

Fostering mutual gains: Explaining the influence of high-performance work systems and leadership on psychological health and service performance*

Hyunyoung Jo, Samuel Aryee, Hsin-Hua Hsiung,
and David Guest



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Grounded in the emergent interest in sustainable management of human resources and drawing on self-determination theory, this study addresses two interrelated questions: First, do perceived service-oriented high-performance work systems and service leadership jointly or separately relate to thriving at work and indirectly, to employee well-being and performance? Second, do thriving at work and employee well-being serially mediate the influence of these contextual antecedents on service performance?

FINDINGS

- ▶ Both perceived service-oriented HPWS and unit-level service leadership positively relate to thriving at work
- ▶ Thriving at work positively relates to psychological health and service performance
- ▶ Perceived service-oriented HPWS relates to psychological health and service performance through the mediating influence of thriving at work
- ▶ Unit-level service leadership relates to service performance indirectly through thriving at work but not psychological health
- ▶ Psychological health positively relates to and mediates the influence of thriving at work on service performance

IMPLICATIONS

The findings underscore the importance of mutuality in the employment relationship as a path to ensuring sustainable management of human resources. Specifically, by creating conditions that promote thriving at work (through service-oriented HPWS and unit service leadership), organizations can promote employee well-being as they contribute to the organization's goal attainment efforts. The importance of mutuality is reinforced by the serial mediation of thriving at work and psychological health in the relationships between the contextual antecedents (particularly perceived service-oriented HPWS) and service performance. In sum, by promoting psychological health and ultimately service performance, perceived service-oriented HPWS and unit service leadership enable organizations to capitalise on their human capital.



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