

**EFFECT OF HIGH PERFORMANCE WORK SYSTEM ON EMPLOYEES’  
INTENT TO STAY: MEDIATING ROLE OF WORK ENGAGEMENT**



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## ABSTRACT

The purpose of this research was to study the relationship among high performance work system, work engagement and employees' intent to stay in the banks of Sargodha, Pakistan. This study also sought to observe the mediating effect of work engagement on the relationship between high performance work system and employees' intent to stay. The measure for HPWS included six dimensions; staffing, training, compensation (incentive based), performance appraisal, work design and participation of employees. Work engagement, was gauged through its three facets namely, vigor, dedication and absorption. While intent to stay was assessed using positive intention related questions. Explanatory cross-sectional study design was followed and a sample of 300 was drawn using convenience sampling from twenty-one out of twenty-six banks in Sargodha. Descriptive and inferential statistics were applied using SPSS version 21 to analyze the data. The findings revealed that a relationship among HPWS, work engagement and employees' intent to stay holds in the banking industry of Sargodha. Moreover, work engagement acted as a mediator between HPWS and employees' intent to stay in banks. This study highlights the importance of HPWS and work engagement in influencing the intent to stay of the bank officers; providing significant guidelines for the top and middle-level management to adopt such practices, to save huge costs incurred when their competent human capital leave.

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# CHAPTER 1

## INTRODUCTION

### 1.1 Chapter Overview

This is chapter one of the thesis, which will acquaint us to the background of the study, problem statement, research question raised, objectives of the research, contributions made by the study along with providing definitions of the key terms and summary of the chapter at the end.

### 1.2 Background of the Study

The last part of the 20th century has witnessed extensive discourse among human resource (HR) specialists and experts regarding the way of work. After the transformation of society to post-industrial from the industrial one, conventional manufacturing industries vanished; extensive changes being made to processes and procedures. This continuous advancement in the field of technology, innovation and information has been noteworthy, which is still in momentum (Cappelli, 1999; Osterman, 1996; Pfeffer, 1998).