



RELATIONSHIPS BETWEEN HUMAN RESOURCE MANAGEMENT PRACTICES, EMPLOYEES' JOB SATISFACTION, AND BUSINESS PERFORMANCE IN STATE-OWNED ENTERPRISES: A CASE STUDY OF ENTERPRISES IN VIETNAM POSTS AND TELECOMMUNICATIONS GROUP

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ARTICLE INFO	ABSTRACT
<p>DOI: 10.52932/jfm.vi72.325</p> <p><i>Received:</i> September 05, 2022</p> <p><i>Accepted:</i> November 30, 2022</p> <p><i>Published:</i> December 25, 2022</p> <p>Keywords: Human resource management (HRM); Human resource management practices (HRMPs); State-owned enterprises; VNPT enterprises.</p>	<p>The study aims to explore and measure the relationships between human resource management practices, employees' job satisfaction, and business performance in state-owned enterprises in Vietnam – A case study of enterprises in Vietnam Posts and Telecommunications Group (VNPT). The study adopts qualitative research, combined with quantitative research by CB-SEM. The research data were collected from August 2021 to December 2021 by email and online survey with 621 staff currently working at VNPT in 18 provinces and cities representing 6 telecommunications service regions in nationwide Vietnam. The research results show that the human resource management practice at VNPT enterprises includes 7 components (job identification, recruitment, training and progression, performance appraisal, compensation, empowerment, and labor relations). They all have a strong influence on the employees' job satisfaction and the business performance of VNPT enterprises. However, the influence of the employee's job satisfaction on the business performance of these enterprises has not been found.</p>

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1. Introduction

Human resources are the central and core issue of the development of every organization. Therefore, the topic of HRMPs has received special attention from practitioners and researchers. However, previous studies seem to focus only on measuring components of HRMPs (Singh, 2004; Thang & Quang, 2005; Brown 2007), or only explore and measure the influence of HRMPs on business performance (Huselid, 1995; Gowen & Tallon, 2003; Dung et al., 2010). Meanwhile, considering and measuring the relationships between HRMPs, employees' job satisfaction, and business performance of enterprises which is considered the basic goal of HRM (Dung, 2010) has not been elucidated by studies.

In Vietnam, the HRM model for state-owned enterprises has been so far still under the control of the governing state agency and is heavily administrative in the style of a legal model (the lowest stage in HRM) (Thang & Quang, 2005; Dung et al., 2010). The case of telecommunication enterprises in the provinces and cities of Vietnam belonging to the VNPT group is an example. This is because according to the Regulations for Organization and Operation of Vietnam Posts and Telecommunications Group (2016), VNPT enterprises in provinces and cities are units under the parent company – Vietnam Posts and Telecommunications Group. Regarding personnel, the VNPT Group decides the overall organizational working model and the organizational structure; decides on the appointment, dismissal, and transfer of key leadership positions including the director and deputy director; chief accountant; decides on regulations, methods of salary payment, and salary fund of VNPT enterprises in provinces and cities. Therefore, HRM activities in VNPT enterprises, in addition to having to comply with the regimes and policies of the state and the industry governing ministry, are also under the control of the Group about the issue of organizing the management apparatus, appointment, transfer of key leadership positions, regimes and policies for employees,...

Therefore, the study of the relationships between HRMPs, employees' job satisfaction, and business performance aims to provide a scientific basis for the process of renewing the HRMPs model in state-owned enterprises in general, VNPT enterprises in particular and is an urgent issue in the current period.

2. Literature review and theoretical framework

2.1. Research concepts

Human resource management practices (HRMPs) and components of measuring human resource management practice

There have been many definitions of the HRMPs. Brown (2007) emphasizes the subject of the HRMPs, it is the founders and the department in charge of human resources (HR), Barney (1995) emphasizes the object of HRMPs which are decisions and activities of management, while Dunford et al. (2001) focuses on the object and goal of the HRMPs. That means from a management perspective, the HRMPs is a system of administrative activities performed by functional leaders in order to attract, develop and effectively use HR to accomplish the organization's goals.

