# From High-Performance Work Systems to Employee Innovation Performance

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**Abstract**

This conceptual paper explains how high-performance work systems (HPWS) may support employee innovation performance in universities through psychological empowerment. Prior research connects HPWS with innovation, yet the explanatory chain is often treated as a general bundle-to-outcome association. That treatment obscures how ability-enhancing, motivation-enhancing, and opportunity-enhancing practices may be interpreted differently by employees, and why their presence does not guarantee that employees feel able or authorized to improve their work. Drawing on the ability–motivation–opportunity (AMO) framework as the primary organizing perspective and the cognitive model of psychological empowerment as a complementary mechanism, the paper develops a dimension-sensitive account of this conversion. It distinguishes organizational practices from employees' experienced meaning, competence, self-determination, and impact, and defines innovation performance at the employee level as the quality and usefulness of implemented improvements in teaching, research, administration, or related university services. A purposive critical synthesis of foundational and recent scholarship informs five propositions: each AMO practice dimension is expected to strengthen psychological empowerment; psychological empowerment is expected to support employee innovation performance; and empowerment is expected to transmit the influence of each AMO dimension to that outcome. The framework contributes by specifying the employee-level mechanism, clarifying how the AMO dimensions can activate distinct empowerment cognitions, and exposing the conditions under which an ostensibly high-performance system may fail to create experienced agency. It offers a focused basis for future multilevel and time-lagged tests in Pakistani universities and comparable knowledge-intensive institutions.

## 1. Introduction

Universities are expected to renew how they teach, conduct research, and deliver administrative and student services while maintaining quality and institutional continuity. This framework is contextualized for public and private universities in Punjab, Pakistan, where faculty and professional staff contribute through distinct academic and administrative roles. Innovation in this setting is not confined to launching commercial products. It also includes developing and implementing useful changes to courses, research processes, assessment, student support, and internal operations. These improvements depend on employees who can recognize opportunities, form workable ideas, obtain support for them, and carry them through implementation. Innovation therefore has an organizational dimension, but much of its immediate work is enacted by faculty and professional staff in their own roles (Amabile, 1988; Anderson et al., 2014; Crossan & Apaydin, 2010).

High-performance work systems (HPWS) are frequently presented as a means of building the human capabilities and work conditions required for such performance. The ability–motivation–

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opportunity (AMO) framework groups human resource practices according to whether they develop employees' skills, encourage effort, or enable participation and contribution (Appelbaum et al., 2000; Jiang et al., 2012). Meta-analytic and empirical research generally associates coherent HR systems with performance outcomes, while newer work applies AMO reasoning directly to innovation performance (Combs et al., 2006; Alkhalaf & Al-Tabbaa, 2024). Recent studies also connect HPWS to psychological empowerment and creativity-related outcomes (Mirza et al., 2024; Li & Rasiah, 2025). Recent evidence also links HPWS with employee innovation behavior in Chinese firms (Zhu et al., 2022). In an Indian engineering R&D setting, HPWS has been linked to innovative work behavior through work engagement, illustrating that more than one employee-level pathway may connect HR systems and innovation (Bhattacharjee & Sarkar, 2023). These studies make the proposed relationship plausible, but they do not remove a core theoretical puzzle: why do systems designed to improve ability, motivation, and opportunity sometimes fail to produce a corresponding sense of agency or innovation?

The puzzle arises because the AMO categories describe the intended content of HR practices, whereas innovation depends partly on how employees experience the work those practices create. Training can expand skills without giving an employee discretion to use them. Rewards can encourage effort while narrowing attention to measured targets. Participation can be offered formally but remain inconsequential if decisions are already made elsewhere. Thus, practices may be available on paper but weakly enacted, internally inconsistent, or interpreted as control. Research on HRM system strength and employee attributions shows why practices' clarity, consistency, and perceived purpose matter for the meanings employees attach to them (Bowen & Ostroff, 2004; Nishii et al., 2008). Research on HPWS also warns against assuming uniformly beneficial consequences, particularly where performance demands intensify work or reduce employee well-being (Godard, 2004; Kim & Messersmith, 2023; Niazi et al., 2024).

Psychological empowerment provides a plausible employee-level conversion mechanism. It refers to an active orientation toward work in which employees perceive their work as meaningful, feel competent to perform it, experience choice in how to act, and believe their actions can influence outcomes (Thomas & Velthouse, 1990; Spreitzer, 1995). These cognitions are distinct from structural empowerment: an organization may grant formal discretion, but an employee may not feel able to exercise it, see value in doing so, or believe that the effort can make a difference. Conversely, meaningful work, credible capability development, and real influence over decisions can help employees translate HR inputs into initiative. A recent meta-analysis reinforces the importance of organizational and work-related antecedents for psychological empowerment and links empowerment with favorable work outcomes (Llorente-Alonso et al., 2024).

