



Prifysgol Cymru
Y Drindod Dewi Sant
University of Wales
Trinity Saint David

Name: Md. Shajal Mia

Student ID: 2437642

Module Name: Human Capital Management

Module Code: LCMB7023

Lecturer's Name: Dr. Gladius Kulothungan (London)

Word Count: 2536

Executive Summary

This report argues that, typically, individual "HR best practices" will rarely lead to improved organizational performance. However, an effective High-Performance Work System (HPWS) which utilizes the three components of the AMO model – Ability, Motivation, Opportunity – will most likely be able to have a significant positive impact on the operational and financial success of an organization. This was shown in two major meta-analyses of large samples of organizations (Combs et al., 2006; Jiang et al., 2012). The Toyota Production System (TPS) demonstrates how high-performing people systems are integral to a company's ability to perform well operationally (Toyota, 2001/2025; Toyota, 2025). Specifically, TPS includes deep training and a strong focus on problem-solving skills (Ability), a culture that promotes respect among employees and encourages them to work together over the long term (Motivation), and formally structured opportunities for employees to participate in continuous improvement regarding kaizen (Opportunity) (Toyota, 2001/2025; Toyota, 2025). Similar to the production system, the ANCC Magnet Recognition Program® has been developed as a formal HPWS that contributes significantly to the quality of care provided by hospitals (ANCC/ANA, 2025b). In addition, Salesforce's Trailhead (Ability), Ohana culture (Motivation) and V2MOM alignment (Opportunity) provide examples of a scalable HPWS for use in knowledge work environments (Salesforce, 2024; Salesforce, 2025a; Salesforce, 2025b). The author concludes by providing a reflection-based development plan and an HPWS Diagnostic Checklist for managers to assess whether their people systems can withstand current technological, demographic and geopolitical changes.

Table of Contents

Executive Summary.....	2
1. Introduction.....	4
2. Main body.....	5
2.1 Technology's role in scaling a High-Performance Work System.....	5
2.1.1 Platformising Ability.....	5
2.1.2 Digitising Motivation.....	5
2.1.3 Creating Opportunity at scale.....	5
2.1.4 Embedding the system.....	6
2.1.5 Case contrast.....	6
2.2 Macro-factors as a stress-test for the HPWS.....	7
2.2.1 Demographics: ageing and multi-generational workforces.....	7
2.2.2 Geopolitics: decentralisation and resilience.....	7
2.2.3 Technology shocks: AI diffusion and new skills half-lives.....	7
2.2.4 Systemicity over slogans.....	7
2.3 Closing skills gaps by optimising the AMO levers.....	9
2.3.1 AMO Framework.....	9
2.3.2 The Toyota Production System as AMO in action.....	9
2.3.4 Sector integrations.....	10
2.4 Reflective report: Architecting my own high-performance system.....	11
2.4.1 Context and aim.....	11
2.4.2 Strengths and weaknesses.....	12
2.4.3 Development plan (12-month AMO roadmap).....	12
3. Conclusion.....	13
References.....	14
Appendix.....	17

1. Introduction

In today's global labor market characterized by skills shortages and volatility, individualized or "piecemeal" HR practices are rarely sustainable as they do not create lasting competitive advantage. Rather, research has shown that sustained improvements in performance come from organizations implementing bundles of HR practices that support the development of employees' human capital, enhance employee engagement and encourage employee participation — i.e., an HPWS structured by the AMO model (Abilities, Motivation, Opportunity) . Therefore, IHRM's strategic role is to develop a comprehensive framework for developing systems that are aligned with the organization's operational strategy and responsive to the characteristics of the local labor market -- rather than merely replicating "best practices". An example of this integration can be seen in Toyota's Production System, which also illustrates its applicability across sectors through the examples of Magnet hospitals and Salesforce.

