

Effects of Commitment-Based International Human Resource Management Practices on inside Marketing and Job Satisfaction in AI companies

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Abstract

The AI companies-based management trend, the emphasis on employee autonomy, employee career planning, the establishment of preparation center for employers, and learning organization design reveal AI companies' emphasis on "human resources". A successful AI companies organization must practice international human resource management to promote the quality, commitment, and job performance of the members. A total of 400 copies of questionnaires were distributed to AI Company's employees in Taiwan, of which 347 valid copies were recovered, with a retrieval rate of 87%. The research results can be summarized as 1. AI companies applying commitment-based international human resource management practices to design for attracting, selecting, training, motivating, and rewarding employees can establish affective commitment with employees in the organization, 2. Commitment-based international human resource management practices in AI companies can lead employees to perceive the balance between pay and reward which directly affect employees' job satisfaction and behavioral intention, 3. it is necessary to increase commitment-based international human resource management practices in AI companies to promote employees' job satisfaction. According to the results, it can be stated that AI companies can enhance employees' job satisfaction through commitment-based international human resource management practices to further promote employees' learning quality.

Keywords: AI companies, Internal communication, AI companies' commitment-based, International Human Resource Management Practices, Inside Marketing, Job Satisfaction, Motivation

Introduction

AI (Artificial Intelligence) companies under the impact of technological innovation in recent years, can no longer cope with the trend of the times with traditional administrative models. With the idea of organizational culture approaching democratic participation and decentralization, AI companies' leader must break through the traditional bureaucratic structure to lead the progress and growth of its members with a motivational and humanistic management model to further drive

organizational innovation and development. General global international enterprises regard human resources as an important asset of the organization with high productivity, so they can effectively use human resources to promote organizational effectiveness (Wu et al., 2021). In coping with global technological innovation, AI companies should well apply essential human resources in the organization to achieve the organizational objectives and provide high-quality learning for employees. The global AI companies-based management trend, the emphasis on employee autonomy, employee career planning, the establishment of preparation center for principals, and learning organization design revealed AI companies' emphasis on "human resources". An successful AI companies organization must practice international human resource management to promote the members' quality, commitment, and job performance. Under the premise of continuous professional development of organizational members, effective practice of international human resource management could promote human quality (Sison et al., 2020). In this case, AI companies leader's design of personal human resource program and management strategy according to development strategies and objectives of the AI companies is the key to success for AI companies performance. The Chinese government has developed knowledge-based economy programs to strengthen national competitiveness (Sison et al., 2020). However, "people" are the key to national competitiveness and only by improving human capabilities and competitiveness can be promoted. Innovation is the fundamental element to enhance human capabilities. Therefore, the promotion of national competitiveness requires new technological innovation strategies. An organization with commitment-based international human resource management that provides employees with international human resource management activities, such as welfare, autonomy, promotion, training and development, and job security. Such a policy of the organization can result in positive behaviors of employees. It is considered that employees who are treated positively and benevolently will develop a sense of mutual exchange and exhibit the behaviors expected by the organization (Dunn et al., 2019). The management of AI companies

should introduce the idea of international human resource management, make forward and strategic planning, reserve the institution's administrative and teaching talents in advance, and develop the function of international human resource management. How does the adoption of commitment-based international human resource management practices in AI companies affect employee in the face of social change? Therefore, this study discusses the effects of commitment-based international human resource management practices in AI companies on inside marketing and job satisfaction, with the expectation of increasing enhance employees' job satisfaction through commitment-based international human resource management practices and further promote employees' learning quality.

