

Impact of different factors on Employees efficiency

Dr. Shalaka Sakhrekar

Associate Professor, SKN Sinhgad School of Business Management.
sakhrekar@yahoo.co.in

ABSTRACT

Employee's efficiency is the major focus of Organizational behavior because of its effect on overall performance of the organization. Employee's efficiency is considered as very desirable factor because it is associated with other organizational factors such as organizational performance quality, Organizational citizenship and low job turnover rate.

When employee's efficiency is weak, it results in many negative consequences that lead to the deterioration of an organizational performance. In order to overcome such disadvantages, many business organizations assume the social responsibility to its employees by way of developing various measures, to create satisfaction in their employees, and create positive attitudes towards the organization which motivate acceptance of the organizational values and goals and motivate them to do the best they can for the benefit of the organization and promote their intention to stay as an active member of the organization.

This study has conducted for finding out the factors which has influence on employee's efficiency. So that in future organizations will work on these factors and improve the situation.

Keywords: Employee's efficiency, influencing factors etc.

INTRODUCTION:

Employee Efficiency:

Creativity, innovation and efficiency are crucial for the success of an organization. Efficiency is assessed by performance criteria of keeping work on schedule and within budget. It is best predicted by carefulness – careful employees are typically competent, dutiful, self-disciplined and strive for achievements. The main characteristic of work related careful is the will to achieve. Organizational efficiency is often measured by meeting budget and time constraints.

Performance Efficiency

The interaction between carefulness and outcome orientation yield positive effect on performance efficiency. The most efficient employees are those who scored high on carefulness and worked in an outcome oriented culture.

Attention –to- detail as a personal characteristic has a negative impact on efficiency. Paying attention to detail is time consuming, while efficient performance is about fast processing of products and services.

Initiative has a positive effect on efficiency performance as it also has a positive effect on innovation. Employees having high initiative were motivated to “move things forward” and to ensure their actualization, and hence, reach high efficiency levels and high levels of innovation.

Individuals also need to have strong cultural values to prevent them from lowering their performance. Innovative performance does not adversely affect quality and efficiency and these performance outcomes are generally positively related. Initiative is the necessary condition for creativity to affect innovation. Creative people are always highly innovative. Creative people can implement their ideas and produce innovative products when working in an environment that

supports innovation. Other personal characteristics become important for the attainment of performance quality and efficiency. Conformity is important for reaching higher performance quality and carefulness is necessary for maintaining high levels of work efficiency. Of all the personal characteristics, initiative is the one that contributes to both innovation and efficiency, in both cases by helping move things forward.

Employee Efficiency and Productivity Calculations

In case of labour intensive business and small scale business, labour cost is the more significant factor. Although wages and salaries comprise major line – item expense for most retail and small scale manufacturing units, still labour tends to be responsive to efficiency and productivity improvements. To reduce labour cost, entrepreneurs should measure employee efficiency and set aggressive targets of performance to get maximum contribution from labour input.

Measuring Efficiency

Efficiency is a ratio of an employee's actual time to perform each unit of service against the theoretical time needed to complete it. It is helpful to separately report the percentage of an employee's paid time that is actually spent performing direct work. A good system of calculating employee efficiency distinguishes the importance of activities, accomplishments and outcomes.

Measuring Productivity

Productivity is the amount of units of product or service that an employee handles in a defined time frame. Productivity is the basic measure of employee work output. Some industries have basic benchmarks already established. However most of the companies have to establish for themselves how long basic tasks should take and set performance targets accordingly. The task of baseline measuring is done with a time study which averages the amount of time that transactions take as compared to the amount of time in which an average employee performs the task.

Longitudinal Reporting

The real benefit to measuring employee efficiency is in longitudinal reporting. Calculating efficiency over a period of time can identify opportunities to reorganize staff or add or remove employees. That constitutes company's' volume of business and an individual employee's long term productivity can factor in to merit increases and bonuses.

