

## Expanded abstract

# The link between the AMO model and well-being in a cooperative: the role of professional group

### Objectives

In recent years, in order to survive and remain competitive as business, the prevailing trend is to tightly connect organizational strategies with people management strategies. This alignment ensures that the strategic goals of the organization are supported by human resources management, enabling workers to contribute as effectively as possible. Consequently, Strategic Human Resources Management (SHRM) has emerged as a critical organizational factor.

Within this context, the academic literature over the past three decades has consistently highlighted the effectiveness of High-Performance Working Systems (HPWS). The core idea underlying HPWS is that a set of well-defined HR practices are interrelated and mutually reinforcing, creating a synergistic effect that is greater than the sum of individual practices. To conceptualize how HPWS improves organizational performance, researchers frequently rely on the AMO theory. The AMO theory suggests that HR practices boost performance by enhancing workers' Ability (A), Motivation (M), and Opportunity to participate (O).

While the relationship between HPWS and organizational performance is well-documented, recent academic focus has shifted toward including individual psychological indicators, primarily employee satisfaction and commitment. Literature demonstrates that the three components of the AMO framework strongly correlate with both the satisfaction and the commitment of workers.

Despite this growing body of research, two significant gaps remain. First, the vast majority of studies examine capitalist organizations, largely ignoring cooperative environments where workers hold a dual role as both employees and owners. Second, research often treats workforces as homogeneous, overlooking the critical distinctions between professional groups within the same company –specifically, direct labor (blue collar workers- hereinafter, BCW) and indirect labor (white collar workers- hereinafter, WCW).

Therefore, the main objective of this study is to analyze the relationship between HPWS (based on the AMO theory) and the satisfaction and commitment of BCW and WCW within an industrial cooperative. The study formulates two primary research questions: (1) Is the influence of human resources practices on employee satisfaction and commitment maintained in cooperatives? and (2) Does the professional group of the worker (BCW/WCW) have any influence on this relationship?. Consequently, the study tests two hypotheses: Hypothesis 1 posits that HR practices influence satisfaction and commitment in cooperatives just as they do in conventional firms, and Hypothesis 2 posits that the professional group plays a significant role in this relationship.

## Design / methodology / approach

To address the research questions, the authors utilized a quantitative methodology based on a single embedded case study approach. A single case study was deemed appropriate because the chosen organization represents a “critical” and “unique” case that can expand existing knowledge, while also being a “common” case that provides practical lessons regarding personnel management.

The research was conducted at ULMA Architectural Solutions (UAS), an associated labor cooperative founded in 1990 and located in Oñati, Spain. The cooperative operates in the construction sector, producing drainage systems, architectural precasts, and ventilated facades. At the time of the data collection in 2016, the cooperative had a workforce of 180 people, of which approximately 82% were worker-owners. The workforce was divided into 45% direct labor (BCW) and 55% indirect labor (WCW).

Data was collected in May 2016 using a comprehensive questionnaire which was adapted from various established academic sources to fit the specific context of the UAS cooperative. The survey consisted of 100 questions. The first seven questions gathered demographic and control data, including gender, age, educational level, seniority, organizational unit, employment link, and supervisory responsibilities. The remaining items evaluated perceptions of HR practices, cooperative values, satisfaction, and commitment, using a 10-point scale where 1 indicated “strongly disagree” and 10 indicated “strongly agree”. From the population of 180 workers, 123 valid questionnaires were obtained, yielding a robust sample size.

The data analysis proceeded in several stages. First, a confirmatory factor analysis was conducted using SPSS software to evaluate all items related to HR practices. Three factors were generated corresponding to the AMO theory constructs: Ability, Motivation, and Opportunity. Subsequently, SMART-PLS 4 software was used to validate the measurement model and verify reliability.

Because the study aimed to assess the overall HR system’s impact, a second-order multidimensional construct (HOC) named “AMO” was generated to encompass all three factors. Satisfaction and commitment were also established as dependent variables, each measured by three items. The researchers chose the PLS-SEM (Partial Least Squares Structural Equation Modeling) technique because it is effective with moderate sample sizes and does not require normal data distribution. Two estimation models were proposed: Model 1 tested the general influence of AMO on satisfaction and commitment without the professional group variable, while Model 2 incorporated a dummy variable (BCW/WCW) to test the second hypothesis.

## Results / research limitations / implications

The results of Model 1 confirmed the first hypothesis. The comprehensive AMO framework positively and significantly influences employee satisfaction. Similarly, the AMO model positively and significantly influences employee commitment. This indicates that, as in capitalist firms, positive perceptions of HR practices enhance positive psychological outcomes in cooperative environments.

Before testing Model 2, the researchers conducted Student's t-tests to compare the mean scores of the 72 direct labor (BCW) workers and the 49 indirect labor (WCW) workers. This confirms that the two professional groups hold distinctly different baseline perceptions regarding their work experiences.

In Model 2, the AMO construct maintained its strong positive effect on both satisfaction and commitment. However, the inclusion of the BCW/WCW variable yielded divergent results for the two dependent variables. The dummy variable significantly affected satisfaction –meaning WCW workers inherently experience higher satisfaction than BCW workers, even when accounting for HR practices– but it did not significantly affect commitment.

This implies that while the authors expected the professional group to influence both outcomes, the data showed otherwise. The observed differences in commitment between BCW and WCW workers are entirely mediated by their different perceptions of the AMO HR practices. When controlling for their perceptions of Ability, Motivation, and Opportunity, the commitment gap between the two groups completely disappears. Conversely, differences in satisfaction persist independently of how workers perceive HR practices, suggesting that the intrinsic nature of direct vs. indirect labor fundamentally dictates satisfaction levels.

However, the study acknowledges some limitations. The primary limitation is the use of a single case study, which means the findings cannot be broadly generalized to other contexts or organizations. Additionally, due to sample size constraints, the researchers could not run completely independent model analyses for the BCW and WCW groups separately, having to rely on an additive dummy variable instead.

These results opened the way for numerous future research lines. Future studies should incorporate more complex models with mediating and moderating variables. Expanding the sample size would allow researchers to investigate if the AMO practices affect on the psychosocial variables differently for BCW and WCW groups. It is also crucial to explore whether the disappearance of commitment differences when controlling for HR practices is an isolated phenomenon or a widespread characteristic of the cooperative business model. Finally, comparing these dynamics across cooperative and non-cooperative structures would yield highly valuable insights for the broader field of social economy.

## Practical conclusions

The findings clearly show that organizations must reject a “one-size-fits-all” approach to human resources. The successful design and implementation of personnel management practices must rigorously consider the specific, daily realities and needs of both direct labor and indirect labor workers. By acknowledging this internal organizational heterogeneity, companies can tailor their High-Performance Working Systems to different contexts within the firm. Implementing customized HR strategies is a mandatory step if an organization genuinely wishes to elevate individual psychosocial outcomes –such as satisfaction and commitment– and, by extension, achieve superior overall organizational performance.

## Original value

This research offers original value applying the framework of Strategic Human Resources Management into the cooperative sector; an area underrepresented in existing scientific literature. It provides a rare examination of how the AMO framework operates when workers possess a unique dual status as both employees and enterprise owners. Furthermore, the article demonstrates empirically that a worker's professional category shapes their interaction with, and perception of, HR management practices.