# THE IMPACT OF HIGH PERFORMANCE WORK SYSTEMS ON RETENTION OF EMPLOYEES AND PERFORMANCE IN HIGHER EDUCATIONAL

#### **INSTITUTIONS:**

A CASE OF SELECTED BUSINESS SCHOOLS IN PAKISTAN.

 $\mathbf{B}\mathbf{y}$ 

Jaweria Tariq

#### A thesis

Presented to the Bahria University, Islamabad in partial fulfillment of the requirements for the degree of Masters of Philosophy

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#### **DECLARATION OF AUTHENTICATION**

I Jaweria Tariq, M. Phil. Student in the Department of management Sciences, Bahria University, Islamabad, certify that the research work presented in this thesis is to the best of my knowledge my own. All sources used and any help received in the preparation of this dissertation have been acknowledged. I hereby declare that I have not submitted this material, either in whole or in part, for any other degree at this or any other institution.

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### LIST OF ABBREVIATIONS

**HPWS:** High Performance Work Systems

**ER:** Employee Retention

**IWB:** Innovative Work Behaviors

**JDR:** Job Demands Resources

**RBV:** Resource Based View

#### **ABSTRACT**

This study examines the impact of High Performance Work Systems (HPWS) on faculty level in Business Schools and their performance. This includes the examination of usage of HPWS on the employee's innovative work behaviours, individual level performance. It also checks the role of the moderating variable "Employee Turnover" on HPWS and performance. The study uses data collected from 17 universities in Islamabad and Rawalpindi. This included 251 faculty members from the 17 selected Business Schools of Pakistan. This study shows that an extensive application of HPWS is associated with an increase in employee's innovative behaviours, individual-level performance and increased employee retention. The study examined employee's perceptions of the HPWS practices and their impact on individual level performance and employee's innovative work behaviours. Specifically, the study also measures whether job demands and tenure intensions moderate the relationship between HPWS practices and performance. In total 251 employees were surveyed. Overall, employee-level findings suggest that high performance work systems are associated with employee's innovative work behaviours and individual level performance. This study uses average method to examine the impact of HPWS utilisation on employee-level. It also uses correlation and linear regression as well as ANOVA methods to test the results. Overall, findings suggest that greater use of HPWS is associated with increase in employee performance, and employee retention.

**Key words:** High Performance Work Systems, Employee Retention, Performance, Higher Educational Institutions.