In terms of the components of measuring the HRMPs, many studies in the world and in the country (Singh, 2004; Thang & Quang, 2005; Brown, 2007; Dung et al., 2010) show that the measuring components of HRMPs focus on reflecting the functional activities of HRM including job identification (JI), recruitment (RE), training and development (TR), performance appraisal (AP); career planning and career progression (PR), compensation (CO). In addition, depending on the level of economic development and management institutions, cultural characteristics, management methods, professions, business types, and management's viewpoints,... of each country, one or several other components need considering.

For Vietnam, because the economic transition from the centralized management

mechanism to the market mechanism takes place in the context of integration and rapid development of science and technology, the fact that staff in the state-owned enterprises, where up to now the HRM model seems to be the legal model, adapt to challenges from environmental changes is the decisive factor for efficient use of resources in the enterprises. And this can only be done when the working environment must be constantly improved in the manner of stimulating the initiative and creativity of employees and ensuring the harmony of the working relationship between superiors and subordinates; between managers

and followers; between the state and businesses as described in the Harvard human resource management model called Harvard model. That is, the empowerment of employees needs to be associated with the improvement of labor relations in the enterprise in accordance with the provisions of the law (Thang & Quang, 2005; Dung et al., 2010; Ha et al., 2019). Therefore, in addition to the above six components, the HRMPs model in state-owned enterprises in Vietnam needs adding two new components, namely empowerment and labor relations (Figure 1).

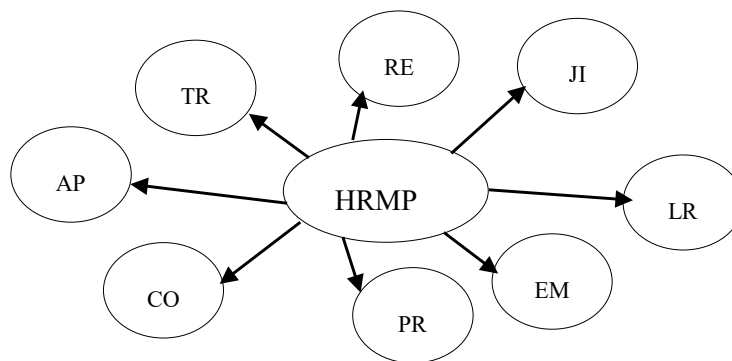


Figure 1. The model of HRMPs of Vietnam's state-owned enterprises

Job identification (JI). This is the process of analyzing and evaluating jobs in order to properly assign jobs, determine conditions for conducting, determine tasks, responsibilities, authority when the job is being performed, and identify the requirements of qualities, knowledge, and skills from employees to perform the job (Singh, 2004; Dung et al., 2010).

Recruitment (RE) .It is the process of attracting and selecting candidates who have all the qualities, knowledge, and skills to meet the pre-determined requirements and tasks based on the principle of the right people for the right positions (Dung, et al., 2010).

Training and development (TR). It mentions the process of planning demands, designing programs, and selecting appropriate training methods to provide employees with the necessary qualities, knowledge, and skills to help them meet the requirements of the job and

their demand for professional development (Singh, 2004; Thang & Quang, 2005).

Performance appraisal (AP). This is the process of selecting a method, collecting, analyzing, and exchanging information related to the behavior and job performance of employees based on comparing with pre-determined evaluation standards (Singh, 2004; Dung et al., 2010).

Compensation (CO). It is the process of determining and distributing a portion of the remaining income of an enterprise to employees after paying other costs for them based on the evaluation of the employee's performance, the business performance, and pre-established distribution methods and standards (Singh, 2004; Brown (2007).

Career progression (PR). It means that superiors clearly understand the employees'

desires and have defined career development orientations for employees, providing employees with opportunities for career progression based on a combination of the development needs of employees and the organization (Singh, 2004).

Empowerment (EM). This aspect allows employees and teams to participate in deciding the general affairs of the organization, to be proactive in solving problems, proposing ideas, initiatives, technical improvements, and innovative working methods. They are required to advise leaders on business plans, and technical solutions... (Singh, 2004; Dung et al., 2010).

Labor relations (LR). They create an environment through which employees volunteer to work and constantly strive to increase labor productivity, build trust within the organization and increase coordination among individuals and departments in the organization. Employees are ensured to work in safe conditions and allowing them to fully exercise their rights and obligations (Singh, 2004; Dung et al., 2010).

