

The Role of High Performance Work System on Organizational Performance: Mediating Role of Workplace Bullying

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Abstract

This study finds the relationship between high-performance work systems (HPWS) and organizational performance with the mediating effect of workplace bullying. This study includes the target population of educational sector of Multan, Pakistan. Sample for this study was 360 employees. The results support the hypotheses of this study. Organizational performance is positively affirmed by HPWS. Workplace bullying is negatively mediated the relationship between HPWS and organizational performance.

Keywords: HPWS, Organizational Performance, Workplace Bullying, Educational Sector, Pakistan.

Introduction

High Performance Work System (HPWS) is presented into different but interlinked group of human resource (HR) practices (like; selection, training, performance appraisal, compensation, design to enhance employee effectiveness, employee should have better skill more motivation). It is true that practices are the most important source to get advantage for the organizations with in the competitive market. But on the other side, it is not necessary that HR practices are done for the reasons, such as a different background conditions, causal ambiguity or social hurdles (Barney & Wright, 1998). The linkage of HPWS Organization Performance had a major cause to promote the ethics, inimitability and matchlessness of employee's knowledge and skill (Wright, Gardner, & Moynihan, 2003). HPWSs enhance firm performances by improving in employee's satisfaction with job, commitment with their job, by creating attractive social climate along with less absenteeism and employee turnover rate, motivation from work, and psychological empowerment (Becker & Gerhart, 1996). Which in results give competitive benefit and improve performance outcomes. When these HR practices are aligned then the working rate of employees

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increases. Unspoken knowledge is the most valuable asset because it is difficult for the other opponents to copy or reproduce.

Different studies show with some negative and positive results by using various mediation methods to find the link between high performance work system and organizational performance (Menard et al., 2016). In past, researchers also indicated that there is a need to explore the contingent conditions like; up-to-date technology, strategies, organizational culture, team-building, and HR power to increase the worth of HPWS. In the current race of the present Era the organizations want to achieve competitive advantage from one and other. The hurdle for the organizations is that they have to face with the most common fact which is present in our day to day life that is workplace bullying. The purpose of the current study is to explore that the employees who are exposed to workplace bullying will affect the performance of organizations. For this study, introduction of Workplace Bullying work as a mediator between High Performance Work System (HPWS) and Organizational Performance.

High-performance Work System and Organizational Performance

The Human Resource set ups that expand employee capabilities, assurance and output are frequently called “high-performance work systems” (HPWSs). The set of employee management’s practices, that definitely have impact on employee attitudes, inspiration and performances which are referred to be as HPWS. High Performance Work Systems represent a system or package of HR activities which are designed to improve employee’s skills, assurance and participation in such a way that employees turn out to be a source of sustainable benefit. There are two collaborating and overlapping processes by which HPWSs improve organizational Performance. One is, they provide workers, the Knowledge, Skill, Ability. KSAs required to complete job tasks and give both the inspiration and chance to do so (Delery & Shaw, 2001). Second is, HPWSs ease communication and collaboration between employees by expanding the inner social structure within firms (Evans & Davis, 2005). Boxall and Purcell (2000) specified that in SHRM most research and theoretical basis has been led from either a best fit or a best practice approach. The supporters of best fit argue that if the HR strategy is suitably combined with its specific organizational and environmental context, it will be more effective, while the researchers who follow the approach of best practice advocate that all organizations will be more affluent if they have recognized and implemented best practices to manage people.

H1: High Performance Work System has significant effect on Organizational Performance.