The theoretical gap is therefore not simply that HPWS, empowerment, and innovation have not been studied together. Recent studies have already connected these concepts in other sectors and with adjacent outcomes. The unresolved issue is how the three AMO dimensions can be distinguished as antecedents of the four empowerment cognitions, and how an individual psychological state can plausibly explain an employee-level innovation outcome without being conflated with organization-level innovation. Existing HPWS models often aggregate practices into a single index and treat innovation as a distal organizational result. Innovation scholarship, in turn,

distinguishes idea generation from implementation and warns that the level of analysis must remain explicit (Crossan & Apaydin, 2010; Anderson et al., 2014). In higher education, role autonomy, professional expertise, and institutional procedures make these distinctions especially consequential.

This paper develops a conceptual explanation of how ability-enhancing, motivation-enhancing, and opportunity-enhancing HPWS practices may shape employee innovation performance through psychological empowerment in Pakistani universities. It asks: (1) How does each AMO practice dimension contribute to employees' psychological empowerment? (2) Through what cognitive mechanism may psychological empowerment support employee innovation performance? and (3) What does this mechanism imply for interpreting HPWS in university settings? The paper retains the thesis model's three AMO dimensions, psychological empowerment as the sole mediator, and innovation performance as the outcome. It makes three contributions. First, it reframes empowerment as a conversion process rather than another item in an HR practice bundle. Second, it explains why ability, motivation, and opportunity practices can activate different, but potentially complementary, empowerment cognitions. Third, it clarifies that an employee-level model should predict employee-reported innovation performance, while organizational innovation requires a separate aggregation or multilevel argument. The next sections critically review the constructs, explain the theoretical integration, describe the conceptual approach, develop the framework and propositions, and discuss implications and future tests.

## 2. Critical Literature Review

### 2.1 High-Performance Work Systems and the AMO Dimensions

HPWS are coordinated sets of HR practices intended to develop a capable workforce, support employee motivation, and create opportunities for employees to contribute to organizational goals. The systems perspective matters because isolated practices can produce different or even contradictory signals; a high-performance system is expected to gain force through complementarities among selection, training, appraisal, rewards, job design, participation, and information access (MacDuffie, 1995; Lepak et al., 2006; Boxall & Macky, 2009). AMO provides a useful organizing framework for classifying these practices and specifying their proximal human-resource consequences. In its common form, performance is expected when employees have relevant ability, motivation to apply it, and opportunity to contribute (Appelbaum et al., 2000; Jiang et al., 2012). This logic is consistent with strategic HRM research that has examined universal, contingency, and configurational explanations of HR system effects, as well as foundational evidence linking HR practice systems to employee and firm outcomes (Delery & Doty, 1996; Huselid, 1995; Wright & McMahan, 1992).

Ability-enhancing practices include selective recruitment, formal learning, skill development, feedback, and career development. Their intended contribution is to increase relevant knowledge and competence. Motivation-enhancing practices include fair and contingent rewards, performance appraisal, recognition, and advancement opportunities. These practices signal that effort and contribution matter, though the effect depends on whether rewards are perceived as supportive and fair or as controlling and narrowly conditional. Opportunity-enhancing practices include participation, job autonomy, access to information, discretion, and channels for employee input.

They make it possible for employees to apply skills and motivation in the work itself (Appelbaum et al., 2000; Subramony, 2009; Jiang et al., 2012).

The AMO dimensions should not be treated as three interchangeable labels for a global high-performance climate. They differ in the resource or invitation they provide. Ability practices primarily increase capacity; motivation practices influence willingness and direction of effort; opportunity practices shape the scope for action. Their complementarity helps explain why a system can be more effective than a single practice, but complementarity does not imply equal effects or a fixed additive formula. For example, training has limited innovation value if employees cannot alter a process, while autonomy may be ineffective if employees lack the relevant competence or time. Reviews of strategic HRM have repeatedly noted variation in system definitions, practice selection, and aggregation, limiting direct comparison across studies (Lepak et al., 2006; Jiang & Messersmith, 2018).

A further issue is that HPWS are often measured as employees' perceptions while outcomes are described at the firm level. This mismatch can create an incomplete explanation of how perceived practices become collective performance. HRM system strength theory emphasizes that consistent and distinctive practice messages support shared interpretations; employee-attribution research similarly shows that workers interpret why practices are used, not only whether they exist (Bowen & Ostroff, 2004; Nishii et al., 2008). These arguments support using employee perceptions to theorize proximal employee states, but they also caution against automatically generalizing individual perceptions to institution-level innovation. Empirical work has shown that the mechanisms between HPWS and organizational performance can include intermediate employee and team processes, reinforcing the need to theorize those links rather than treating the HR system as a direct cause (Takeuchi et al., 2007).

### 2.2 Innovation Performance and Its Employee-Level Expression

Innovation is broader than creativity. Creativity usually concerns producing ideas that are novel and useful; innovation includes the development, advocacy, adoption, or implementation of those ideas. Organizational innovation can refer to processes and outcomes at organization level, while innovative work behavior and innovation performance can be examined at individual or team levels. The terms overlap, but they are not interchangeable. Innovation performance in this paper means the extent to which an employee contributes to useful and novel changes that are developed and implemented in the employee's work domain, rather than a university's aggregate innovation capacity or financial return (Amabile, 1988; Scott & Bruce, 1994; Damanpour, 1991; Woodman et al., 1993; Crossan & Apaydin, 2010).

