

## Influence of High Performance Working System on Employees' Attitudes and Behaviour

A. Premkumar<sup>1</sup>, Dr. G. Udayasuriyan<sup>2</sup>

<sup>1</sup>Doctoral Research Scholar Dept. of Business Administration, Annamalai University, Tamil Nadu, INDIA

<sup>2</sup>Professor of Business Administration, Dept. of Business Administration, Annamalai University, Tamil Nadu, INDIA

### ABSTRACT

The article tries to find out the influence of dimensions of high performance working system on employees' attitude and behaviour towards Salem steel plant. One objective of this study is reached through proper methodology. Sample size is 450 in all obtained through simple random sampling technique in Salem steel plant. Path analysis was used for influence of high performance working system on Employees; behavior with respect to employees' attitude. The path analysis found that there is an influence of high performance working system on employees' attitude and behavior. The path analysis also highlighted that there is an influence of employees' attitude on employees' behavior towards Salem steel plant. It is concluded that managers that try to increase the proactively of the firm's workforce is to execute a set of incorporated high performance HR practices and to invest in activities that promote the attitude and behaviour of the employees.

**Keywords--** Employees' attitude and behaviour; High performance working system; Salem steel plant; Simple Random sampling and Path Analysis

### I. 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' attitude and 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.

### II. HIGH-PERFORMANCE WORK SYSTEMS

- An organization's success depends on how well it operates – how well it acquires and uses people, technology, resources, and processes to meet its goals.
- High-performance work systems – the combination of people, technology, and organizational structure that makes full use of the organization's resources and opportunities in achieving its goals.
- To function as a high-performance work system, an organization needs the right people, technology, and structure.
- According to research, organizations that introduce high-performance work practices usually experience increases in productivity and long-term financial performance.
- Creating high-performance work system contrasts with traditional management practices. Recently, managers have realized that success depends on how well the elements work together rather than considering the elements as separate, unrelated items.

### III. ELEMENTS OF A HIGH-PERFORMANCE WORK SYSTEM

- In a high-performance work system, a number of elements must work together. These elements include organizational structure, task design, people (the selection, training, and development of employees), reward systems, and information systems.
- Organizational structure refers to the way the organization groups its people into divisions, departments, and reporting relationships.
- Task design involves determining how the details of the organization's activities will be grouped into jobs or team responsibilities.

- Training, development, and career management ensure that the selected employees are able to perform their current and future jobs with the organization.
- Reward systems contribute to high performance by encouraging people to strive for objectives that support the organization's overall goals.
- Modern information systems, including the Internet, have enabled organizations to share information widely.

#### IV. OUTCOMES OF A HIGH-PERFORMANCE WORK SYSTEM

- The elements of high-performance work systems influence the organization's achievement of its goals.
- The outcomes of a high-performance work system include high productivity and efficiency. These outcomes contribute to higher profits.
- A high-performance work system may have other outcomes as well including high quality, great customer satisfaction, and low employee turnover.
- In a high-performance work system, the outcomes of each employee and work group contribute to the system's overall high performance.

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' attitude and behaviour towards Salem steel plant.

#### V. REVIEW OF LITERATURE

*Rebecca R. Kehoe and Patrick M. Wright (2013)* analyzed that "The Impact of High-Performance Human Resource Practices on Employees' attitude and Behaviors." Data in this study were collected from surveys of employees at a large multiunit food service organization. The model was tested with mediation analysis (i.e., centered within context with reintroduction of the subtracted means at Level 2), which accounted for the multilevel structure of the data. Results indicate that employees' perceptions of high-performance HR practice use at the job group level positively related to all dependent variables and that affective organizational commitment partially mediated the relationship between HR practice perceptions and organizational citizenship behavior and fully mediated the relationship.

*Zhu-xiaomei and Zhou-huanqing, Kong-lingwei (2013)* researched that "Effects of High Performance Work Systems on Employee Performance: Psychological

Contract Breach as Mediator." Based on the thorough review of the past research on high performance work systems and psychological contract, this paper examines the relationship among high performance work systems, psychological contract breach and employee performance, using data of 630 employees. Results show that high performance work systems have a significant effect on employee performance. Furthermore, psychological contract breach mediated the relationship between high performance work systems and in-role performance and OCB.

*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.

#### VI. 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' attitude and behaviour towards Salem steel plant.

#### VII. OBJECTIVE OF THE STUDY

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

#### VIII. HYPOTHESIS OF THE STUDY

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

### IX. SAMPLING TECHNIQUE

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

### X. RELIABILITY

For all the items in the questionnaire design, the alpha values ranged from 0.78 and 0.92. This indicates high reliability of the items in the questionnaire. With these results, consistency, dependability and adoptability are confirmed.

