The Role of High-Performance Work System on Career Success: Evidence from Jordan

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Received: July 17, 2017 Accepted: August 20, 2017 Online Published: September 17, 2017
doi:10.5539/ijbm.v12n10p203 URL: https://doi.org/10.5539/ijbm.v12n10p203

Abstract

The aim of this study is to examine the effect of high-performance system on career success. To achieve this, questionnaire was used to collect data from sample of 358 employees from 14 business companies in Jordan. Results reveal that high-performance work system (HPWS) positively affects career success. Specifically, this study proves that both subjective and objective career success is positively related to HPWS. Furthermore, results demonstrate that training and development, performance management, and career management practices enhance career success. Implications for managers and suggestions for future research are also discussed.

Keywords: HPWS, Career success, Business companies, Jordan

1. Introduction

Human resource management (HRM) benefits organizations because of its positive effect on workers’ knowledge and skills, their ability and willingness to perform duties, and desire to fulfill tasks (Boxall and Macky, 2009). While traditional HRM practices are designed to enhance performance through managing personnel issues, High-Performance Work System (HPWS) is designed to enhance higher performance through a collective of complementary and integrated practices which generate powerful impact (Armstrong, 2011).

The effect of HPWS on work outcomes, attitudes, and behaviors are well documented in the literature. Empirical studies support the positive effects of HPWS on performance (Boxall & Macky, 2009; Fu et al., 2015), job satisfaction and commitment (García-Chas et al., 2016), discretionary behavior (Elorza et al., 2016), employee well-being and job involvement (Huang et al., 2016), innovation (Fu et al., 2015).

With regards to career and career development, the notion of career success has received enormous attention in the literature over the last two decades (Santos, 2016). Career success refers to the achievement of meaningful outcomes in an individual’s work over time (Arthur et al., 2005). This success is divided into subjective or intangible factors (such as satisfaction with a chosen career) and objective or tangible factors (such as promotion) on career success (Guerrero et al., 2016).

Since empirical studies indicate that HPWS enhance work related outcomes, this study argues that HPWS practices will affect career success by improving employee skill, knowledge, and motivation, which in turn fosters employee capacity to exhibit high performance for an organization, all of which are regarded as key factors for career success. A substantial research framework for HPWS and career success already exists for organizations in a western context; however, there is little extant knowledge which examines these relationships in an Arab setting. Moreover, a study of the available literature reveals a lack of research which addresses how HPWS practices influence career success in a Middle Eastern setting. Therefore, this study seeks to contribute to the literature by investigating the role of HPWS in terms of career success in Jordan

Specifically, it examines the role HPWS plays in enhancing career progress for managers within selected business organizations in Jordan. The study is structured as follows; first, an overview of the concepts of HPWS and career success are considered, then the relationship between HPWS practice and career success is discussed and hypotheses are derived. Research methodology and measurements are presented, followed by a discussion of results, implications, limitations, and directions for future studies.
2. Literature Review

2.1 HPWS

HPWS represents a cooperative Human Resource (HR) system that is well designed and managed, thus enabling employees to exert higher levels of performance (Cafferkey and Dundon, 2015; Delaney and Godard, 2002). According to Lepak et al. (2006), HPWS is a system of integrated HR practices that aim to recruit, select, manage, and retain the highest quality human capital.

Combs et al. (2009) comment that HPWS are a system of HR practices designed to achieve competitive advantage by enhancing individual skills, commitment, and involvement. The main aim of HPWS is to obtain the ultimate benefit of employee knowledge, ability and skills, by using best HR practice (Sels et al., 2006). Huang et al. (2016) define HPWS as a comprehensive HR system oriented toward improving high performance through investment in employees.

Lu et al. (2015) expand the benefits of HPWS; they believe it improves employee motivation and satisfaction, and promotes enhanced performance. These benefits are symbiotic; organizations which use HR practices based on HPWS is a signal of their desire to establish a supportive relationship with their employees (Sun et al., 2007). According to García-Chas et al. (2016), providing promotional opportunities is an indicator of recognition, training is an indication of investment in employees, and employment security is an indication of a long-term relationship with employees, which in turn increases the likelihood that employees provide high quality performance.

