# To identify the relationship between High performance work system and Happiness at work place

Prof. Shurlly Tiwari

HR Faculty, International School of Management Excellence. Bangalore.

Dr. Ujjal Mukherjee Faculty HR-OB, CMS Business School - Banagalore

#### **Abstract**

**Purpose:** With the dynamic world that we live in, organizations are finding ways to keep their employees engaged, satisfied and committed to their work as well as the organization. Which is why in this paper we can see the importance of high-performance employees and employees being happy at their workplace and if this would help the organization to be more productive and efficient. For which researcher initially decided to find out if there is any relationship between the two variable and here the two variables are high performance work system (HPWS) and happiness at work place (HAW).

#### Design & Methodology:

A convenience sampling was done as we are in a pandemic situation this was the best and only option. Due to the time restrains, decided to collect data from the IT industry in Bangalore. Since it is constrained to only one industry, we cannot generalize it. With the limited time, could only find out the relationship between the two variables with the statical measure of correlation which helps us determine if the two variables are in relation to each other. Here the two variables being HPWS and HAW.

#### Findings:

From the given data we could come to the conclusion that the two variables have a positive relationship. From the correlation values of -1 to +1 we could see that the data possess only a positive relation, as the obtained values was between 0 to +1. With more time and a larger sample size across other sectors we could have come up with models and found out the significance with regression, also could have done factor analysis. Due to the restriction the paper only talks about the relationship between the two variables that is HPWS and HAW.

Further research can be done in other sectors as well as other statical tools can be used and the data could be analyzed.

Key Words: High performance work system (HPWS), Happiness at work place (HAW), correlation, positive relationship, negative relationship.

#### Introduction

As today's world is moving at a rapid speed, and so is the choices and preferences of people, it is very consequential for the organization to understand and acknowledge the needs and requirements of employees. Many research studies in the present have shown that high power work system have been one of the key factors for the overall development and growth of the organization. We are living in a volatile, competitive, uncertain and ambiguous world and it's the prime duty of the employer to make sure that the employees feel a sense of belongingness for the organization, for that it is important for the employee to be happy at his workplace.

Rapidly changing workforce compositions and the new age expectations of the young generation employees are demanding a sense of happiness and satisfaction at their organization. This way the attrition rate will be reduced. Every organization needs to establish a strategy to engage their employee in the workplace and to make them feel committed to the organization.

To establish equilibrium between organization and worker's attitude, it becomes mandatory to keep the employees engaged and committed to one-self to the organization, the employer has to go step forward to put an extra effort and set a benchmark to explore the ways to keep them happy and satisfied.

#### Literature Review:

High performance work system (HPWS): HPWS consists of many interrelated subsystems that support each other to achieve the goals of an organization of any size. It may not be easy to list the best practices of HPWS but there are a couple of important elements of HPWS like, leadership roles, work design, information technology and HR practices. Every feature of HPWS is independently crucial. But for this system to be effective, all these elements should be integrated as one. To ensure that all the elements fit together and are associated with the overall strategic goals of the organization, meticulous planning is crucial. Both external and internal linkages should fit HPWS together. HPWS is about establishing what jobs an organization needs to be done, job design, recognizing and captivating the employee type needed for the job and then evaluating performance of employees and compensating them accordingly so that the attrition rate is minimal

Happiness at work place (HAW): Happiness may be defined as the experience of frequent positive affect, infrequent negative affect and an overall sense of satisfaction with life as a whole (Myers & Diener, 1995). To win over customers, an organization needs spirited employees who proactively transmit their ardor to customers. Customer satisfaction is essential to a business. There is substantial evidence for a causal link between satisfied customers and big profits. Satisfying employees is an essential objective in itself for multiple reasons. It is crucial to give employees reasons and ways to please customers via employee engagement, then acknowledge and reward appropriate behavior. It is an elementary hypothesis. Hence happy, content and faithful employees result in happy, content and faithful customers. Herb Kelleher, Chairman, South Airlines said that he puts employees first. According to him, Happy employees lead to happy customers. People can see an outstanding difference if they lead a highly committed workforce