Employees' job satisfaction (SA). According to Currivan (1999), there have been various studies on employees' job satisfaction and this seems to be the topic that has received the most interest in organizational research in the past four decades. Among them, Locke and Lathan (1990) have proposed a definition that is believed to be quite comprehensive by many subsequent authors. Accordingly, employees' job satisfaction is a positive emotional state obtained from employees' performance appraisals. When employees perceive that their work will produce the results they expect, they will feel satisfied. However, Haque and Taher (2008), the most appropriate definition of job satisfaction is provided by Locke (1976), who defines job satisfaction as a psychological state which reflects employees' positive feelings towards the work they undertake, is the result of the employee's perception when comparing the expectations and the received results about the work value (including the nature of the work,

the working environment, the compensation, and recognition, etc.) of the employees.

Business performance of enterprises (PE). In the same situation of employees' job satisfaction, the concept of business performance and measurement of business performance have received the attention of many researchers. According to Kaplan and Norton (1993), business performance is determined by four basic components which are financial results, customers, internal processes, learning and development. Meanwhile, Lee and Choi (2003) said that business performance are measured by market share, growth of revenue, creation, profitability and size of the business. According to Tho and Trang (2009), although there are many definitions of business performance of enterprises, most of the studies (Buzzell & Gale 1987; Hult et al., 2004) all believe that business performance is the extent to which an enterprise achieves its business objectives and is measured by revenue growth, profit growth, market share growth, as well as fulfillment of strategic goals of the business.

2.2. The relationships between research concepts

The relationship between human resource management practice and employees' job satisfaction

Ting (1997) shows that HR policy is closely related to satisfaction. Among them, compensation is one of the most important factors affecting employees' satisfaction in the US government. In Southeast Asia, the study of 20 companies in Bangladesh by Absar et al. (2010) shows that HR policy is significantly associated with job satisfaction. Among them, HR planning and training & development have a positive impact on employees' satisfaction. In Thailand, the research by Mudor and Tookson (2010) also shows that HRMPs including the components of job supervision, training & development, and compensation for employees has a positive impact on employees' satisfaction.

H1: HRMPs have a positive influence on the employees' job satisfaction.

The relationship between HRMPs and business performance

Many studies have proved the close relationship between HRMPs and the business performance of enterprises. For example, Huselid (1995) shows a relationship between HRMPs and revenue, and return on assets. Thang and Buyens (2008) argue that HR policy with training and development, in particular, leads to improvement of employees’ knowledge, skills, attitudes, and behaviors, which ultimately results in the improvement of the financial and non-financial performance of organizations. The research by Singh (2004) surveyed 359 enterprises in India shows that there is a positive impact of HRMPs on the business performance of enterprises, and the most prominent components of HRMPs are training and policy of compensation. In Vietnam, the research by Dung et al. (2010) also shows that HRMPs has a positive and very strong influence on the business performance of enterprises ($\beta = 0.65$).

H2: HRMPs have a positive impact on the business performance of enterprises.

The relationship between employees’ job satisfaction and the business performance of enterprises

There have been still different points of view on this issue. For example, Luthans (1989) argues that although there is a relationship between job satisfaction and productivity, the relationship is not significant. The research by Johns (1996) also confirms that the relationship

between job satisfaction and productivity is positive but very low and insignificant. On the contrary, according to Robbins et al. (2003), many studies show that employees with the most satisfaction are not always those with the highest productivity.

However, most studies support Maslow’s theory of motivation (1954), Herzberg et al. (1959), Vroom (1964). Accordingly, Appelbaum et al. (2000) summarize the views of many scholars and experimentalists and argue that employees’ job satisfaction will give more enthusiasm and responsibility to employees in the process of doing work. As a result, the work of individuals and the business goals of the enterprise are completed with high efficiency.

In addition, HRM practices lead to employee satisfaction; if embedded in organizational polices, these factors can help an organization to achieve competitive advantage and maintain a good level of organizational performance (Abubakar, Namin, Harazneh, Arasli and Tunc, 2017; Abubakar, Elrehail, Alatailat and Elçi, 2019; Albrecht et al., 2015; Parvin and Karbin, 2011; Ukil, 2016)

H3: Employees’ job satisfaction has a positive influence on the business performance of enterprises.

