LEADER’S ROLE IN CONNECTING PEOPLE AND BUSINESS IN HIGH PERFORMING WORK SYSTEM (HPWS) ENVIRONMENT

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ABSTRACT
Much has been talked regularly about High Performing Work System (HPWS) as a set of organizational practice or culture designed, developed and applied, where the employee has greater involvement and responsibility in meeting business goals of the organisation. Such environment has combination of HR practices, work structures, processes that maximizes output of employees. It is logical to understand that High Performing Talent in high performing organizations looks for assignment that challenges their potential. On the other hand, customers are ready to give business to those organizations which are willing to take up challenges and assure high quality business deliverables.

This paper highlights and through the LBEP (Leaders in connecting Business and Engaging People) model, argues that it is the Leaders who connects the aspiring employees with such challenging market/customers and thus promotes people engagement and business progression in a HPWS environment.

Key Words: Business and People, High Performance Work System, High Performing Talent, Leaders Role in HPWS, LBEP Model.

HISTORY
The concept of HPWS mainly focuses on employee involvement and organizational commitment. It has a long history dating back to the Human Relations and Tavistock Socio-Technical Schools, as well as the quality of working life movement of the 1970s. The HPWS concept first evolved in US in the 1970s and 1980s, with the rise of Japanese ‘lean-production’ systems, US firms found that their HRM systems did not fit with their competitive context. In addition to the above challenges, the advent of advanced manufacturing technology (AMT) and the rise of ‘offshoring’ to low-cost producers like China and India encouraged the application of HPWS to business organizations over the last 25 years.

Most interestingly now the concept of HPWS is not limited to the field of HRM but can be seen in the fields of labour economics, people engagement, organizational behavior, operations management and business sustainability.

INTRODUCTION

1 LBEP Model not to be copied, reproduced in any form without the permission of the author
High Performance Work System is an environment created within the organization where the employees have greater involvement and responsibility with prime attitude of greater achievement of business performance.

Barnes (2001)\(^2\) writes that the concept and ideas for high performance work systems has existed for quite some time and has its roots in the late twentieth century amid the upheaval in the United States manufacturing environment. During this period, the manufacturing industry in America had realized that global competition had arrived and they needed to rethink the ‘tried and true’ manufacturing processes. The concepts that arose out of these turbulent times are items that eventually would become key components of a high performance work system.

Mark Huselid (1995)\(^3\) Using survey data from 968 firms in many industries, he has found evidence consistent with the hypothesis that companies’ with HPWS practices

1. diminishes their employee turnover and
2. increases their productivity (sales per employee) and corporate financial performance(stock market value to book value).

He concludes that “the magnitude of the returns for investment in High Performance Work Practices is substantial. A one standard deviation increase in such practices is associated with a 7.05 percent decrease in turnover and, on a per employee basis, $27,044 more in sales and $18,641 and $3,814\(^4\) more in market value and profits, respectively.”

People are our most important asset and their engagement and involvement in every aspect of business deliverable affects the quality of organizational performance. Most of the high performance companies at the domestic and global level have proved that leader’s intervention in both strategic and operational level have encouraged commitment and competence of people achieve greater productivity and profitability.

Employees are strongly connected with the organization and the leaders in a meaningful way, where there is a sharing of common destiny, mission, core values and business goals. Employees in such environment are highly involved and committed to the organization. They experience genuine purpose, enthusiasm, empowerment, inspiration and mutual commitment. This motivation is not external but it is not entirely internal. It is the product of the relationship of the member with the leader(s) in the organization.

The essential characteristics of HPWS are:

1. Aligned People-Power of positive psychology
2. Efficient and effective resources to achieve business strategies
3. Self responsible and accountable resources aiming for organizational success
4. People committed to improve organizational capability by improving their own
5. People are highly rewarded based on the organizational performance
6. Transparent and trust worthy environment with well defined organization structure
7. Everything is focused on the customer and in return elevated financial status
8. Focus on people capability, customer satisfaction and positive financial status – is embedded in the culture of the organization.


