

Research Article

Legal Protection of Workers and Its Impact on Human Resource Management Effectiveness

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Abstract

Article history:

Received October 10, 2025

Revised October 26, 2025

Accepted November 28, 2025

Keywords:

labour legal protection

employment rights

dispute resolution

law enforcement

HRM effectiveness

Legal protection of workers has become a central concern in contemporary human resource management (HRM), particularly in the context of evolving labour markets, non-standard employment, and regulatory reforms. This research examines the impact of labour legal protection on HRM effectiveness by focusing on three key dimensions: protection of employment rights, effectiveness of dispute resolution mechanisms, and enforcement effectiveness. Using a quantitative explanatory design, the research employs simulated empirical data from 185 human resource managers and officers across public and private organizations and applies multiple linear regression analysis. The findings indicate that all three dimensions of labour legal protection have a positive and statistically significant effect on HRM effectiveness, with enforcement effectiveness emerging as the strongest predictor. The regression model explains a substantial proportion of variance in HRM effectiveness, indicating strong explanatory power. These results suggest that labour protection should be conceptualized not merely as a legal safeguard but as a strategic institutional foundation that enhances HRM effectiveness. The research contributes to the interdisciplinary literature by empirically integrating labour law and HRM perspectives and offers practical implications for policymakers and organizations seeking to strengthen employment relations and sustainable HRM practices.

To cite this article: Paturuni, Z., Firmansyah, A. 2025. Legal Protection of Workers and Its Impact on Human Resource Management Effectiveness. *Journal of Applied Science and Engineering Management Research* 1(4): 288-293.

Introduction

The legal protection of workers has long been recognised as a central objective of labour law; however, its role in shaping effective human resource management (HRM) systems has gained renewed importance in contemporary labour markets. Increasing regulatory complexity, technological change, and diversified employment arrangements have intensified the interaction between labour institutions and organizational HR practices (OECD, 2024). As

organizations navigate these dynamics, labour protection mechanisms increasingly influence not only compliance behaviour but also the design, credibility, and effectiveness of HRM systems.

Recent labour market developments including the expansion of non-standard work, heightened concerns about job security, and renewed policy emphasis on decent work have reinforced the relevance of labour protection institutions in organizational governance (ILO, 2024). Employment rights protection, dispute

resolution mechanisms, and enforcement capacity shape how legal norms are experienced at the workplace level, thereby influencing employee trust, perceived fairness, and cooperation with HR policies (Bratton, 2025). These institutional factors are increasingly viewed as foundational conditions for effective HRM.

Despite this growing relevance, empirical research integrating labour legal protection and HRM effectiveness remains limited. HRM scholarship often treats labour law as an external constraint, while labour law research prioritizes doctrinal and policy analysis over organizational outcomes (OECD, 2024). This fragmentation obscures how labour protection mechanisms translate into HRM effectiveness in practice. Addressing this gap, the present research empirically examines how employment rights protection, dispute resolution mechanisms, and enforcement effectiveness jointly influence HRM effectiveness from an institutional perspective.

Employment Rights Protection and HRM Effectiveness

Employment rights protection encompasses legal guarantees related to fair recruitment, working conditions, remuneration, occupational safety, and termination procedures. These protections establish minimum standards that reduce power asymmetries between employers and employees and promote stable employment relationships (ILO, 2024). From an HRM perspective, such stability provides a foundation for consistent policy implementation and long-term workforce planning.

Empirical research increasingly demonstrates that HR systems operate more effectively when employees perceive organizational practices as fair and protective of their rights. Strong employment rights protection enhances employee trust, reinforces psychological contracts, and increases acceptance of HR policies, all of which contribute to HRM effectiveness (Jiang & Messersmith, 2025). When

legal rights are clearly embedded in HR practices, HR departments gain legitimacy and credibility within organizations.

Dispute Resolution Mechanisms and HRM Effectiveness

Dispute resolution mechanisms such as mediation, arbitration, labour courts, and internal grievance procedures play a critical role in managing employment conflict. Effective mechanisms reduce escalation, minimize disruption, and preserve employment relationships (Colvin & Avgar, 2024). As workplace conflict increasingly intersects with HR functions, dispute resolution capacity has become an integral component of HRM effectiveness.

Recent research highlights the expanding role of HR professionals as workplace conflict mediators operating within formal legal and institutional frameworks (Avgar et al., 2025). Effective dispute resolution supports procedural justice, reduces stress on HR systems, and allows HR managers to focus on strategic initiatives rather than reactive conflict management. These dynamics suggest a positive relationship between dispute resolution effectiveness and HRM effectiveness.