Based on the above theoretical summary results (2.1. and 2.2.), the authors propose a theoretical framework for the relationships between the HRMPs, employees’ job satisfaction, and business performance in state-owned enterprises (Figure 2).

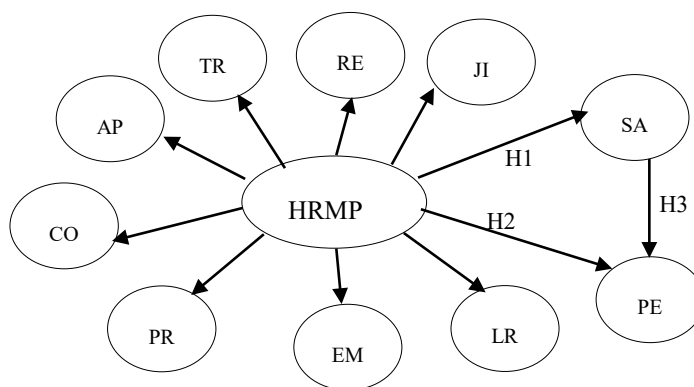


Figure 2. The proposed theoretical framework

3. Research methodology

The research process consists of two stages: preliminary research and formal research.

The preliminary research was a qualitative one using a group discussion technique. There are 2 groups with 10 experts for each working in the Department of Personnel - Labor and Salary of VNPT Dong Nai and VNPT Ho Chi Minh City. The discussion is carried out on the basis of the outline made by the authors to evaluate the proposed research model, and develop scales of

research concepts formed from the foundation of the scale of previous studies.

The results of the qualitative research confirm that the proposed theoretical framework is consistent with the HRMPs in the current VNPT enterprises, and meanwhile, the research has built the scale of the research concepts including 48 observed variables (7-level Likert scale from 1÷7; 1 completely disagree; 7 completely agree) (*Table 1*).

Table 1. Scales of the research concepts

Research concepts	Code	Number of observed variables	Source
HRMPs			
Job identification	JI	4	Singh (2004), Thang and Quang (2005), Brown (2007), Dung et al. (2010), Ha et al. (2019)
Recruitment	RE	4	
Training & development	TR	5	
Performance appraisal	AP	5	
Compensation	CO	5	
Career progression	PR	4	
Empowerment	EM	5	
Labour relations	LR	6	
Employees' job satisfaction	SA	5	Haque and Taher (2008)
Business performance	PE	5	Lee and Choi (2003), Tho and Trang (2009)

Source: The results of the qualitative research of the author group

Formal research is a quantitative one to test the scales of research concepts and the theoretical framework. The research data was collected via e-mail and online - Google Docs from 621 employees currently working at

VNPT in 18 provinces and cities representing 6 telecommunications service regions of VNPT in Vietnam with quota sampling method (by revenue) and by group (*Table 2*).

Table 2. The research samples by regions, provinces, and cities

Region	No of region	Province/City	Province/ City Code	Number of samples	% compared with quota
Northern Midlands and Mountains	I	Lai Chau	LCU	24	92.30
		Thai Nguyen	TNN	20	90.90
		Yen Bai	YBI	20	95.23
Red river delta	II	Ha Nam	HNM	32	106.67
		Ha Noi	HNI	80	108.11
		Nam Dinh	NDH	32	94.12

Region	No of region	Province/City	Province/ City Code	Number of samples	% compared with quota
North Central Coast and South Central Coast	III	Phu Yen	PYN	28	107.69
		Quang Binh	QBH	31	106.89
		Thanh Hoa	THA	35	92.10
Central Highlands	IV	Dak Lak	DLC	25	96.15
		Gia Lai	GLI	20	90.90
		Kon Tum	KTM	21	110.52
South East	V	Binh Duong	BDG	52	113.04
		Binh Phuoc	PHC	32	94.12
		Ho Chi Minh	SGN	84	107.69
Mekong Delta	VI	Ca Mau	CMU	28	93.33
		Hau Giang	HGG	26	108.33
		Tien Giang	TGG	31	100.00
Total				621	

Source: The results of the survey of the author group

The research data analysis process includes the following stages: (1) Evaluate the reliability and value of the scales by Cronbach's alpha reliability coefficient and exploratory factor analysis (EFA); (2) Evaluate the fit of the scale model by confirmatory factor analysis (CFA); (3) Check the fit of the theoretical framework with the research hypotheses with the linear structural model (SEM); (4) Test the estimates in the theoretical framework by bootstrap analysis; (5) Analyze the multi-group structure

to test the differences in the theoretical framework according to the demographic characteristics of the interviewed employees.