Standardization for Increased Productivity and Efficiency

All businesses aim at boosting productivity and efficiency while reducing errors and accidents. Standardization is an effective way to increase productivity and efficiency, since it defines expectations, formalizes processes and creates accountability. But standardization tends to reduce opportunities for creativity and individual decision making. One of the key roles of standardization is that it creates routine procedures that can be followed by employees to complete tasks and responsibilities.

Measures to Improve Employee Efficiency and Productivity

Bruce Clarke (2012)³⁵ has laid down certain high level principles, and there are several strategies and approaches available for implementation of these principles.

1) Make it easy for employees to communicate with each other. Build an infrastructure that allows server and email access, no matter what the individual's location is, whether at home, office conference room, training room, airport or Taxi. Encourage employees to share their cell phone numbers with coworkers so that they can be connected even when they are out of the office.

All workers should respect privacy of their coworkers and keep cell phones confidential. An open door policy is most effective when the manager can be reached via e-mail, phone, and text messaging and other means.

2) Provide Employees with Good Working Environment.

Establish methods for employees to indicate their unavailability for meetings, contact or interruptions during times when concentration is necessary.

Discuss with employees why they need to be more effective at their jobs as their ideas may be different from what a manager may think.

Design and implement an efficient electronic filing system to share the information and reduce the time required for mutual handling.

3) Create a Company Culture Community

Provide opportunities where individuals can share their personal experiences or skills. The ways in which people collaborate or fail to collaborate depends on the company culture, which consists of employees' daily interactions, habits, language, and manner of dressing, decision making practices and attitudes. Take time to help employees build a great culture. Performance issues, abusing of free time, inter personal conflicts, time wasting repeated instructions, petty complaints etc reduce productivity. All time employees should be used productively. Keep morale at high level. Strides procedure and policies be considered and employee's feedback is frequently taken of them. A good system of calculating employee efficiency distinguishes the importance of activities, accomplishments and outcomes. Payment system is the first step in rewarding employee efficiency. Payment of only salary results in minimum amount of work required as no reward is provided for doing more work. Better learn what employees need on regular basis and make it available to them. Make people aware of the system and how they fit in to it. Promote working as team use employee monitoring software to enhance staff efficiency. Let all the employees be aware of the fact that efficiency is ability to complete a job with minimum time, money and effort and increase in efficiency of employees is beneficial not only for the organization but also for the employees and the society as a whole.

LITERATURE REVIEW

Mansor M and Tayib M ¹

A study conducted in 2010 and it has examined culture, employee job stress and job satisfaction within the indirect tax administration in Malaysia. Data for this study was collected through a questionnaire survey from the tax employees of the organization. As per their opinion, certain cultures lead to superior performance. The study on culture and behavior has received widespread attention by management scholars. The results of the study signified that action needs to be taken to change the department's culture orientation, reduce employees' stress and improve employees' satisfaction.

Khan M R, Ziauddin and F A Jam ²

A study conducted in 2010 investigated the impact of organizational commitment on employee job performance from a sample of 153 public and private sector employees of oil and gas sector in Pakistan. The results revealed a positive relationship between organizational commitment and

employee's job performance. In the comparative analysis of three dimensions of organizational commitment, normative commitment has a positive and significant impact on employee's job performance. It was also revealed that the demographic variables such as age of the respondents, both in public and private sectors, has no significant variation in job performance. However the respondents with age group below 25 years have high performance as compared to other age categories. Males are observed to be higher performers vis-à-vis females, and private sector employees exhibited high sense of performance levels than employees in the public sector.

