



## INFLUENCE OF HIGH PERFORMANCE WORKING SYSTEM ON EMPLOYEES' BEHAVIOUR

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### **Abstract**

*The article tries to find out the influence of dimensions of high performance working system on employees' behaviour towards Salem steel plant. One objective of this study is reached through proper methodology. Sample size 450. Multiple regression analysis was used for data analysis. The analysis found that there is an influence of enhance organizational commitment, select recruitment, career planning and development, performance appraisal, quality circle and internal communication on employees' behaviour. The analysis highlighted that there is no influence of employee safety, training and personnel development, decentralized decision making, employee empowerment, HR support system, employee motivation and operations management on employees' behaviour towards Salem steel plant. It is suggested that to maximize the positive effects of an HR system, managers should employ HR practices consistently across a job group, empowerment, develop decision making stages and ensure that all employees are aware of the practices in use. It is concluded that all organizations should provide training and personality development and motivation programmes their employees. Training and personality development and motivation have advantages not only for employee but the ultimate benefit is for the organization itself.*

**Keywords:** *Employees' behaviour; High performance working system; Salem steel plant; Simple Random sampling and Multiple Regression Analysis.*

### **Introduction**

Global competition is demanding employees who become more flexible and learn to survive in swift mutable environment. The organizational stakeholders and policy makers give meticulous importance to the employees working in the organizations and consider them the main source of prosperity but there is a need to make the employees' behaviour favorable for the organization. Public demands are varying swiftly, due to this Salem steel plant providing organizations are facing great challenges of competition. The Organizations can increase employees' performance by increasing human skills. If the organization has flexible employees, it may use the skills of these employees as strategic alternative and can gain competitive advantage.

Presently, old HRM practices have been converted into HPWS because the old practices do not describe the entire organizational performance. The prior studies exhibited that different researchers used different practices to build the high performance work system and examined the effect of this system on employees' behaviour. The main aim of the study is to identify the influence of high performance working system on employees' behaviour towards Salem steel plant.

### **Review of Literature**

**Siah, et al. (2013)** stated that "The effects of high-performance work systems on hospital employees' work attitude and intention to leave: a multi-level and occupational group analysis." Using a multi-level analysis of a sample of 193 employees matched to 58 managers in a regional Australian hospital, this paper examines the effects of management and employee perceptions of high-performance work systems (HPWS) on HR outcomes. These relationships are examined across four distinct occupational groups. The findings suggest that only when management's implementation of HPWS is similar to employees' espoused HR practices that HPWS are translated into greater engagement, job satisfaction, affective commitment and less intention to leave. The results have implications for the management of employees in the healthcare sector and the implementation of HPWS for different occupations within an organization.

**Mingqiong, et al. (2013)** stated that "Exploring the effects of high-performance work systems (HPWS) on the work-related well-being of Chinese hospital employees." Based on data collected from a sample of 207 clinicians (medical practitioners and nurses) and administration staff in six Chinese hospitals, we introduced the perceived nature of the employee-employer relationship as a moderator to understand the complex mechanisms through which HPWS may influence employee well-being. The findings demonstrated that HPWS may lead to work engagement or emotional exhaustion, depending on employee perceptions about the nature of the employee - employer relationship. The economic exchange perception increases the possibility that HPWS leads to employees' emotional exhaustion, while the social exchange perception decreases the possibility that HPWS leads to employee work engagement. The findings have significant practical implications for hospital management.

**Sumaira, et al. (2014)** studied on "The Darker Side of High Performance Work Systems: Examining Employee Psychological Outcomes and Counterproductive Work Behavior." After reviewing the literature on rhetoric versus reality of HPWS, the potential "dark side" of HPWS authors suggested that HPWS, aimed at creating a competitive advantage for organizations, do so at the expense of workers, thus resulting in negative consequences for individual employees. This paper analyzes these relationships using a total sample of 287 from firms operating in Pakistan. Findings revealed that employee perception about HPWS are positively associated with employee psychological outcomes (anxiety, job burnout, role overload) which further results in a negative behavior of the employees at workplace. One of the main limitations of this paper is the cross-sectional design of the empirical research and the fact that data were collected from managerial staff only. Findings may guide managers' efforts in the development of learning programs which foster both individual and organizational performance.

## Research Methodology

### Research Design

To obtain better answer to the research question, a proper research design is to be framed (Cooper & Schindler 2001; Davis & Cosenza 1988). Based on the framed hypothesis of the research inferential statistics was adopted. Exploratory descriptive and casual designs are few research designs. This study is a descriptive research design which tries to describe the influence of high performance working system on employees' behaviour towards Salem steel plant.

### Objective of the study

1. To found out the influence of high performance working system on employees' behaviour towards Salem steel plant.

### Hypothesis of the study

1. There is no influence of high performance working system on employees' behaviour towards Salem steel plant.

### Sampling Technique

Under this technique random sampling technique was opted. Sample size was 450. The sampling area was employees of Salem steel plant.

### Reliability

For all the items in the questionnaire design, the alpha values ranged from 0.78 and 0.86. This indicates high reliability of the items in the questionnaire. With these results, consistency, dependability and adoptability are confirmed.