This distinction is important in universities. Faculty may redesign course activities, assessment, supervision, or research practices; administrators may improve student-facing processes, data workflows, or service delivery. Such contributions can affect institutional outcomes over time, but an individual employee's perceived performance cannot by itself establish university-level innovation. Research in higher education has treated innovative work behavior as context-bound and has developed domain-sensitive approaches to studying faculty innovation (Almahamid et al., 2022). More broadly, research on innovation identifies multiple stages and levels, from idea

generation to implementation and from individuals to organizations (Janssen, 2000; De Jong & den Hartog, 2010; Anderson et al., 2014).

Innovation also involves uncertainty and social exposure. An idea can fail, require extra time, challenge established routines, or encounter professional and administrative resistance. Employees must judge not only whether they can act but whether the problem is worth addressing, whether they have sufficient competence, and whether their action may influence outcomes. Meta-analytic work on individual innovation shows that motivation, job characteristics, and contextual factors all matter, which makes a purely skill-based account incomplete (Hammond et al., 2011). Innovation therefore offers a theoretically appropriate distal outcome for a model that links workplace practices to employee agency.

### 2.3 Psychological Empowerment as an Internal Motivational State

Psychological empowerment was developed to explain how people experience power and motivation in relation to their work. Kanter's (1977) structural account emphasized access to opportunity, information, support, and resources; later psychological accounts clarified that structural access does not guarantee experienced agency. Early accounts distinguished managerial delegation from a psychological state: transferring authority does not ensure that employees feel effective or capable. Thomas and Velthouse (1990) conceptualized empowerment as intrinsic task motivation arising from four cognitions: meaning, competence, self-determination, and impact. Spreitzer (1995) operationalized the construct for the workplace as a combined motivational orientation expressed through those four dimensions. Meaning concerns the fit between work and personal values; competence reflects confidence in one's ability; self-determination concerns choice in initiating and regulating action; impact concerns perceived influence over work outcomes (Conger & Kanungo, 1988; Thomas & Velthouse, 1990; Spreitzer, 1995).

Psychological empowerment must be distinguished from structural empowerment, autonomy, self-efficacy, and engagement. Structural empowerment refers to access to resources, information, support, and opportunities. Autonomy concerns discretion over work methods or scheduling. Self-efficacy refers to confidence about capability. Engagement is a broader work-related motivational state. These constructs may overlap or relate to empowerment, but none alone captures the joint experience of meaningfulness, competence, choice, and influence. The four-dimensional view is especially useful for explaining how different practices may affect different parts of an employee's motivational orientation and how work-unit structures shape individual empowerment (Spreitzer, 1995, 1996; Seibert et al., 2011; Maynard et al., 2012).

Meta-analytic evidence supports the relevance of empowerment while also showing that its antecedents and correlates vary across contexts and professions. Empowerment is associated with favorable attitudes and work outcomes, yet it is neither a fixed trait nor a guaranteed consequence of formally empowering practices (Seibert et al., 2011; Llorente-Alonso et al., 2024). This distinction helps avoid circular theorizing: HPWS are organizational inputs, empowerment is the employee's experienced motivational state, and innovation performance is a work outcome. Each occupies a different conceptual position.

### 2.4 Competing Explanations and the Conceptual Gap

Several research streams explain parts of the HPWS–innovation relationship. Strategic HRM research emphasizes the performance consequences of complementary practice bundles and the mediating role of human capital, motivation, and employee outcomes (Combs et al., 2006; Jiang et al., 2012). Innovation research emphasizes creativity, task characteristics, leadership, and social context as conditions that enable employees to develop and implement ideas (Amabile, 1988; Scott & Bruce, 1994; Shalley et al., 2004). Empowerment scholarship explains how work structures and management practices shape employees' experienced agency (Spreitzer, 1995; Seibert et al., 2011). These streams are compatible but often remain parallel: HRM explains the system, innovation research explains the creative process, and empowerment explains the employee state.

The first unresolved tension concerns positive versus conditional effects. AMO reasoning can imply that more ability, motivation, and opportunity should improve performance, but HPWS can also increase demands, monitoring, or work intensification. Some studies emphasize empowerment and creativity, while others examine stress or potentially adverse outcomes. Recent research connects HPWS with positive empowerment-related outcomes, but also identifies workload and well-being pathways that complicate a uniformly positive account (Kim & Messersmith, 2023; Mirza et al., 2024; Niazi et al., 2024). A framework that omits this tension risks assuming that the organizational label "high performance" describes how employees actually experience the system.