\(^3\) In his article to Academy of Management Journal on ‘The Impact of Human Resource Management Practices on Turnover, Productivity, And Corporate Financial Performance’

\(^4\)This study comprehensively evaluated the links between systems of High Performance Work Practices and firm performance. Results based on an US national sample of nearly one thousand firms indicate that these practices have an economically and statistically significant impact on both intermediate employee outcomes (turnover and productivity) and short- and long-term measures of corporate financial performance. Support for predictions that the impact of High Performance Work Practices on firm performance is in part contingent on their interrelationships and links with competitive strategy was limited.
From the organizational perspective, the main idea of HPWS is to create an organization internally focused on employee involvement, commitment and empowerment. It’s an environment where people feel responsible, accountable and have willingness to contribute more for the overall success of the organization. Here, people have information, knowledge and rewards to perform at the highest level.

**TYPICAL HPWS ENVIRONMENT:**
- Management defines what it requires in the shape of performance improvements, sets strategic business goals and monitors people performance to ensure that the business goals are achieved.
- Alternative work practices are adopted such as job redesign, autonomous work teams, improvement and innovation groups, knowledge sharing and flexible working.
- People know what’s expected of them – they understand their goals and accountabilities.
- People feel that their job is worth doing, and there is a strong alignment between the job and their potentials.
- People are empowered to maximize their contribution.
- There is strong leadership from the top that engenders a shared belief in the importance of continuing improvement.
- There is a focus on promoting positive attitudes that result in an engaged, committed and motivated workforce.
- Performance management processes are aligned to business goals to ensure that people are engaged in achieving agreed objectives and standards.
- Capacities and capabilities of people are developed through learning at all levels, to support performance improvement and people are provided with opportunities to make full use of their skills and abilities.
- A pool of talent ensures a continuous supply of high performers in key roles.
- People are valued and rewarded according to their contribution.

**COMPONENTS OF HPWS:**
- Job infrastructure – workplace arrangements that equip employees with the proper abilities to do their jobs, provide them with the means to do their jobs, and provide required motivation to do their jobs. These practices must be combined to produce their proper effects.
- Training programmes to enhance employee skills – investment in increasing employee skills, knowledge and ability.
- Information sharing and employee involvement mechanisms – to understand the available alternatives and make correct decisions.
- Compensation and promotion opportunities that provide motivation – to encourage skilled employees to engage in effective discretionary decision making in a variety of environmental contingencies.

**RESEARCH METHODOLOGY**
The Research design is focused on two class of employees i.e., practicing leaders and leaders-in-pipeline, to capture their observation comments and experience with regard to leader’s role in ‘connecting people and business’ in their respective organization.

The data sample consisted of collecting inputs through administering questionnaire among 350 employees consisting of 251 non-management cadre and 99 management cadre (refer Table 2) from 8 select companies\(^5\) (refer Table 1) based at Bangalore. Bangalore is seen as a international

\(^5\) Considering that Leadership is a common phenomena across all kinds of business and that it’s influence is since thousands of years, the researcher focused in reaching two extreme of industry growth of past century – one the manufacturing industry and the other from new age Information Technology industry. The IT/ITes companies were selected on random sampling basis from Nasscom website database and the Manufacturing companies were chosen from internal database of Customs department. Further filtering was done based on the age factor of the chosen organisation i.e.,
cosmopolitan city which has well established organizations from across the globe and the workforce consists of people from various States of India and Cities of various countries (at Multinational Companies). Further few criteria for selection of companies (as of FY 2014) included - their historical existence in Bangalore for more than 5 years, minimum employee population of 250, minimum turnover of INR 250cr as of FY 2013, consistent overall organizational growth in the past 5 years and Leadership Development as a formal practice of the organization. The overall statistical data from the research study is as follows:

<table>
<thead>
<tr>
<th>Sl No</th>
<th>Company Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Computer Science Corp</td>
</tr>
<tr>
<td>2</td>
<td>Himalaya Wellness</td>
</tr>
<tr>
<td>3</td>
<td>Schneider Electric Co.</td>
</tr>
<tr>
<td>4</td>
<td>Professional Access</td>
</tr>
<tr>
<td>5</td>
<td>First Source (I) Pvt Ltd</td>
</tr>
<tr>
<td>6</td>
<td>TVS Motors</td>
</tr>
<tr>
<td>7</td>
<td>TTK Prestige Ltd</td>
</tr>
<tr>
<td>8</td>
<td>Shimizu Corp P Ltd</td>
</tr>
</tbody>
</table>

