

A study on High Performance Work System with reference to Performance-Oriented HR Practices and its Outcomes

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Abstract- High Performance Work System is the set of strategies and activities implemented by Human Resources departments to enhance and optimize employee performance within an organization. These practices focus on creating a high-performance culture, aligning individual and organizational goals, providing feedback and coaching, and recognizing and rewarding outstanding performance. By implementing performance-oriented HR practices, companies aim to improve productivity, drive employee engagement, and achieve business objectives more effectively. Human Resources departments implement within organizations to effectively manage and develop human capital. HR practices cover a wide range of areas, including recruitment and selection, training and development, performance management, compensation and benefits, employee relations, and more. These practices are designed to align the workforce with organizational goals, enhance employee productivity and engagement, and ensure legal compliance. The present study is pertaining to the selected employees at Narmul Mother Dairy, Hayathnagar, Hyderabad. It considered the performance-oriented HR practice such as Employee-employer relationship, Job security and job stress, and also employee outcomes such as Job satisfaction, employee engagement and pay and reward satisfaction.

Index Terms: High performance work system, HR practices, employee outcomes, job security, job satisfaction, employee engagement

I. INTRODUCTION

The concept of a high-performance work system (HPWS) revolves around creating a work environment and set of practices that enable employees to perform at their best and contribute to the organization's success. It involves integrating various human resource management practices to optimize employee capabilities, motivation, and

engagement. Here are the key concepts associated with high-performance work systems:

Systemic Approach: HPWS takes a holistic and integrated approach to managing people within an organization. It recognizes that various HR practices, when aligned and interconnected, can have a synergistic effect on individual and organizational performance.

Employee Skills and Competencies: HPWS emphasizes hiring individuals with the necessary skills, knowledge, and abilities required to perform their roles effectively. It also focuses on developing and enhancing employees' skills through training, development programs, and continuous learning opportunities.

Employee Involvement and Engagement: HPWS promotes employee involvement and engagement by providing them with autonomy, decision-making authority, and opportunities to contribute their ideas and opinions.

Performance Management: HPWS includes robust performance management processes that set clear expectations, provide regular feedback, and align individual goals with organizational objectives. It often incorporates performance appraisal systems, performance-based rewards, and recognition to motivate and reward high performance.

Teamwork and Collaboration: HPWS encourages collaboration and effective teamwork among employees. It establishes structures and processes that facilitate communication, coordination, and knowledge sharing across teams and departments, fostering a sense of collective responsibility and synergy.

Continuous Learning and Development: HPWS recognizes the importance of continuous learning and development to keep employees' skills up-to-date and aligned with evolving business needs. It

offers training programs, mentoring, coaching, and opportunities for personal and professional growth. Flexibility and Work-Life Balance: HPWS supports work-life balance by providing flexible work arrangements, such as remote work options, flexible hours, and family-friendly policies. It acknowledges the importance of employee well-being and aims to create a healthy work environment.

Performance-Based Rewards and Recognition: HPWS links rewards and recognition to performance outcomes. It may include monetary incentives, bonuses, promotions, or non-financial rewards to motivate and recognize high performers, encouraging a culture of high performance.

Continuous Improvement and Adaptability: HPWS promotes a culture of continuous improvement, innovation, and adaptability. It encourages employees to identify and suggest improvements, experiment with new approaches, and learn from mistakes.



The concept of high-performance work systems acknowledges the critical role of human capital in organizational success. By implementing these principles and practices, organizations aim to enhance employee productivity, engagement, satisfaction, and overall organizational performance.

II. REVIEW OF LITERATURE

Zhang Huiyan, Yao Qin, Wu Jihong, He Nan (2015) created and distributed a survey questionnaire to senior managers or company founders in the industrial and service industries, and got 176 legitimate responses. The results shows the relationship between HPWS and corporate performance is more favourable when organisational learning is stronger. The association between high performance work systems and

organisational performance is partially mediated by entrepreneurial orientation.

Van De Voorde, K., & Beijer, S (2015) studies effects of implemented HPWS on HR well-being and HR performance attributions, and how these affect outcomes related to happiness and health. The findings demonstrate that coverage of HPWS was positively associated with the two HR attributions using multilevel data (1,065 employees nested inside 150 work units) collected from several sources (line managers and employees). Higher levels of job strain were linked to HR performance attributions. The results of this study emphasise the significance of considering how employees interpret implemented HPWS in order to forecast employee outcomes.

Boon, C., Den Hartog, D. N., Boselie, P., & Paauwe, J. (2011) By investigating potential mediating and moderating roles of Person -Organisation (P-O) and Person -Job (P-J) fit in the relationship between employee perceptions of a broad range of HR practises and employee attitudes and behaviours, this study seeks to bridge the gap between strategic HRM and person-environment fit literature. Results from a sample of 412 employees show that there are direct links between perceived HR practises and employee outcomes, as well as a mediating and moderating function for P-O and P-J fit.

