

Effect of compensation, organization commitment, training, and recruitment on employee satisfaction of Logistic service provider business in Beijing China

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ABSTRACT

The research was to investigate actual to study effect of compensation, organization commitment, training, and recruitment on employee satisfaction of logistic service provider business in Beijing China. The conceptual framework was developed from the literature review and survey in the area and other contemporary research in Human resource management and employee satisfaction. Accordingly, the researchers consider the importance of the effects of compensation, organization commitment, training, and recruitment on employee satisfaction of Logistic service provider business. In this the researchers employed the quantitative research approaches. The instruments of research were steps of a questionnaire. Data were collected from 211 people who are manager of Logistic service provider business in Beijing China. The data collected were analyzed using multiple regression analysis and on the basis of observing the actual employee satisfaction of the organizations studied through all operational links in the human resource management.

Findings are as follows: Applications of compensation, organization commitment, training, and recruitment were explanatory of the variance in employee satisfaction at 53.8 percent ($R^2 = 0.538$). Each factor involves significant aspects with the total being 27. All aspects should be addressed if problems are to be successfully solved over the long haul.

Keywords: compensation, organization commitment, training, and recruitment, employee satisfaction

INTRODUCTION

According to the 2022 Agility Emerging Markets Logistics Index, China has the largest logistics market in the world, based on logistics opportunities and business fundamentals. Much of this is attributed to the country's growing logistics infrastructure; an extensive network of warehouses, and storage facilities paired with advanced IT services. Over the past decade, the Chinese government has substantially invested in the logistics industry, amounting to 181.6 billion yuan (approx. 29 billion U. S. dollars) in 2021. The corresponding market value of China's logistics industry has doubled in this period, surpassing 335 trillion yuan in 2021. Such rapid growth is closely linked to currently booming domestic and cross-border e-commerce business. The e-commerce logistics industry has expanded swiftly, with 2021 revenue exceeding 850 billion yuan. Notably, the outbreak of the COVID-19 pandemic provided an opportunity for the e-commerce logistics industry's accelerated growth. However, the government's dynamic zero-COVID policy has affected the manufacturing and exporting hubs, putting constraints on the global supply chain. Reduced shipping capacity due to container congestion at ports caused a significant spike in container freight rates. In September 2022, China's logistics industry prosperity index (LPI) showed that the country's logistics

industry gained a slight rebound from previous months.

Since establishing our Beijing office in 1985, we have built a local network spanning China's most important regions. We offer domestic Chinese transportation and packaging, as well as shipping between China and countries throughout the world. We provide a wide range of logistic solutions. In addition to comprehensive support for Chinese import services, including advice on acquiring import licenses and tax exemption applications, we also offer export services, not only to Japan, but to worldwide locations in America, Europe, Southeast Asia and Africa. We also provide domestic Chinese shipping services. Goods from various suppliers in China can be brought to Kamigumi's warehouses, inspected, and then shipped together to Japan in a single container. On the Japanese side, we can then provide comprehensive shipping and management services to meet individual deadlines, ranging from customs clearance, to delivery to individual stores. Consolidating management of transportation and information not only controls costs, it also helps achieve more efficient deadline management.

We have significant experience not only in shipping to Japan, but also in cross transport to countries worldwide, in America, Europe, Southeast Asia and Africa. Using our global network, we can also support arrangement of local transportation. Wherever our customers find themselves, globally, they can rely on us.

This research is about management within the organization that will help the logistics business run efficiently. The researcher would like to present the research on the effect of compensation, organization commitment, training, and recruitment on employee satisfaction of Logistic service provider business in Beijing China, which has the following study details.

Research objective

Effect of compensation, organization commitment, training, and recruitment on employee satisfaction of Logistic service provider business in Beijing China

Research hypothesis

H1: Compensation has positive direct effect on employee satisfaction of Logistic service provider business in Beijing China

H2: Organization commitment has positive direct effect on employee satisfaction of Logistic service provider business in Beijing China

H3: Training has positive direct effect on employee satisfaction of Logistic service provider business in Beijing China

H4: Recruitment has positive direct effect on employee satisfaction of Logistic service provider business in Beijing China

METHODOLOGY

The study of effect of compensation, organization commitment, training, and recruitment on employee satisfaction of Logistic service provider business in Beijing China, the researcher has studied documents, textbooks, concepts, theories, and related research consistent with the study's objectives. This research is quantitative research in the format is survey research. The research tool was a questionnaire. Data was collected by instrument-based interviews. The

population is manager of logistics service provider business in Beijing, the total number of manager is 445 company in Beijing, China. The survey sample was 211 residents from manager of logistics service provider business in Beijing, China. The researchers used a simple random sampling method to conduct a random sample size, as determined according to the Taro Yamane formula (Yamane, 1973). The researchers conducted a simple random sampling calculation using the Taro Yamane formula, and based on the calculation results, the number of samples was 211. The confidence level is 95%. The tolerance of the sample is at the level of 0.05. The data from the questionnaire, the researcher analyzed and processed the data by using a statistical package and analyzing various aspects of the data. Multiple Regression Analysis to test the influence of variables between quality product, innovation product, after sales service, security, and purchase intention.