Table 2: Job Levels of Participants

<table>
<thead>
<tr>
<th>Sl No</th>
<th>Job Level</th>
<th>No. of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Staff</td>
<td>15</td>
</tr>
<tr>
<td>2</td>
<td>Junior Management</td>
<td>79</td>
</tr>
<tr>
<td>3</td>
<td>Middle Management</td>
<td>157</td>
</tr>
<tr>
<td>4</td>
<td>Management</td>
<td>76</td>
</tr>
<tr>
<td>5</td>
<td>Senior Management</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>Total Employees</td>
<td>350</td>
</tr>
</tbody>
</table>

TYPE OF COMPANY

Of the total population covered, around 40% of the respondents were from multi-national companies (MNC) based organisations and the 60% were from Indian business house. The study intends to observe the Leader’s role in HPWS environment in both types of company set-ups. The researcher intends to give pathways (scope) for future indepth research on contingency coefficient on the research topic between Indian vs Multinational organisations based in India.

<table>
<thead>
<tr>
<th>Company Type</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indian</td>
<td>MNC</td>
</tr>
<tr>
<td>Employee</td>
<td>143</td>
</tr>
<tr>
<td>Management</td>
<td>62</td>
</tr>
<tr>
<td>Total</td>
<td>205</td>
</tr>
</tbody>
</table>

the companies that exists in India since 5 years as of April 2013 were chosen. Of the available companies, the subsequent choice was based on sales turnover of the organisations wherein total turnover as of 31st March 2013 was @ INR 250 crores and above. The year-on-year progressive growth path is an indicator of HPWS environment prevailing in these organizations. The companies selected were from both Indian company and India based multi-national companies (MNCs). This was to get different perspective of employees from different set of environment. The final filtering was based on the size of employee strength of 250 and above.

Based on the above exercise, the Researcher got the list of 32 companies and established connects with HR people of these organisations in all confidentiality. Of these, 15 organisations confirmed that Leadership Development focus exists in their organisation as a formal practice. However, of these, only 8 organisations gave the official consent for the researcher to do the data collection study on the research theme.
EDUCATION BACKGROUND

There are various management theories on Leadership which explains that Leadership is the inherent birth quality and there are theories which claims that Leadership is taught. The researcher did not intend to focus on either of that but intend to highlight the statistical data that 70% of the respondents in management or leaders in pipeline category are post graduates. This is just indicating that both organisations and people (current/pipeline leaders) have chosen higher qualification as one of the way to reach Leadership levels/roles. Post the globalization era, it has become inevitable for every leader to understand business at global standards and elevate their employees to work in the globally competitive environment. Today, the education gives one level of exposure to international standards in any area of the business.

Table 4: Education Background of Participants

<table>
<thead>
<tr>
<th>Education</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>PUC/ITI</td>
<td></td>
</tr>
<tr>
<td>Diploma</td>
<td></td>
</tr>
<tr>
<td>Graduate</td>
<td></td>
</tr>
<tr>
<td>Post Graduate</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employee</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>7</td>
<td>93</td>
<td>150</td>
</tr>
<tr>
<td>251</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Management</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>1</td>
<td>11</td>
<td>87</td>
</tr>
<tr>
<td>99</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

GENDER

One of the major influences of globalization is on encouraging gender diversity and equal employment opportunity. Especially in the Indian context, it has been talked frequently that not many female are in Leadership positions in Corporate sector. The researcher through this statistical data intends to confirm that 23% of the respondents are in leadership role / leaders in pipeline calibre in these 8 organisations. The below data would enable future research study on gender diversity impacting the Leader’s role in connecting People and Business in HPWS environment.

Table 5: Gender based Respondents

<table>
<thead>
<tr>
<th>Gender</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Employee</td>
<td>190</td>
</tr>
<tr>
<td>Management</td>
<td>80</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>270</td>
<td>80</td>
</tr>
<tr>
<td>350</td>
<td></td>
</tr>
</tbody>
</table>

HYPOTHESIS

The study tries to test the following hypothesis in a HPWS environment in organization:

1. **H1**: Respondents perceives that organizational achievements can be gained through the effective Leader’s role in connecting business and employees.
2. **H2**: Respondents with different educational levels differ significantly in their perception on Leader’s role in connecting business and employees.
3. **H3**: Respondents at different job levels may differ significantly in their perception on Leader’s role in connecting business and employees.
4. **H4**: Respondents working in Indian organizations and MNCs differ significantly in their perception on Leader’s role in connecting business and employees.
5. **H5**: Fast track learners & executers have greater opportunity towards professional/career growth in the HPWS environment.