4. Research results and discussion

The results of the Cronbach's alpha (after deleting the item EM5 of the empowerment scale having a low corrected item-total correlation (0.274), show that the reliability is acceptable for all scales (Table 3).

Table 3. Cronbach's alpha coefficient of the scales

No.	Scale	Code	Observed variables	Cronbach's alpha	Total correlation (smallest)
1	Job identification	JI	4	0.881	0.702 (JI1)
2	Recruitment	RE	4	0.911	0.772 (RE1)
3	Training & development	TR	5	0.912	0.704 (TR1)
4	Performance appraisal	AP	5	0.883	0.664 (AP3)
5	Compensation	CO	5	0.944	0.796 (CO1)
6	Career progression	PR	4	0.911	0.785 (PR1)
7	Empowerment	EM	4	0.926	0.803 (EM1)
8	Labour relations	LR	6	0.921	0.768 (LR1)
9	Employees' job satisfaction	SA	5	0.902	0.684 (SA5)
10	Business performance	PE	5	0.901	0.719 (PE2)

Results exploratory factor analysis by Principal Axis Factoring method and Promax rotation showed that 47 observed variables were extracted into 9 factors with Eigenvalue = 1.052 and Average Variance Extracted reached 69.214%. While other concepts are kept as origin, the two concepts of Training & development (TR) and career progression (PR) merge into one component called Training and progression (TP) as in the study of Brown (2007), Thang and Quang (2005).

The results of CFA of the scales of HRMPs (after removing the observed variables with the high MI (MI – Modification Index: the correlation between the errors of the observed variables), show that items measuring the model fit are acceptable (Figure 3), proving the fit of the

model of the concepts' scales with market data. The Standardized regression weights (Table 4) all meet the standard > 0.5 (the lowest is $\lambda_{LR5} = 0.666$), proving that the HRMP concepts' scales in the theoretical framework have the convergent value. The correlation coefficients between the scales in HRMP are all < 1 (the highest is $JI \leftrightarrow CO = 0.708$) (Table 5), showing that the concepts have the discriminant value.

The results of estimation of the variance of the parameters to be estimated and the concepts in the model also show that there is no Heywood phenomenon at any error and the standard errors are $< |2.58|$. Therefore, the CFA results of the HRMP concepts' scale model are accepted.

Table 4. Standardized Regression Weights: (Group number 1 - Default model)

Estimate				Estimate			
JI2	<---	JI	0.808	TR3	<---	TP	0.806
JI3	<---	JI	0.864	TR1	<---	TP	0.701
JI4	<---	JI	0.788	CO1	<---	CO	0.843
JI1	<---	JI	0.758	AP1	<---	AP	0.869
CO2	<---	CO	0.861	AP2	<---	AP	0.930
CO4	<---	CO	0.757	AP4	<---	AP	0.837
PR3	<---	TP	0.685	AP3	<---	AP	0.941
LR3	<---	LR	0.884	EM1	<---	EM	0.855
LR4	<---	LR	0.893	EM2	<---	EM	0.916
LR2	<---	LR	0.752	EM3	<---	EM	0.822
LR5	<---	LR	0.666	RE1	<---	RE	0.772
PR1	<---	TP	0.882	RE3	<---	RE	0.943
TR5	<---	TP	0.829	RE4	<---	RE	0.909

Table 5. Correlations: (Group number 1 - Default model)

Estimate				Estimate			
JI	<-->	RE	0.594	TP	<-->	EM	0.701
TP	<-->	AP	0.654	LR	<-->	AP	0.408
CO	<-->	AP	0.644	JI	<-->	AP	0.631
CO	<-->	EM	0.644	CO	<-->	RE	0.594
LR	<-->	EM	0.553	TP	<-->	LR	0.614
TP	<-->	RE	0.645	JI	<-->	CO	0.708
CO	<-->	TP	0.784	RE	<-->	EM	0.596
AP	<-->	EM	0.569	JI	<-->	EM	0.606
CO	<-->	LR	0.500	LR	<-->	RE	0.554
JI	<-->	TP	0.758	JI	<-->	LR	0.529
RE	<-->	AP	0.455				

The result of the critical model CFA (after removing the observed variables with high MI) shows that the basic indicators measuring the fit of the model are satisfactory, proving that the proposed theoretical framework is consistent with the data collected from the market.