Review of Literature

Wang and Lan (2019) mentioned that commitment-based international human resource management practices emphasize the achievement of effectiveness and the importance of "do the right things", rather than "do things right", established long-term, affective, and relational commitment of employees. The goals of the employees were integrated with corporate objectives; as a result employees achieved the common objectives through proper motivation design. An organization that adopts commitment-based international human resource management aims to build long-term, affective, and relational commitment among employees. For instance, an organization which adopted commitment-based international human resource management practices offered higher salary than the companies in the same business to increase employees' organizational commitment or to promote the job involvement. Employees with higher autonomy at work can show higher job satisfaction and lower turnover intention (Hüffmeier et al., 2021; Wu et al., 2022). Adewale (2020) believed that to attract, develop, motivate, and retain excellent employees in a AI companies should develop products that meet employees needs as well as consider employees as internal customers. This was the concept of inside marketing. The practice of a series of international human resource management activities with marketing ideas and design to

attract, select, train, motivate, and reward employees aimed to earn employees' organizational commitment (Dunn et al., 2019). In this respect, the following hypothesis can be proposed in this study.

H1: Commitment-based international human resource management practices have significant and positive effects on inside marketing.

Inside marketing is the application of marketing ideas to employees, i.e., internal customers, marketing the well-designed internal products to internal customers, providing various management measures to promote internal service quality, and developing products and services that meet employees' expectation and demands to promote employees' identification with the organization (Rajaguru et al., 2020). Such a strategy can reduce employee turnover and lead employees to attribute higher human resource service value to the organization (Meyer et al., 2019); and promoting human resource service value can directly affect job satisfaction (Alqurashi, 2019; Wu et al., 2021). Accordingly, inside marketing views employees as internal customers and considers works as internal products. Under the premise of achieving corporate objectives, internal products are used to satisfy the needs and requirements of internal customers and achieve achieving corporate objectives. Based on the view of internal customers, the application of "approximate marketing" to employees can lead them to buy "product-job" that they wish. An organization that provides complete products and services to meet employees' needs and expectations can lead employees to show a higher human resource service value which further promotes job satisfaction (Byun et al., 2020). Accordingly, the following hypothesis is proposed in this study.

H2: Inside marketing shows significant and positive effects on job satisfaction.

Commitment-based international human resource management practices can improve employees' perceptions based on the gain and pay. In terms of the overall evaluation of service benefits provided by human resources department, commitment-based international human resource management practices directly affect employees' satisfaction with the AI companies's international human resource management. Additionally, job satisfaction refers

to employees' immediate responses to the value they received from the services offered by the organization (O' Leary et al., 2019; Wu et al., 2022). Job satisfaction depends on the difference between the value received by the individual and the consideration of the deserved value. This feeling arises from the subjective needs of the individual. In such a work situation, the smaller difference leads to the greater satisfaction. Commitment-based international human resource management practices have a direct effect on employees' satisfaction and behavioral intentions (Sison et al., 2020). In this case, it is necessary to improve commitment-based international human resource management practices in order to promote employees' job satisfaction (Bravo et al., 2019). Previous research revealed that job satisfaction is an individual's feeling or emotional response to the job and related factors. This feeling or satisfaction results from the difference between the individually acquired rewards and expectation of the deserved value in working environment. Commitment-based international human resource management practices showed positive relationships with job satisfaction (Eva et al., 2019). In this study, marketing ideas are introduced to the AI companies and provide human resource service to meet employees' expectations to improve commitment-based international human resource management practices. Commitment-based international human resource management practices show positive effects on job satisfaction. Therefore, this study hypothesizes the following.

H3: Commitment-based international human resource management practices have significant and positive effects on job satisfaction.

Methodology

Operational definition and measurement of variable

(1) Commitment-based international human resource management practices

According to Akoi et al. (2020) and Wu and Lee (2020), commitment-based international human resource management practices have five dimensions as selection, training and development, motivation, job autonomy, and decision participation.

