

# High Performance Working Practices: The New Framework for Nurturing Sustainability

Ana Martins , Isabel Martins, Orlando Petiz Pereira and Kevin Brown

# This presentation aims to

- ❑ Reflect upon the future ways that organisations may be creative, based on intangible resources so as to leverage their sustainability as well as their independence.
- ❑ Show that our objective is based upon the high performance work organisations (HPWO) framework, which is influenced by LOs as well as the development human and intellectual capitals so as to structure organisational competitive advantage.
- ❑ Bring some light to this framework to demonstrate the importance of its implementation in a society dominated by the information revolution.

# Structure

This research is divided into three parts.

- The **first** includes a review of the literature in this field.
- The **second** includes an analysis of the primary data obtained from the distribution of a questionnaire.
- The **third** part of this research includes the main conclusions and a reflection for further research.

# **Research Design and Methodology**

# The sample

The sample was made up of graduates and post graduate students at the

- ❑ University of Minho (**UM**) and
- ❑ University of Porto (**UP**)

both situated in the North of Portugal. Valid returned questionnaires from **UM** and **UP** included 125 and 174 respectively (see next table).

# The sample

Programme	Frequency	Percent	Cumulative Percent
MGRH ( <b>UM</b> )	34	11,4	11,4
MMSM ( <b>UM</b> )	52	17,4	28,8
MAc ( <b>UM</b> )	39	13,0	41,8
MENG ( <b>UP</b> )	174	58,2	100,0
Total	<b>299</b>	100,0	

# The sample includes

a total of 299 respondents,

- 181 are male (60,5%) and
- 118 are female (39,5%)
  
- Of that total,
  - 161 (54%), are gainfully employed, and
  - 138 (46%) are not in the workplace,
  
- see next table

# The sample includes

Gainfully employed student		Frequency	Percent	Cumulative Percent
Yes	MHRM	23	14,3	14,3
	MMSM	25	15,5	29,8
	MAc	24	14,9	44,7
	MENG	89	55,3	100,0
	Total	161	100,0	
No	MHRM	11	8,0	8,0
	MMSM	27	19,6	27,5
	MAc	15	10,9	38,4
	MENG	85	61,6	100,0
	Total	138	100,0	



# The research tool - questionnaire

- ❑ The research tool used in this study includes a **questionnaire** with various possible responses; the **Likert scale** included a six-point scale (from 1, totally agree; to 6, do not know/ prefer not to respond).
- ❑ The primary data was gathered via the distribution of the questionnaire during **November and December (2010)**.

The objective of this study focuses on determining whether there is a close **relationship** between the academic degrees and the levels of

- ❑ trust,
- ❑ loyalty,
- ❑ commitment and
- ❑ enthusiasm,

and whether these are considered as a means of application, distribution and creation of knowledge and sustainability

As these **elements support the innovation process**, the study also aims to ascertain whether these values are indeed

**shared in the organisations**

in order to nurture learning environments where knowledge is created and shared to ensure **organizational sustainability.**

i) **respect for others**

(...): to highlight what type of acceptance individuals have for others, and how individuals value and show consideration for each other

ii) **Autonomy**

(...): to identify whether individuals are responsible for their actions and if there is a feeling of self-confidence in individuals;

iii) **team work**

(...): to ascertain the degree of joint effort and collaboration between individuals in the organisation;

iv) **Creativity**

(...): to determine whether individuals apply originality and imagination in their activities;

v) **Enthusiasm**

(...): to seek evidence whether individuals have eagerness and dedication towards their work;

vi) **individual commitment** (...): to identify whether individuals are dedicated to their own goals and values as well as aligning these personal goals to those of the organisation;

vii) **social commitment** (...): to ascertain whether the organisations adheres to a pledge towards solidarity, social innovation and is dedicated to nurturing social networks;

viii) **collaboration** (...): to find out whether individuals are able to create an environment which is tuned towards creating alliances between individuals revealing more openness and enthusiasm;

ix) **Tolerance** (... ): to ascertain the quality of dialogue and open-mindedness amongst individuals , so as to create an organizational culture which instils openness for self- development of individuals with the aim of producing spillovers in favour of the organization;

x) **Solidarity** (... ): to perceive the degree of harmony, unity, collegiality, team spirit and shared values amongst individuals in organisations.

# The Findings

Three coefficients can be further developed to analyse the intensity of the relationship despite there being a more frequent substantial positive correlation:

- ❑ *moderate positive correlation* (for the intervals from 0,30 to 0,49),
- ❑ *substantial positive correlation* (for the intervals from 0,50 to 0,69) and
- ❑ *very strong positive correlation* (for the intervals from 0,70 to 0,90).

# The variables

□ Q67 (*Tolerance*) and Q68 (*Solidarity*)

demonstrate a positive and strong Spearman ( $\rho = 0,781$ ) correlation coefficient.

This can be an indicator for the fact that solidarity is essential for the organisation leading to stronger internal relationships and is also one of the pillars of productivity.



# The variables

It seems that ethical, spiritual and moral values make up social and organisational capitals. The variable

- Q53 (*autonomy*) represents a strong and substantial Spearman correlation coefficient together with variables, Q67 (*Tolerance*) and Q68 (*Solidarity*), presenting a  $\rho = 0,559$  and  $0,562$ , respectively.

This result reinforces the strategic importance of these qualitative variables with regard to organisational performance.<sup>17</sup>

# The variables

- The relationship between the variables Q57 (*Enthusiasm*), Q64 (*Collaboration*), is interesting in that they represent a  $\rho = 0,558$ .