2.2 Career success

A career is defined as “the occupational positions a worker holds over time” (Dessler, 2015). Arthur et al. (2005) believe a career represents a “sequence of an employee’s work experience over years; the desirable outcomes of this experience is called career success”. On the other hand, Dries (2011) argues that when employees succeed in achieving meaningful goals, they see themselves as successful.

Research on career success differentiates between objective and subjective considerations (Ng et al., 2005). Objective career success indicators center around career advancement, increased extrinsic motivations and rewards such as bonuses based on work output, movement up the career ladder, prizes and professional honors (Feldman and Ng, 2007; Seibert et al., 2001). Research on career success has traditionally focused on objective career success, using observable and measureable indicators such as pay level and work status, which can be easily noticed by other parties (Afiouni and Karam, 2014).

However, an increasing number of research studies have recognized the importance of subjective career success criteria, in addition to objective criteria (Haines et al., 2014). Subjective career success is an evaluation of how an employee views their career; criteria are based on pointers regarding commitment and satisfaction; therefore, it is a reflection of their perceptions, emotions, and attitudes toward their career (Feldman and Ng, 2007). When evaluating success based on a subjective scale, employees may also evaluate their success in terms of managing their work-life balance and a sense of fulfillment (Ituma et al., 2011). In accordance with the literature, this study will take both subjective and objective patterns into consideration when measuring career success.

2.3 HPWS and Career Success

Theoretically, HPWS should contribute to career success by generating benefits which directly enhance both the organization and its employees in career growth and progress. Armstrong (2011) claims that HPWS assists employees to understand exactly what is expected of them, act accordingly, set goals for success, empower them to maximize their contribution, increase motivation and commitment, and build capacity which may positively affect their career growth and success. Boekhorst (2014) examines the role of HPWS in career success using empirical principles. Her study finds that HPWS influence career growth and development, and thus enhance career success. Based on their study of clinicians, Kloutsiniotis and Mihail (2017) assert that HPWS has a strong positive impact on job satisfaction, engagement, and commitment, with a correspondingly negative impact on intention to leave. Furthermore, job satisfaction, organizational commitment, and engagement have been positively linked with career success (Ballout, 2009; Boon, 2004; Vincent-Höper et al., 2012). Therefore, this study expects that HPWS practices will enhance career success in a Jordanian situation.

Four HPWS dimensions are proposed in the current study, namely training and development, performance management and rewards, involvement and communication, and career management. These dimensions were chosen for two reasons: firstly, they were deemed to fit the setting and population of the current study; and secondly, previous literature (e.g. Fu et al. (2016); Cafferkey and Dundon (2015).) Validated these construct and demonstrated their importance in influencing work and individual outcomes.
Communication and involvement: Fernando et al. (2014) regard communication skills, networking, ability to work with people, and seizing opportunities as critical factors of career success for professional women in the U.K. construction industry. Judge et al. (1995) believe that employees with a high level of involvement with their job, and who regard their work as a central part of their lives, achieve greater success in careers. Ballout (2008) concurs with this, concluding that career success is connected to the level of job involvement. Finally, empirical research conducted in Jordan reveals that managerial communication contributes to an employee’s success, by improving security, autonomy, and innovation (Abutayeh, 2016).

Training and development: Mentoring has been found to be associated with career success (Allen et al., 2006; Baugh & Sullivan, 2005; Bozionelos et al., 2011). For example, Bozionelos et al. (2011) asserts that providing mentoring opportunities contributes to both subjective and objective career success in the U.K, while Guo et al. (2012) believe that training is positively correlated with career success. In their early study, Burke and McKeen (1994) conclude that training and development exert a significant positive impact on career success. Similarly, Vera and Hucke (2009) indicate that providing orientation on entry to an organization has a positive impact on career success.