Lasun Gbadamosi and Nwosu Jonathan Chinaka³

Study conducted in 2011 examined the prediction of organizational politics, turnover intentions, organizational commitment and employees' efficiency and effectiveness in the academic field. It used 200 randomly selected employees of Babcock University, Ilishan, Nigeria. The age range of the respondents was 25 to 53 years with a mean age 36.1 and standard deviation 3.01. The ex post facto research was employed. Three standard instruments, namely, Perception of Organizational Politics Scale (POPS) by Kaemar and Carlson (1994), Organizational Commitment Scale by O.Driscoll and Benhrs (1994), and the respondent's annual performance evaluation report were used in generating data for the study. Data analysis included the use of correlation and multiple regressions. The results indicated the predicted variables combined and separately made significant contribution to the prediction of criterion variables. High and positive correlations were found between organizational politics and turnover intention, work efficiency and organizational commitment. On the basis of the findings it was suggested that a happy employee is a better employee.

Sayed Akif Hasan and Muhammad I.S.⁴

The study conducted in 2012 investigated the effects of top level management's spying/snooping in the organization on employees' productivity, job commitment. For the purpose of the study, a sample of 3500 employees, via self administered survey technique, was analyzed. They concluded the approach of top level management to snoop/spy on the employees' productivity and job commitment affects adversely on the employees. Communications of information through informal sources and by passing hierarchical levels are devastating in numerous ways. Such acts affect employee productivity and job commitment. Thus snooping over employees especially through other co-workers and employees has more adverse impact on employees' productivity and Job Commitment. The key factors were stress, depression, mental illness and de-motivation and peer-competition. It gives birth to politics within the organizational culture and more business communication conflicts occur when the sources of snooping through coworkers and other means were revealed to the employees.

Bhatti K K and Qureshi T M⁵

A study conducted in 2007 determined the impact of employee participation, job satisfaction, productivity and commitment. They all can create a comparative advantage for the organization. They tried to establish a relationship among employee participation, job satisfaction, and employee productivity and employee commitment.

Gholamreza Jandaghi, Ali Mokhles and Hamid Bahrami⁶

The study was conducted in 2011 to explore the impact of job security on employees' commitment and job satisfaction in municipalities. A competent and skillful human force is a valuable and unfinished factor in growing and developing organizations. Necessary data was collected from 158 municipality's employees with the help of questionnaire. Here researcher has got the findings that the organizational commitment and job satisfaction among permanent employees were higher than contractual employees.

Habib A, Khursheed A and Idrees A S ⁷

Study conducted in 2010 and made an attempt to test interdependency of job satisfaction and job performance, effect of organizational commitment and attitude towards work on job satisfaction and impact of organizational commitment and attitude towards work on performance. This study is for checking the relationship between these four variables. It also studied the effect of demographic variables like gender, income, age, department and education of the respondents on the above said variables. For this study data was collected from 310 employees of 15 advertising companies of Islamabad (Pakistan). And analysis results are : Female employees as compared to their male counter parts were more satisfied. Employees having greater commitment perform well and employees having good attitude towards work were highly satisfied as compared to employees who were less inclined towards their work.

Luqman Oyekunle O, Bolaji S and Abubakar M ⁸

Study conducted in 2012 and examined the major variables affecting job satisfaction amongst Quantity surveyors working in Nigerian public sectors at federal level. Their research revealed that quantity surveyors in public service are more satisfied with, when adequate recognition is given and opportunities for advancement are encouraged.

Ella Miron, Miriam Erez and Eitan Naveh ⁹

Study was conducted in 2004 and studied whether the same personal and contextual characteristics that enhance innovation could also contribute to quality and efficiency. Therefore employees are required to be creative. 349 engineers and technicians participated in the study. Here results are : an innovation culture does not necessarily complete with a culture of quality and efficiency.

Reddy Anuradha ¹⁰

Study conducted in 2011. It is important to learn the importance and impact of culture on performance management in organizations. Reddy has analyzed the impact of culture and cultural dimension on performance management in UAE organizations. Cultural dimensions have shown their impact on performance management in UAE. The MNC's that have parent company in other than UAE will have top executives from the parent country, their performance will depend upon the extent to which they are knowledgeable and imparted training regarding the UAE cultures. Arabs are known for their informal, relaxed behavior, good manners and consideration of others. There is a strong vertical hierarchy in most Emirates companies. Arabs by nature are trust worthy and they are not comfortable with low trust. The human resource policies are implemented with difficulty in case of multinational companies as such companies try to implement global strategies. The studies of HRM show that strategic factories influence international human resource management. The policies and procedures are need to be shaped in such a way that it combine with both the countries. The most important explanatory is subsidiary role and national culture of the country of origin. This carry significance as organizational capabilities of the subsidiary companies increase, the role of subsidiary employee in achievement of corporate objectives also increases.