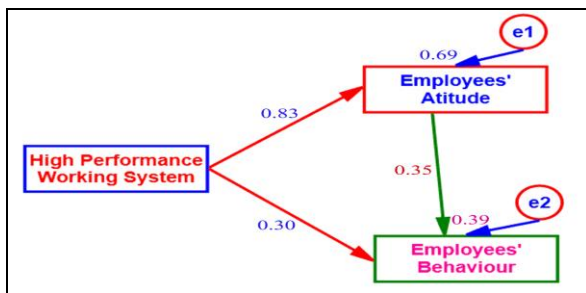
### XI. TOOLS FOR DATA ANALYSIS

Path analysis was used for influence of high performance working system on employees' behavior with respect employees' attitude.

### XII. ANALYSIS AND INTERPRETATION

#### Path Analysis of Influence of High Performance Working System on Employees' Attitudes and Behaviour

The above path analysis is run on a sample of 450 to know the correlation and regression of independent variables with respect to employees' behaviour of Salem steel plant employees. Likewise the independent variable is high performance working system. The variable employees' attitude is considered a mediator variable. Employees' behaviour is considered as an outcome variable.



#### Model Fit Indication

Chi-Square	p	RMSEA	GFI	AGFI	CFI	NFI
2.379	0.054	0.062	0.999	0.989	0.999	0.999

Source: primary data

From the above table it is found that the calculated chi-square value is 2.379, p value is 0.054 which is greater than 0.05, which indicates that perfectly fit. Here GFI (Goodness of Fit Index) value and AGFI (Adjusted Goodness of Fit Index) values are greater than 0.90 which represent it is a good fit. The calculated CFI (Comparative Fit Index) value and NFI (Normed Fit Index) values are greater than 0.90 which means that it is a perfectly fit. It is found that RMSEA (Root Mean Square Error of Approximation) value is 0.062 which is less than 0.08, which indicates that it is perfectly fit.

#### Regression Weights of High Performance Working System

		Estimate	S.E.	C.R.	Beta	p
Attitude	<--- High Performance Working System	0.221	0.014	16.298	0.830	0.001
Behaviour	<--- High Performance Working System	0.194	0.081	2.387	0.304	0.017
Behaviour	<--- Attitude	0.839	0.304	2.759	0.526	0.006

Source: Primary Data

**Null hypothesis H<sub>0</sub> = There is no significant influence of high performance working system on employees' attitude.**

**Alternate hypothesis H<sub>2</sub> = There is a significant influence of high performance working system on employees' attitude.**

The influence of high performance working system on employees' attitude through the path analysis, regression weights as the value of CR is 16.298. The Beta value is 0.830 which indicates that 83% of influence is through high performance working system towards employees' attitude. The p value is 0.001; here the p value is less than 1% and the hypothesis is rejected; hence, it can be concluded that the high performance working system significantly influence on employees' attitude.

**Null hypothesis H<sub>0</sub> = There is no significant influence of high performance working system on employees' behaviour.**

**Alternate hypothesis H<sub>2</sub> = There is a significant influence of high performance working system on employees' behaviour.**

The influence of high performance working system on employees' behaviour through the path analysis, regression weights as the value of CR is 2.387. The Beta

value is 0.304 which indicates that 30.4% of influence is through high performance working system towards employees' behaviour. The p value is 0.017; here the p value is less than 5% and the hypothesis is rejected; hence, it can be concluded that the high performance working system significantly influence on employees' behaviour.

**Null hypothesis  $H_0$  = There is no significant influence of employees' attitude on employees' behaviour.**

**Alternate hypothesis  $H_2$  = There is a significant influence of employees' attitude on employees' behaviour.**

The influence of employees' attitude on employees' behaviour through the path analysis, regression weights as the value of CR is 2.759. The Beta value is 0.352 which indicates that 35.2% of influence is through employees' attitude towards employees' behaviour. The p value is 0.006; here the p value is less than 1% and the hypothesis is rejected; hence, it can be concluded that the employees' attitude significantly influence on employees' behaviour.

### XIII. FINDINGS OF THE STUDY

- Path analysis found that there is a significant influence of high performance working system on employees' attitude.
- It is identified there is a significant influence of high performance working system on employees' behaviour.
- Path analysis found that there is a significant influence of employees' attitude on employees' behaviour.

### XIV. RECOMMENDATION OF THE STUDY

The path analysis found that there is an influence of high performance working system on employees' attitude and behavior. The path analysis also highlighted that there is an influence of employees' attitude on employees' behavior towards Salem steel plant. It is recommended that managers that try to increase the proactively of the firm's workforce is to execute a set of incorporated high performance HR practices and to invest in activities that promote the attitude and behaviour of the employees.

### XV. CONCLUSION OF THE STUDY

Path analysis found that there is a significant influence of high performance working system on employees' attitude. It is identified there is a significant influence of high performance working system on employees' behaviour. The analysis also highlighted that there is a significant influence of employees' attitude on employees' behaviour. It is concluded that managers that

try to increase the proactively of the firm's workforce is to execute a set of incorporated high performance HR practices and to invest in activities that promote the attitude and behaviour of the employees.

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