Performance management and rewards: Tremblay et al. (2014) reveal that career success is positively associated with employees understanding that performance impacts on their career. Cheramie (2013) confirms this; she reports that an employee’s career success depends on their desire to seek feedback about performance from both supervisors and co-workers. Likewise, Santos (2016) avers that lack of standards and expectations for a positive career progression will undermine an employee’s perception of career success. Mehta et al. (2000) maintains that both intrinsic and extrinsic rewards have a significant effect on a manager’s career during their career path. As part of their study on career satisfaction, El Baroudi et al. (2017) declare that career satisfaction (as a subjective measure of career success) is positively related to an increase in pay.

Career management: Research supports the notion that career management and planning is positively related to career success (Jung and Takeuchi, 2016). Career management includes a broad range of programs which focus on matching employees and management career needs (De Vos et al., 2008). Research conducted by Orpen (1994) asserts that career management is positively related to career success; specifically, career management, individual career management, and joint responsibility (management and individual responsibility) are found to facilitate career success. Jung and Takeuchi (2016) report that career planning predicts a successful career. De Vos et al. (2008) explore the relationship between career management and career success, and have established that individual career management is positively related to career moves and development.

On the basis of the literature review, the following hypotheses are derived:

H1: HPWS is positively related to career success
H1.1 Training and development are positively related to career success
H1.2 Performance management and rewards are positively related to career success
H1.3 Communication and involvement are positively related to career success
H1.4 Career management is positively related to career success

H 2: HPWS is positively related to subjective career success
H2.1 Training and development are positively related to subjective career success
H2.2 Performance management and rewards are positively related to subjective career success
H2.3 Communication and involvement are positively related to subjective career success
H2.4 Career management is positively related to subjective career success

H 3: HPWS is positively related to objective career success
H3.1 Training and development are positively related to objective career success
H3.2 Performance management and rewards are positively related to objective career success
H3.3 Communication and involvement is positively related to objective career success
H3.4 Career management is positively related to objective career success

3. Methodology
3.1 Sampling and Data Collection Procedures

14 business organizations representing high profile business fields (including hospitality, banking, insurance,
telecommunications and the food service industry) were chosen based on their record of demonstrated high quality Human Resource Management (HRM) practices and certification of quality from the King Abdullah II Award for Excellence (KAAEPS). This is awarded only to organizations which meet high level criteria for HRM practices and excellence in provision of goods and services. Specific staff in each organization was delegated to distribute the questionnaire among the respondents, and return them to the researcher. The total study population was comprised of 15,400 full time employees distributed across the selected organizations. 419 questionnaires were distributed; 362 were returned, 4 of which were excluded because they were blank.

Thus the final sample consisted of 358 employees, representing top, middle, and lower levels of management; 68% of respondents were males and 32% were females.

Length of service was as follows: 35.8% of the employees had five years or less experience, 34.7% had between 5 and 10 years experience and 29.5% had more than 10 years' experience.

With regards to age, 67.5% of employees were aged 35 or above, while 22.5% were aged 35 years or less.

3.2 Measurements

Based on an extensive review of previous literature, a self-administrated questionnaire was developed to measure HPWS practices and career success. The measurement scale used 25 items adopted from two individual sources; Fu et al. (2016) and Cafferkey and Dundon (2015). Questions in the survey concentrated on four practices: training and development, e.g. "I have received the essential training to perform my work effectively", performance management and rewards, e.g. "My Company recognizes and rewards my achievements", communication and involvement, e.g. "employees in my company communicate openly with each other", and career management, e.g. "I am well informed about different changes that are occurred in my career".

Career success was measured using the scale adopted by Tlaiss and Kauser (2011) for use in an Arab setting; in that case, Lebanon. This scale in turn was adopted from research which was designed to measure both objective (Kim, 2004; Gattiker and Larwood, 1989; Kotter, 1982) and subjective (Judge et al., 1995; Howes, 1981) aspects of career success. A sample items are: "How satisfied are you with your wages and salary?" (Objective career success), "I am satisfied with the success that I have made in my career" (subjective career success).