DATA COLLECTION
There were around 50 questions to enable respondents to understand the comprehensive outlook and touch points of leader’s role on the research topic in a given organizational context. These questions touched the following aspects:

1. Customer Expectation vs Employee Career Aspirations (CEECA)
2. Business Challenges vs Trust and Motivation of employees (BCTME)
3. Business Competition vs Achievement Driven Employees (BCADE)
4. Customer Retention vs Employee Retention (CER)
5. Business Profitability vs Entrepreneurial Mindset of Employees (BPEME)

The responses received from the survey were on the 5-point scale of ‘Strongly Agree to Strongly Disagree’ with ‘Can’t Say’ at the midpoint. Further, the responses were categorized as ‘No (strongly disagree/disagree)’, ‘Neutral (can’t say)’ and ‘Yes (agree/strongly agree)’ responses.

**STUDY LIMITATIONS**

1. The inputs collected through questionnaire as well the personal interview may offer very subjective and biased statements/comments of the participant.
2. Depending on organization culture and the target leader, the potential participant may resist in offering actual inputs about the leader.
3. Organization(s) lacking measurement and metrics system linked to tracking leader’s role in connecting people and business in HPWS environment may not offer required data and would jeopardize researcher’s objective towards analyzing the real impact of leader’s role on business sustainability and people engagements.
4. The situational environment prevailing in any of these selective organization at the time of researcher’s interview period, may give scope of unusual/unrealistic/situation based responses from the target participants and would thus mislead the data input itself.

**Research Findings - Frequency Analysis Factors of overall respondents**

**Table 6: Descriptive statistics for mean scores obtained for each factor and their ranking**

<table>
<thead>
<tr>
<th>Factors</th>
<th>Mean</th>
<th>SD</th>
<th>Yes %</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer vs Employee Retention</td>
<td>40.40</td>
<td>9.52</td>
<td>83.22</td>
<td>2</td>
</tr>
<tr>
<td>Business Competition vs Achievement DR</td>
<td>38.62</td>
<td>5.82</td>
<td>84.21</td>
<td>1</td>
</tr>
<tr>
<td>Employee Career Aspirations</td>
<td>28.19</td>
<td>7.08</td>
<td>68.41</td>
<td>5</td>
</tr>
<tr>
<td>Business Challenges vs Trust and Motivation</td>
<td>34.86</td>
<td>12.32</td>
<td>74.24</td>
<td>3</td>
</tr>
<tr>
<td>Business Profitability vs Entrepreneurial Mindset of Employees</td>
<td>30.40</td>
<td>14.60</td>
<td>71.88</td>
<td>4</td>
</tr>
</tbody>
</table>

**Table 7: Co-relation Matrix**

<table>
<thead>
<tr>
<th>Components of LDP</th>
<th>CER</th>
<th>BCADE</th>
<th>CEECA</th>
<th>BCTME</th>
<th>BPEME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer vs Employee Retention</td>
<td>Correlations</td>
<td>1</td>
<td>.375**</td>
<td>.410**</td>
<td>.528**</td>
</tr>
<tr>
<td></td>
<td>Significance</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Business Competition vs Achievement DR</td>
<td>Correlations</td>
<td>1</td>
<td>.562*</td>
<td>.505</td>
<td>.527</td>
</tr>
<tr>
<td>Employee</td>
<td>Employees</td>
<td>Correlations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Challenges vs Trust and Motivation</td>
<td>Correlations</td>
<td>1</td>
<td>.698*</td>
<td>.710**</td>
<td></td>
</tr>
<tr>
<td>Employee Career Aspirations</td>
<td>Significance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Profitability vs Entrepreneurial Mindset of Employees</td>
<td>Correlations</td>
<td></td>
<td></td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

*The researcher tested the internal consistency and accuracy of this research by applying Cronbach’s alpha. The alpha value was at 0.912 (1.0 is perfect) indicating high consistent and accurate description of all 50 questions.*
**Correlation is significant at the 0.01 level (2-tailed).**

This above exercise and the findings triggered the researcher to author this Research paper and publish the Leader’s Role in Business and Engaged People (LBEP) model in HPWS Environment.

