

[04]

The Impact of High Performance Work Systems on Employee Job Satisfaction of Executives in Private Sector Commercial Banks in Colombo District

Sahani, M.S.S.D.

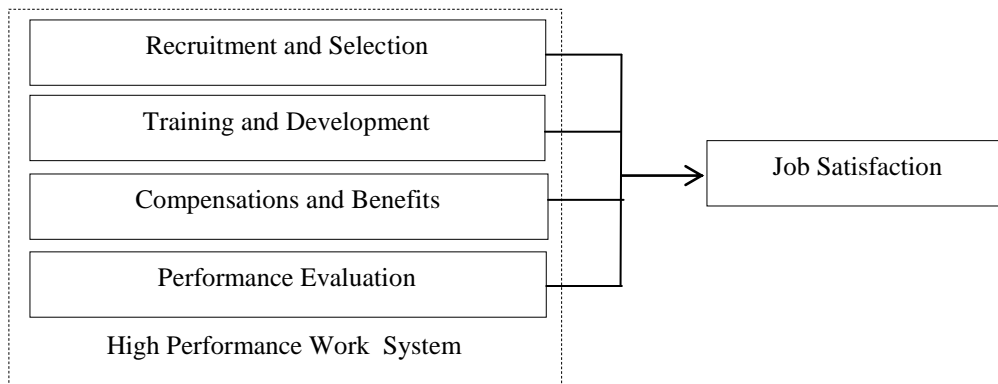
Area of the Study

A large body of High Performance Work Systems (HPWS) research suggests that the use of HPWS enhance employees’ competencies, motivation and performance. It is also associated with lower employee turnover rates and higher satisfaction¹⁻⁴. Therefore, this study discusses the effect of HPWS on employee job satisfaction of executives in private sector commercial banks in Colombo district.

Problem

The study is aimed to discuss the impact of HPWS on job satisfaction of executives in public sector banks in Colombo district based on the empirical gap in the Sri Lankan management context.

Conceptual Framework



Method

The data were collected from a convenient sample of 234 executives in two private Banks in Colombo district, which refers to the collection of information from the members who were conveniently available to provide it. Data were collected using a structured questionnaire, consisting 39 questions with five point Likert scales. The data were analyzed using univariate and bivariate analyses with SPSS (20.0 Versions).

Measures

HPWS: Questionnaire developed by Chuang and Liao⁵

Job Satisfaction: Model developed by Bigliardi et al.⁶

Reliability

Table 1: Result of Reliability Test.

Instruments	Cronbach’s Alpha	Test-Retest Coefficient
High Performance Work System	0.968	0.831
Employee Job Satisfaction	0.902	0.826

Data Analysis

Table 2 - Statistics of the Distribution of Job Satisfaction

	Job Satisfaction	HPWS
Valid	212	212
Mean	4.7064	4.7064
Median	4.9375	4.9375
Mode	5.00	5.00
std.Deviation	0.35587	0.35587
Variance	0.127	0.127
Skewness	-0.742	-0.742
Std.Error of Skewness	0.167	0.167
Kurtosis	-0.446	-0.446
Std.Error of Kurtosis	0.333	0.333
Minimum	4.06	4.06
Maximum	5.00	5.00

Table 3 - Correlation between HPWS and Employee Job Satisfaction

	HPWS+JS	R&S+JS	T&D+JS	PM&JS	RM+JS
Pearson Correlation	0.980	0.883	0.987	0.892	0.950
Sig.(2 -tailed)	.000	.000	.000	.000	.000

** . Correlation is significant at the 0.01 level (2-tailed)

Table - 4 Regression Analysis

Variables	HPWS
Methods	Linear
R Square	0.961
Adjusted R Square	0.961
F	433.529
Significance	0.000
B- Constant	-0.590
b- Value	0.823

Findings

1. There is strong and positive relationship between HPWS and job satisfaction of executives in the commercial banks.
2. There is strong and positive relationship between recruitment & selection and job satisfaction of the executives in the commercial banks.
3. There is strong and positive relationship between training & development of executives in the commercial banks.
4. There is strong and positive relationship between performance evaluation and job satisfaction of executives in the commercial banks.
5. There is strong and positive relationship between reward management and job satisfaction of the executives in the commercial banks.
6. As R squared, 96.1% of the variance of job satisfaction is explained by HPWS.

Conclusion

It is concluded that there is a strong and positive impact of High performance work systems on employee job satisfaction in two private sector banks in Colombo district. Therefore, it

can be concluded that HPWS is a good predictor to determine the job satisfaction of executives in the commercial banks in Colombo district.

Note

1. Huselid, M 1995, 'The Impact of Human Resource Management Practices on Turnover, Productivity, and Corporate Financial Performance', *Academy of Management Journal*, Vol. 38, No. 3, pp. 635-672.
2. Kuvaas, B & Dysvik, A 2010, 'Does best HRM only work for intrinsically motivated employees?', *The International Journal of Human Resource management*, Vol. 21, No. 13, pp. 2339-2357.
3. McAlearney, AS, Garman, AN, Song, PH, McHugh, M, Robbins, J & Harrison, MI 2011, 'High performance work systems in health care management, part 2: Qualitative evidence from five case studies', *Health Care Management Review*, Vol. 36, No. 3, pp. 214-226.
4. Zatzick, CD & Roderick DI 2011, 'Putting Employee Involvement In Context: A Cross-Level Model Examining Job Satisfaction And Absenteeism In High Involvement Work Systems', *The International Journal of Human Resource Management*, Vol. 22, No.17, pp. 3462-3476.
5. Chuang, C & Liao, H 2010, 'Strategic Human Resource Management in Service Context: Taking Care of Business by Taking Care of Employees and Customers', *Personnel Psychology*, Vol. 63, No. 1, pp. 153-196.
6. Bigliardi, B, Albert, ID & Schiuma, FGG 2012, 'The impact of organizational culture on the job satisfaction of knowledge workers', *VINE*, Vol. 42, pp. 36 – 51.



Sahani, M.S.S.D.

Department of Human Resource Management
University of Sri Jayewardenepura