The second tension concerns construct and level. Innovation performance may refer to an employee's implemented contribution, team output, or an institution's aggregate outcome. Where a study collects perceptions from individual staff but describes the dependent variable as university innovation performance, the interpretation exceeds the data level unless aggregation and shared climate are theorized. Third, empowerment is often treated as a single mediator, even though its dimensions may be activated by different practices. Ability development is most directly tied to competence; opportunities for voice and discretion map more closely to self-determination and impact; meaning may depend on whether performance goals align with professional values. The proposed framework addresses these conceptual issues by defining the level of the outcome and tracing each AMO dimension to an employee-level empowerment state.

## 3. Theoretical Foundation and Integration

### 3.1 AMO as the Primary Organizing Perspective

The paper uses AMO as its primary theoretical perspective because the independent variables are ability-enhancing, motivation-enhancing, and opportunity-enhancing HR practices. AMO explains why a practice system should influence performance through employee capacity, willingness, and opportunity to act. It therefore specifies the functional content of the organizational antecedent rather than treating HPWS as an undifferentiated label. Appelbaum et al. (2000) connected employee involvement and skill use with performance, while subsequent strategic HRM research has used the three AMO dimensions to distinguish practice bundles and proximal human-resource outcomes (Lepak et al., 2006; Jiang et al., 2012).

AMO's central causal logic is useful but incomplete for the present question. It explains what conditions employees need to perform but does not specify in detail how organizational practices

become personally meaningful, credible, or psychologically actionable. The framework can be applied as if the practices directly generate performance once ability, motivation, and opportunity are present. That assumption leaves the employee's interpretation and felt agency underdeveloped. Research on HR systems has emphasized that the content and delivery of practices shape perceptions, and that perceptions can mediate the pathway from HR investments to employee outcomes (Bowen & Ostroff, 2004; Kehoe & Wright, 2013).

### 3.2 Psychological Empowerment as the Complementary Mechanism

The cognitive model of psychological empowerment supplies the missing employee-level mechanism. Thomas and Velthouse (1990) and Spreitzer (1995) explain empowerment as a motivational orientation composed of meaning, competence, self-determination, and impact. This model does not replace AMO; it specifies the internal state through which AMO practices may become usable for innovation. Ability practices can increase competence when learning and feedback are relevant and credible. Motivation practices can affirm the value of contribution and the anticipated impact of effort when rewards are fair and do not undermine autonomy. Opportunity practices can create self-determination and impact when participation is substantive rather than ceremonial.

The integration also preserves conceptual boundaries. Opportunity-enhancing practices are not the same as psychological empowerment. A formal opportunity to speak is a structural feature; perceived self-determination is an employee cognition. A role may grant discretion without meaning or confidence, and employees may feel capable yet lack meaningful authority to act. Likewise, an employee can feel empowered without every decision being decentralized. The proposed chain is therefore not tautological: HR practices provide signals and resources, employees form four related cognitions about their work, and these cognitions can influence innovation performance.

### 3.3 Theoretical Extension

The proposed extension is dimension-sensitive and level-specific. It refines AMO by arguing that the three practice dimensions should be considered separately when theorizing their psychological consequences, rather than being collapsed into a single index before their mechanism is examined. It extends the empowerment model by positioning psychological empowerment as the translation process between HR-system features and employee innovation performance. It also makes explicit that individual-level empowerment can plausibly explain individual contributions, while a claim about institutional innovation requires additional team or organization-level theorizing. This integration produces an explanatory sequence: HR practice content shapes employees' perceived meaning, competence, choice, and impact; those cognitions support initiative through idea development and implementation; and the employee's innovation performance may contribute to wider university outcomes when aggregated through suitable processes.

This framework does not imply that the three AMO components are always equally important, that all employees interpret a practice in the same way, or that empowerment fully explains innovation. Direct practice effects remain plausible: skills may improve task quality, incentives may sustain effort, and participation may surface useful information. The proposition is narrower:

psychological empowerment is a theoretically necessary employee-level mechanism for explaining why the AMO system can lead to discretionary, uncertain, and implementation-oriented innovation. The framework therefore treats empowerment as an important pathway without presuming exclusive mediation or universal benefit.

## 4. Conceptual Methodology

### 4.1 Research Design

This paper is a theory-building conceptual inquiry. It does not report a survey, interview study, statistical test, or systematic review. Its aim is to clarify an explanatory mechanism and develop a coherent framework and propositions by critically comparing established concepts and relevant empirical findings. Theory synthesis is appropriate because AMO, psychological empowerment, and employee innovation have been researched in overlapping but partially separate streams, and the paper's contribution lies in specifying their conceptual relations and levels of analysis (Jaakkola, 2020).

### 4.2 Literature Identification and Selection

Relevant literature was identified purposively through targeted searches of scholarly publisher and indexing pages, DOI-linked records, and citation chains. The search emphasis was on foundational work defining AMO, HPWS, empowerment, and workplace innovation; meta-analyses and reviews; and peer-reviewed studies published mainly from 2021 to 2024 that directly addressed HR systems, empowerment, innovation, or higher education. Sources were retained when they clarified a construct boundary, supported or qualified a proposed mechanism, or offered a useful comparison. The process was not designed to identify every article in the field, and no database-wide counts, screening totals, or systematic-review claims are made.