2. Main body

2.1 Technology's role in scaling a High-Performance Work System

2.1.1 Platformising Ability

To maximize the effectiveness of the "A" in the AMO model (Ability), Learning Experience Platforms (LXPs) are being developed to personalize employee learning experiences, aggregate relevant content and incorporate learning directly into the flow of work. These types of platforms are now described as "discovery-first", federated ecosystems that can unify both internal and external content and provide analytics related to adoption and effectiveness (KPMG, 2024). For example, Salesforce has implemented such a platform in the form of Trailhead, a free, modular platform that provides employees with hands-on experience, stackable credentialing and access to content across its ecosystem. This platform serves as the basis for developing both the skills of its own employees and those of its partners and customers (Salesforce, 2025b).

2.1.2 Digitising Motivation.

Continuous performance management systems bring ongoing goal clarity, coaching and recognition—strengthening the “M” in AMO. Recent empirical research has demonstrated that the type and source of continuous performance feedback can positively influence employee motivation and task engagement, providing further evidence for the need for organizations to design deliberate feedback architectures rather than relying solely on infrequent, annual performance appraisals (Tsuji et al., 2023).



Image 2: Explanation of Salesforce's V2MOM (Source: Salesforce, 2025a)

Similarly, Salesforce utilizes a V2MOM (Vision, Values, Methods, Obstacles, Measures) framework to cascade its strategic priorities down through its organization and to establish regular alignment conversations between employees and managers — linking purpose, metrics and recognition into a single, continuous cadence (Salesforce, 2025a).

2.1.3 Creating Opportunity at scale.

Internal talent marketplaces (ITMs) algorithmically match skills to gigs, rotations and projects, unlocking cross-functional contribution and speeding reallocation—core to AMO's "O". Empirical research from various sources suggest that ITMs can improve an organization's ability to respond quickly to changing business needs and customer demands (speed); improve productivity (productivity); reduce recruiting costs (cost reduction); and enhance employee mobility (mobility) when they are designed and supported by change management (Deloitte, 2024). The SHRM Executive Network frames ITMs as the newest talent-management paradigm that enables employees to expand their career development options beyond traditional hierarchical structures (SHRM Executive Network, 2021).

2.1.4 Embedding the system.

The technology layer must encode complementarities among AMO elements—onboarding flows that auto-enrol learners into role-critical trails; feedback widgets that nudge leaders to coach; talent-marketplace governance that prevents opportunity hoarding. Meta-analytic research in the HPWS field has shown that isolated HR practices tend to produce lower returns on investment than do cohesive systems of practices — including both skill-enhancing practices, motivation-enhancing practices and opportunity-enhancing practices (Combs et al., 2006; Jiang et al., 2012).

2.1.5 Case contrast.

Toyota, well before the advent of digital technologies, institutionalized mechanisms that were consistent with the AMO model: structured problem solving training (A), a philosophy of respect and teamwork (M), and formal kaizen and andon procedures for surfacing and resolving workplace problems (O). Digital technologies today provide organizations in services and knowledge-based industries with the capability to replicate that level of systemic coherence at scale and across borders (Toyota, 2001/2025; Toyota, 2025).

2.2 Macro-factors as a stress-test for the HPWS

2.2.1 Demographics: ageing and multi-generational workforces.

MODEL COMPONENTS	FORCES OF MAGNETISM
Transformational Leadership	>> Quality of Nursing Leadership <i>Force #1</i> >> Management Style <i>Force #3</i>
Structural Empowerment	>> Organizational Structure <i>Force #2</i> >> Personnel Policies and Programs <i>Force #4</i> >> Community and the Healthcare Organization <i>Force #10</i> >> Image of Nursing <i>Force #12</i> >> Professional Development <i>Force #14</i>
Exemplary Professional Practice	>> Professional Models of Care <i>Force #5</i> >> Consultation and Resources <i>Force #8</i> >> Autonomy <i>Force #9</i> >> Nurses as Teachers <i>Force #11</i> >> Interdisciplinary Relationships <i>Force #13</i>
New Knowledge, Innovations, and Improvements	>> Quality Improvement <i>Force #7</i>
Empirical Quality Outcomes	>> Quality of Care <i>Force #6</i>