High Performance Work System and Workplace Bullying

The Human Resource (HR) practices which enhance the competency of employee's loyalty and productivity are called High Performance Work System (HPWS) (Appelbaum *et al.*, 2000; Datta *et al.*, 2005). Strategic Human Resource Management has considered that HR practices that enhance the performance are also considered HPWS (Huselid, 1995). HPWS is a set of employee management practices that positively related to employee's attitudes, motivation and performance outcomes (Sels *et al.*, 2006). It has indicated an arrangement of HR practices that are intended to upgrade worker's aptitudes, responsibility and inclusion with the association's work to such an extent, in which representatives turn into a wellspring of practical upper hand (Combs *et al.*, 2006). Superior Work System is an arrangement of human asset practices whose goal is to get enhanced use of laborer's learning, aptitudes, and capacities KSAs for the advantage of the associations. (Sels *et al.*, 2006). Be that as it may, a few researchers don't concur on a particular arrangement of works on containing on HPWS (Becker and Gerhart, 1996; Datta *et al.*, 2005), practices can be classified into six stages. Staffing, Compensation, Most researchers had focused on the workplace bullying in different ways to give the solution to the upper management and employees that how they overcome the side effects of the workplace bullying, and show that how it effects the well-being of the workplace (Vie *et al.*, 2012). Experience for the emotionally victims mediates the relationship of workplace bullying with the job satisfaction and intention to leave (Glasoet *et al.*, 2011). Researchers believe that Workplace Bullying have a negative effects through a cognitive process. Somehow, other psychological acts during exploring the bullying remains unknown (Penhaligan, Louis, & Restubog 2013).

H2: High Performance Work System has significant effect on workplace bullying.

Workplace Bullying and Organizational Performance

In organizations where workplace bullying exists, one in every ten employees face bullying (Einarsen & Skogstad, 1996; Rayner, 1998). Mostly people who become the victim of bullying effects the organizational performance or tend to leave the job in the result of this experience (Rayner, 1998). In Workplace Bullying situation, one or more

person who face the negative behavior of the others for a long period of time and in this condition, the victims found it difficult to defend themselves against the action of bullying (Lewis, 1999). Bullying behavior includes many acts like uncooperative eye contact, bad physical actions, hostile behavior and the spread of wrong rumors about the victim (Keashly et al., 2011). Conflict means issues between two or more members on their ideas, desires, and wishes that effect on the overall outcomes of the organizations (Jehn, 1994). At the point when two in number rivals are in struggle between every others then it isn't consider as tormenting (Einarsen, Raknes and Matthesen 1994). There are two principles which highlight rehashed and continuing forceful conduct (a) that are expect to be inverse and see as threatening (b) by the beneficiaries (Einarsen 1999). Work environment Bullying show negative activities and hints done by at least one people. For this situation of the case that this dreary and negative act is applied by a gathering of people , It particularly implies as assaulting them (Žukauskas & Vveinhardt, 2011). By this, from the side of employee's workplace bullying phenomenon constitutes a breach of the psychological contract, as it fails to guarantee the working life and safeguard victims of the workplace bullying.

H3: Workplace bullying has significant effect on Organizational Performance.

H4: Workplace bullying has mediating role between High performance work system and organizational performance.

Conceptual framework & Hypothesis

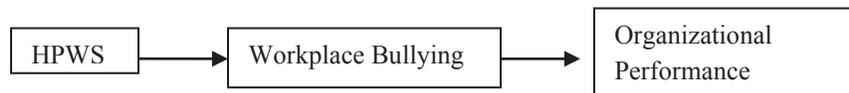


Figure 1: Conceptual model.

Methods

Sample and data collection

These study includes 360 employees from education sector of Pakistan. A self-designed questionnaire was given to the employees of education section using random sampling techniques. Data was collected from different universities of Multan, Pakistan. Researchers consider questionnaire as, a stand single instrument of data collection that will be given to the participant through E-mails, phone and online. Table 1 present the data regarding demographic variables

Table-1

| | | |
|----------------|---------------------|--------|
| Gender | Male | 64.32% |
| | Female | 35.68% |
| Marital Status | Single | 25.11% |
| | Married | 74.89% |
| Experience | 0-3 years | 36.99% |
| | 4-6 years | 22.08% |
| | 7-9 years | 18.85% |
| | 10-12 years | 13.65% |
| | Above 12 years | 8.43% |
| Age | Below 25 | 18.75% |
| | 26-30 | 45.79% |
| | 31-35 | 26.47% |
| | Above 35 | 8.99% |
| Degree | Master | 6.20% |
| | F.A | 4.67% |
| | B.A | 8.33% |
| | M.A | 19.05% |
| | M.Phil | 35.98% |
| | P.hD | 25.77% |
| Designation | Clerk | 9.10% |
| | Lecturer | 40.19% |
| | Assistant Professor | 25.54% |
| | Associate Professor | 15.28% |
| | Professor | 9.89% |

Measures

Items of high-performance work system were adapted and developed from the study of (Zhang & Morris, 2014). Items of workplace bullying were adapted from the study (Einarsen, Hoel, & Notelaers, 2009). Items of organizational performance were adapted from the study (Jobson & Schneck, 1982). All the questions were close ended. Study was scored using the five-point Likert style.