### 4.3 Synthesis and Framework Development

The synthesis proceeded in three conceptual steps. First, the paper separated practice content from employee psychological states and outcomes, distinguishing AMO practices, psychological empowerment, and innovation performance. Second, it compared the mechanisms associated with each AMO dimension and mapped them to the four empowerment cognitions while considering plausible negative or null interpretations. Third, it aligned the level of the proposed outcome with the employee-level mechanism and formulated propositions that can be examined in future research. The resulting framework is a reasoned conceptual model, not an empirical finding; its propositions remain open to testing, refinement, and disconfirmation.

## 5. Conceptual Analysis and Framework Development

### 5.1 The Proposed Framework

The framework positions ability-enhancing, motivation-enhancing, and opportunity-enhancing HPWS practices as three related but distinguishable antecedents. Psychological empowerment is the single mediating construct, specified through meaning, competence, self-determination, and impact. Employee innovation performance is the outcome. The model is situated in the university context, where faculty and professional staff often have specialized expertise but must work within academic, administrative, and resource constraints. The focus is on employees' perceived use of

HR practices and their own innovation-related contributions, not on assigning a university-level innovation score from an individual response.

The system perspective remains important. The model does not assume that each HR practice operates in isolation or that institutions should select one AMO dimension and ignore the others. The three practice bundles can reinforce one another: training makes participation more productive; fair motivation supports sustained effort; and opportunity structures make new skills and effort relevant to real work. At the same time, the framework keeps the dimensions visible so that the psychological conversion pathway can be evaluated rather than hidden inside a composite HPWS score. This distinction offers a way to explain why identical total HPWS scores may produce different employee experiences if their underlying practice configurations differ.

### 5.2 Ability-Enhancing Practices and Psychological Empowerment

Ability-enhancing practices include selective staffing, relevant training, feedback, and development. Their immediate theoretical contribution is to make employees more capable of understanding work problems and evaluating possible solutions. In universities, changes to course design, assessment, research practice, and service systems require domain-specific expertise as well as the confidence to apply it. Relevant learning and constructive feedback can therefore strengthen the competence cognition of psychological empowerment. They may also increase meaning when training connects employees' skills to valued academic or service purposes rather than merely to standardized output targets (Appelbaum et al., 2000; Thomas & Velthouse, 1990; Spreitzer, 1995).

The mechanism is conditional, however. Training that is generic, outdated, or disconnected from actual responsibilities may not make employees feel more competent in the decisions where innovation is needed. Selection practices that emphasize narrow compliance may also build reliable execution while discouraging exploration. Feedback that identifies development needs can support competence; feedback used mainly for ranking or sanction may instead make employees cautious. The distinction between provision and experienced empowerment is central: ability practices should not be treated as empowering solely because an institution records training hours. The relevant theoretical condition is whether employees can recognize that skill development improves their capability and has a legitimate use in their work.

**Proposition 1:** Ability-enhancing HPWS practices are expected to strengthen employees' psychological empowerment, particularly their competence cognition, when skill development and feedback are relevant to the work employees are expected to improve.

### 5.3 Motivation-Enhancing Practices and Psychological Empowerment

Motivation-enhancing practices include fair compensation, recognition, performance appraisal, and advancement linked to contribution. These practices may support empowerment by communicating that employees' work matters and that effort can produce valued consequences. Recognition for useful improvement can reinforce meaning and impact, while fair evaluation may signal that employees' contributions are noticed. When motivation practices align with professional standards and longer-term learning, they can encourage employees to persist through the uncertainty and coordination required to develop and implement an innovation (Appelbaum et al., 2000; Jiang et al., 2012; Amabile, 1988).

A competing interpretation is equally important. Strongly contingent rewards can direct attention toward measurable outputs and reduce willingness to pursue ideas whose benefits are delayed or uncertain. Performance systems that penalize reasonable experimentation may undermine autonomy and increase defensive compliance. Motivation-enhancing practices should therefore not be equated with extrinsic rewards alone. Their empowering effect depends on perceived fairness, transparency, and consistency with the purpose of the work. In universities, recognition systems that value teaching quality, research integrity, service improvement, and responsible experimentation are more likely to reinforce meaning and impact than narrow short-term output measures. Recent evidence on HPWS and work-related outcomes similarly cautions that performance systems can have both motivational and demanding features (Kim & Messersmith, 2023; Zhang et al., 2023).

**Proposition 2:** Motivation-enhancing HPWS practices are expected to strengthen employees' psychological empowerment when appraisal, reward, and recognition practices are experienced as fair and aligned with meaningful contribution rather than as controlling pressure.

### 5.4 Opportunity-Enhancing Practices and Psychological Empowerment

Opportunity-enhancing practices include participation in decisions, role autonomy, voice channels, information access, and discretion over work methods. Of the three AMO dimensions, these practices have the most direct conceptual connection to self-determination and impact. Participation gives employees a route to influence decisions; autonomy allows them to select methods and sequence actions; access to relevant information helps them judge whether an idea is feasible. When such arrangements are substantive, employees can see a path between their own actions and changes in work outcomes (Spreitzer, 1995; Bowen & Ostroff, 2004).