Image 1: primary basis for achieving Magnet recognition (Source: ANCC/ANA, 2025a; ANCC/ANA, 2025b)

As experienced workers retire, the "A" lever will require the rapid transfer of knowledge and the reskilling of employees. The Magnet Recognition Program (MRP), which has been certified by the American Nurses Credentialing Center (ANCC) and the American Nurses Association (ANA), incorporates mentorship, professional development and shared governance into all hospitals' employee systems — mechanisms that research shows are positively related to improved work environments and positive clinical outcomes (ANCC/ANA, 2025a; ANCC/ANA,

2025b). Because patient safety is very much influenced by the quality of the hospital's staffing, skill mix and work environment, formalizing the high-performance work systems (HPWS) in this manner is important (Aiken et al., 2011).

2.2.2 Geopolitics: decentralisation and resilience.

Disruptions to operations caused by sanctions or supply chain disruptions cause significant challenges to the "O" lever by requiring rapid decisions made at the front line. By incorporating jidoka (stop-the-line) into routine TPS builds in the ability for teams to quickly respond to abnormalities and make decisions regarding quality and responsiveness. In describing jidoka, Toyota explains it means "Automation with a Human Touch" and "Stop Immediately When Abnormalities Are Detected." This design allows for distributed authority and enables teams located in various jurisdictions to make decisions based on a common philosophy — exactly what is required for international HRM given global borders.

2.2.3 Technology shocks: AI diffusion and new skills half-lives.

Again, the LXP and ITM serve as macro-adaptive levers. The LXP serves as the reskilling backbone while the ITM provides the matching capability as roles evolve. According to KPMG's review of LXPs, they play a key role in aggregating the learning estate of organizations into consumer-grade learning pathways that incorporate analytics supporting both the adoption and impact of learning content (KPMG, 2024). Additionally, Deloitte emphasizes iterative design and change as critical enablers of agile performance and competitive advantage for ITMs (Deloitte, 2024).

2.2.4 Systemicity over slogans.

MacDuffie's research on automotive production demonstrated that companies who implemented a package of HR and manufacturing practices that fit under a single "organizational logic," resulted in superior performance compared to those that did not adopt practices in such a coordinated fashion (MacDuffie, 1995). Synthesis and meta-analysis of subsequent studies generalized these findings across industries and geographic regions (Becker and Huselid, 1998; Huselid, 1995; Combs et al., 2006). Therefore, for IHRM, the practical implications include

treating demographic, geopolitical and technological factors as tests of the strength of the AMO framework, and adjusting the bundle accordingly (i.e. moving from hiring externally to developing internally; giving decision-making authority to the workforce locally) instead of implementing individual fixes.