RESULTS

Determination of instrument confidence

Reliability Test (Reliability) The researcher used the revised questionnaire to try out the researcher (Try Out) with manager of logistics business in Beijing 30 people who are not a sample group. Internal consistency was tested using composite reliability and Cronbach' Alpha coefficients, where the researchers analyzed the reliability coefficients of each question and each measure. The alpha value is between 0.5 – 0.65, which is a moderately reliable value. And at values from 0.7 and up, it has quite high reliability. But if it is below 0.5, it is less reliable. Normally, the criterion used to measure these two values should not be less than 0.6 (Cronbach, 1990).

Validity checking after collecting the data, the researchers checked their validity using the corrected Item-total correlation. Which is a measure of the correlation between the score of any question and the total score of the category in which the question appears, in the calculation process, the total score must be adjusted by deducting the data value of any question issued in order to prevent the information of the questionnaire from appearing in both places. The decision criteria were that the correlation must not be less than 0.70.

The reliability and validity test results are shown in the following table.

Table 1 Results of testing reliability and validity by statistical methods

Variable	Corrected Item-Total Correlation	Cronbach's Alpha
Compensation		0.889
1. Employees get fair compensation for working.	0.885	
2. Employees get a steady salary increase.	0.855	
3. Employees supposed to be rewarded in other ways by a higher organization.	0.859	
4. Employees happy with my chance to raise my salary	0.738	
5. Employees get enough vacation days from work.	0.856	

Organization commitment:		0.887
1. Even if the unit benefit is poor, I do not leave	0.854	
2. I am willing to contribute all my efforts to the unit	0.854	
3. I have a deep affection for the work unit	0.838	
4. I am willing to contribute all my spare time energy to my unit	0.847	
5. I think job-hopping is immoral	0.799	
6. I have an obligation to the unit	0.876	
7. I have a lot of promotion opportunities in this unit	0.873	
Training:		0.887
1. There is definitely a chance to get promoted if I get professional training.	0.729	
2. Employees here love to train until they are skilled in their work.	0.848	
3. I am very satisfied that the company gave me job training.	0.869	
4. I'm very satisfied with the promotion once I've mastered the training.	0.911	
5. The company arranges for all employees to receive thorough training.	0.858	
Recruitment		0.875
1. Employees are ready to work with the organization.	0.778	
2. Employees have appropriate qualifications for the position.	0.878	
3. Employees have expertise in the work they perform.	0.765	
4. Employees have good skills in responsible positions.	0.778	
5. Employees have convenience in traveling to work.	0.801	
Employee Satisfaction		0.867
1. Employees are satisfied with themselves an income	0.791	
2. Employees are satisfied with the reward for good job performance	0.829	
3. Employees are satisfied with the way that the company's policies are implemented	0.766	
4. Employees are satisfied with the way colleagues get along with each	0.838	
5. Employees are satisfied with the Job promotion opportunities	0.853	

The results of the study of Effect of compensation, organization commitment, training, and recruitment on employee satisfaction of Logistic service provider business in Beijing China are as follows:

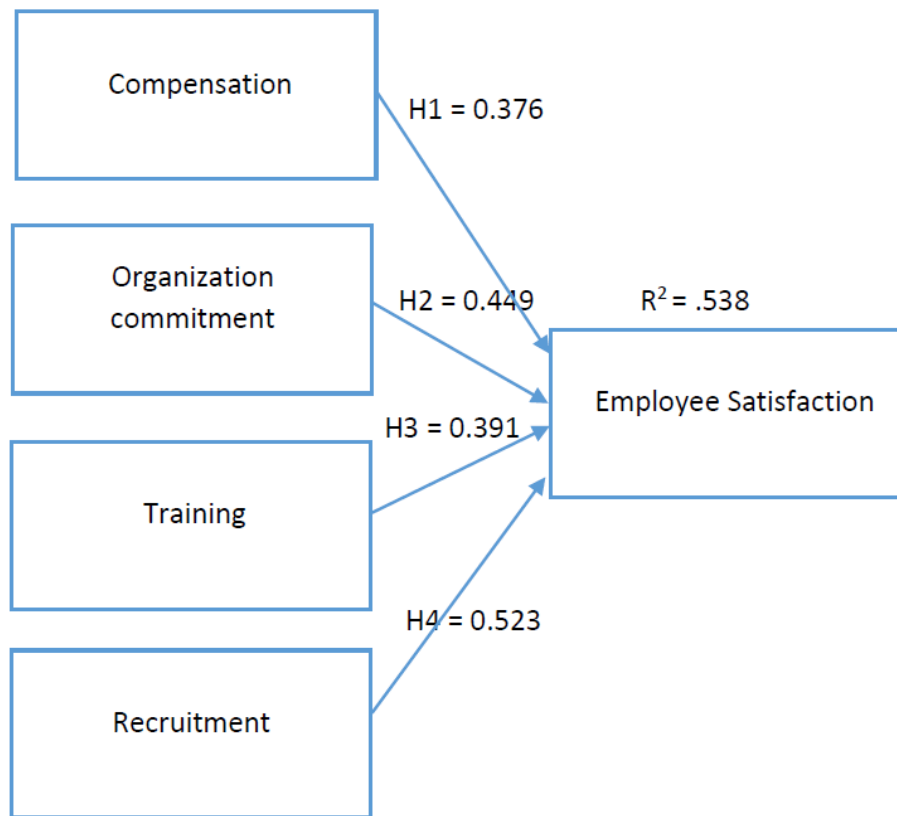


Figure 1 Results of path analysis

Source: Liu & Gumah, 2020; Malik et al., 2023; Rigby & Ryan, 2018; Wu, Cormican & Chen, 2020; Yi, 2015.

Research hypothesis testing

The researcher formulates research hypotheses for testing in accordance with the route equation according to the route analysis model with the following equations and assumptions:

$$EMS = \beta_0 + \beta_1 COM + \beta_2 ORC + \beta_3 TRA + \beta_4 REC + \zeta_1 \dots \dots \dots (1)$$

Hypothesis 1 Compensation has positive direct effect on employee satisfaction of Logistic service provider business in Beijing China

Hypothesis 2 Organization commitment has positive direct effect on employee satisfaction of Logistic service provider business in Beijing China

Hypothesis 3 Training has positive direct effect on employee satisfaction of Logistic service provider business in Beijing China

Hypothesis 4 Recruitment has positive direct effect on employee satisfaction of Logistic service provider business in Beijing China

Table 2 Hypothesis Testing Results

Path	Path coefficient	t-stat	p-value	Hypothesis
H1: Compensation → employee satisfaction	0.376	4.761***	0.000	support
H2: Organization commitment → employee satisfaction	0.449	6.131***	0.000	support
H3: Training → employee satisfaction	0.391	5.111***	0.000	support
H4: Recruitment → employee satisfaction	0.523	4.880***	0.000	support

Table 3 Influence of variables affecting on performance

Dependent Variable	R square	Effect	Independent variable			
			COM	ORC	TRA	REC
EMS	0.538	Direct Effect	0.376	0.449	0.391	0.523
		Indirect Effect	N/A	N/A	N/A	N/A
		Total Effect	0.376	0.449	0.391	0.523

From the table of hypothesis test results

Hypothesis 1 found that Compensation (COM) has a positive direct effect on employee satisfaction (EMS), true to the hypothesis. The path coefficient is equal to 0.376 and the t-statistics value is 4.761. The p-value is close to 0.000, which is a statistically significant value.

Hypothesis 2 found that Organization commitment (ORC) has a positive direct effect on employee satisfaction (EMS), true to the hypothesis. With a path coefficient of 0.449, a t-statistics value of 6.131, the p-value is close to 0.000, which is a statistically significant value.

Hypothesis 3 found that Training (TRA) has a positive direct effect on employee satisfaction (EMS), true to the hypothesis. It has a path coefficient of 0.391, a t-statistics value of 5.111 and a p-value close to 0.000, which is a statistically significant value.

Hypothesis 4 found that Recruitment has a positive direct effect on employee satisfaction (EMS), true to the hypothesis. It has a path coefficient of 0.523, a t-statistics value of 4.880 and a p-value close to 0.000, which is a statistically significant value

The significance level was tested at 0.01.

Table 4 Summary of hypothesis test results

Hypothesis	Results	Path coefficient	R ²
H1: Compensation has positive direct effect on employee satisfaction	Accept	0.376	0.538
H2: Organization commitment has positive direct effect on employee satisfaction	Accept	0.449	0.538
H3: Training has positive direct effect on employee satisfaction	Accept	0.391	0.538
H4: Recruitment has positive direct effect on employee satisfaction	Accept	0.523	0.539

CONCLUSION

Study of the effect of compensation, organization commitment, training, and recruitment on employee satisfaction of Logistic service provider business in Beijing China. There was a positive linear relationship between the four variables: compensation, organization commitment, training, and recruitment on employee satisfaction of Logistic service provider business in Beijing China. A mutually positive influence was also found in compensation, organization commitment, training, and recruitment have a positive direct effect on employee satisfaction. This indicates that the study results confirm the employee satisfaction consistency of Logistic service provider business in Beijing China, and can be used in Logistic service provider business in Beijing China.

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