

ROLE OF DEMOGRAPHIC FACTORS IN RELATIONSHIP WITH HIGH PERFORMANCE WORK SYSTEM

Abstract

Aim: The education and globalization had increased the awareness among the employees regarding their rights and expectations to evaluate their performance. The level of perception regarding the existence of HPWS varies with demographic variables like age, education and gender. The objective of the paper is to analyse the role of demographic factors in relation to set of human resource practices of the high performance work system.

Study Design: The primary data were collected form employees regarding the implementation of HPWS.

Methodology: Cronbach's alpha, **the** Correlation and general linear regression were used to envisage the objective of the study.

Results: The result revealed that, the demographic factors like age, education and current working experience were positively correlated with the HR practices. The educational qualification of the employees had greater impact than other demographic factors

Keywords: HPWS, HR practices, Regression and demographic factors.

1. Introduction

Organizations use human resource practices to furnish employees attitude and behaviour to achieve their goals and competitive advantage. The resource

based theory reveal that firm cannot compete in the market until or unless organization adopt those practices which cannot be imitated easily and motivate employees to add values in production process of firm. [1]

The education and globalization had increased the awareness among the employees regarding their rights and expectations to evaluate their performance. The level of perception regarding the existence of HPWS varies with demographic variables like age, education and gender. [2] They play an important role in defining the relationship between HR practices and employees outcomes. Hence it is important to study about the demographic features of the employees of organization especially with diverse culture in terms of socio economic composition.

The objective of the paper is to analyse the role of demographic factors in relation to set of human resource practices of the high performance work system.

2. Review of literature

Bowra (2010) [3] examines the nature of the relationship between human resource practices and perceived employee performance. The study concluded that human resource practices like compensation, performance evaluation and promotions highly influenced employee performance.

Qureshi, *et al.*, (2010) [4] found that there is a direct relationship between employees' performance and intrinsic rewards or extrinsic rewards of human resource practices. The study concluded that well defined job description and recognition technique leads to high employee performance.

Boon et al. (2011) [5] studied the impact of human resource practices on employee outcomes. It found that HRM practices help employees to feel better able to meet the requirements of their jobs and to think that their needs are fulfilled by the job, which in turn enhances job satisfaction.

Wadhwa and Parimoo (2013) [6] defined high performance work system as, "detailed human resource practices that helps in acquiring and retaining talented workforce in the field of soft and hard skills with self motivated employees, empowered for decision making".

Hazaea (2020) [7] stated that human resource practices are consistent with internal policies and methods established and applied to ensure the organization's human resources contribute to achieving the organization's goals, coming up with

solutions for developing human to help improve the ability, opportunity and motivation of employees.

Alsafadi (2021) [8] stated that, “human resource practices refer to the pattern of planned human resource deployment and activities intended to enable an organization to achieve its goals”.

3. Methodology

3.1 Measure of variables

The demographic factors that were selected for the study were age (in years), education (in years), and working experience in the current company (in years).

The items used to measure the High Performance Work System through the implementation of different HR practices namely recruitment and selection, compensation, training and development, performance appraisal, job design and job security were selected by reviewing previous studies. The employees were asked to rate their perception of each HR practices on a five point scale with 5 being the most preferred to 1 being the not most preferred. The sum of the ratings given by the employees were taken as the dependent variable i.e. HR practices. By measuring their perception about the implemented HR practices would aid in analysing the role of demographic variables in the implementation of High Performance Work System (HPWS).

3.2 Analytical Tool Used

The reliability of the statements used to measure the HR practices were measured using Cronbach's alpha value in SPSS 22 software.

Correlation analysis was used to analyse the demographic details of the sample respondents to know their impact on the implementation of high performance work system by implementing set of human resource practices selected for the study. Through **the** correlation analysis the direction of relationship between the demographic factors and HR practices were identified.

General linear regression model was used to identify the direction and magnitude on the role of demographic factors in the implementation of High

Performance Work System. The regression equation used for the present study is mentioned in equation 1.

$$Y = A + B_1 (\text{Age}) + B_2 (\text{Education}) + B_3 (\text{Current Working Experience}) + \mu$$

Where,

Y is the sum of Human Resource Practices measured using Likert data

B_n is the coefficients of the independent variable

4. Results and Discussion

The reliability of the statements used for the study was tested using Cronbach's alpha value. It has a threshold value of 0.7 to confirm the reliability of the measurement items used to measure the HR practices. In table 1, the number of items used, Cronbach's alpha value and mean value of the measurement item is presented.

Table 1 Summary of Reliability test for HR practices

HR practices	Number of items	Cronbach's Alpha	Mean
Recruitment and selection	6	0.773	3.745
Training and development	4	0.706	4.214
Performance Appraisal	5	0.709	4.192
Compensation	4	0.702	4.315
Job design	3	0.802	3.822
Job security	2	0.902	3.813

From table 1, it could be observed that the Cronbach's alpha value for all the constructs used to measure the HR practices followed in the organization was above 0.7. This showed that each HR practices used for measurement were reliable.