A high performance work system: definition, concepts and practices was the paper in which I could understand the concept and what exactly is high performance work system and how the organization practice it and if they do how they implement it and how it would help other organizations as well. Here they found out that the balance between performance measurement and into decision making was difficult. Also found it difficult to fit technology and information to the user. With this I further looked into a paper that was published in the year 2019 in Wiley on How and when matter: Exploring the interaction effects of HPWS, employee participation and human capital on organizational innovation. After understanding the concepts and practices I decided to look into the relationship and interaction between the HPWS and employee participation and human capital in an organization. Here I came to the understanding that HPWS is associated with organization and innovation under high direct voice and low human capital. Were as we can see that when direct voice as well as HPWS is high there is negatively related to organization innovation.

After getting an understanding that with high direct voice is associated with HPWS in low human capital and when direct voice along with HPWS is high we can see that there is a negative relationship in relation to organization innovation. Here we can see Employee-experienced high-performance work systems in facilitating employee helping and voice: the role of employee's proximal perceptions and trust in the supervisor

This was published in Human Performance (Routledge Talyor and Francis group) in the year 2019. Here we can see trust in the supervisor was also investigated as a boundary condition on the relationships. Multisource data, collected in 4 waves, from 208 supervisor—employee dyads showed that employees' efficacy, instrumentality, and autonomy perceptions concerning voice mediated the

association between employee-experienced HPWS and expanded role definition for voice. Instrumentality mediated the relationship between employee-experienced HPWS and expanded role definition for helping.

The positive links between employee-experienced HPWS and both super-visor rated helping and voice were mediated by employees' role definitions. Trust in the supervisor positively moderated the mediated effects. After this to understand a little more detain about the relationship between HRM and firm performance. Took a look at exploring the relationship between HRM and firm performance: A meta-analysis of longitudinal studies a paper published in the year 2019 in Manchester Metropolitan University's Research Repository we can see here a positive relationship between firm performance is overwhelming and only a small number longitudinal studies have been investigated between HRM and performance.

Once we have seen the above papers on how HPWS has an impact now we can move on to the HAW happiness at work place and see a few papers that shows its impact. Looking into a paper on Does Employee happiness have an impact on productivity? Published in the year 2020 here we can see being in a positive mood has a significant impact on the number of sales made by employees. When workers are happier, they work faster by making more calls per hour worked and more importantly, for sales, manage to convert more of these calls to sales, while also maintaining customer satisfaction.

After understanding the impact of employee happiness with productivity now we can see Understanding well-being at work: Development and validation of the eudemonic workplace well-being scale published in the year 2019. The work supports that well-being at work is best achieved when employees feel a two-dimensional sense of meaning and purpose (intrapersonal well-being) and experience positive social interactions (interpersonal well-being) combined with a sense of positive affect (job satisfaction) toward their roles.

Now that we have an understanding of the impact of employee happiness with productivity now let's see The relationships between leisure and happiness- A graphic elicitation method published in the 2019 we can observe here that Despite the interpersonal differences of the contents, 129 out of 132 participants consider leisure activities as at least one of their happiest moments and 225 out of 396 paintings have leisure elements, accounting for 64% of the sample size. By coding, the mechanisms linking leisure with happiness, including relaxation, tranquillity, autonomy, achievement, relatedness and enjoyment, are interlinked with each other and cannot be sundered and future research.

Employee happiness in the industry 4.0 era: Insights from the Spanish industrial sector since we have seen the relationship between happiness and leisure now let's see the impact of it in the industry 4.0 era which was published in the year 2019 in this paper, we can see people employed in the Spanish industrial sector are seen to generally feel happy with their workplace experiences during 2018. Specifically, findings show that there are a few sectors with good happiness levels, with most expressing remarkable happiness. They also found a couple of branches, including "Other manufacturing industries" and "Manufacturing of other non- metallic mineral products", that were completely happy. In relation to their correlation analysis, it was found that what really makes Spanish employees happy was their personal income; however, there is no correlation with household income.