Results

In smart PLS, first reliability and validity of the model need to be assessed. The validity is measured with the help of t-value, weight and significance. Validity has shown how well a test has measured what it has claimed to be measured. The maximum value of original sample symbolic with β is >0.20 , as well as the max. T-value is >1.96 and the significance value which is represented with P value equal or ≤ 0.05 . In the table-1 the value of β is ranging from (0.36 to 0.65), T-value is

ranging from (4.45 to 13.19), P-value is ranging 0.000. Hp1 indicates the question 1 of high performance work system. Op1 indicates the question 1 of organizational performance. Wb1 indicates the question 1 of workplace bullying and other questions have same indication. In this studies all the questions related to latent variables are valid.

Table-2 Validity

| Items | Original sample (O) | T statistics | P Value | Items | Original sample (O) | T statistics | P Value |
|-------|---------------------|--------------|---------|-------|---------------------|--------------|---------|
| Hp1 | 0.631 | 10.899 | 0.00 | OP1 | 0.616 | 10.240 | 0.00 |
| HP2 | 0.654 | 13.192 | 0.00 | OP2 | 0.573 | 7.845 | 0.00 |
| HP3 | 0.636 | 12.551 | 0.00 | OP3 | 0.526 | 7.170 | 0.00 |
| HP4 | 0.554 | 9.865 | 0.00 | OP4 | 0.511 | 8.481 | 0.00 |
| HP5 | 0.430 | 6.365 | 0.00 | OP5 | 0.560 | 9.249 | 0.00 |
| HP6 | 0.510 | 8.273 | 0.00 | OP6 | 0.368 | 4.454 | 0.00 |
| HP7 | 0.628 | 10.921 | 0.00 | OP7 | 0.469 | 7.214 | 0.00 |
| HP8 | 0.602 | 9.391 | 0.00 | OP8 | 0.452 | 6.271 | 0.00 |
| HP9 | 0.458 | 6.866 | 0.00 | OP9 | 0.554 | 10.094 | 0.00 |
| HP10 | 0.532 | 8.669 | 0.00 | OP10 | 0.542 | 8.946 | 0.00 |
| HP11 | 0.569 | 9.838 | 0.00 | WB1 | 0.480 | 6.353 | 0.00 |
| HP12 | 0.459 | 7.358 | 0.00 | WB2 | 0.614 | 8.423 | 0.00 |
| HP13 | 0.360 | 4.808 | 0.00 | WB3 | 0.424 | 5.014 | 0.00 |
| WB4 | 0.515 | 6.762 | 0.00 | WB6 | 0.465 | 5.609 | 0.00 |
| WB5 | 0.639 | 10.524 | 0.00 | WB7 | 0.605 | 8.878 | 0.00 |

Coefficient of determinant R square and adjusted R square

Coefficient of determinant is also known as R square. It is statistically measured that how close the data is to the fitted regression line. Figure -2 indicates all the response rate of the variables around its mean. The Adjusted R² value shows the model goodness to fit that is how much research model is explained in the research conducted. The value of organizational performance is 0.484 and the value of workplace bullying is 0.413 that shows the impact of independent variable on dependent variable is 48.4%. The existing study also predict the same relationship.

