High Performance Work Systems
HIGH PERFORMANCE WORK SYSTEMS

High Performance Work System (HPWS) is a name given to the form of organization that is frequently seen as most appropriate for contemporary conditions. It entails greater levels of involvement and skill development for all employees regardless of their function or level in the organization.

HPWS has its roots to HR practices closely related with the Japanese production systems, most significantly the lean system of Toyota, documented extensively in the book titled "the machine that changed the world" written by Womack, Jones and Roos in 1990. A number of terms had often been used interchangeably to describe HPWS - high performance work organization, high involvement work systems, high performance employment systems and high commitment management or as high performance management HPM.

HPWS is an organizational architecture that brings together work, people, technology and information in a manner that optimizes the congruence or fit among them. A specific combination of HR practices, work structures, and processes that maximizes employee knowledge, skill, commitment, flexibility and contribution.
WHAT THE HIGH PERFORMANCE WORK SYSTEM ENTAILS?

The High Performance Work System (HPWS) is generally characterized by a set of managerial practices that serve to enhance the involvement, commitment and competencies of the employee. These may be classified into three sets.

(1) The core practices involve changing the way jobs are designed and executed. In particular they entail methods for working flexibly, including functional flexibility (the training of people to do a range of jobs), team working, quality circles, and suggestion schemes.

(2) A set of practices are used to guarantee that employees have the knowledge and competences to do their jobs under the high performance system. These include training in team working and inter-personal skills, team briefing, appraisal and information sharing.

(3) A set of practices aimed at ensuring that the organization attracts and retains people with the right motivations to work under such a system. These include job security guarantees, attitude surveys with feedback to employees, a high priority given to internal recruitment, and the use of systematic selection methods.
APPROACH

HPWS - GREEN FIELD APPROACH:
The green field approach aims to bring a set of organizational practices right from the time the thought for green field was conceived. Appropriate systems are placed to enable the right selection, grooming and functioning of the teams. Every member in the HPWS environment contributes to the culture building process by playing one of the key roles viz. mentor, coach, reviewer, leader and the member.

The concept is build with ‘empowerment’ as the central theme and ‘values and principles’ as the foundation. It makes everyone operate inline with the business objectives and organizational philosophy.

HPWS is one of the highly proven tools for creating sustainable talent pipeline and effective utilization of the talents.

HPWS - BROWN FIELD APPROACH:
The brown field approach aims to shatter the existing inherent flaws in the traditional system due to hierarchical distrust, decision centralization, silo functioning and communication hindrances. It encompasses restructuring and realigning your business process by integrating the various key aspects of your organization and gets a completely new approach in thinking not just at the higher levels of hierarchy but also at the grassroots.
HPWS AND JOB DESIGN

Part of the initial thrust for increased employee involvement was the realization that people were not strongly motivated by marginal increments in their pay. The satisfactions involved in doing rewarding work were important.

This recognition of the intrinsic motivation of people led to a concern for the quality of working life and to redesign jobs so that they are more demanding and involved. From this perspective the HPWS is unlikely to work unless employees have considerable variation in the tasks they do and control over how and when they do them. But high performance practices can have good impact even when jobs remain highly fragmented and low skilled. Much Japanese management falls in to this category: job rotation, group working and quality circles are often implemented into assembly line situations. HPWS essentially involves a new & vital role obligation: that ‘the employee should have two jobs, one to make the product, the other to think of better ways of making it’.
HPWS and Total Quality Management

HPWSs have been associated with other management methods such as Total Quality Management (TQM) and Lean Production and it is possible that it can enhance their effectiveness. Certainly investing in the new quality management procedures associated with TQM without some use of high performance practices is unlikely to pay-off.
IN SUMMARY...

WHY HPWS?

Philosophy:

- Financial success is strongly correlated with employee fulfillment.
- Cultural Capital is the frontier of competitive advantage.
- Organizational transformation begins with personal transformation.
- Organizations don’t transform. People do!
- One’s potential is maximum utilized when he / she is given the “Freedom” & “Empowerment” to do his work.
- Using the thinking capability of people to leverage business potential is the best way to grow business.

Belief:

- People want to make tomorrow better than today.
- People want to belong / contribute to something worthwhile.
- People want to explore, develop, demonstrate their talents.
- People want to be proud of what they produce.
- In proper environment people will do “what’s right”.
- People can do wonders for a good cause and a positive relationship.
- Positive relationship starts and ends with trust, trust, trust and openness.

Benefits:

- Win-win for employees and organizations.
- Empowered workforce.
- Improved quality, productivity and service.
- Reduced operational costs and absenteeism.
- Greater participation, autonomy and flexibility.
- Improved employee commitment, quality of work and job satisfaction.
EVALUATING THE HPWS

Adoption of high-performance work practices has been found to increase employee satisfaction, esteem, and commitment. Literature survey reveals there has been a strong relation between job satisfaction and commitment to the organization in HPWS workplaces (Mathieu and Zajac 1990). High commitment HR practices increased employee commitment and thus the organizational effectiveness. Macky and Boxall(2007) in their study of HPWS from a sample of 424 found a direct correlation of employee perception of HPWS as a single bundle with employee affective commitment and to behavior commitment (intention to stay back to the firm). The employee HPWS scores were positively correlated to the employee satisfaction and to the trust to the management. Their causal path found variables like employee job satisfaction and employee trust in management, having a mediated relationship between HPWS and employee affective commitment but could not deliver a direct causal relation between HPWS and commitment.
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