As you can from the above papers, we have various accepts of how HPWS and HAW have impacted in the organization based on different variables affecting differently but none of the paper or data mentioned how they were related to each other and if they had a relationship. collecting the data and findings from the above papers I decided to take up this study to see if they possess any relationship between each other and if they do what kind of relationship they possess. From the above findings we can identify how they have an impact in productivity, the concepts and practices, how direct voice has an impact when HPWS is present. Coming to happiness the relationship between leisure and happiness and also impact on the industry era. So since we saw all this it was interesting to see if the two that it if high performance work system and happiness at work place and possessed any relationship and if they did was it positive, negative or no relationship at all. To know understand this the following study is done.

#### Purpose of the Study:

We have understood the importance of HPWS and HAW in the organization. The main purpose of this study is to find out the relationship and the impact that these two have with respect to each other in organizations, also to find out if there is any relationship between them and if there is what kind of relationship, is it a positive one, a negative one or no relationship at all.

#### **Objective of the Study:**

- 1. To identify the relationship between HPWS and HAW
- 2. There will be a positive relationship between HPWS and HAW
  - (H2): There will be a negative relationship between HPWS and HAW
  - (H3): There is no relationship between HPWS and HAW

#### Research Methodology:

Researcher decided to do a qualitative research which involves in collection and analysing data, which lead to me to come up with suitable questions in order to take a survey. This I was able to do with the help of google forms where I took a Likert scale to get a suitable response for the questions over all, 1 being strongly disagree and 5 being strongly agree for each and every question. With a total of 40 questions that I will be mentioning below with 19 questions for HPWS and 21 questions for HAW respectively. Once I took the survey across the IT companies across Bangalore, received about 134 responses and data analysis based on that.

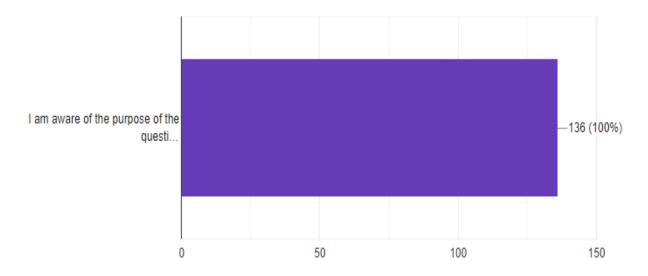
To do the analysis opted to the statistical method of correlation, which is a is a statistic that measures the degree to which two variables move in relation to each other. Here we manly checked if the 2 variables had any relationship at all and if they did was it positive, negative or if they did not have any relationship at all. Once we know that they have a relationship with each other we could further check if they alter with age or designation that would be the further study. Also, we can check how significant they are with each other. We can come up with models as well and check for any mediating or moderating factors as well. That would be the next step as of now we have checked to see if there is any relationship between the two and what relationship and how strongly they are related to each other. That is why we went for the statistical method of correlation initially to check only the relationship.

#### **Data Analysis:**

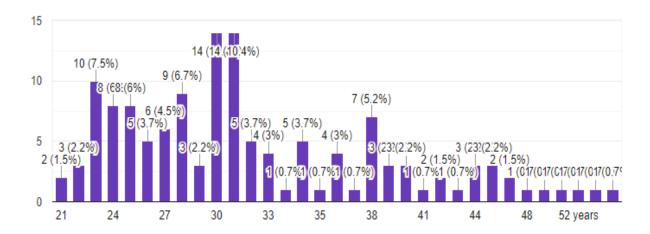
After taking a survey within the IT industry and getting 134 responses with there consent.