2.3 Closing skills gaps by optimising the AMO levers

2.3.1 AMO Framework

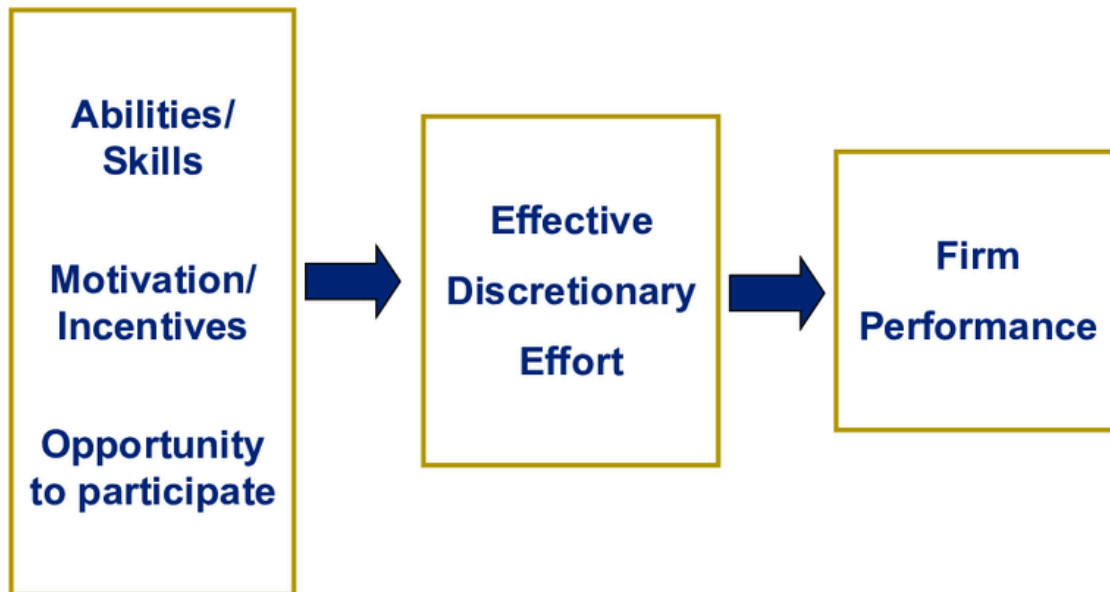


Image 3: AMO Model and Its Relationship to Firm Performance (Source: Marc van Veldhoven and Riccardo Peccei, 2014)

Diagnose the gap to the lever. Skills shortages often reflect a failure in one or more AMO components:

If few qualified applicants exist (A): Provide a means for selecting for learning ability and provide structured education/training. The philosophy at Toyota ("Continuously Improve" and "Respect for People") establishes an ongoing process of developing technical skills and mentoring employees; the Creative Idea Suggestion System at Toyota will help develop problem solvers and distribute knowledge (Toyota, 2001/2025; Toyota Times, 2024) and research has shown that investing in employee development as part of other bundles of employee practices will generate positive returns (Jiang et al., 2012).

If trained people leave (M): Organizations should investigate the structure of motivating personnel — line of sight goals, fairness in compensation, job movement, and manager

mentoring. There is also substantial research supporting the importance of continuous feedback, including what type of feedback and from whom can motivate and engage employees. Performance management processes should be designed to maximize the opportunity for employees to receive timely and quality feedback rather than simply rate them (Tsuji et al., 2023).

If skilled, motivated people under-perform (O): Redesign work to expand voice and participation. Magnet hospitals’ shared governance and professional autonomy let nurses shape practice and escalate safety concerns, which is associated with lower mortality and failure-to-rescue (Aiken et al., 2011; ANCC/ANA, 2025a; ANCC/ANA, 2025b). Internal talent marketplaces similarly open project-based opportunities beyond hierarchy, improving agility and development (Deloitte, 2024).

2.3.2 The Toyota Production System as AMO in action.

HPWS Dimension	Key Practices	Illustrative Example / Insight
Ability	Standardised work, problem-solving training, and coaching	These practices embed capability by ensuring every employee masters core routines and can diagnose and improve processes independently.
Motivation	“Respect for people” philosophy (TPS)	Fosters trust, teamwork, and intrinsic pride; builds durable psychological safety that enables employees to surface and address problems.
Opportunity	Jidoka / Andon routines and Kaizen circles	Create daily participation channels—employees are authorised and expected to improve the work continuously (Toyota, 2001/2025; Toyota, 2025).

2.3.4 Sector integrations.

Healthcare: The Magnet model codifies an HPWS—transformational leadership, structural empowerment, exemplary professional practice and new knowledge/innovation—linking people systems to patient outcomes (ANCC/ANA, 2025a; ANCC/ANA, 2025b; Aiken et al., 2011).

Technology: Salesforce combines Trailhead (capability engine), Ohana values (motivational

culture) and V2MOM (alignment and voice) to create a scalable HPWS for knowledge workers and partners (Salesforce, 2024; Salesforce, 2025a; Salesforce, 2025b).