Lather A S, Abha Kumar and shilpa Jain ¹¹

Study conducted in 2012 and studied the effect of various dimensions of work culture on employee performance. The sample comprised 199 managers at different levels in a Delhi Metro Rail Corporation (DMRC). The results suggested that an organization with warmth and support provided by the manager's boost the performance of its associates, as everyone desires to work in an organization with adequate support and warmth from managers, which creates a sense of security from superiors. The results also show that the high degree of structure lowers the

employee performance. This implies that associates do not want to be supervised closely and a strong check on their behavior makes them uncomfortable, which immediately lowers their performance.

RESEARCH METHODOLOGY

Objectives: To study the factors influencing the Employee's efficiency.

Research Design:

Type of the Research: Explorative

Sample of the study: The study was conducted using the survey method. The random sampling method was used to select 100 faculty members from management institutions.

Method of data collection: For the purpose of present study necessary data was collected from both, the secondary sources and primary sources.

Secondary sources: The secondary data of this study includes books, articles in periodical, newspapers, research paper, and journals. It also includes the data collected from the internet.

Primary Data was collected through a structured questionnaire, interview and observation method. In this section questions has been asked to the respondents related to efficiency. The researcher asked the respondents to fill up the questionnaire. The responses received from the respondents were analyzed and tabulated by using Likert scale, ranging from strongly agree(-2) to strongly disagree(2).

Sample Size: Total sample size for this study was 100 respondents. Out of that 20% of the sample was interviewed. And are selected **by** Random Sampling method.

Statistical tools: Various statistical tools are used for analysis of data. These tools includes percentage, mean, Factor analysis method etc.

Responses to the 12 questions related to Efficiency of the faculty members were collected on a five-point scale and the data so collected were subjected to Principal Component Analysis with Varimax rotation.

All the components are having extraction values greater than 0.5 which indicates that all the variables are important. These variables are influencing efficiency of faculty members. To segregate important factors together, factor analysis is conducted. With the help of which we can categorize these multiple factors in 3 to 4 variables. Rotated component matrix is helping us in deciding these categories.

Table 2
Rotated Component Matrix

	Component			
	1	2	3	4
ee_1_Not to work under stress	.712	-.038	-.270	.106
ee_2_Hectic Work life schedule	.874	.012	-.029	-.149
ee_3_Satisfaied with job	.843	.232	.162	.041
ee_4_Easily communicate with colleagues	.375	.698	.320	.174
ee_5_Good working environment	.440	.653	.259	.382
ee_6_Friendly relationship with colleagues	-.127	.923	.091	.195
ee_7_Management helps to do the job effectively	.539	.544	.077	-.218
ee_8_Achievements are recognized by the Institute	-.175	.442	.660	.169
ee_9_Specific performance evaluation method	.026	-.002	.839	.315
ee_10_Except teaching hours, remaining time for self development	.011	.196	.869	-.005
ee_11_Follows standard policies and procedures	.086	.147	.111	.898
ee_12_Regular feedback	-.148	.145	.191	.816

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

ee_1_Not to work under stress	1.000	.592
ee_2_Hectic Work life schedule	1.000	.786
ee_3_Satisfaied with job	1.000	.792
ee_4_Easily communicate with colleagues	1.000	.761
ee_5_Good working environment	1.000	.833
ee_6_Friendly relationship with colleagues	1.000	.914
ee_7_Management helps to do the job effectively	1.000	.640
ee_8_Achievements are recognized by the Institute	1.000	.690
ee_9_Specific performance evaluation method	1.000	.804
ee_10_Except teaching hours, remaining time for self development	1.000	.794
ee_11_Follows standard policies and procedures	1.000	.848
ee_12_Regular feedback	1.000	.746

Extraction Method: Principal Component Analysis.

a. Rotation converged in 5 iterations.