### Informed, Unsigned Consent

#### 136 responses

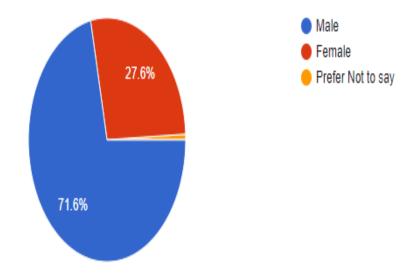


1. Age 134 responses



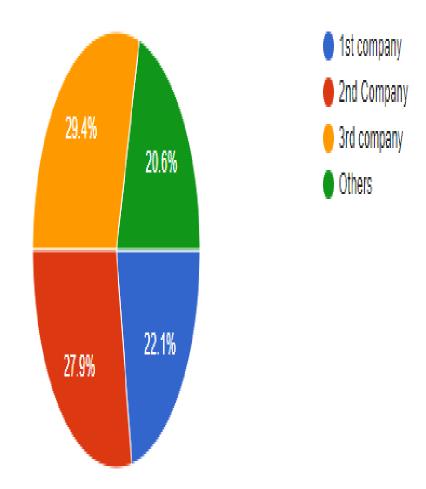
## 2. Gender

134 responses



Based on the company as in if they are freshers then it would be the  $1^{st}$  company and if not we can get to know how many company's they have jumped based on if its their  $2^{nd}$  or  $3^{rd}$ .

## 136 responses



To these people the following questions were asked.

These were the questions asked for HPWS;

In my organisation great effort is taken to select the right person In my organisation employee with long term potential is given importance My organisation gives importance on the staffing process. My organisation makes extensive efforts in selection process for new employees My organisation puts extra effort in providing training to the employees for all kind of roles. My organisation provides training program for the new joiners which help them to perform their role better. My organisation provides training to its employees which helps them to grow in the organisation. In my organisation employees have few opportunity for upward mobility. In my organisation employees are clear about there career paths In my organisation job security is assured. In my organisation every employee has their duties clearly defined. In my organisation every job has an up to date description of its role In my organisation Job description, describes the duties and responsibilities very clearly In my organisation performance of employees is measured with quantifiable results In my organisation employee appraisals emphasize on long term and group based achievement. My organisation believes in participation of employees in decision making process. In my organisation, individuals in the job are allowed to make decisions In my organisation compensation is partially contingent on group performance like profit sharing, stock and share schemes etc. In my organisation, Pay represents an employees knowledge and skill level.

## These questions were asked for HAW

At my work, I feel bursting with energy
I find the work that i do full of meaning and purpose
When I work, I don't realize the time
At my job, I feel strong and lively
I am energetic at work
My job inspires me
I feel happy to go to work when I wake up
I feel happy when I work intensely(strongly)
I am proud of the work I do
I am completely involved in the work I do
I can continue working for very long periods at a time
My job is Challenging
I get carried away when I am working
I feel mentally strong at my work
It is difficult to detach myself from my job
I continue working even if my job is not going well
I am satisfied with the nature of the work I perform?
I am satisfied with my supervisor?
I am satisfied with the relationship that I have with my co-workers?
I am satisfied with the pay I receive for my job?
I am satisfied with the career opportunities which exist in my organization in terms of promotions.
I am satisfied with my current job situation?
I would be very happy to spend the rest of my career with this organisation?

**Findings and Interpretations**: From the above questions based on the responses, Correlation test was done in comparing each and every question with each other and this was the following values.