1. **Selection:** This dimension refers to paying attention to employees' adaptability to organizational culture and emphasizing internal career opportunities. To fill a vacancy, an organization first considers internal promotion and selects a suitable person in the organization. In this respect, employees will be more willing to dedicate themselves to the work. This increases the employees' contribution to the organization. The measurement items for this dimension contain that (1) when there is a vacancy, the AI companies would consider insiders prior to outsiders and (2) AI companies selection stresses on employees' learning abilities and potential to grow with the AI companies.
2. **Motivation:** An organization with commitment-based international human resource management offers higher salary for the employees compared to the organizations in same business to promote employees' organizational commitment. The measurement items for this dimension include that (1) the AI companies offers relatively higher salary for employees than others in the same business, (2) the AI companies would have employees receive the welfare of discount purchase through welfare purchase plan, and (3) the AI companies' incentive plan is designed based on AI companies departments or organizational performance.
3. **Training and development:** An organization which has a guiding system for employees training to promote employees' skills through job rotation, provide different career development paths for employees, and emphasize trainings of teamwork skills, social activity, and interpersonal relationship skills. The measurement items for this dimension cover that (1) the AI companies would provide training for new employees understanding the history and process of the AI companies, (2) the AI companies would reinforce employees' skills through job rotation, and (3) the AI companies presents certain guidance system to help employee training.
4. **Job autonomy:** This dimension can be described as improving employees' job involvement and their performance by trusting them. Employees with higher work autonomy can have higher job satisfaction and lower turnover intention. The measurement items for this

dimension cover contain that (1) employees in the AI companies could decide what they have to do to complete the work, (2) employees in the AI companies could operate the process, tool, and material for the work on their own, and (3) employees in the AI companies could select specific tasks for the completion by themselves.

5. **Decision participation:** Giving employees decision-making powers so that they can actively participate in decision-making processes and have full autonomy in their work. The participation in the decision-making has benefits on problem solving and promotes employees' organizational commitment. The measurement items for this dimension cover include that (1) AI companies' supervisors often encourage employees to participate in decision making and (2) AI companies' supervisors are open to employees' communication.

The overall reliability coefficients of selection, motivation, training and development, job autonomy, and decision participation were calculated as 0.87, 0.82, 0.85, 0.84, and 0.90 respectively.

Inside marketing

According to Chang et al. (2020), there are three dimensions for measuring inside marketing.

1. **Education and training:** This dimension refers to attracting the talents required for the organization through recruitment and training. The measurement items for this dimension cover that (1) the AI companies would encourage and provide opportunities for employees participating in the professional courses in on-the-job training, (2) the employee training program in the AI companies could enhance my practical job skills, (3) the employee training program in the AI companies could cope with changes and appeal in workplace environment, and (4) the employee training program in the AI companies could adjust the training content to match my job requirement.
2. **Reward system:** In this dimension there are performance evaluation, reward system, and internal promotion system. The measurement items for this dimension present that (1) the AI companies would regularly praise employees with good performance,

(2)the AI companies would provide rewards according to the achievement rate of my set objectives, and (3)the AI companies would offer rewards according to my contribution.

3. Internal communication: This dimension refers to improving and promoting employees' job performance with measures of cross-functional teams, job rotation, and quality circle. The measurement items for this dimension contain that (1)the AI companies presents complete internal communication channel, (2)the internal communication information of the AI companies can be easily understood, (3)the AI companies would promote newly announced programs to employees, (4)my supervisor emphasizes and supports open communication, (5)I well understand all strategic plans in the AI companies.

The overall reliability coefficient of 4 items in training shows 0.88, the overall reliability of 3 items in reward system reveals 0.93, and the overall reliability of 5 items in internal communication is 0.89.

(3) Job satisfaction

In the Minnesota Satisfaction Questionnaire (MSQ) developed by Kuo (2020), job satisfaction includes three subconstructs.

1. Intrinsic satisfaction: This refers to affairs related to job itself and workers' feelings about the job, e.g., sense of achievement and development of the field. The measurement items for this dimension include that (1)I consider the appropriateness of my workload and job content, (2)I have opportunities to develop my ability at work, (3)I have opportunities to try work with different properties in the AI companies, and (4)I can acquire achievement in current work.
2. Extrinsic satisfaction: This dimension refers to affairs irrelevant to job itself, e.g., working environment, salary, and interpersonal relationships. The measurement items for this dimension cover that (1) the working conditions (e.g. vacation, welfare) in the AI companies is satisfactory, (2) I am satisfied with my salary and workload in the AI companies, (3) the working environment (e.g. lighting, air-conditioning)

in the AI companies is satisfactory, (4) I have opportunities to tell colleagues or supervisors about my job content and progress, and (5) I get well along with colleagues at work.