Participants responded to HPWS and career success items along a five-point Likert-type scale ranging from 1 (strongly disagree) to 5 (strongly agree). To ensure content and face validity, two academics from two separate, well known universities in Jordan, together with two professionals from two of the business organizations which took part in the study, (that is, a panel of four experts, all of whom were fluent in English and Arabic) reviewed the questionnaire items and changes were made according to their comments.

4. Results

4.1 Descriptive Analysis

Results illustrated in Table 1(see below) verify that perceived training and development, performance management and rewards, and career management are all relatively high, with means of 3.85, 3.62, and 3.71 respectively; this indicates that employees are provided with sufficient useful training, performance feedback, suitable performance rewards, and understand their career management. In other words, these practices are performed to a more than satisfactory standard in the business organizations which took part in the survey. However, perceived communication and involvement was only moderate (with a mean of 3.48); this indicates that employees in these companies are not completely satisfied with communication and involvement practices as performed by lower, middle, and upper management. With regards to career success, survey results reveal that perceived career success, objective career success, and subjective career success all scored at a moderate level (with means of 3.31, 3.34, and 3.28 respectively); again, this signifies that employees have reservations regarding the success of their career path.

Table 1 indicates significant correlation, with moderate levels of all HPWS practices concerned with career success, T&D (r=0.42, p<0.05), PM&R (r=0.41, p<0.05), C&I (r=0.40, p<0.05), and CM (r=0.41, p<0.05). Results also confirm that HPWS practices are significantly correlated with objective career success; moderate results for T&D (r=0.39, p<0.05), PM&R (r=0.39, p<0.05), C&I (r=0.33, p<0.05), and CM (r=0.30, p<0.05) respectively. Similarly, all HPWS practices related to subjective career success were significantly correlated; moderate results for T&D (r=0.36, p<0.05), PM&R (r=0.34, p<0.05), C&I (r=0.39, p<0.05), and CM (r=0.44, p<0.05) respectively.

Cronbach's Alpha was used to determine reliability of research variables; results are T&D (0.75), PM&R (0.72), C&I (0.70), and CM (0.83). With regards to career success, CS (0.78) and its subdivisions of OCS (0.76) and
SCS (0.81) all fell within an acceptable range (Sekaran, 2003).

Table 1. Descriptive analysis of mean and standard deviations, correlations among HPWS practices and career success, and reliability of variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>M</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training and Development (T&amp;D)</td>
<td>3.85</td>
<td>0.75</td>
<td>(0.75)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Performance management and Reward (PM&amp;R)</td>
<td>3.62</td>
<td>0.91</td>
<td>0.51**</td>
<td>(0.72)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communication and involvement (C&amp;I)</td>
<td>3.48</td>
<td>0.83</td>
<td>0.55**</td>
<td>0.44**</td>
<td>(0.68)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Career management (CM)</td>
<td>3.71</td>
<td>0.86</td>
<td>0.50**</td>
<td>0.37**</td>
<td>0.53**</td>
<td>(0.67)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Career success (CS)</td>
<td>3.31</td>
<td>0.93</td>
<td>0.42**</td>
<td>0.41**</td>
<td>0.40**</td>
<td>0.41**</td>
<td>(0.67)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Objective career success (OCS)</td>
<td>3.34</td>
<td>0.87</td>
<td>0.39**</td>
<td>0.39**</td>
<td>0.33**</td>
<td>0.30**</td>
<td>0.67**</td>
<td>(0.75)</td>
<td></td>
</tr>
<tr>
<td>Subjective career success (SCS)</td>
<td>3.28</td>
<td>0.77</td>
<td>0.36**</td>
<td>0.34**</td>
<td>0.39**</td>
<td>0.44**</td>
<td>0.64**</td>
<td>0.59**</td>
<td>(0.81)</td>
</tr>
</tbody>
</table>

Note: ** correlation is significant at 0.01 level; coefficient alpha appears in parentheses.