Correlation	. At my work, I feel bursting with ener	i do full o	k, I don't r	, I feel str	energetic	rjob inspir	go to wo	en I work	oud of the	ly involve	ing for ver	job is Chal	away whe	ntally stror	detach m	even if m	the nature	ied with n	tionship t	th the pay	s which ex
y organisation great effort is taken to select the right	0.4	0.5	0.3	0.5	0.3	0.5	0.5	0.4	0.5	0.4	0.3	0.4	0.2	0.3	0.3	0.3	0.4	0.5	0.5	0.5	0.6
anisation employee with long term potential is giver	0.4	0.4	0.3	0.5	0.3	0.4	0.4	0.4	0.5	0.3	0.3	0.4	0.3	0.4	0.2	0.2	0.4	0.5	0.4	0.3	0.5
Ny organisation gives importance on the staffing proc	€ 0.4	0.4	0.3	0.6	0.3	0.5	0.5	0.4	0.4	0.3	0.3	0.3	0.2	0.3	0.4	0.2	0.4	0.5	0.5	0.6	0.6
tion makes extensive efforts in selection process for	r 0.3	0.4	0.3	0.5	0.3	0.5	0.5	0.2	0.4	0.3	0.2	0.3	0.1	0.1	0.3	0.3	0.2	0.5	0.5	0.5	0.5
outs extra effort in providing training to the employer	0.4	0.4	0.3	0.5	0.3	0.4	0.3	0.4	0.3	0.3	0.2	0.4	0.2	0.2	0.2	0.2	0.3	0.5	0.3	0.4	0.6
training program for the new joiners which help then	0.4	0.5	0.4	0.5	0.3	0.4	0.3	0.4	0.4	0.3	0.2	0.4	0.2	0.1	0.2	0.1	0.3	0.4	0.3	0.4	0.5
vides training to its employees which helps them to g	0.4	0.4	0.3	0.5	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.4	0.2	0.3	0.3	0.2	0.3	0.6	0.4	0.4	0.7
ganisation employees have few opportunity for upw	a 0.2	0.2	0.1	0.3	0.2	0.2	0.2	0.1	0.2	0.1	0.2	0.2	0.2	0.2	0.3	0.2	0.3	0.2	0.1	0.1	0.2
ny organisation employees are clear about there care	e 0.3	0.5	0.3	0.6	0.4	0.5	0.5	0.4	0.5	0.3	0.4	0.4	0.1	0.4	0.5	0.4	0.4	0.6	0.5	0.4	0.6
16. In my organisation job security is assured.	0.3	0.4	0.1	0.3	0.3	0.3	0.2	0.3	0.5	0.3	0.3	0.2	0.3	0.4	0.3	0.2	0.3	0.5	0.2	0.3	0.5
organisation every employee has their duties clearly	0.4	0.4	0.3	0.5	0.4	0.5	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.4	0.2	0.3	0.5	0.4	0.4	0.4
organisation every job has an up to date description	0.4	0.4	0.3	0.5	0.4	0.6	0.5	0.4	0.5	0.3	0.4	0.4	0.3	0.3	0.5	0.3	0.4	0.5	0.3	0.4	0.6
on Job description , describes the duties and respons	0.3	0.5	0.3	0.5	0.4	0.5	0.5	0.4	0.5	0.3	0.4	0.4	0.3	0.3	0.2	0.3	0.5	0.5	0.3	0.5	0.6
ation performance of employees is measured with q	u 0.3	0.5	0.4	0.5	0.4	0.6	0.5	0.4	0.5	0.3	0.4	0.4	0.3	0.4	0.2	0.3	0.5	0.6	0.4	0.4	0.6
employee appraisals emphasize on long term and gro	0.4	0.5	0.3	0.5	0.3	0.5	0.4	0.3	0.5	0.3	0.4	0.5	0.3	0.4	0.3	0.4	0.5	0.6	0.4	0.5	0.6
ion believes in participation of employees in decision	0.3	0.4	0.2	0.5	0.3	0.5	0.5	0.3	0.5	0.3	0.4	0.3	0.2	0.3	0.3	0.2	0.4	0.5	0.3	0.5	0.6
rganisation , individuals in the job are allowed to mal	0.3	0.2	0.1	0.2	0.1	0.3	0.3	0.1	0.3	0.1	0.2	0.3	0.3	0.2	0.3	0.1	0.3	0.3	0.2	0.5	0.4
s partially contingent on group performance like prof	i 0.4	0.5	0.5	0.5	0.4	0.5	0.6	0.4	0.3	0.4	0.3	0.4	0.2	0.3	0.3	0.1	0.3	0.4	0.4	0.5	0.5
anisation, Pay represents an employees knowledge a	0.3	0.5	0.3	0.5	0.2	0.4	0.4	0.2	0.5	0.2	0.4	0.4	0.3	0.3	0.3	0.2	0.4	0.6	0.4	0.4	0.6