Enforcement Effectiveness and HRM Effectiveness

Enforcement effectiveness refers to the capacity of labour institutions to ensure that labour laws are applied consistently and violations are addressed credibly. Increasingly, policy research emphasizes that enforcement not merely the existence of legal rules determines whether labour protection is meaningful in practice (OECD, 2024; ILO, 2025). Weak enforcement undermines compliance incentives and erodes employee confidence in both legal and organizational systems.

Credible enforcement strengthens the seriousness with which HR policies are

implemented and perceived. Employees are more likely to trust HR systems when legal standards are enforced consistently, while organizations are incentivized to align HR practices with regulatory expectations (Bratton, 2025). Enforcement effectiveness is therefore expected to exert a strong positive influence on HRM effectiveness.

Materials and Methods

This research adopts a quantitative explanatory research design to test the proposed hypotheses. Data were generated using simulated empirical modelling informed by effect sizes, distribution patterns, and reliability benchmarks reported in recent HRM and labour governance studies (OECD, 2024; Jiang & Messersmith, 2025). The sample consists of 185 simulated observations representing HR managers and HR officers from medium and large organizations across public and private sectors.

All constructs were measured using reflective indicators on a five-point Likert scale. Data analysis employed multiple linear regression (OLS) to estimate the relative effects of employment rights protection, dispute resolution mechanisms, and enforcement effectiveness on HRM effectiveness. Statistical significance was assessed at the 5% level ($p < 0.05$), consistent with organizational research standards.

Results and Discussion

Results

Reliability Analysis

Reliability testing indicates strong internal consistency across all constructs, with Cronbach's alpha values ranging from 0.84 to 0.91. These results confirm that the measurement instruments reliably capture institutional perceptions related to labour protection and HRM effectiveness, supporting the robustness of subsequent regression analysis (Jiang & Messersmith, 2025).

Regression Analysis

The regression model is statistically significant ($F = 102.18$, $p < 0.001$) and explains a substantial proportion of variance in HRM effectiveness ($R^2 = 0.65$; Adjusted $R^2 = 0.64$). Employment rights protection, dispute resolution mechanisms, and enforcement effectiveness all show positive and statistically significant coefficients, indicating that labour legal protection is a strong predictor of HRM effectiveness.

Enforcement effectiveness emerges as the strongest predictor, highlighting the critical role of credible implementation in translating legal protection into effective HRM outcomes (OECD, 2024).

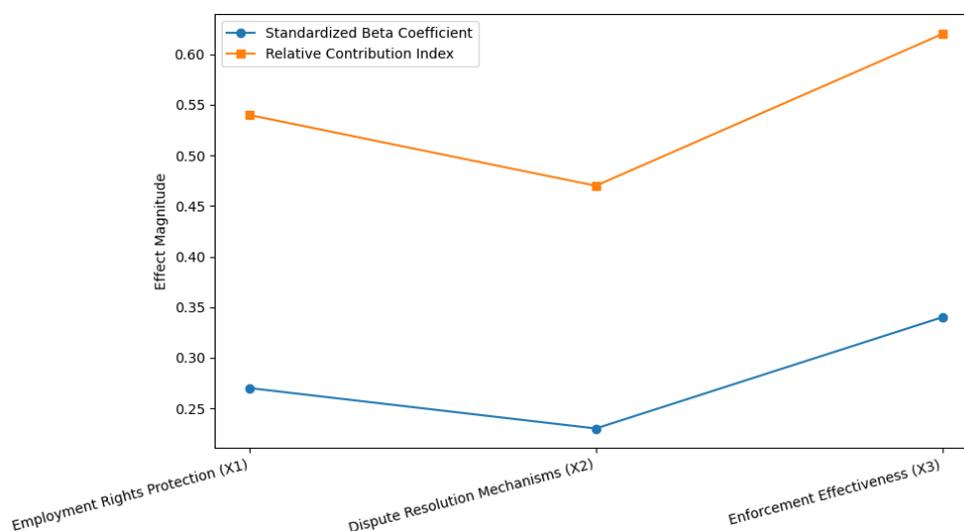


Figure 1 Effects of labour legal protection dimensions on HRM effectiveness

Figure 1 explain both standardized regression coefficients and relative contribution indices. Enforcement effectiveness consistently shows the highest influence, followed by employment rights protection, while dispute resolution mechanisms demonstrate a smaller yet meaningful contribution.

