

[02]

## The Impact of High Performance Work Systems on Organizational Commitment: An Investigation of Executives and Non-Executives in Public Sector Banks in Colombo District, Sri Lanka

Chandima, D.G.M.

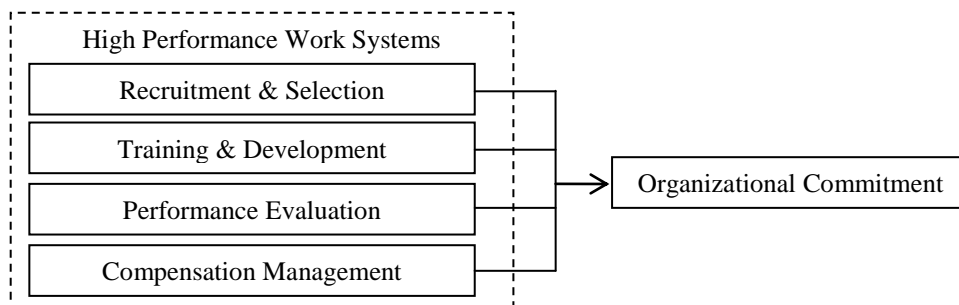
### Area of the Study

A number of studies have examined the relationship between High Performance Work Systems (HPWS) and employee commitment and found that HPWS was positively related to employee commitment. Therefore this study is aimed to discuss the impact of HPWS on employee commitment specially referring to the executives & non-executives in public sector banks in Colombo district.

### Problem

There is an empirical gap in the Sri Lankan context on the relationship between HPWS on organizational commitment of executives and non-executives. The research problem of this study is: *'Is there an impact of high performance work systems on employee commitment of executives and non-executives in public sector banks in Colombo district of Sri Lanka?'*

### Conceptual Framework



### Method

The data were collected from a randomly selected sample of 209 executives and non-executives in two public banks in the Colombo district. This refers to the collection of information from the members who were conveniently available to provide it. Data were collected using a structured questionnaire consisting 36 questions with five point Likert scales. Data were analyzed using univariate analysis, correlation and regression analysis with the SPSS (16.0 Versions).

### Measures

HRM practices (Recruitment and Selection, Training, Performance Appraisal, Compensation and social benefits): Questionnaire developed by Chuang & Liao<sup>1</sup>

Organizational Commitment: Questionnaire developed by Allen & Meyer<sup>2</sup>

### Hypotheses

H<sub>1</sub>: There is a positive relationship between HPWS and organizational commitment.

H<sub>2</sub>: There is a positive relationship between recruitment & selection and organizational commitment.

H<sub>3</sub>: There is a positive relationship between training & development and organizational commitment.

H<sub>3</sub>: There is a positive relationship between performance evaluation and organizational commitment.

H<sub>4</sub>: There is a positive relationship between compensation and organizational commitment.

**Reliability**

Table 1: Cronbach’s Alpha Coefficients

Instrument	Cronbach’s Alpha	No of items
High Performance work Systems	0.724	20
Organizational Commitment	0.716	10

**Data Analysis**

Table 2: Determinants of High Performance Work Systems

High Performance Work Systems	Mean	Standard Deviation	Rank
Staffing	4.472	0.5752	3
Training & Development	4.413	0.6173	4
Performance Evaluation	4.507	0.5645	1
Compensation	4.416	0.5905	2

Table 3: Determinants of Organizational Commitment

organizational Commitment	Mean	Standard Deviation	Rank
Affective	4.4400	0.9770	2
Continuance	4.4933	0.5460	1
Normative	3.1475	0.5827	3

Table 4: Correlation Test

	HPWS	Recruitment & Selection	Training & Development	Performance Evaluation	Compensation
Pearson Correlation	0.652**	0.474**	0.525**	0.501**	0.598**
Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000

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

Table 5: Regression Results

Method	Linear
R square	0.425
Adjusted R Square	0.423
F	153.219
Significance	0.000
B-constant	0.546
b-value	0.652

**Findings**

1. There is an average and positive relationship between HPWS and organizational commitment.
2. There is an average and positive relationship between recruitment & selection and organizational commitment.
3. There is an average and positive relationship between training & development and organizational commitment.

4. There is an average and positive relationship between performance evaluation and organizational commitment.
5. There is an average and positive relationship between compensation and organizational commitment.
6. As R squared, 42.3% of the variance of employee commitment is explained by HPWS.

### **Conclusion**

It is concluded that there is an average positive relationship with high performance work system on organizational commitment of banking employees. In addition, dimensions of HPWS (staffing, Training & Development, Performance Evaluation, Compensation) have a positive impact on organizational commitment of the sample.

#### Note

1. 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, pp. 153–196.
2. Allen, NJ & Meyer, JP 1990, 'The measurement and antecedents of affective, continuance and normative commitment', *Journal of Occupational Psychology*, Vol.63, No.1, pp. 1-18.



***Chandima, D.G.M.***

Department of human Resource Management  
University of Sri Jayewardenepura

---