The possibility of token participation limits the argument. A formal committee or invitation to submit ideas does not establish that employees' views affect decisions. Nor is autonomy meaningful if responsibility increases while resources and authority remain unchanged. Opportunity practices can also create role overload when employees are expected to innovate in addition to full workloads. This concern has been raised in research on the potential strains associated with high-involvement and high-performance practices (Godard, 2004; Niazi et al., 2024). The relevant distinction is between nominal opportunity and usable opportunity: employees need scope to make decisions, time to act, and a credible connection between input and institutional response.

**Proposition 3:** Opportunity-enhancing HPWS practices are expected to strengthen employees' psychological empowerment by increasing self-determination and impact when participation and discretion are consequential and supported with the information and resources needed to act.

### 5.5 Psychological Empowerment and Employee Innovation Performance

Psychological empowerment is expected to support employee innovation performance because innovation requires discretionary cognitive and behavioral investment. Meaning encourages employees to treat a work problem as worth addressing; competence supports persistence in developing a workable solution; self-determination allows employees to adapt methods; and impact sustains effort when implementation requires others' cooperation. These cognitions can support

idea exploration, refinement, advocacy, and implementation. They are particularly relevant where employees must balance established university routines with improvements in pedagogy, research administration, student support, and service delivery (Thomas & Velthouse, 1990; Spreitzer, 1995; Scott & Bruce, 1994).

The expected relationship is not equivalent to claiming that empowerment always produces more or better innovation. Ideas need to be useful as well as novel, and implementation must fit professional, ethical, and institutional requirements. Employees who feel empowered may pursue changes that are locally valuable but misaligned with broader priorities; alternatively, they may lack time or implementation support. Empowerment is thus an enabling motivational orientation rather than a substitute for expertise, legitimate governance, or resources. Meta-analytic work on empowerment and workplace innovation provides a broad basis for expecting favorable outcomes, while recent studies of HR systems and creativity-related processes provide more direct but context-bound support for this mechanism (Seibert et al., 2011; Llorente-Alonso et al., 2024; Mirza et al., 2024; Li & Rasiah, 2025).

**Proposition 4:** Employees' psychological empowerment is expected to be positively associated with their innovation performance when empowered employees can direct meaning, competence, self-determination, and impact toward useful work improvements.

### 5.6 The Mediating Process and Residual Pathways

The mediation argument follows from the difference between an organizational input and an employee contribution. AMO practices can increase the resources and invitations available to employees; psychological empowerment explains whether those conditions are experienced as meaningful capability and agency; innovation performance reflects the subsequent contribution to useful improvements. This chain advances existing AMO explanations by specifying a psychological mechanism rather than assuming that skills, motivation, and opportunity automatically become performance. It also advances empowerment research by tying the four cognitions to the distinct functions of HR practice bundles.

The mediation is not presumed to be complete. Ability practices may improve task performance directly by increasing knowledge. Motivation practices may increase effort even when an employee does not report high empowerment. Opportunity practices may surface practical improvements through participation structures. These direct routes should remain estimable in future tests. The proposed claim is that the indirect path through empowerment has theoretical relevance for innovation because employees must interpret the practices as enabling an active role in problem solving. Recent studies connecting HPWS to empowerment and creative process engagement, or to innovation through multiple mechanisms, support the plausibility of a psychological pathway while also showing that the exact mediator and outcome vary by context (Zhang & Bartol, 2010; Bhattacharjee & Sarkar, 2023; Mirza et al., 2024; Li & Rasiah, 2025; Jiang et al., 2024).

Proposition 5: Psychological empowerment is expected to mediate the relationships between (a) ability-enhancing practices and employee innovation performance, (b) motivation-enhancing practices and employee innovation performance, and (c) opportunity-enhancing practices and

employee innovation performance, without necessarily eliminating the direct effects of the AMO practices.