3. General Satisfaction: This refers to a worker's satisfaction with the entire job in other words, the sum of a worker's perceived satisfaction with intrinsic satisfaction and extrinsic satisfaction. The measurement items for this dimension contain that (1)supervisors' leadership styles are satisfactory, (2)supervisors' decision-making ability is satisfactory, and (3)I am satisfied with the overall work perception in the AI companies.

The overall reliability coefficient of 4 items in intrinsic satisfaction appears 0.91, the overall reliability coefficient of 5 items in extrinsic satisfaction shows 0.90, and the overall reliability coefficient of 3 items in general satisfaction reveals 0.92.

II. Participants of the study

A total of 400 copies of questionnaires were distributed to AI companies' employees in Taiwan, of which 347 valid copies were recovered, with a retrieval rate of 87%. Basic information questionnaire" is preceded in this study, and the sample data are organized as below.

- (1) Gender: 231 males, 116 females.
- (2) Age: 65 people aged 20-30, 102 people aged 31-40, 124 people aged 41-50, 56 people above the age of 50.
- (3) Seniority: 34 people under 10 years, 183 people in 11~20 years, 130 people above 20 years.
- (4) Marital condition: 166 married, 181 single.

III. Reliability and validity

The reliability of the dimensions of the questionnaire achieved above 0.7 which reveals a high reliability of the dimensions. The construct validity of the scales was analyzed using confirmatory factor analysis. Commitment-based international human resource management practices, inside marketing, and job satisfaction showed $\chi^2=0$ ($P<0.001$), $DF=0$, $GFI=1.00$, and $CFI=1.00$. These results revealed good convergent validity and construct validity of the scales.

Results of the study

I. Correlation analysis

Table 1 shows significant correlations among commitment-based international human resource management practices, inside marketing, and job satisfaction. The results of the

analyses revealed the possibility of multicollinearity, which could be solved with nested model. The research dimensions showed significant correlations. These results were consistent with the research hypotheses.

Table 1 Correlation analysis

Research dimension	α	Commitment-based international human resource management practices	Inside Marketing	Job Satisfaction
Commitment-based international human resource management practices	0.85			
Inside marketing	0.87	0.37**		
Job satisfaction	0.92	0.26**	0.33**	

Note: ** $p < 0.01$

II. Overall model discussion

In terms of overall model fit in this study, the overall model fit standards calculation results were $\chi^2/Df=1.547$, smaller than the standard 3, and $RMR=0.008$. Accordingly, it can be stated that the analysis showed proper results of χ^2/DF and RMR . Furthermore, chi-square which is sensitive to sample size, is not considered as suitable for directly judging the fit. The overall model fit standards $GFI=0.958$ and $AGFI=0.921$ were higher than the standard 0.9 (the closer GFI and $AGFI$ to 1 revealing the better the model fit). Accordingly, it can be stated that this model has better fit indices.

III. Research hypotheses discussion

Nested model was utilized for the research hypotheses. Chi-square test was used because each nested model showed a degree of freedom difference. For this reason, the difference in chi-square between nested model and the theoretical model was found as significant which shows that the path coefficient that was set 0 was significant. The research results revealed that the model was significant. The nested model analysis results and the hypothesis test results were shown in Table 2 and Table 3, respectively.