Why bundles win: Meta-analysis finds that skill-, motivation- and opportunity-enhancing practices jointly explain variance in human capital, voluntary turnover, operational outcomes and financial performance—confirming the AMO logic behind HPWS (Jiang et al., 2012). Early foundational studies in manufacturing reached similar conclusions, with significant productivity and quality gains where HR bundles aligned with flexible production (Huselid, 1995; MacDuffie, 1995).

2.4 Reflective report: Architecting my own high-performance system

2.4.1 Context and aim.

As an International Business MBA focused on operational excellence, I apply the AMO lens to my own performance and employability. My goal is to design a personal HPWS—a coherent, self-reinforcing set of practices that build capabilities, sustain motivation and systematically create opportunities to practise and signal value.

Ability (A): As well as developing evidence-based practices and people systems through advanced studies in Operations Strategy, Data Analytics and Lean Practice, I am treating Digital Platforms as my Learning Experience Platform (LXP). I have therefore developed a structured learning path (Analytics → Process Mapping → Experimentation) and supplemented this with vendor ecosystems (e.g. product-led platforms similar to Trailhead in their structural format) to ensure that I develop both practical experience (hands-on labs) and certification (micro-credentials) to demonstrate my skills rather than simply my knowledge (Salesforce, 2025b). The TPS example reinforces the importance of disciplined problem-solving; I practise A3 thinking and hypothesis-led analysis in case work, seeking feedback on each iteration to reduce variance in approach (Toyota, 2001/2025; Toyota, 2025).

Motivation (M): For sustained high-performance, there needs to be alignment between the effort I put into my activities and the outcomes I achieve. Therefore, I now establish quarterly Objectives and Key Results (OKRs) that are aligned with my thesis and career objectives; and I regularly review (fortnightly) my "retrospective" with a mentor, maintaining a regular cadence of feedback to help me shape the content (developmental, behaviour plus outcome) and source (colleagues, academics, practitioners) of my feedback based upon research which shows that these two design elements can affect motivation and engagement (Tsuji et al., 2023). I also borrow from V2MOM: documenting my Vision, Values, Methods, Obstacles and Measures on one page, updated each month, has improved prioritisation and reduced context-switching (Salesforce, 2025a).

Opportunity (O): engineering stretch and visibility. To maximise contribution, I create opportunities beyond formal coursework. I volunteer for roles that surface and solve bottlenecks—for example, mapping teammate workflows and hosting short kaizen-style stand-ups during group projects (mirroring TPS’s focus on abnormality control and learning capture) (Toyota, 2025). I also run an internal “talent marketplace” of sorts within my cohort by posting micro-projects (e.g., a dashboard for a student society) and putting myself forward for others’ initiatives, increasing cross-functional experience and signalling versatility—behaviours consistent with organisational ITM logic (Deloitte, 2024).

2.4.2 Strengths and weaknesses.

Category	Description
Strengths	Structured problem-solving, disciplined self-learning routines, and orientation to collaborative improvement (A + O). Consistently seeks and applies feedback (M).
Weaknesses	Over-indexing on analysis at the expense of rapid prototyping; occasional reluctance to delegate, limiting team learning opportunities.

2.4.3 Development plan (12-month AMO roadmap).

AMO Dimension	Development Actions	Evidence / Milestones
Ability	Complete advanced analytics certification and service-operations practicum; weekly deliberate practice with archived case datasets.	Milestone exams and portfolio artefacts evidencing capability growth.

Motivation	Adopt quarterly V2MOM with monthly check-ins; maintain an “end-of-sprint wins” log for self-recognition (Salesforce, 2025a).	Documented V2MOM reviews and motivation journal.
Opportunity	Lead cross-programme pro-bono operations sprint for an SME; rotate roles (PM, analyst, facilitator) across student clubs; publish two AMO practice notes.	Sprint outcomes, rotation feedback, and published portfolio pieces.