### 5.7 Proposed Conceptual Framework

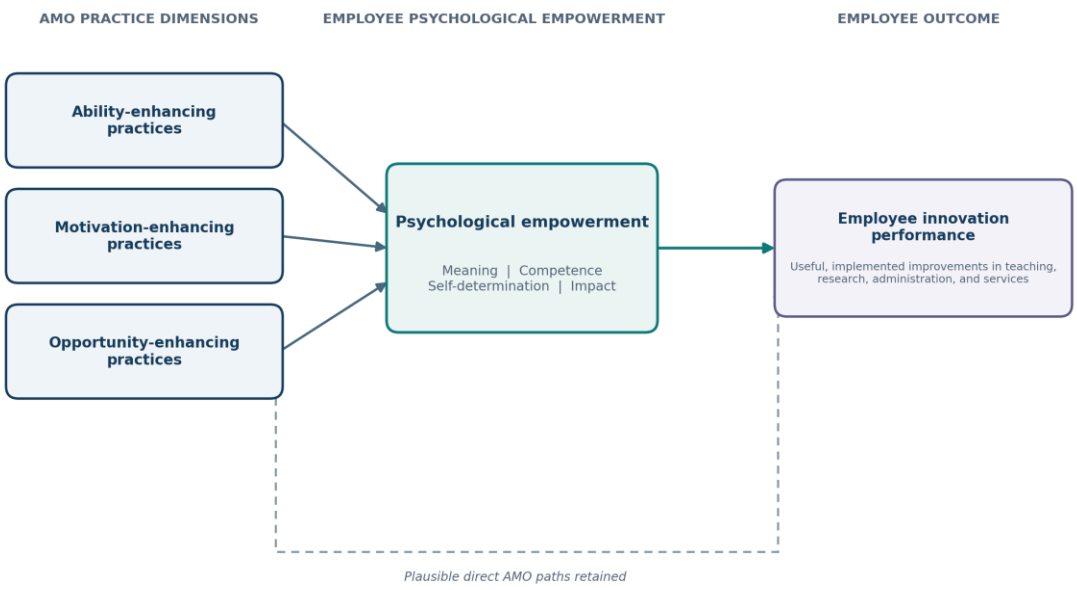



Figure 1: *Proposed Conceptual Framework*

**Table 1:** *Summary of Theoretical Propositions*

| Proposition | Conceptual Relationship | Theoretical Rationale |
|---|---|---|
| **P1** | Ability-enhancing practices → PE | Relevant development and feedback can strengthen competence and connect employee capability to meaningful work. |
| **P2** | Motivation-enhancing practices → PE | Fair, aligned recognition and appraisal can reinforce meaning and impact; controlling rewards may weaken the effect. |
| **P3** | Opportunity-enhancing practices → PE | Consequential participation, discretion, and information access can strengthen self-determination and impact. |
| **P4** | PE → employee innovation performance | Meaning, competence, self-determination, and impact can sustain the discretionary effort needed to develop and implement useful changes. |
| **P5** | Ability-, motivation-, and opportunity-enhancing practices → PE → employee innovation performance | PE explains how distinct AMO inputs may be internalized as agency and translated into innovation contributions; direct paths may remain. |

## 6. Discussion

### 6.1 Interpretation of the Conceptual Argument

The framework suggests that HPWS do not promote employee innovation performance simply by existing as an institutional package. Their influence depends on the conversion of practice content into employees' experience of meaning, competence, self-determination, and impact. This account explains why practices grouped under one umbrella can produce different outcomes. Skills development may increase perceived capability; recognition may reinforce the value of contribution; and participation may create a sense of choice and influence. The employee-level sequence helps connect strategic HRM with the cognitive and motivational processes through which innovation work is initiated and sustained.

This model also revises a common reading of AMO. The three dimensions are complementary system features, but their effects need not be uniform. A training-heavy system may improve competence yet leave self-determination low. A reward-heavy system may increase effort but make experimentation feel risky if the evaluation regime penalizes failure. A participation-heavy system may invite contribution but frustrate employees when decisions are not responsive. The cognitive empowerment model makes these distinctions visible and helps explain why the same practice can be experienced differently across roles and institutions (Thomas & Velthouse, 1990; Bowen & Ostroff, 2004; Llorente-Alonso et al., 2024).

### 6.2 Relationship to Existing Scholarship

The framework supports the systems perspective in strategic HRM: coordinated practices can create a stronger basis for workforce capability and performance than disconnected practices. It also aligns with research arguing that HR systems influence outcomes through proximal employee responses rather than through a direct, unexplained jump from policy to firm performance (Jiang et al., 2012; Kehoe & Wright, 2013). Recent work on AMO and innovation performance illustrates that the three practice dimensions can be relevant to innovation, while research on HPWS and

psychological empowerment shows that an empowerment pathway is plausible (Alkhalaf & Al-Tabbaa, 2024; Mirza et al., 2024).

The paper challenges two simplifying assumptions. First, it rejects the idea that an HPWS label guarantees an empowering employee experience. Research on system implementation, employee attributions, work intensification, and well-being indicates that HR practices can be interpreted as developmental, supportive, demanding, or controlling depending on their enactment and consequences (Nishii et al., 2008; Godard, 2004; Kim & Messersmith, 2023; Niazi et al., 2024). Second, it rejects the conflation of individual innovation performance with organizational innovation. A university may benefit from employees' innovations, but the organizational outcome depends on coordination, adoption, diffusion, and institutional capacity. The proposed employee-level model explains one contribution to that broader process, not its entirety (Crossan & Apaydin, 2010; Anderson et al., 2014).

### 6.3 Theoretical Contributions

The first contribution is to AMO theorizing. The paper moves from classifying HR practices to explaining their psychological conversion. It identifies distinct links between ability, motivation, and opportunity practices and empowerment cognitions, allowing later research to examine which bundle activates which element of employee agency. This helps avoid the assumption that an overall HPWS score has a single psychological meaning.