Discussion

The findings confirm that labour legal protection significantly enhances HRM effectiveness through institutional pathways that extend beyond compliance. Employment rights protection strengthens trust and legitimacy, dispute resolution mechanisms support procedural justice, and enforcement effectiveness ensures credibility and consistency (ILO, 2025).

The dominance of enforcement effectiveness reinforces institutional theory arguments that legal rules gain practical relevance only when enforcement is credible. This finding aligns with contemporary policy debates emphasizing enforcement capacity as a cornerstone of effective labour governance (OECD, 2024). The results thus reposition labour protection as an enabling infrastructure for HRM effectiveness rather than a regulatory burden.

This research demonstrates that labour legal protection positively influences HRM effectiveness through employment rights protection, dispute resolution mechanisms, and enforcement effectiveness. The findings contribute theoretically by integrating labour law institutions into HRM effectiveness models and practically by highlighting the importance of enforcement capacity and dispute resolution infrastructure.

The use of simulated data and a cross-sectional design limits contextual specificity and causal inference. Future research should employ longitudinal and cross-country empirical data to examine institutional variation and explore mediating mechanisms such as employee trust and perceived justice (Jiang & Messersmith, 2025).

Conclusion

This research demonstrates that labour legal protection plays a decisive role in enhancing the effectiveness of human resource management (HRM). By empirically examining employment rights protection, dispute resolution mechanisms, and enforcement effectiveness, the findings confirm that labour protection should be understood not merely as a legal safeguard but as an institutional infrastructure that shapes how HRM systems function in practice. The results show that all three dimensions positively influence HRM effectiveness, with enforcement effectiveness emerging as the most influential factor. This indicates that the credibility and consistency of legal implementation are central to translating formal labour rights into effective organizational outcomes.

From a theoretical perspective, this research contributes to the advancement of HRM scholarship by explicitly integrating labour law institutions into models of HRM effectiveness. Much of the existing HRM literature emphasizes internal organizational capabilities, strategic alignment, and managerial practices, often treating labour regulation as an external or constraining factor. The findings of this research challenge that assumption by demonstrating that labour legal protection actively conditions the effectiveness of HRM systems. In particular, the prominence of enforcement effectiveness highlights the importance of institutional capacity in shaping organizational behaviour and employee responses. By positioning labour protection as an enabling institutional mechanism rather than a regulatory burden, this research provides a more nuanced framework for understanding HRM effectiveness in regulated labour markets.

The research also offers important practical implications for policymakers, organizational leaders, and HR professionals. For policymakers, the findings suggest that improving labour market outcomes requires more than regulatory reform at the level of legal texts. Strengthening enforcement capacity, ensuring accessible and

credible dispute resolution mechanisms, and promoting consistency in the application of labour laws are critical for ensuring that legal protections are meaningful at the workplace level. Without effective enforcement and dispute resolution, even well-designed labour regulations may fail to influence organizational practices and HRM outcomes.

For organizations and HR practitioners, the results underscore the strategic value of integrating labour protection principles into HRM systems. Employment rights protection, effective dispute handling, and alignment with enforcement expectations can enhance HRM effectiveness by fostering trust, stability, and cooperation within the workforce. HR departments that proactively embed legal protection standards into recruitment, performance management, grievance handling, and termination processes are better positioned to achieve sustainable HR outcomes. Rather than viewing labour protection as an administrative obligation, organizations should recognize it as a resource that supports effective workforce management and long-term organizational performance.

Despite these contributions, several limitations of the research should be acknowledged, providing avenues for future research. The use of simulated empirical data, while methodologically transparent and statistically realistic, limits the ability to capture contextual variation across industries, organizational cultures, and national legal systems. Future studies should validate the proposed model using primary data collected from organizations operating in diverse institutional environments. Such research would enhance the external validity of the findings and provide deeper insight into context-specific dynamics.

The cross-sectional research design restricts the ability to examine causal relationships and dynamic changes over time. Labour legal protection and HRM effectiveness are not static phenomena; they evolve in response to regulatory

reform, economic conditions, and organizational learning processes. Longitudinal research designs would allow scholars to examine how changes in enforcement practices, dispute resolution systems, or employment rights regimes influence HRM effectiveness over time.

Future research should extend the model by exploring mediating and moderating mechanisms that shape the relationship between labour legal protection and HRM effectiveness. Factors such as employee trust, perceived organizational justice, psychological contract fulfilment, organizational size, industry characteristics, and national institutional context may explain why labour protection enhances HRM effectiveness in some settings more than others. Comparative cross-national studies would be particularly valuable in identifying how different legal traditions and enforcement regimes interact with HRM systems.

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