



Our people are the key to increased productivity, creativity and profit. Having the right people, with the right skills in the right roles is critical in all aspects of HR management from recruitment to exit management.

Absenteeism, employee turnover, poor job match, poor work ethic, and weak managers, are some of the factors that contribute to substandard productivity. Today's global business leaders depend on significant productivity increases to maximize the bottom line.

Consequently, employees are asked to do more each day with fewer capabilities, resulting in a mismatch of resources and loss of productivity. Fortunately, employee productivity increases can be achieved by knowing more about your employees and what motivates them.

Creating a work environment in which employees are productive is essential to increase profits for your organization, corporation or small business. Principles of management that dictate how, to maximize employee productivity center around two major areas of focus: personal motivation and the infrastructure of the work environment.

## What is productivity?

A simple way of looking at productivity in a business organization is to think of it in terms of the productivity model below:

Essentially, productivity is a ratio to measure how well an organization (or individual, industry, country) converts input resources (labor, materials, machines etc.) into goods and services.

This is usually expressed in ratios of inputs to outputs. That is (input) cost per (output) good / service. It is not on its own a measure of how efficient the conversion process is.

The Productivity Conceptual Model below can be metaphorically described as a 'productivity tree'. The roots denote the inputs to the system, the trunk the conversion process and the foliage and fruits the systems outputs.

The successful management of this process is ultimately the key to survival of any organization. It should be the concern of and a development goal for all organizational members, irrespective of their position.

Earlier the role of the HR department in most companies has primarily been recruitment. Their function was restricted to finding the right talent, recruiting them, giving them a basic introduction to the company and addressing issues from time to time. But now this role is growing.

With people being a company's biggest asset, it has become essential, if not critical for companies to keep their employees satisfied and fulfilled in order to achieve maximum productivity from them. This is where HR has a significant and crucial role.

Gone are the days when the head of HR department in any company would be perceived in a supporting role or merely an administrative manager. The contemporary HR heads are the essential part of senior management, reporting to the senior line executive and participating in the executive decision process.

Creating a work environment in which employees are productive is essential for the growth and development of any organization. For obvious reasons, Employee productivity usually revolves around two major areas of focus: personal motivation and the work environment (including infrastructural facilities).

Personal motivation encompasses a wide range of areas like the current role, career progression, training, appreciation, compensation and benefits, culture, value etc.

Infrastructure includes the actual physical layout of an office, facilities, hardware and software, communication equipment, etc.

The biggest challenge that affects employee productivity is when they start thinking 'Where do I go from here?' this usually arises when an employee feels stagnant and is not stimulated by the work they are doing".

But having said the above it would not be erroneous to state that happy workers may not necessarily be productive workers. At the individual level, the evidence suggests the reverse to be more accurate that productivity is likely to lead to satisfaction.

If we move from the individual's level to that of the organization, there is renewed support for the original satisfaction –performance relationship. When satisfaction and productivity data are gathered for the organization as a whole, rather than at the individual level, we find that the organizations with more satisfied employees tend to be more effective than organizations with fewer satisfied employees. It may well be that the reason we have not got strong support for the 'satisfaction causes productivity'.

Studies have focused on individuals rather than on the organization and at individual level measures of productivity do not take into consideration all the interactions and complexities in the work process. So although we might not be able to say that a happy worker is more productive, it might be true that happy organizations are more productive.

If the HR department wants to achieve a strategic role in improving an employee's productivity, it needs to be sensitive to their requirements, proactive in understanding the issues that employees may face and address them. It should work towards providing an environment that is not only conducive to work in, but also clearly defines roles and

responsibilities of each individual and relating his/her contribution to the bigger organizational picture.

The HR staff can play a vital role in making sure employees are psychologically ready to hear and support the mission, values and goals of the organization.

Employee productivity is directly related to the growth of the company. The role of HR in such situations is critical. Very often as a company is growing and new recruits come on board the HR team has a crucial role to play in keeping the culture of the company intact and introducing the new joiners to the company's traditions.

We see that today that the transformation of organizations and leadership hold the key to success. For this, the role of the HR strategists as facilitators and catalysts is crucial. It is they who can develop a self sustaining culture of continuous learning, nurturing creativity and shared goals. Hence a strong HR department is essential for the healthy growth and success of the organization.

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#### About the Author

**Syed Imtiaz Hussain** is Head of HR & Administration in one of the leading multinational Company. As a member of top management team; he develops a highly professional A-Class HR environment in the organization by utilizing his vast practical and visionary experience of HRM and HRD.

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