The second contribution is to empowerment research. Psychological empowerment is positioned as a mechanism connecting work system design with employee innovation performance, while maintaining the distinction between formal structural practices and subjective cognitions. The model also treats meaning, competence, self-determination, and impact as complementary components of a global empowerment orientation rather than interchangeable labels. This is consistent with the construct's theoretical foundations but gives the dimensions a specific role in explaining innovation-related work.

The third contribution concerns level-of-analysis discipline. The model defines the outcome at the employee level, where empowerment is located and where individual contributions can be assessed. Organizational innovation can be addressed later through multilevel extension, including team-level adoption and institution-level implementation. This clarification improves conceptual validity and helps prevent claims that an individual questionnaire directly captures university-level performance.

### 6.4 Practical and Managerial Implications

University leaders and HR units should design AMO practices as a coherent system and assess whether employees experience them as usable. Ability practices should offer role-relevant development and feedback, with opportunities to apply learning to teaching, research, or services. Motivation practices should recognize responsible improvement and avoid appraisal criteria that reward only short-term volume. Opportunity practices should give employees meaningful participation, clear decision rights, access to information, and sufficient time and resources to implement improvements. These implications follow from Propositions 1–3: the practices matter insofar as they support competence, meaning, self-determination, and impact.

Managers should also track the path from practice to experience to outcome. A university can separately review whether training is relevant, rewards are fair, employee input affects decisions, and employees feel capable of improving their work. This diagnosis is more actionable than treating low innovation as proof that staff lack motivation. Where employees report high formal participation but low impact, leaders can examine decision follow-through. Where training is extensive but competence remains low, they can examine relevance, feedback, and workload. Such assessment should preserve academic and professional standards while making room for responsible experimentation. The framework does not promise that any one HR intervention will produce innovation; it identifies the employee perceptions through which interventions may become productive.

### 6.5 Limitations and Future Research

The framework is conceptual and has not been empirically validated. Its argument assumes that employees can distinguish the organization's AMO practices and that psychological empowerment can be modeled as a mediator between those practices and innovation performance. Both assumptions require testing. Future studies should use measures that distinguish employee perceptions of ability-, motivation-, and opportunity-enhancing practices, assess all four dimensions of psychological empowerment, and define innovation performance at a level consistent with the respondent. The three autonomy-only items used for psychological empowerment in the source thesis do not represent the full four-dimensional construct; a new study should use a validated multidimensional measure or explicitly narrow its construct claim.

Empirical work in Pakistan's public and private universities should sample faculty and professional staff across institutions and job families rather than assuming homogeneous practice experiences. A time-lagged design could measure perceived HR practices, empowerment cognitions, and innovation performance in separate waves; supervisor or peer ratings could reduce reliance on a single respondent. Multilevel models could test whether shared institutional practice strength predicts employee empowerment and whether employee innovation aggregates into team or university outcomes. Comparative designs could examine public–private differences, disciplinary variation, and differences between teaching, research, and administrative roles. Finally, future studies should test nonlinear or adverse pathways where intensive performance management increases workload or reduces autonomy, and examine whether practice coherence, implementation consistency, or professional autonomy explains such differences (Bowen & Ostroff, 2004; Kim & Messersmith, 2023; Jiang et al., 2024).

## 7. Conclusion

This paper develops a conceptual explanation of how high-performance work systems may shape employee innovation performance in universities through psychological empowerment. AMO practices provide different inputs: ability practices build capacity, motivation practices reinforce willingness and value, and opportunity practices enable action. These inputs do not automatically become innovation. Employees must experience work as meaningful, feel competent, have discretion to act, and believe their actions can matter. Psychological empowerment therefore offers a theoretically grounded bridge between HR system design and employee innovation contributions.

The framework's main advancement is to specify this bridge without collapsing the three AMO dimensions or confusing employee-level innovation performance with university-level innovation. It also recognizes that performance systems can empower or constrain depending on how they are enacted and experienced. Future empirical work should test the proposed paths with multidimensional empowerment measures, temporally separated data, and outcome measures appropriate to faculty and professional staff. The model offers a focused basis for explaining how university work systems may turn employee capacity and discretion into useful, implemented improvements.

**Disclosure Statement**

**Conflict of Interest**

The authors declare that they have no financial, professional, technological, commercial, institutional, or personal conflicts of interest that could have influenced the content, interpretation, or conclusions presented in this article.

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**Data Availability**

No new clinical, experimental, or patient-level datasets were generated or analysed during this study. All information discussed in the review was obtained from the published literature and publicly available sources cited in the manuscript. Additional information relating to the review may be obtained from the corresponding author upon reasonable request.

**Informed Consent**

Not applicable. No patients or other human participants were recruited, and no identifiable personal or clinical information was collected or analysed for this review.

**Use of Generative AI**

Consistent with the guidance of Egan et al. (2025), we disclose that ChatGPT (OpenAI) was used solely for copyediting and language refinement purposes to improve clarity, readability, grammar, sentence structure, and consistency of expression. All substantive aspects of the study, including the conceptualization of the research idea, theorization, development of the research model, methodology, data analysis, interpretation of findings, and development of conclusions, were independently conducted and reported by the authors.

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