

High performance work systems essay examples

[Business](#), [Company](#)



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Introduction

Human resource management is an important concept in any organization. There are current trends that are seen by human resource management. Many organizations strive to retain employees and make them perform better. What is seen today is mechanisms which are used to have high performing employees. Today, emphasis is put on employees who perform and deliver than those who do not deliver. There are strategies that have been put that help employees perform better. This paper will focus on the latest trend of high performance work systems in workplaces (Guthrie, Flood, Liu, & MacCurtain, 2009).

High performance work systems are said to deliver immense benefits to the organization but on the contrary, they have the capability to impact negatively on employees. This paper will detail the organizational commitment, resulting effects of HPWS on employees including work-family strains, relation with the management, job satisfaction and related stress caused by HPWS.

A high performance work system is a term used to refer to enhanced opportunities for employees to make decisions and exercise discretion in their activities. It results in a high level of employee management that enhances employee commitment thereby reducing the need for managerial control.

The findings indicate that HPWS do not necessarily enhance commitment to an organization. This is founded on the premise that HPWS has been found to

increase employee discretion which subsequently multiplies effort. The efforts realized leads to an increase in the levels of work pressure which may automatically spill to the home domain. As employment advances, HPWS does little to improve job satisfaction but instead may diminish it to levels prior to its introduction. The lowered job satisfaction and increased pressure leads to strained relations with management which may finally result in employee exit. This implies that although HPWS may deliver unparalleled benefits in providing a sustainable competitive advantage to firms adopting it, a possible increase in employee turnover indicates a struggle in achieving the most basic premise it was founded by (Guthrie, Flood, Liu, & MacCurtain, 2009).

While the literature is developing rapidly, there are some significant concerns. Of more relevance is the fact that few studies have concentrated between high performance systems and employee turnover. Consistent with the work of Guthrie, Flood, Liu, and MacCurtain, (2009) this study examine the relationship between the organizations use of high involvement work practices and employee productivity and retention. Guthrie, Flood, Liu, and MacCurtain, (2009) found evidence of the impacts of human capital investments used in high performance systems and employee retention and subsequently firm's productivity.

High performance work systems sometimes referred to as high involvement or high commitment organizations or firms that use the distinctive managerial approach that enables high performance of its workforce. The main objective of HPWS lies in the creation of a firm based on employee involvement, commitment and empowerment rather than control. The

particular standards of management differ from company to company.

According to research by Jake Messersmith, Pankaj Patel, and David Lepak published in the Journal of Applied Psychology, HPWS contribute to group performance. The study involving managers and employees in over 100 service departments of local governments in Wales revealed that high performance human resource practices affect departmental practices directly and indirectly. Direct effects include high performance among employees while indirect effects include employee attitudes and discretionary behaviors. Employee attitudes are a measure of job satisfaction and organizational commitment. These attitudes are found to influence and enhance the organizational citizenship behavior. HPWS had a positive impact on them. It not only creates a positive impact on employee attitudes and behaviors but also pay further dividends with higher service quality and performance.

According to the study, this highlights the significance of not just managing for results but also for attention and the role that attitudes and behaviors play in creating favorable results. For instance, the implementation of the Modern Operating Agreement between Chrysler Corporation and United Auto Workers lead to the reduction of job classification introduced tied payment to skills within the classification and developed joint consultation committees which improved production and operations (Guest, 2011).

HPWS claims to increase organizational performance. There are substantial bodies of research that indicate that these systems enhance economic returns. According to Becker, (1996) there are many indicators that depict an increase in organization behavior of employees other than pure financial

gains. One such indicator is the actual behavior of employees in relation to turnover and labor productivity.

HPWS elicit superior employee performance which in turn increases organizational performance. The employee's full potential is developed and nurtured through motivation to apply their skills and abilities to their work-related activities. In high involvement firms, Pfeffer concurs that the workforce "feels responsible for and involved in its success" and "know more, do more, contribute more". They exhibit high levels of power and control over information, knowledge and rewards to achieve the best performances. Firms and entities such as Procter and Gamble, Wal-Mart, Virgin Atlantic and Southwest Airlines are credited with this kind of employee approach and management. HPWS is distinctively different from Total Quality Management but both can be used along each other in an organization (Shields, 2006).