**SUSTAINED BUSINESS AND ENGAGED PEOPLE MODEL IN HPWS ENVIRONMENT - LEADER'S ROLE IN CONNECTING EACH OTHER**

"Leadership is the art of accomplishing more than the science of management” (by Colin Powell)⁷. When there is clarity at the top, the rest of the organization knows what to focus on. The best leaders can express a compelling vision and clear priorities for what it takes to succeed in the business, as well as “the way we do things around here”, usually in a single breadth. During the Jack Welch⁸ era, all the employees of General Electric knew their priorities, articulated by Welch himself in the mid-1980s: “Number one or Number two – or fix, sell or close.”

**LEADERS ROLE IN CONNECTIGN BUSINESS TO PEOPLE IN HPWS ENVIRONMENT**

In HPWS environment, people are achievement oriented and look for career challenges, to constantly prove their ability and outperformance. On the external side, the competitive market looks for organizations which can deliver the products/services as per their economic capability, timeliness and quality standard expectations. The Leaders in the organization have complete understanding of external and internal challenges that could play a very vital role in bridging both the players together for their mutual benefit and thus contribute to the consistent growth of the organization.

**Figure 1 : LBEP Model 2015 - by Soumya R S**

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⁷ C.Powell – ex-defence general and ex-defence advisor to US President, has written many books on ‘Leadership’. This article is published in 2003
⁸ Ex-CEO and Chairman of GE Global – in his approach on running GE units, it was clear to the leadership team that either the business units should be ranked at No.1 or No.2. If not, sell off the unit.
The LBEP model explains as to how both the customer’s expectation and people (employee’s) aspiration can be brought together to ensure business outperformance consistently. Thus, ensure the delighted customers offer continuous and challenging business opportunity to the organization and talent in the organization are completely engaged by fulfilling their career aspirations relentlessly.

1. CUSTOMER EXPECTATION VS CAREER ASPIRATION

Customer expectations are usually unexpected, unpredictable, seasonal, wondering, unstructured and thus remain every challenging. Business leaders are well aware of the fact that the customers look for the best solution, robust system, acceptable resolution, positive result and timely delivery / execution. Whatever is the product/service, customers want it to work properly in line with their needs, and to have that elusive quality. Beyond the product/services, customers also look at process followed by the seller/service provider while delivering the product/services to them. In fact, the check point are like did the representative of product/service company listened to their requirement, periodical updates were provided, respected the criticality of the customer with respect to timely delivery, quality of product/service expected, cost factor, etc., and all these are more of human touch. Here is the pivotal role of a Leader in translating this as a real challenge to the respective employee or group of employees in the HPWS environment and make them to realize the challenges involved in meeting the customer expectation at every stage of deliverable.

Leader would also take this as appropriate opportunity and as a gate way for set of employees to fulfill their career aspiration. Every instance of customer expectation influences or ignites talent to bring their innovative ideas, creativity, intelligence and past experience of success/failure and thus apply the right solution to every deliverable. Leaders would take this opportunity in building the competence of talent in improving their listening skills, influencing and negotiation skills, inter-
personal skills, presentation skills and many more in order to shape the employees much stronger to face the expectation of customer(s).

2. BUSINESS CHALLENGES VS TRUST AND MOTIVATED EMPLOYEES

Business challenges are varied and dynamic. What works with one geography market may not be successful in another market. To stay successful, organizations have to analyse their key strength and work to overcome the weakness.

In today’s HPWS environment, both the organizations and employees in their organization want to be more successful. At times, to attain the success, people take different routes and thus may question trust and transparency in the entire internal / external system. The business leaders would play a very vital role in giving right direction, right path to the people inside the organization and put forth the values, ethics and principles while dealing with the external business. This creates mutual trust and respect among employees and employer, business partners and customers. Such intervention by the Leaders would definitely motivate employees to positively face the business challenges and together prove their competitiveness.

Business challenges can be dealt appropriately by smart people in the organization. Certainly Leaders play an important role in finding the right people, groom them to inculcate long term vision and retain them to run the sustainable business. Business challenges also include appropriate cash (financial) management – more so from revenue recognition against the service rendered to the customer. Many a times executives tend to ignore this aspect and Leaders would watch out to up-bring executives on this aspect.