Table 2 Nested model analysis

Model	χ^2	$\Delta\chi^2$
Theoretical model	287.16	
Model 1: hypothesis test	292.99	5.83*
Model 2: hypothesis test	297.34	4.35*
Model 3: hypothesis test	300.96	3.62*

Note: * $p < 0.05$

Table 3 Hypothesis test

Research hypothesis	Correlation	Empirical result	P	Result
H1	+	0.381	0.00	supported
H2	+	0.342	0.00	supported
H3	+	0.273	0.00	supported

Discussion

International Human resources correspond to the characteristics of valuable, rare, inimitable, and

irreplaceable by competitors. Nevertheless, International Human resources in AI companies' organization are not fully utilized because employees usually do not develop the

maximum potential. Employees currently play an important role in AI companies' organization and are the key competitive advantage. For this reason, AI companies' organization must retain excellent employees by emphasizing the value of employees' as human resources. H3: Commitment-based international human resource management practices have significant and positive effects on job satisfaction in this study is therefore supported and conforms to the studies of O' Leary et al. (2019) and Wu et al. (2022). Therefore, AI Company's organization must motivate employees through effective international human resource management measures to develop the potential or improve their skills so that human resources gain the competitive advantage for the AI companies' organization. H1: Commitment-based international human resource management practices have significant and positive effects on inside marketing is therefore supported and conforms to the studies of Akoi et al. (2020) and Adewale (2020). In addition, following this path, the AI companies can align employees' job objectives with the expectations of AI companies' organization. Obviously, international human resource management measures are gradually becoming more important in AI companies. AI companies that implement commitment-based international human resource management practices aims to build long-term, affective, and relational commitment with employees so that employees will naturally dedicate themselves to the AI companies' organization, reduce turnover intention, and improve their job satisfaction. H2: Inside marketing shows significant and positive effects on job satisfaction is therefore supported and conforms to the studies of Alqurashi (2019) and Wu et al. (2021). In practice, frontline employees are the most important resources in AI companies systems. They provide services to employees and strive to provide high quality services, satisfy employees, and continue to improve the performance of AI companies.. Therefore, AI companies' manager must take satisfactory measures for internal employees, encourage employees to provide customer-oriented service, and cultivate employees' comprehensive and professional service skills to achieve employee satisfaction and promote the performance of AI companies.

Conclusion

The research results showed that AI companies that adopts commitment-based international human resource management practices and takes international human resource management measures through inside marketing considers employees in the organization as internal customers and develop service and products that meet employees' demands to attract, select, train, motivate, and reward them in order to build affective commitment with employees in the organization. Commitment-based international human resource management practices in AI companies can improve internal employees' perceptions of the gain and pay to further evaluate the entire AI companies and compare the acquired value with the expected value. Job satisfaction depends on the difference between the value received by the individual and the consideration of the deserved value. This feeling arises from the subjective needs of the individual. Job satisfaction depends on the difference between the expected gain and the actual received value. An employee considers the balance between pay and reward in the AI companies' commitment-based international human resource management practices. As a result, commitment-based international human resource management practices in AI companies directly affect employees' job satisfaction and behavioral intention. Therefore, it is necessary to improve AI companies' commitment-based international human resource management practices in order to promote employees' job satisfaction. A comprehensive inside marketing program should include international human resource management practices of employees' recruitment, training, motivation, communication, and retention to affect employees' attitudes and behaviors. AI companies should adopt a marketing-oriented and service-oriented management mindset to create a more commitment-based international human resource management system.

Research limitation and future suggestion

1. AI companies are the questionnaire object in this study, and AI companies employees in Taiwan are the major subjects. The research samples being restricted to Taiwan areas might not completely reflect the real situation of population, as responses to items in

different areas might be distinct. It is therefore suggested to expand the research to AI companies' employee in various countries for broader discussions.

2. Questionnaire survey is applied in this study to analyze the hypotheses. However, questionnaire survey is easily affected by subjects' subjective awareness that the inner meaning might not be deeply acquired to further result in inference error. It is therefore suggested to match qualitative and quantitative research in the future research.
3. Cross-section study used in this study simply focuses on the relations among commitment-based international human resource practices, internal marketing, and job satisfaction in specific time point, but could not make long-term dynamic longitudinal verification. Accordingly, it is suggested that longitudinal study could be applied to the research in the future.

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