Table- 3

| | R Square | R Square Adjusted |
|----------------------------|----------|-------------------|
| Organizational Performance | 0.487 | 0.484 |
| Workplace Bullying | 0.415 | 0.413 |

Mediation Test

Mediation test can be conducted by using multiple regression, by using bootstrapping and by extensions method. In this study, mediation test is

conducted by using bootstrapping method. The maximum value of original sample symbolic with β is >0.20 , as well as the max. T-value is >1.96 and the significance value which is represented with P value equal or ≤ 0.05 . In the given table, all the values lie within the boundaries. Here, the hypothesis 4 has proved that Workplace Bullying work as a mediator between High Performance Work System and Organizational Performance.

Table-4

| | Original Sample | T-Stat | P-Val. |
|--|-----------------|--------|--------|
| High Performance Work System -> Workplace Bullying -> Organizational Performance | 0.143 | 3.080 | 0.002 |

Predictive relevance Q square

Predictive relevance is another mean to evaluate the structural model. The maximum value of Q square is >0.00 . In table-5 the value of organizational performance is 0.119 and workplace bullying is 0.106. All the values of organizational performance and workplace is $>$ than 0.00 it indicates that variables are predictable for research. Results are in table 5

Table-5

| | SSO | SSE | Q ² = (1- SSE/SSO) |
|------------------------------|-----------|-----------|-------------------------------|
| High Performance Work System | 4,407.000 | 4,407.000 | |
| Organizational Performance | 3,390.000 | 2,987.365 | 0.119 |
| Workplace Bullying | 2,373.000 | 2,120.890 | 0.106 |

Size and significance of path co-efficient

Path coefficient in smart PLS has done by bootstrapping. The maximum value of original sample symbolic with β is >0.20 , as well as the max. T-value is >1.96 and the significance value which is represented with P value equal or ≤ 0.05 . In table-5 β value of HPWS with organizational performance 0.536 is positive and significant which confirms the H1. On the other hand, the value of HPWS with workplace bullying 0.644 is also positive and significant, which confirms the H2 while the workplace bullying and organizational performance having value 0.220 is positive as well as significant, which confirms the H3 and H4. The results of this study lies within the boundaries and supported the hypothesis.

Table-6

| The Role of High-Performance Work System | | | Asad, Tariq, Ashraf, Noor | | |
|---|--|--|---------------------------|--------|---------|
| | | | Beta | T | P Value |
| HPWS-> Organizational Performance | | | 0.536 | 6.339 | 0.000 |
| HPWS -> Workplace Bullying | | | 0.644 | 15.983 | 0.000 |
| Workplace Bullying-> Organizational Performance | | | 0.220 | 2.671 | 0.008 |

Conclusion

The study is focused on the impact of the High Performance Work System and Organizational Performance with a mediating effect of Workplace bullying. In this study, different statistical techniques have been applied to find the evaluation and the results that showed, data is valid, reliable, and consistent. Based on the results, interpretations and discussions it is concluded that High Performance Work System plays an important and significant role to increase the organizational performance in the educational sector of Multan, Pakistan. HPWS is a source to strengthen the performance of the organization. Both have direct relationship with each other. If HPWS has developed, then organizational performance will also improve. In this study, HPWS is positively related with the organizational performance. The result shows that Workplace Bullying has negative effect on the organizational performance. HPWS improves Organizational Performance directly but when Workplace Bullying works as a mediator between them, it effects the Organizational Performance, negatively. For the theory of social behavior, the current study shows the impact of workplace bullying on the educational institutes of all levels (small to international) including private and government.

In this study, the workplace bullying showed a negative effect on the performance of organization which is most important for organizations at every level. Actually, it is the accomplishment of the psychological contract in any organization, and it is most important for firm's behavior and outcomes (Tomprou, Nikolaou, & Vakola, 2012). Thirdly, Different theories, relaed to high performance work system have been discussed to find the more clear impact of workplace bullying on organization performance. Finally, the focus of this study was on the employees of eduactional institute, without any age limit by including students would further clear the concept of workplace bullying and its effects This research has recommend for the future studies to investigate the different dimensions of workplace bullying with different theories of HPWS. In this study, we had used workplace bullying as an overall factor. In future compare workplace bullying with financial factors if any available to better understand the impact of workplace bullying. Future

research should include other factors influencing the performance of organizations such as, families support, coworkers' behavior or which can influence the other features present in organizations.

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