This reveals the abstract and spiritual importance inherent in the factors, the same happens with variables Q56 (*Creativity*) and Q57 (*Enthusiasm*), representing a  $\rho = 0,631$ .

# The variables

□ The relationship between the variables Q68 (*Solidarity*) and Q65 (*Social commitment*), between variables Q67 (*Tolerance*) and Q65 (*Social commitment*) as well as between Q68 (*Solidarity*) and Q64 (*Collaboration*), demonstrate *rho* of, respectively, 0,653, 0,658 and 0,655;

these seem to be variable indicators pertinent in creating a system for sustaining organisational knowledge.

# The variables

These values can be supported by the relationship between variables

- ❑ Q64 (*Collaboration*) and Q55 (*Team work*), representing a  $\rho = 0,645$ .

Moreover, there is a possibility to redefine a new organizational culture which is nurtured on the trust between the organisation and its employees. This possibility arises from the abstract and spiritual realm within the composite triangle of values, namely, ethical, spiritual and moral.

# Conclusion

- ❑ True competitive advantage is obtained through shared values and a coherent distinct culture which invokes at its heart all the elements of human capital theory.
- ❑ However, the implementation of a new organizational culture based on values requires the sensitivity of economic agents, i.e., it requires a more humane society, one which is more entrepreneurial and more committed towards social capital.
- ❑ Herein, we believe lie the factors that foster both high performance and high profitability.

# Bibliography

- Berman, S., Down, J. and Hill, C. (2002) "Tacit Knowledge as a source of competitive advantage in the National Basketball Association", *Academy of Management Journal*, Vol 45, No. 1, pp. 13-31.
- Bontis, N. (1998) "Intellectual capital: an exploratory study that develops measures and models", *Management Decision*, Vol 36, No. 2, pp. 63-76.
- Cook, S. and Brown, J. (1999) "Bridging Epistemologies; The Generative Dance Between Organisational Knowledge and Organisational Knowing", *Organisational Science*, Vol 10, No. 4 pp. 381-400.
- Chowdhry, S. (2005) "The Role of Affect and Cognition-Based Trust in Complex Knowledge Sharing," *Journal of Managerial Issues*, Vol 17, No. 3, pp. 310 - 327.
- Chaharbaghi, K. and Cripps, S. (2006) "Intellectual capital: direction, not blind faith", *Journal of Intellectual Capital*, Vol 7, No. 1, pp. 29-42.
- Gherardi, S. (2000) "Practice Based Theorizing on Learning and Knowing in Organisations", *Organization*, Vol. 7, No. 2, pp. 211-233.
- Hansen, M. (1999) "The Search-Transfer Problem: The Role of Weak Ties in Sharing Knowledge Across Organisation Subunits", *Administrative Science Quarterly*, March, pp. 82-111.
- Hudson, W (1993), *Intellectual Capital: How To Build It, Enhance It, Use It*, John Wiley and Sons, New York, NY.
- Huglin, L. (2003) "The relationship between personal epistemology and learning style in adult learners", *Dissertation Abstracts International*, Vol 64, No. 3, pp. 759-764.
- Kok, A (2007), "Intellectual Capital Management as Part of Knowledge Management Initiatives at Institutions of Higher Education", *Journal of Knowledge Management*, Vol. 5, Issue 2, pp. 181-192.
- Marr, B, Gray, D and Neely, A (2003), "Why do Firms Measure Their Intellectual Capital?", *Journal of Intellectual Capital*, Vol 4, no. 4, pp. 441-464 .
- Marr, B., Gupta, O. Pike, S. and Roos, G. (2003) "Intellectual Capital and Knowledge Management Effectiveness", *Management Decision*, Vol 1, No. 8, pp. 771-781.
- Newell, G. Scarbrough, H., Bresnen, M., Edelman, L. and Swan, J. (2000) Sharing Knowledge Across Projects: Limits to ICT Led Projects Review,' *Management Learning Practices*, Vol 37, pp 167 - 185.
- Nonaka, I and Takeuchi, H (1995), *The Knowledge Creating Company: How Japanese Companies Created The Dynamics of Innovation*, Oxford University Press, New York.
- Nonaka, I. and Peltokorpi, V. (2006) "Objectivity and Subjectivity in Knowledge Management: a Review of Top Twenty Articles", *Knowledge and Process Management*, Vol 13, No. 2, pp. 73-82.
- Nonaka, I. and Takeuchi, H. (1995) *The Knowledge-Creating Company. How Japanese Companies create the Dynamics of Innovation*, New York, Oxford University Press.
- Nonaka, I. (1991) "The Knowledge-Creating Company", *Harvard Business Review*, November-December, pp. 96-104.
- Polanyi, M. (1969) *Knowing and Being*, London, Routledge and Kogan, Paul.
- Polanyi, M. (1967) *The Tacit Dimension*, London, Routledge and Kogan Paul.
- Polanyi, M. (1958) *Personal Knowledge: Towards a Post-Critical Philosophy*, London, Routledge and Kogan Paul.
- Politis, J. (2003) "The Connection between Trust and Knowledge Management: What are its Implications for Team Performance," *Journal of Knowledge Management*, Vol 7, No 5, pp. 55 - 67.
- Tsoukas, H. (1996) "The Firm as a Distributed Knowledge System: A Constructionist Approach," *Strategic Management Journal*, Vol 17, Winter Special Issue, pp. 11 - 25.

**Thank you for listening**

**Q & A**