4.2 Testing the Hypotheses

H1: HPWS is positively related to career success

Table 2 (see below) verifies that HPWS is positively related to career success (β = 0.527, p < 0.01). It was expected that H1, together with all of its subdivisions (H1.1 (T&D), H1.2 (PM&R), H1.3 (C&I) and H1.4 (CM)), would have a positive effect on career success; however, as illustrated in Table 2, T&D (β = 0.158, p < 0.001), PM&R (β = 0.208, p < 0.001), and CM (β = 0.200, p < 0.001) are related to career success but C&I was not (β = 0.119, p > 0.05). These results indicate that H1.1, H1.2 and H1.4 are supported by the results, but H1.3 is not supported.

H2: HPWS is positively related to subjective career success

Results reveal that HPWS is positively related to subjective career success (β = 0.502, p < 0.01). Thus, H2 is supported. Similarly to H1, it was expected that all subdivisions (H2.1 (T&D), H2.2 (PM&R), H2.3 (C&I) and H2.4 (CM)) would have a positive effect on subjective career success. However, results refute this, with T&D (β = 0.119, p > 0.05) and CM (β = 0.119, p > 0.05) not related to subjective career success, while PM&R (β = 0.126, p < 0.05), C&I (β = 0.140, p < 0.05) are related. Thus, H2.2 and H2.3 are supported, but H2.1 and H2.4 are not.

H3: HPWS is positively related to objective career success

Results prove that HPWS as a single concept is positively related to objective career success (β = 0.460, p < 0.01). Thus, H3 is supported. Nonetheless, as with H1 and H2, not all of the subdivisions were supported. Results substantiate that H3.1 (T&D; β = 0.194, p < 0.01), H3.2 (PM&R; β = 0.223, p < 0.01), and H3.4 (CM; β = 0.284, p < 0.01) are related to objective career success, but H3.3 (C&I; β = 0.076, p > 0.05) is not. Hence, H1.1, H1.2 and H1.4 are supported, but H1.3 is not.

Table 2. Multiple regression analysis for predicting career success

<table>
<thead>
<tr>
<th>Variables</th>
<th>Subjective Success</th>
<th>Career Objective Success</th>
<th>Career Success</th>
<th>Career Success</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>β</td>
<td>T</td>
<td>β</td>
<td>T</td>
</tr>
<tr>
<td>HPWS</td>
<td>0.502</td>
<td>5.578**</td>
<td>0.460</td>
<td>4.985**</td>
</tr>
<tr>
<td>Training and Development (T&amp;D)</td>
<td>0.081</td>
<td>1.144</td>
<td>0.194</td>
<td>2.683**</td>
</tr>
<tr>
<td>Performance Management and Rewards (PM&amp;R)</td>
<td>0.126</td>
<td>1.965*</td>
<td>0.223</td>
<td>3.404**</td>
</tr>
<tr>
<td>Communication and Involvement (C&amp;I)</td>
<td>0.140</td>
<td>2.006*</td>
<td>0.076</td>
<td>1.057</td>
</tr>
<tr>
<td>Career Management (CM)</td>
<td>0.084</td>
<td>1.234</td>
<td>0.284</td>
<td>4.291**</td>
</tr>
<tr>
<td>R²</td>
<td>0.21</td>
<td>0.25</td>
<td>0.27</td>
<td></td>
</tr>
<tr>
<td>F</td>
<td>17.867**</td>
<td>22.09**</td>
<td>24.975**</td>
<td></td>
</tr>
</tbody>
</table>

5. Discussion

This study examines the role of HPWS in enhancing career success, so as to increase understanding of HPWS
relationships within business organizations in a developing country, in this instance, Jordan. It aims to facilitate an understanding of the causal effects between HPWS and employee/work outcomes. Findings substantiate that HPWS practices enhance career success, (including H2 and H3, subjective and objective career success respectively), within business organizations in Jordan. This result is consistent with current literature (Armstrong, 2011; Boekhorst, 2014) which confirm the role of HPWS in promoting career success.