### Tools for data analysis

Multiple regression analysis was used for data analysis.

### Analysis and Interpretation

#### Multiple regression analysis showing influence of dimensions of high performance working system on employees' behaviour towards Salem steel plant

Model Summary

R	R Square	Adjusted R Square	F	Sig.
0.876	0.768	0.740	27.000	0.000

The multiple regression analysis has been carried a sample of 450 and data considering employees' behaviour as a dependent variable and the remaining thirteen independent factors viz., enhance organizational commitment, selection requirement, carrier planning and development, employee safety, training and personnel development, decentralized decision making, performance appraisal, employee empowerment, HR support system, employee motivation, operations management, quality circle and internal communication. The reaction of the employees and effect of the independent factors on employees' behaviour have been studied by using the regression analysis.

The F value obtained for the analysis is 27.000 which are significant at one percent level. Hence the assumed regression model may be considered as a good fit. The value of  $R^2$  is 0.768 and implies that 76.8% of employees' behaviour influenced by the above thirteen factors.

**H<sub>0</sub>: There is no influence of dimensions of high performance working system on employees' behaviour towards Salem steel plant.**

**H<sub>A</sub>: There is influence of dimensions of high performance working system on employees' behaviour towards Salem steel plant.**

**Coefficients**

S.No.	HPWS	B	SE	Beta	t	p
	Constant	-7.113	8.423		-0.844	0.400
1	Enhance Organizational Commitment	-0.864	0.396	-0.267	-02.182	0.031
2	Select Recruitment	0.408	0.185	0.167	2.207	0.029
3	Career planning and development	1.286	0.430	0.335	2.992	0.003
4	Employee Safety	-0.392	0.472	-0.095	-0.830	0.408
5	Training and personnel development	-0.600	0.332	-0229	0-1.805	0.074
6	Decentralized decision making	0.674	0.345	0.226	1.956	0.053
7	Performance appraisal	0.619	0.173	0.272	3.571	0.001
8	Employee empowerment	-0.126	0.315	-0.041	-0.399	0.691
9	HR support system	0.144	0.201	0.063	0.718	0.474
10	Employee Motivation	0.194	0.198	0.066	0.980	0.329
11	Operations Management	-0.618	0.507	-0.135	-01.219	0.226
12	Quality Circle	0.617	0.249	0.259	2.474	0.015
13	Internal Communication	1.300	0.370	0.406	3.516	0.001

Dependent Variable: Employees' behaviour

Considering the significant individual regression coefficients, it is seen that the factors enhance organizational commitment shows that (Beta – -0.267, t – -2.182, P – 0.031), selection requirement shows that (Beta – 0.167, t – 2.207, P – 0.029), career planning and development shows that (Beta – 0.335, t – 2.992, P – 0.003), performance appraisal shows that (Beta – 0.272, t – 3.571, P – 0.001), quality circle shows that (Beta – 0.259, t – 2.474, P – 0.015) and internal communication shows that (Beta – 0.406, t – 3.516, P – 0.001). Hence the p values are less than 0.05 and the hypotheses are rejected at 5% level. The six factors are having effect on the employees' behaviour towards Salem steel plant.

The analysis found that employee safety, training and personnel development, decentralized decision making, employee empowerment, HR support system, employee motivation and operations management obtained p values are greater than 0.050. Hence, it is concluded that seven factors are having no effect on the employees' behaviour towards Salem steel plant.

**Findings of the Study**

The multiple regression analysis has been carried a sample of 450 and data considering employees' behaviour as a dependent variable and the remaining thirteen independent factors viz., enhance organizational commitment, selection requirement, carrier planning and development, employee safety, training and personnel development, decentralized decision making, performance appraisal, employee empowerment, HR support system, employee motivation, operations management, quality circle and internal communication. The reaction of the employees and effect of the independent factors on employees' behaviour have been studied by using the regression analysis. The F value obtained for the analysis is 27.000 which are significant at one percent level. Hence the assumed regression model may be considered as a good fit. The value of R<sup>2</sup> is 0.768 and implies that 76.8% of employees' behaviour influenced by the above thirteen factors. The analysis found that there is an influence of enhance organizational commitment, select recruitment, career planning and development, performance appraisal, quality circle and internal communication on employees' behaviour. The analysis highlighted that there is no influence of employee safety, training and personnel development, decentralized decision making, employee empowerment, HR support system, employee motivation and operations management on employees' behaviour towards Salem steel plant.

**Recommendation of the study**

The study found that there is no influence of employee safety, training and personnel development, decentralized decision making, employee empowerment, HR support system, employee motivation and operations management on employees' behaviour towards Salem steel plant. It is suggested that to maximize the positive effects of an HR system, managers should employ HR practices consistently across a job group, empowerment, develop decision making stages and ensure that all employees are aware of the practices in use. It is also recommended that all organizations should provide training and personality development and motivation programmes their employees. Training and personality development and motivation have advantages not only for employee but the ultimate benefit is for the organization itself.



### **Conclusion of the study**

It is concluded that all organizations should provide training and personality development and motivation programmes their employees. Training and personality development and motivation have advantages not only for employee but the ultimate benefit is for the organization itself.

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