3. Conclusion

The weight of evidence from rigorous field studies and meta-analyses is unambiguous: systems beat practices. The literature clearly supports that sustainable performance is achieved through the implementation of an HPWS that develops employees' abilities, motivation and opportunities for participation and integrates these complementary elements into the organization's systems. The literature provides several examples of the successful integration of systems that have been implemented across industries including Toyota's Production System, which demonstrates how people and production systems can be integrated at all levels to achieve quality, learning and resilience; Magnet hospitals and Salesforce's platform-based people system provide additional examples of successful implementations across different sectors. Thus, for IHRM professionals, the primary focus should be on designing systems that are fit-for-purpose at the system level and using technology to leverage the AMO logic globally by reskilling with LXPs, continuously engaging employees through the provision of real-time feedback and democratizing contributions through internal marketplaces.

References

Aiken, L.H., Cimiotti, J.P., Sloane, D.M., Smith, H.L., Flynn, L. and Neff, D.F. (2011) 'Effects of nurse staffing and education on patient deaths in hospitals', *Medical Care*, 49(12), pp. 1047–1053. Available at: https://journals.lww.com/lww-medicalcare/Documents/MLR_201525.pdf (Accessed: 12 November 2025).

Appelbaum, E., Bailey, T., Berg, P. and Kalleberg, A.L. (2000) *Manufacturing Advantage: Why High-Performance Work Systems Pay Off*. Ithaca, NY: Cornell University Press. Available at: <https://www.cornellpress.cornell.edu/book/9780801486555/manufacturing-advantage/> (Accessed: 12 November 2025).

Becker, B.E. and Huselid, M.A. (1998) 'High performance work systems and firm performance: A synthesis of research and managerial applications', *Research in Personnel and Human Resources Management*, 16, pp. 53–101. Available at: https://www.markhuselid.com/pdfs/articles/1998_Research_in_PHRM_Paper.pdf (Accessed: 12 November 2025).

Combs, J., Liu, Y., Hall, A. and Ketchen, D. (2006) 'How much do high-performance work practices matter? A meta-analysis of their effects on organizational performance', *Personnel Psychology*, 59(3), pp. 501–528. Available at: <https://www.ingentaconnect.com/content/bsc/peps/2006/00000059/00000003/art00001> (Accessed: 12 November 2025).

Deloitte (2024) 'Activating the internal talent marketplace'. Available at: <https://www.deloitte.com/us/en/insights/topics/talent/internal-talent-marketplace.html> (Accessed: 12 November 2025).

Huselid, M.A. (1995) 'The impact of human resource management practices on turnover, productivity, and corporate financial performance', *Academy of Management Journal*, 38(3), pp. 635–672. Available at: https://www.markhuselid.com/pdfs/articles/1995_AMJ_HPWS_Paper.pdf (Accessed: 12 November 2025).

Jiang, K., Lepak, D.P., Hu, J. and Baer, J.C. (2012) 'How does human resource management influence organizational outcomes? A meta-analytic investigation of mediating mechanisms', *Academy of Management Journal*, 55(6), pp. 1264–1294. Available at: https://www.researchgate.net/profile/Kaifeng-Jiang/publication/259147253_How_Does_Human_Resource_Management_Influence_Organizational_Outcomes_A_Meta-Analytic_Investigation_of_Mediating_Mechanisms/links/00b4952bdf8e6bd04a000000/How-Does-Human-Resource-Management-Influence-Organizational-Outcomes-A-Meta-Analytic-Investigation-of-Mediating-Mechanisms.pdf(Accessed: 12 November 2025).

KPMG (2024) 'The Future of the Learning Experience Platform'. Available at: <https://assets.kpmg.com/content/dam/kpmgsites/uk/pdf/2024/10/learning-experience-platform.pdf> (Accessed: 12 November 2025).

MacDuffie, J.P. (1995) 'Human resource bundles and manufacturing performance: Organizational logic and flexible production systems in the world auto industry', *ILR Review*, 48(2), pp. 197–221. Available at: <https://www.jstor.org/stable/2524483> (Accessed: 12 November 2025).

Marc van Veldhoven and Riccardo Peccei (2014) *Well-being and Performance at Work*. Psychology Press.