Out of the above a few questions researcher have taken and displayed the value in the below table:

HPWS	HAW	Correlation
In my organisation great effort is taken to select the right person	I am satisfied with the career opportunities which exist in my organization in terms of promotions.	0.6
In my organisation performance of employees is measured with quantifiable results	I am satisfied with my current job situation?	0.6
In my organisation employee appraisals emphasize on long term and group based achievement.	I am satisfied with my supervisor?	0.6
My organisation makes extensive efforts in selection process for new employees	I get carried away when I am working	0.1
In my organisation , individuals in the job are allowed to make decisions	I am energetic at work	0.2
In my organisation employees have few opportunity for upward mobility.	I would be very happy to spend the rest of my career with this organisation?	0.1

As we can see from the above results that we have got only postive relationship. This is know to us as it lies in the set correlation values that is from -1 to +1.

Were -1 to 0 being negatively corelated.

And 0 to +1 being positively correlated.

0 having no relationship.

From the values I have got it is either highly positive with values like 0.6 or it has a low postivity with a value of 0.2 or 0.1.I have not got any negatively correlated values, or 0 which indicates that there is no relationship. With this we can say that there is a relationship between the two variables and that to a positive relationship.

**Discussions:** While analyzing the data from the given 134 responses that I have received; I came to an understanding that there is relationship between the two variables and that they posses a positive relationship between the two. Since I had taken the survey among IT professionals only it would be difficult to generalize the collected data, further research can be done among other industries and sectors to get a better understanding and a clearer picture if these two variables possess a positive relationship with each other. It may not be the case when we take a survey with other industries or sectors. Also doing a regression analysis would help in understanding the data more, if the are significant with each other or not.

Researcher have not come up with any papers that had found out the relationship between these two variables particularly and also in this particular industry. There were many papers on how happiness at work place is in relation to job engagement and productivity in China with their employees. Also, came across some papers on high performance work system in relation to organization effectiveness. Not many or any papers directly finding a relationship between the two variables. From my research we got to know they have a positive relationship between the two variables and no negative relationship or no relationship at all among them. With the suitable values ranging from -1 to +1. We can see we have got values only between 0 to +1 and no other values. This shows the positive relationship between the two HPWS and HAW.

Scope for further study: As it cannot be generalized further research can be done across all other sectors across the globe. Now that we know there is a positive relationship between the two variables, we can relate it to other variables like with age or designation and check the outputs based on it. Factor analysis can be done and models can be made to get a better understanding of the collected data. Regression model can be done to check the significance as well with respective to the demography or any other variable.