Despite this conclusion, HPWS explained only 27% of variance in career success, which means that 73% of variance is related to other factors. It appears that career success in business organizations in Jordan (and possibly in other Arab countries) is significantly controlled by informal and cultural factors which the employee has no control over, such as “Wasta”. This is a system which operates in much the same way as the ‘Old Boys’ networks in western societies; that is, some employees are provided with high positions or salaries in an organization based on family or tribal connections rather than qualifications, ability or experience. Wasta is present at all levels of government and private institutions, and often prevents qualified people from receiving the promotion they would otherwise be entitled to, as they do not have Wasta.

Results indicate that the various HPWS practices have different effects on career success and its dimensions. Adequate and useful training and development appears to enhance an employee’s perception of objective career success, but not subjective. It may be that the main focus of training and development programs is to raise the level of employee skills and knowledge in order to increase their chance for promotion, or to gain superior extrinsic motivations and rewards. This result is consistent with those of Bozionelos et al. (2011) and Guo et al. (2012), where training and development were a positive force for achieving career success.

Similarly, career management also appears to positively affect objective career success. It is possible that this practice enables employees to have a better understanding of required tasks and how they can manage them in order to be successful. This in turn impacts on enhanced success when performing tasks and leads to faster progression along the career path, which is usually linked with higher pay scales. However, success does not necessarily enhance the level of satisfaction with and commitment to jobs, which is corroborated with other studies in the literature (for example, De Vos et al., 2008; Jung and Takeuchi, 2016). Based on this premise, it can be said that employees in Jordanian business organizations believe that training and development programs, together with an understanding of the requirements for their particular job improves objective success levels (for example, with pay, benefits, and accomplishment) more than subjective success levels (such as satisfaction with their career).

In contrast, satisfactory performance management and reward practices were found to positively impact on both objective and subjective career success. This result supports the findings of other researchers (for example, Mehta et al., 2000; Trembly, 2014). Performance management and reward practices appear to provide employees with feedback which enhances their abilities, skills, and knowledge, which in turn leads to faster promotion and higher rates of pay. Furthermore, it can be said that well managed performance appraisal and rewards are linked to successful task performance, thereby increasing employee satisfaction with these tasks. Finally, personal communication between lower, upper, or middle management and employees during performance appraisal can enable supervisors to further enhance employee satisfaction, both with their job and commitment to the organization.

The results of the study established that communication and involvement practices are related to subjective career success. It appears that these practices on the whole enhance employee satisfaction with their career by improving their work-life balance and job satisfaction. In other words, communication and involvement practices focus on and foster personal aspects of success, such as career satisfaction and ignore the objective elements of career success, such as accomplishments and compensation programs. The study results support the findings of (Abutayeh, 2016; Judge et al., 1995). For example, Abutayeh suggests that successful communication promotes employee success on their career path.

6. Implication for Managers

On the basis of the findings, managers are able to understand the role of HPWS implications in managing career success in business firms in Jordan. In order to enhance employees’ perception of success in career, managers should adopt these practices to promote employees success in careers by training them to gain the necessary knowledge, skills, ability, and understanding of work requirements and linking rewards and feedback of performance to promotion in careers path. Managers should also improve their practices in communication and involvement in career success by linking these practices to career and promotion and improving employees understanding to their career requirement and increasing their involvement with them.
7. Limitations and Future Studies

As with other research studies for this subject, this study has several limitations. The first limitation concerns sample size. Although service organizations could potentially generalize the results for their particular purpose, restricting the focus to a specific type of service organization may be an advantage, as it would provide a better understanding of the implications and value of HPWS within a single setting; for example, communication practices for a food service organization may provide distinct HPWS implications, which would not be true for other service industries. Future research should also increase sample size, by including other industry sectors, so as to provide a better understanding of HPWS benefits across the board.

Another limitation concerns the respondents. Data was collected and analyzed based on a self-reporting instrument and individual-factor results; it is therefore impossible to analyze the results for bias. Future research should consider management views and analysis of organizational levels for the implication and benefits of HPWS in improving work and employee outcomes.

Finally, academics should investigate the mechanisms by which HPWS practices impact career success by further examining mediating variables which contribute to this impact, such as career path, fairness, and work attitudes.

References


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