Salesforce (2024) 'Salesforce, Hawaii and Ohana: embracing community'. Available at: <https://www.salesforce.com/blog/salesforce-and-hawaii/> (Accessed: 12 November 2025).

Salesforce (2025a) 'How to create alignment within your company (V2MOM)'. Available at: <https://www.salesforce.com/blog/how-to-create-alignment-within-your-company/> (Accessed: 12 November 2025).

Salesforce (2025b) 'What is Trailhead? All about Salesforce's free learning platform'. Available at: <https://www.salesforce.com/blog/what-is-trailhead/> (Accessed: 12 November 2025).

SHRM Executive Network (2021) 'A new model of talent management: The internal talent marketplace'. Available at: <https://www.shrm.org/content/dam/en/shrm/executive-network/A%20New%20Model%20of%20>

Talent%20Management-%20The%20Internal%20Talent%20Marketplace.pdf (Accessed: 12 November 2025).

Toyota (2001/2025 update) 'The Toyota Way 2001'. Available at: https://www.toyota-global.com/company/history_of_toyota/75years/data/conditions/philosophy/toyotaway2001.html (Accessed: 12 November 2025).

Toyota (2025) 'Toyota Production System — Vision & Philosophy'. Available at: https://global.toyota/en/company/vision-and-philosophy/production-system/?padid=ag478_from_header_menu (Accessed: 12 November 2025).

Toyota Times (2024) 'Making work more fun and fruitful — Toyota's Creative Idea Suggestion System'. Available at: https://toyotatimes.jp/en/series/Imaginative_and_creative/001.html (Accessed: 12 November 2025).

Tsuji, M., et al. (2023) 'Continuous performance feedback: Investigating the effects of feedback content and source', *Human Performance*, 36(6), pp. 563–582. Available at: <https://www.tandfonline.com/doi/pdf/10.1080/01608061.2023.2238029> (Accessed: 12 November 2025).

ANCC/ANA (2025a) 'Magnet Model — creating a Magnet culture'. Available at: <https://www.nursingworld.org/organizational-programs/magnet/magnet-model/> (Accessed: 12 November 2025).

ANCC/ANA (2025b) 'Magnet Recognition Program® — overview'. Available at: <https://www.nursingworld.org/organizational-programs/magnet/> (Accessed: 12 November 2025).

Appendix

Purpose: A quick-scan audit for managers to assess HPWS maturity.

Dimension	Key Audit Questions	Indicators of Maturity	Score(Red / Amber / Green)
A-Ability (Build, Deploy, Renew)	• Do we hire for learning agility and cultural add, not just experience? • Does every critical role have a mastery pathway (standards, practice reps, coaching, credentials)? • Is there an LXP with role-based pathways and adoption analytics? • Are problem-solving methods (A3 / 5-Whys) taught and used weekly?	Systematic development of learning agility, capability pathways and embedded problem-solving disciplines across roles.	☐ Red ☐ Amber ☐ Green
M-Motivation(Goal Clarity, Fairness, Energy)	• Are goals cascaded with transparent metrics (e.g., V2MOM / OKRs)? • Is continuous feedback built into workflow (cadence, content, source quality)? • Are rewards (pay, recognition, careers) perceived as fair and linked to contribution? • Do values and rituals (e.g., peer celebrates “wins”) energise effort?	Clear goal alignment, high feedback quality, fairness perception, and energising culture reinforcing contribution.	☐ Red ☐ Amber ☐ Green
O-Opportunity (Voice, Design, Mobility)	• Can any employee raise a quality/safety signal and trigger support (jidoka-like routines)? • Do teams own improvement time and track kaizen throughput? • Do we run an internal talent marketplace (gigs, rotations, mentorship) with governance to avoid hoarding? • Is there shared governance / employee voice in policy and practice changes?	Empowered employee voice, structured mobility, and team-led improvement with transparent governance.	☐ Red ☐ Amber ☐ Green

Scoring: Red (absent), Amber (partial), Green (systemic). Prioritise integrative fixes that connect A-M-O, not isolated patches.