The causal path assumed by many HPWS proponents takes place as follows. Systems are incorporated into the organization to influence the workplace practices. Employee attitudes change, with varied satisfaction and commitments. This results in consequent changes in behavior which in turn feeds through to the performance of the work unit and eventually the whole organization. This assumption has been put forward by HPWS theoretical models citing that any performance gains are attributed to favorable impacts on employees mainly through improved autonomy, commitment and satisfaction.

However, two suggestions have been overlooked. First, improved performance in the workplace may be attributed to other factors apart from

HPWS. Second, improved organizational performance may be as a result of negative impacts on employees.

High performance work systems are naturally aimed at reducing turnover, absenteeism, and cost associated with control and monitoring. They therefore create high levels of trust, high intrinsic satisfaction, and development of high skills, control, high involvement and finally high commitment. In a study published in the British Journal of Industrial Relations, Ramsey, (2010) explains that apart from the positive effects reported for employee attitudes as a result of HPWS system practices, contradictory evidence depicting a significant negative relationship between high performance systems and commitment was recorded. Two classes of systems were probed and their results analyzed. The system to be contained factors such as EEO policy, family-friendly policies and employee union representation. The second system comprised of formal training, appraisals, grievances reporting procedures, and formal teams (Ramsay, 2000).

System one result showed negative effects on commitment. System 1 could be characterized as a politically correct system and according to Edwards, (2005) The results could be explained by referring to affirmative action literature. Affirmative action refers to a controversial policy which is used to level differences between two groups with disparate earnings and employment opportunities. The authors posit that the groups that receive affirmative action show an increase in performance and commitment.

However, employees not covered by the affirmative action and which forms the majority will express considerable dislike and resistance for affirmative action. Outside the scope of affirmative action, and when the disadvantages

of the minority group are not diverse, the overall performance and satisfaction dropped in both groups. This is attributed to employee commitment. This leads to the inference that while high performance systems cause a positive effect on employee's attitudes to commitments, there is an average negative effect on employee's actual commitment (Guest, 2011).

Guest (2011) also identified that HPWS has a negative effect on employee continued commitment. He faulted the workplace practice of high involvement as a source of commitment and termed it statistically insignificant. As a result, according to Guest (2011) the literature discussed above relating to the positive impacts of HPWS on commitment and performance can be regarded as a myth. According to Guest (2011) significant relationships relating commitment and performance must be interpreted with caution.

Employees are central in high-involvement organizations because decision making is spread throughout the organization. Thus to facilitate the approach, firms use human resource practices tandem with self-programming and self-managing staff. They rely on the invisible knowledge of the employee. This approach is in contrast with the control-oriented model where the thinking and controlling part of the work is different from the working personnel. A control oriented approach emphasizes narrow, well-defined work and centralized decision making. The model requires low skill demands, less training and less interdependence than the high performance model. The use of the systems minimizes the impact of the labor in the labor process as workers are treated relatively like commodities and thus

irreplaceable (Paauwe, 2009).

Further, the concept of self managing teams is described by what is known as conservative control. This is whereby the team exercises power to manage itself as opposed to control-oriented approach. Employees exhibit a behavioral premise of rules, ideas and norms that enable them to act in functional; manner for the company they represent. This set of rules, values and norms developed by employees within the team evolve into a supervisory force that regulates the teams every action. Although the concertive controls are developed by individuals within the group, they ferment hostility towards the overall management objective of making the teams fully self-managed as well as actual goals of the organization (Gittell, Seidner, & Wimbush, 2010).

The hostility towards management and the organizational roles triggers a direct lack of continued commitment to the organization. Team members exert control over themselves in order to achieve the functionality for the organization and in doing so, exert a negative power that could wane the overall performance to the organization. According to Takeuchi, Chen, and Lepak (2009) workers in these self managed groups reported increased control over themselves more than they were prior to the introduction of self management. The final result of this type of control as reported by Crook et al., (2011) has increased work pressure in conformance to group norms and consequently greater dislike toward management.

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