommendations for PT PNM Medan Branch management in strengthening employee commitment through improved HR service quality and organizational support programs, with job satisfaction as the primary mechanism. Theoretically, this study contributes to the limited empirical evidence on integrated mediation models in the Indonesian state-owned enterprise context.

Suggestions

Practically, PT PNM Medan Branch management is advised to: (1) enhance HR staff responsiveness and empathy through internal service excellence training and the development of a more integrated digital HR system; (2) strengthen organizational support programs including employee recognition systems, gender-based career mentoring, and work-life balance policies benefiting female employees; and (3) conduct regular job satisfaction surveys to identify priority dimensions that most strongly predict organizational commitment.

Theoretically, future studies are advised to expand the sample to multiple PT PNM branches or similar state-owned enterprises for stronger generalizability, incorporate additional moderating variables such as transformational leadership or organizational justice, and consider longitudinal research designs to capture the dynamic relationship between job satisfaction and organizational commitment over time.

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