Wright, P. M., Gardner, T. M., Moynihan, L. M (2005) The relationship between HR practises and business performance has received significant research attention, and the research methodology has assumed that HR is the causal variable. The findings show that there are strong and stable correlations between performance measures at each of the three points in time, and that accounting for prior or ongoing performance nearly eliminates the association between HR and future performance.

III. RESEARCH METHODOLOGY

To study the impact of performance-oriented HR practices on employee outcomes is an empirical study considers the HR Practices and three outcome variables are used in this study. As part of the study, 75 respondents were interviewed by using structured questionnaire. It contains three parts. Part-1 contains respondent’s profile, Part-2 contains performance work practices and Part-3 contains employee productivity outcomes. All items were developed using 5-point rating scale (excluding respondent’s

profile) with descriptive phases for the scales ranged from the (5) strongly agree to (1) strongly disagree. The statistical tool applied for this study is Correlational analysis to know the relation of performance-oriented HR practices and HR outcomes.

Objectives of the study

- To study association between demographic factors with HR practices & outcomes
- To know the impact of performance-oriented HR practices and employee outcomes.

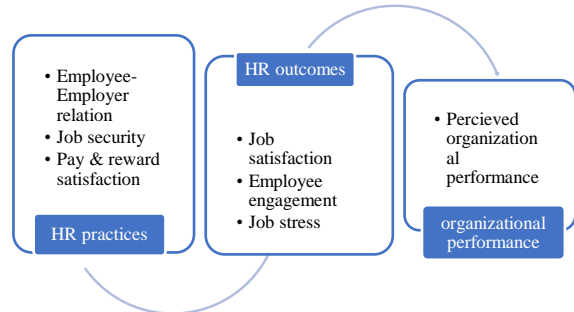
Limitations:

- High Performance Work Systems study is limited to select performance-oriented HR practices on employee outcomes.
- The research was confined to only NARMUL (Nalgonda Rangareddy Milk Producers Mutually Aided Coop. Union Ltd)
- Few respondents may deny while facing the questions.
- Some significant information may not there due to unwillingness to disclose.
- Reliability of the study is limited due to the possible bias of the respondents.

Human Resource Management practices and HR outcomes:

Human Resource Management practices adopted at Narmul Mother Dairy, Hayathnagar, Hyderabad

studies with 75 respondents for three HR practices. They are Employee-Employer relation, Job security and Pay and Reward satisfaction. Based on the select HR practices three HR outcomes selected for the study are Job satisfaction, Employee engagement and Job stress.



Conceptual framework for analyzing select HR practices and its outcomes

Correlation among the variables taken under study: Correlational analysis is commonly used to measure the relationship between HR practices and HR outcomes because it allows researchers to examine the strength and direction of the association between these variables. By examining the correlation coefficient, which indicates the strength and direction of the relationship, researchers can assess the extent to which changes in HR practices are associated with changes in HR outcomes.

	Employee Employer Relation	Job Security	Pay & Reward	Job Satisfaction	Employee Engagement	Job Stress
EmployeeEmployer Relation	1					
Job Security	0.603247131	1				
Pay &Reward	0.553907667	0.670674634	1			
Job Satisfaction	0.608626225	0.71622361	0.707758199	1		
Employee Engagement	0.002326447	0.126071576	0.290742015	0.218741309	1	
Job Stress	0.173330465	0.419748781	0.357934575	0.211157521	0.163011136	1

RESULTS DISCUSSION

Correlational analysis for the selected HR practices and HR outcomes shows the relation with each other. Independent variables of HR practices will impact the dependent variable HR outcomes. There exist very strong as the correlation values between job satisfaction and performance and reward (0.70775), job satisfaction and job security (0.71622), performance and reward relationship and job security (0.670675), employer employee relationship and job security (0.603247), and positive correlation exist

between performance and reward relationship and employer employee relationship (0.55398) and the relation between employee engagement and job security is moderate (0.126072) and also the relation between employee engagement and employer employee relationship is weak as the value is 0.002326.

IV. CONCLUSION

Employees are a major asset for any organization, so the employer is to be noted for any dissatisfaction faced by the employee. More job satisfaction level of

an employee is directly beneficial to the organization as it enhances employee retention, increases productivity, and employee motivation as above said are directly proportional to employment growth. The study of HPWS at Normul mother dairy concludes that HR practices taken for the study and positively correlated with the HR outcomes such as job satisfaction, Employee engagement and Job stress. All HR practices are not equally correlated with HR outcomes. The results are based on select HR practices and its outcomes. The study contains limited respondents and the organizational performance at Narmul mother dairy can't be generalised. We can conclude that the results obtained in the study are evident for strong correlation between Job satisfaction and Pay and reward, Job satisfaction and Job security and performance related pay and job security. Weak correlated variables will have less impact of Employee-employer relation and Employee engagement.

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