In today’s economical condition, every country is going through the VUCA (volatile, uncertain, complex and ambiguous) phase. This indirectly and directly influences the stability of the organization. Leaders in the HPWS environment, have a sensible role to play in facing VUCA and still ensure positive engagement of people to accept and sail through such challenges as part of business life cycle management. The trust and motivation level of employees goes high in every instance of positive and purposeful involvement of people in the organizational (sustained) growth. Employees can develop a need for achievement when trust and autonomy are present in the work environment. Employees who know their managers trust them are more likely to meet or exceed performance goals, have higher levels of job satisfaction and encourage achievement in their coworkers. Giving employees the autonomy to decide how they will do their work in the context of the overall work process and department goals helps build the need for achievement and is tied to developing trust. Employees with a need for achievement want personal responsibility for finding solutions to problems.

3. BUSINESS COMPETITION VS ACHIEVEMENT DRIVEN EMPLOYEES

Today, it hardly takes a day to start a online business and that’s the level of competition an organization can expect on any day in their business environment. The smart business leaders recognize the need to equip and adapt to ever-rapidly changing expectation in the competitive market. In HPWS environment, the people are aware that doing best in what they do to remain in the top is not enough. It’s about doing things differently and bringing creativity/innovative ideas in their business (product/services) deliverables, makes the real difference in the competitive market. To be competitive, is equal to delivering the best to the customers/market with absolute internal control on cost, quantity, quality and timeliness.

Employees develop a need for achievement when they see value in what they do, in a leader supportive work environment. Recognizing achievement at appropriate time would be a straightforward approach of Leaders in encouraging employees to set and achieve business goals. Giving work-specific recognition in a timely manner validates employees' work. Leaders play pivotal role in selecting and recruiting the potential employees of different diversity, geography, education and experience - who have significant psychological intent in the success of the organization and thus feel the sense of success in their profession.
In HPWS environment, people look to satisfy their own need for self-actualization and experience the deep level of self motivation. They are committed, fully participative and efforts are to achieve higher standards of performance/organizational excellence. The Leaders’ responsibility would be to develop coherent system and ensure full level of transparency as an organizational culture. This could positively influence employees to understand the existing/potential business competition that could affect their organization and prepare themselves to face such competition competitively.

Achievement-oriented workers are more motivated by their accomplishments. They want concrete feedback about their work. They tend to seek information and participate in work groups because these activities help them achieve their goals. According to psychologists Abraham Maslow, Fredrick Herzberg and David McClellend, the need for achievement is a psychological motivator that employees develop within. Leaders help foster a need for achievement in their employees because it can mean performance improvement, increased productivity and employee retention.

4. CUSTOMER RETENTION VS EMPLOYEE RELATION
Customer retention is a cost-effective and profitable business strategy that is imperative in today's competitive economic environment. Harvard Business School report indicates that on average, increasing customer retention rate by 5% directly contribute to the profit growth by 25%-85%. If business has to be sustainable, companies need to have least number of customer defections.

Similarly, retaining a talent is like saving 10 times of replacement cost. It is important to retain high potential employees to retain the customer(s). A greater challenge among organizations is retention of both internal customers and the external customer. Today, the globe is a village and the talent is global. The business leaders in today’s organizational context, face the challenge of attracting and retaining the customer in this competitive market. The organizations face challenges of extreme market competition - be it the pricing, quality, delivery time, capability, capacity and commitment to the customer on engagement of respective talent till the completion of specific project(s).

To deal with the challenges of running a business today, Leaders need to reward people for being creative, for their value addition to the process, for managing the decent team size, for meeting the deliverable targets, for utmost usage of technology and the overall impact created to the organization. Rewards and Recognitions can take many forms, with some examples being stock options and other equity plans, profit sharing plans, pay raises, bonuses for meeting performance targets and other monetary incentives. In addition, incentives can take the form of non-monetary options such as time off, flextime, group lunches and other special employee benefits.

5. BUSINESS PROFITABILITY VS ENTERPRENUERIAL MINDSET OF EMPLOYEES
For a company to be successful (survive and grow progressively), profitability is of utmost importance. Profit, for any company, is the primary goal and no business can survive for a significant amount of time without making a profit.

For a company in HPWS environment, determining and focusing on profitability at any point of time is an essential strategy to plan the business growth. Growth for a business is essentially expansion, making the company bigger, increasing its market share and ultimately making the company more profitable.

