

A Meta-Analysis of Antecedents of High-Performance Work System Use: The Role of Firms' Strategic and Institutional Environmental Forces

What are the key firm strategic and institutional environmental factors that influence the intensity of high-performance work system (HPWS) use in organizations?

This study by In-Sue Oh and colleagues, published in *Personnel Psychology*, examines why some firms use high-performance work systems (HPWS) more intensively than others. HPWS are bundles of HR practices designed to enhance firm performance by aligning with strategic goals. Despite evidence of HPWS benefits, usage varies widely across firms. The authors meta-analyzed 271 studies to understand the relative importance of various antecedents/predictors of HPWS use including firm strategic forces (business strategy, resources, and capacities) and institutional environmental forces (e.g., environmental dynamism).

Findings show that firm strategic forces are much stronger predictors of HPWS use than institutional and environmental forces. Within strategic forces, firm resources and capacities (e.g., firm size, past performance, capital intensity) are relatively more influential than business strategy itself. Specifically, a differentiation strategy, larger firm size, better past performance, and higher capital intensity are the top antecedents of intensive HPWS use. Cost leadership strategy negatively relates to HPWS use.

Institutional environmental factors like environmental munificence and dynamism have smaller but positive effects, while industry type and union presence showed no significant impact. The study also highlights that national employment protection legislation moderates some relationships, such as making past performance more important under stricter labor laws.

This research advances understanding of why firms vary in HPWS use and guides managers to prioritize internal strategic conditions and resource capabilities to effectively implement HPWS. It also suggests policymakers consider institutional contexts when promoting HR practices further.

MAJOR TAKEAWAYS:

- Firm strategic forces, especially firm size, past performance, and capital intensity, strongly drive HPWS use across organizations.
- A differentiation strategy positively influences HPWS use; a cost leadership strategy relates negatively.
- Institutional environmental factors have relatively smaller effects; industry type and union presence do not significantly affect HPWS use.

WHO NEEDS TO KNOW:

- HR Managers
- Organizational Leaders
- Labor Policy Makers

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