The standardized regression weights measuring the relationship between HRMP’s scales and HRMP (Table 6) all are greater than 0.5 (the lowest is $\lambda_{LR} = 0.676$), proving that in addition to the scales of HRMP that have been

tested above, the scales of employee satisfaction and business performance also reach the convergent value. The correlation coefficients between the concepts (Table 7) are all < 1 (the highest is $PE \leftrightarrow HRMP = 0.533$), showing that the concepts have the discriminant value. The scales have general reliability, the satisfactory extracted variance and Cronbach’s alpha coefficient (Table 8), proving that the scales of HRMP meets the requirements in terms of value and reliability.

Table 6. Standardized Regression Weights: (Group number 1 – Default model)

		Estimate				Estimate	
CO	<---	HRMP	0.849	JI	<---	HRMP	0.822
AP	<---	HRMP	0.719	EM	<---	HRMP	0.770
TP	<---	HRMP	0.906	LR	<---	HRMP	0.676
RE	<---	HRMP	0.727				

Table 7. Correlations: (Group number 1 – Default model)

		Estimate		S.E.	C.R.	P	Label
HRMP	<-->	SA	0.524	0.051	10.292	***	
PE	<-->	SA	0.318	0.039	8.044	***	
PE	<-->	HRMP	0.533	0.053	10.111	***	

Table 8. Reliability of HRMP, SA, PE scales

Scales	Number of observed variables	Reliability		
		α	ρ_c	ρ_{vc}
JI	4	0.88	0.88	0.65
RE	3	0.90	0.91	0.77
TP	5	0.89	0.89	0.77
AP	4	0.94	0.94	0.80
CO	3	0.86	0.86	0.75
EM	3	0.90	0.90	0.74
LR	4	0.86	0.88	0.65
SA	3	0.87	0.87	0.69
PE	4	0.89	0.89	0.67

SEM results of the theoretical framework (standardized) show that the theoretical framework fits the market data (Figure 5). The

results of the estimation of the relationship between the concepts in the theoretical framework (Table 9) show that the relationship

between the employees' job satisfaction and the business performance is not statistically significant (due to $p = 0.660 > 0.05$). That means there is no basis to confirm that the employees' job satisfaction directly affects the business performance and therefore H3 is rejected).

After removing the relationship between the employees' job satisfaction and business performance, the results of SEM theoretical model (standardized) show that although the Chi-square (1474.342) has $p = 0.000$, the basic indicators measuring fit and assessing the compatibility of the theoretical model are satisfactory. Moreover, the variance of the

errors of the parameters to be estimated and the concepts in the scale model do not have the Heywood phenomenon at any error. Therefore, it is possible to conclude that the theoretical framework is suitable for the data collected from the market.

The results of the estimation (standardized) of the relationships in the theoretical framework are all positive and statistically significant (with $p < 0.01$). HRMPs significantly affects the employees' job satisfaction ($\beta=0.602$) and the business performance of the enterprises ($\beta=0.676$). Thus, H1 and H2 are accepted.

Table 9. Results of testing the relationships between the concepts

Relationship	Estimate	SE	CR	P
JI \leftarrow HRMPs	0.822			
RE \leftarrow HRMPs	0.727	0.066	15.949	***
TP \leftarrow HRMPs	0.906	0.065	17.520	***
AP \leftarrow HRMPs	0.718	0.077	15.861	***
CO \leftarrow HRMPs	0.849	0.067	16.577	***
EM \leftarrow HRMPs	0.770	0.071	16.428	***
LR \leftarrow HRMPs	0.676	0.055	14.341	***
SA \leftarrow HRMPs	0.602	0.045	12.707	***
PE \leftarrow HRMPs	0.676	0.047	12.336	***

Note: Estimate: average estimated value, SE: standard deviation, CR: critical value, P: significance level, ***: $p < 0.001$.