Leader’s job here would be to find people who think and act like owners – people with high level of career aspirations, who can take decisions and promptly execute them. It requires companies to consider what types of people they need to succeed i.e., selecting for skill as well as will – for capability and attitude. Leaders would hone such Entrepreneurial mindset people in the

organization and mentor / coach them in handling the deliverables and guide them appropriately in tracking the profit/loss at every stage of business progress. The Leader’s role will be to influence the entrepreneurial desire among the set of employees and develop them in that direction. As part of succession planning, these would be the group of people who could become the potential leaders and future business heads of the organization.

CONCLUSION
If organizations are interested in implementing HPWS successfully for their organizations, the following characteristics need to be supportive:

- Self-managed teams and decentralization of decision making
- Selective hiring of new personnel with performance aptitude
- Comparatively high compensation including rewards and recognitions (incl. financial incentives)
- Management planning and measurement (e.g., systematic employee performance measurements)
- Continuous Learning and Development system tagged to long/short term strategic business achievements
- More cooperative labour relations (e.g., a more consultative and co-creation partnership style of labour relations with unions and executives)
- Adoption and application of new technology to support and improve the overall effectiveness deliverables of the organizational internal/external deliverables
- Clear long term strategic road map for the organisation
- Overall business success assuring employment security to all sets of employees.

Leaders have to ensure active involvement of people at different levels for the cause of the business success and the overall business case is translated into measurable outcome. Leaders are expected to relentlessly focus on grooming the high potentials. They know who the rising stars are, what their needs are and how they are performing at a defined periodicity.

De Gieter et al. (2012) in their study suggest that reward satisfaction helps in decreasing attrition in an organization, but it is important to know what kind of rewards influence turnover intent the most. Rondeau and Wagar (2012) - Involvement practices lead to workplace innovations as self scheduling systems, employee suggestion systems, self managing teams, quality improvement teams and shared governance arrangements

Lawler (1988) - “The key elements of employee involvement are (1) information about the performance of the organization (2) rewards that are based on the performance of the organization (3) knowledge that enables employees to understand and contribute to organizational performance, and (4) power to make decisions that influence organizational direction and performance”

To achieve competitive advantage, organizations must find ways to create and sustain the level of energy and passion that people bring to work. The best way is to bring in a sustaining culture where engagement is not only the norm, but also a strategy that attracts and retains people. Fully engaged employees deliver higher levels of performance critical for business survival.

Robinson et al., (2004) said that “an engaged employee will generally demonstrate behavior such as: belief in organization, desire to work to make things better, understanding of business context and the bigger picture, respect and helpfulness towards colleagues, willingness to go the extra mile and keeping up to date with developments in the field”.

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10 Pay Level Satisfaction and Psychological Reward Satisfaction as Mediators of the Organizational Justice-Turnover Intention Relationship. International Studies of Management & Organization, 42(1)
11 In their country-wide survey of 705 chief nursing officers in Canadian hospitals and long-term care facilities, Rondeau and Wagar (2012) assessed the relationship between high-involvement work practices and voluntary turnover, and to what extent this relationship is explained by an employee empowerment culture and/or the accumulation of human capital.
12 His series of write-ups on ‘basic elements for high involvement work system’
13 After surveying 10,000 NHS employees in Great Britain, Institute of Employment Studies, he pointed out the key driver of employee engagements.
Customers are becoming tougher and varied in their choices and competition springs out of nowhere. Customers are delighted by the ethereal experience that employees create for them. It is argued that only highly engaged employees can transform the customer experience by offering them consistently ethereal experience. Therefore engaged employees are now business imperative.

Rewarding the high potentials is not just money, but supporting to take on new challenges, expand their capabilities and as a result, advance to highly compensated roles. For them it is about advancement, improved capabilities and the recognition of achievement marked by a new position and thus, meet their instant gratification needs.

Reduce the information gap by communicating regularly and explicitly through multiple channels. Share organizational goals, priorities and challenges especially with the high potential employees.

Encourage two way communications by soliciting feedback and suggestions from employees. Some employees come to a business with a high need for achievement. When achievement needs are combined with affiliation needs, the need to get along well with others, the employee may become an effective manager or team leader and can help coworkers develop their need for achievement. Employees motivated by achievement needs want work that challenges their skills and knowledge.

References
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