#### References:

- Ann Wilkinson, R., Chilton, G., Ann Wilkinson, R., & Chilton, G. (2018). Happiness and Wellbeing. In *Positive Art Therapy Theory and Practice*. https://doi.org/10.4324/9781315694245-3
- Bowling, D. L. (2015). The problem with emotion. *Physics of Life Reviews*. https://doi.org/10.1016/j.plrev.2015.04.016
- Côté, R., & Hall, J. (1995). Industrial parks as ecosystems. *Journal of Cleaner Production*. https://doi.org/10.1016/0959-6526(95)00041-C
- Diener, E. (1984). Subjective well-being. *Psychological Bulletin*. https://doi.org/10.1037/0033-2909.95.3.542
- Diener, E., & Seligman, M. E. P. (2002). Very happy people. *Psychological Science*. https://doi.org/10.1111/1467-9280.00415
- Diener, E., Suh, E. M., Lucas, R. E., & Smith, H. L. (1999). Subjective well-being: Three decades of progress. In *Psychological Bulletin*. https://doi.org/10.1037/0033-2909.125.2.276
- DINAN, T. G., THAKORE, J., & O'KEANE, V. (1994). Lowering Cortisol enhances growth hormone response to growth hormone releasing hormone in healthy subjects. *Acta Physiologica Scandinavica*. https://doi.org/10.1111/j.1748-1716.1994.tb09761.x
- Joo, B. K., & Lee, I. (2017). Workplace happiness: work engagement, career satisfaction, and subjective well-being. *Evidence-Based HRM*. https://doi.org/10.1108/EBHRM-04-2015-0011
- Kammann, R., & Flett, R. (1983). Affectometer 2: A scale to measure current level of general happiness. *Australian Journal of Psychology*. https://doi.org/10.1080/00049538308255070
- Kashdan, T. B., Biswas-Diener, R., & King, L. A. (2008). Reconsidering happiness: The costs of

- distinguishing between hedonics and eudaimonia. *Journal of Positive Psychology*. https://doi.org/10.1080/17439760802303044
- Landes, X. (2016). Building Happiness Indicators Some Philosophical and Political Issues. *Les Ateliers de l'éthique*. https://doi.org/10.7202/1035325ar
- Lykken, D., & Tellegen, A. (1996). Happiness is a stochastic phenomenon. *Psychological Science*. https://doi.org/10.1111/j.1467-9280.1996.tb00355.x
- Lyubomirsky, S., & Layous, K. (2013). How Do Simple Positive Activities Increase Well-Being? *Current Directions in Psychological Science*. https://doi.org/10.1177/0963721412469809
- Naci, H., & Ioannidis, J. P. A. (2015). Evaluation of wellness determinants and interventions by citizen scientists. In *JAMA Journal of the American Medical Association*. https://doi.org/10.1001/jama.2015.6160
- Ouyang, X., Zhou, P., Li, C. H., & Liu, L. (2015). Sentiment analysis using convolutional neural network. https://doi.org/10.1109/CIT/IUCC/DASC/PICOM.2015.349
- Plomin, R., & Nesselroade, J. R. (1990). Behavioral Genetics and Personality Change. *Journal of Personality*. https://doi.org/10.1111/j.1467-6494.1990.tb00913.x
- Scheier, M. F., & Carver, C. S. (1985). The Self-Consciousness Scale: A Revised Version for Use with General Populations. *Journal of Applied Social Psychology*. https://doi.org/10.1111/j.1559-1816.1985.tb02268.x
- Tchiki Davis. (2019). What Is Well-Being? Definition, Types, and Well-Being Skills | Psychology Today. In *Psychology Today*.
- Tellegen, A., Watson, D., & Clark, L. A. (1999). On the dimensional and hierarchical structure of affect. *Psychological Science*. https://doi.org/10.1111/1467-9280.00157
- Ryan, R. M., & Huta, V. (2009). Wellness as healthy functioning or wellness as happiness: The importance of eudaimonic thinking (response to the Kashdan et al. and Waterman discussion). *Journal of Positive Psychology*. https://doi.org/10.1080/17439760902844285
- Veenhoven, R. (2012). Happiness, also known as "Life satisfaction" and "Subjective well-being." In *Handbook of Social Indicators and Quality of Life Research*. https://doi.org/10.1007/978-94-007-2421-1\_3

- WILSON, W. R. (1967). CORRELATES OF AVOWED HAPPINESS. *Psychological Bulletin*. https://doi.org/10.1037/h0024431
- Warr, D., Feldman, P., Tacticos, T., & Kelaher, M. (2009). Sources of stress in impoverished neighbourhoods: Insights into links between neighbourhood environments and health. *Australian and New Zealand Journal of Public Health*. https://doi.org/10.1111/j.1753-6405.2009.00334.x