The results of bootstrap estimation performed by repeated sampling with size $N = 1500$ show that there is a Bias and SE-Bias between the bootstrap estimate and the optimal estimate ML, but the standard deviation of the bias is not statistically significant (<0.05), proving that the above estimation results are reliable.

The results of the multi-group structural analysis show that no differences have been currently found in the relationships among HRMPs, satisfaction, and business performance of VNPT enterprises by demographic characteristics of employees (gender, age, education, position, occupation, and working

experience). It proves that the tested theoretical framework is the only and official one to explain the relationships among the HRMPs, employees' job satisfaction and business performance of VNPT enterprises.

Thus, from the results of the study, HRMPs includes 7 components same as the research by Singh (2004), Dung et al. (2010), in which 2 components of Training & development (TR) and Progression (PR) merge into a component called Training and Progression (TP) similar to Brown (2007), Thang and Quang (2005). In practice, this result is explained by the participants in qualitative research that training activities in State-owned enterprises are mainly

funded by the State's annual budget and are associated with the plan of development and appointment of personnel of the enterprises.

The fact that employees' satisfaction does not affect the business performance of VNPT enterprises is similar to the research results by Luthans (1989), Johns (1996), Robbins et al. (2003) and is explained because the recruitment, appointment of personnel, use of labor, training - progression, and compensation policy may not be derived from the requirements of practice, from ability and work performance of employees. Therefore, employees' job satisfaction does not always play the role of motivation.

Finally, the theoretical framework (*Figure 2*) retains only 35/47 observed variables according to Cronbach's alpha results (*Table 3*), that means 12/47 observed variables are omitted. This is explained that there may be a phenomenon of overlap in the development of the scales (Cronbach's alpha coefficient of some scales > 0.90) leading to rejection, or this may be due to the survey via email and online in which the quality of information provided by the respondents is not high. However, the concepts in the theoretical framework (*Figure 2*) all have the number of observed variables ≥ 3 , and according to many studies, this result is acceptable.

5. Conclusion and implications

Summary of theories and previous studies, combined with the analysis of the characteristics of the State-owned enterprises, the authors propose the model of HRMPs and the relationships between HRMPs and employees' job satisfaction, between HRMPs and business performance of state-owned enterprises. The testing results for VNPT enterprises from 621 employees currently working at VNPT in 18 provinces and cities representing 6 telecommunications service regions of VNPT in Vietnam show that HRMPs of VNPT enterprises consists of 7 components (job identification, recruitment,

training – progression, performance appraisal, compensation, empowerment, labor relations) and has a strong influence on employees' job satisfaction and business performance of VNPT enterprises. However, the influence of employees' job satisfaction on the business performance of VNPT enterprises has not been found.

Thus, the results of the study provide evidence to confirm the importance of HRM in corporate governance practice and the need to improve the HRMPs in VNPT enterprises in the current period. In addition, the results also show that the policy to improve the HRMP in these enterprises should be implemented in the following directions:

Firstly, Focusing the resources on perfecting the policies relating to training and career progression in line with practical requirements, with the development strategies of VNPT enterprises and the capacity and strengths of the employees; Improving the method of job analysis, recruitment, and staff arrangement according to the principle of recruiting the right people for the right position; Improving the methods and standards of compensation distribution, appraisal in the manner of stimulating the initiative and creativity of employees; Ensuring the harmony of the working relationship between superiors and subordinates, between managers and followers by expanding empowerment to subordinates and employees gradually adjust labor relations in accordance with the market mechanism under the the State's management.

Secondly, strengthening the employees' awareness and actions in response to the requirements of the telecommunication industry in the context of globalization and globalization and integration. Also, it is better to organize the annual employee appraisal and classification in combination with job analysis to reorganize the personnel structure according to the requirements of the job; development strategy of VNPT enterprises and the equitization policy of the State.

Thirdly, proposing the governing ministries, province and city authorities, and the VNPT to eliminate the interference with HR autonomy and HRM policies at VNPT enterprises in particular and state enterprises in general,

which hastens the process of renewing the actual model of HRM and promotes the positive influence of employees' job satisfaction on the business performance of these enterprises.

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