4.1 Descriptive statistics

According to Arnau *et al.* (2013) skewness ranges from -3 to +3 and kurtosis ranges between +10 and -10 for any linear model. The mean value for the variables measured using Likert data should be above the mid value. For the present study HR practices were measured using five point Likert scale, hence the mid value is approx. three. The descriptive statistics of the variables used is presented in table 2.

Table 2 Descriptive statistics of the variables

Variables	Mean	Standard Deviation	Skewness	Kurtosis
Age	33.07	7.878	1.178	0.790
Education (in Years)	16.77	1.069	0.075	-1.574
Current working Experience	6.18	6.865	1.996	2.935
HR Practices	96.67	7.805	0.024	0.159

From table 2, it could be observed that the skewness and Kurtosis fell between 0 to 1.996 and -1.574 to 2.935 respectively. The mean value for HR practices was 4.02; this showed that the data were robust, representative of the samples and normal.

4.2 Role of demographic factors on HPWS

Correlation analysis was used to establish the direction of relationship between the demographic factors and HR practices. Correlation between the variables was done using Pearson's coefficient. The results are presented in table 3.

Table 3 Correlation between the variables

	Age	Education	Working experience	HR practices
Age	1.000	--	--	--
Education	0.213	1.000	--	--
Current Working	0.887	0.187	1.000	--

experience				
HR practices	0.143	0.113	0.150	1.000

From the table 3, it could be observed that HR practices were positively correlated with the demographic factors. This showed that with the increase in age, working experience and education, the employees are more aware about the HR practices and there arises a need for implementation of better HR practices to create a High Performance Working System.

Further the regression analysis was used to identify the magnitude of the relationship between the HR practices and demographic factors. The results are presented in table 4.

Table 4 Regression estimates between HR practices and Demographic Variables

Variables	Estimates	P Value	Adjusted R Square
Age	0.035	0.04**	0.652*** (0.007)
Education	0.710	0.03**	
Working experience	0.138	0.001***	

*** Significant at 1% LOS and ** Significant at 5% LOS

From the table 4, it could be observed that the education (0.710) had greater influence on the implementation of HR practices than current working experience (0.138) and age (0.035) of the employees. This showed that the employees with higher education qualification were satisfied with the HR practices implemented in the firm and they are most aware about the HR practices followed by the firm. A significant adjusted R square value also indicates good fit of the model.

5. Conclusion

The findings highlighted some important aspects of relationship between demographic variables and implementation of high performance work system

through a set of HR practices. The result revealed that, the demographic factors like age, education and current working experience were positively correlated with the HR practices. The educational qualification of the employees had greater impact than other demographic factors, it because of their greater exposure and awareness to the different HR practices. Hence the study concludes that the organizations need to consider the demographic factors of the employees in implementing high performance work system.

6. References

1. Wright, P. M., and McMahan, G. C. Theoretical perspectives for strategic human resource management. *Journal of Management* 1992; 18(2), 295.
2. Kuvaas B. An exploration of how the employee–organization relationship affects the linkage between perception of developmental human resource practices and employee outcomes. *Journal of Management studies*. 2008 Jan;45(1):1-25.
3. Bowra, Z. A., Sharif, B., Saeed, A., & Niazi, M. K. (2012). Impact of human resource practices on employee perceived performance in banking sector of Pakistan. *African Journal of Business Management*, 6(1), 323-332.
4. Qureshi, M. I., Zaman, K., & Shah, I. A. (2010). Relationship between rewards and employee's performance in the cement industry in Pakistan. *Journal of international academic research*, 10(2), 19-29.
5. Boon, C., Den Hartog, D. N., Boselie, P., & Paauwe, J. (2011). The relationship between perceptions of HR practices and employee outcomes: examining the role of person–organisation and person–job fit. *The International Journal of Human Resource Management*, 22(01), 138-162.
6. Wadhwa, S., & Parimoo, D. (2013). Leadership and its Challenges in the Globalizing World. *Journal of Management Sciences and Technology* (1), 30, 37.
7. Hazaea, S. A., Tabash, M. I., Khatib, S. F., Zhu, J., & Al-Kuhali, A. A. (2020). The impact of internal audit quality on financial performance of Yemeni commercial banks: an empirical investigation. *The Journal of Asian Finance, Economics, and Business*, 7(11), 867-875.
8. Alsafadi, Y., & Altahat, S. (2021). Human resource management practices

and employee performance: the role of job satisfaction. *The Journal of Asian Finance, Economics, and Business*, 8(1), 519-529.

UNDER PEER REVIEW