The first factor extracted is termed as “**Stress free environment**”.

Component 1 (Stress free environment):

ee_1_Not to work under stress
ee_2_Hectic Work life schedule
ee_3_Satisfied with job

The second factor extracted is termed as “**Cordial Relationship**”.

Component 2(Cordial Relationship):

ee_4_Easily communicate with colleagues
ee_5_Good working environment
ee_6_Friendly relationship with colleagues
ee_7_Management helps to do the job effectively

The third factor extracted is termed as “**Performance Management system**”.

Component 3(Performance Management system):

ee_8_Achievements are recognized by the Institute
ee_9_Specific performance evaluation method
ee_10_Except teaching hours, remaining time for self development

The fourth factor extracted is termed as “**Standard policies and procedures**”.

Component 4(Standard policies and procedures):

ee_11_Follows standard policies and procedures
ee_12_ Regular feedback

Findings related to Employees’ efficiency:

The objective of present study is to understand employee efficiency of faculty members. The findings of the analysis are as under:

1. Most of the respondents were opinioned that they were not working under stress. Researcher has observed that various factors were responsible to increase the stress. Heavy work load was increasing the stress. Difficulty in managing work balance was also one of the factors which was increasing the stress level. In maximum management institutes there were no job security and which leads to high stress level, salary structure was not competitive in management institutes.
2. Most of the respondents were expressed that their work life was very hectic.
3. Most of the respondents were not satisfied with their job. To find out the reason of dissatisfaction of the respondents the researcher posed this question to the faculty members while interviewing them, they told that management is compelling them to handle multiple activities at a time, their working hours are too lengthy, sometimes it exceeds 10 hours, their salary structure is not competitive.
4. Most of the respondents felt that their relations with colleagues were not such which allowed them to communicate easily. Most of the respondents thought that institute was unable to provide good working environment.
5. Most of the respondents felt that their achievements were not properly recognized by the institute.

6. Most of the respondents were expressed that their institute was not applying proper scientific performance evaluation method.
7. Most of the respondents were unable to devote any time for self-knowledge development.
8. All faculty members under study had expressed that institute was not having any standardized procedures and policies.
9. Most of the respondents opinioned that continuous feedback pattern was not followed in their institute.

FULFILLMENT OF OBJECTIVES:

The objectives of the present study were as follows:

1) To study the factors influencing the employee efficiency.

The researcher carried out the survey using questionnaire, conducting interview, and observation. The responses received from the respondents of the study have helped the researcher to know the factors influencing employee's efficiency. (Ref. : **Table 1**) The responses also help the researcher to know the areas where organizations have to work for increasing the efficiency.

CONCLUSION AND SUGGESTIONS:

Institutes have to work on following factors:

- **Stress free environment**
- **Cordial Relationship**
- **Performance Management system**
- **Standard policies and procedures**

REFERENCES:

- 1) Muzainah Mansor and Mohamad Tayib (2010) An Empirical Examination of Organisational Culture, Job Stress and Job satisfaction within the Indirect Tax Administration in mayalasia". 'International Journal of Business and Social Science' Vol 1, No 1 pp 81-95.
- 2) Khan M R, Ziauddin, Jam F A and Ramay M I(2010), 'The Impacts of Organisational Commitment on Employee Job Performance' European Journal of Social Sciences Vol 15, No 3, pp.292-298.
- 3) Lasun Gbadamosi and Nwosu Jonathan Chinaka (2011): "Organizational Politics, Turnover Intension and Organisational Commitment as Predictors of employees' Efficiency and Effectiveness in Academia". Proceedings of Informing Science and IT Education Conference (in SITE) 2011 pp: 305-314.
- 4) Syed Akif Hasan and Muhammad Imtiaz Subhani(2012) "Top management's snooping: is sneaking over employee's Productivity and Job Commitment a wise approach". African Journal of Business Management Vol 6 (NO 14) pp 5034-5038 pp 5034-5038.
- 5) Komal K Bhatti and Tahir M.Qureshi (2007): "Impact of Employee Participation on Job Satisfaction, Employee Commitment and Employee Productivity". International Review of Business Research Papers Vol 3(No 2) June pp 54-68.
- 6) Gholamreza Jandaghi, Ali Mokhles and Hamid Bahrami (2011): "The Impact of Job Security on employees' Commitment and Job Satisfaction in QOM municipalities". 'African Journal of Business Management' Vol 5 (No 16) pp 6853-6858, August.

- 7) Habib Ahmad, Khursheed Ahmad and 1 dress Ali Shah (2010): "Relationship between Job satisfaction, Job performance, Attitude towards work and organisational commitment", 'European Journal of Social Sciences' Vol 18 (No 2) pp 257-267.
- 8) Luqman Oyekunle Oyewobi, Bolaji Suleiman and Abubakar Muhammad-Jamil (2012): "Job Satisfaction and Job Commitment: A study of Quality Surveyors in Nigerian Public Service", "International Journal of Business and Management" Vol 7(No5) pp 179-192.
- 9) Ella Miron, Miriam Frez and Eitan Naveh (2004): "Do personal characteristics and cultural values that promote innovation, quality and efficiency compete or complement each other?" Journal of Organizational Behavior, Vol 25 pp 175-199.
- 10) Anuradha Reddy (2011): "Cultural Dimensions and Impact on Performance management". 'International Journal of Multidisciplinary Research' Vol.1, No 6 October.
- 11) Lather A S, Abha Kumar and Shilpa Jain (2012): "Perception of work culture and its impact on performance in DMRC". 'Indian Journal of Marketing'. August.
- 12) Cinni K R (2014): "Job satisfaction in Information Technology Industry: A study in Kerala", 'Journal commerce and Management Thought' Vol 1, No 1, pp 76-90.
- 13) Gopala Sharma JSV (2012): "A study on Significance of Job Satisfaction and Commitment of Employees in small scale Industries" IOSR, Journal of Business Management Vol 2 (No 6) , August pp. 45-52.
- 14) Virk Harjeet Kaur (2012): Experience and educational level on Job Satisfaction of Telecom executives", 'Management and Labour studies', Vol 37(No 3) August pp 209-217.
- 15) Ramesh G and Vasuki K (2013): "Addressing Employee's underperformance by Nurturing a Positive Work environment", 'Journal of Commerce and Management Thought' Vol IV (No I).
- 16) Gujan M S and Azmi F T (2012): "Job satisfaction as a mediator in the Relationship between Job factors and Organisational Commitments. A case study of B-school Teachers" in 'IMS Manthan', Vol VII (No 2) December pp 75-86.
- 17) Peters, T.J. & Waterman, R.H. (1982). In search of excellence: lessons from America's best-run companies. New York: Harper & Row, p. 75.
- 18) Ouchi, W (1981), 'Theory Z' Reading M A, Addison – Wesley Publishing Company.
- 19) Peters, T J and Waterman, R H (1982), op-cit , p 75 - 83.
- 20) Fey, C F and Denison, D R (2003), Organisational Culture and Effectiveness: can American Theory be applied in Russia, Organisational Science, Vol 14 No 6, pp 686 – 706.
- 21) Potter, L (2003), The Communicator as gardner, Communication World Vol 20 No 2, pp 14 – 17.
- 22) Mullins (1999), Management and Organizational Behaviour, London: Financial Times Pitman, p 806.
- 23) Hofstede, G (1990), op-cit, pp 37 – 43.
- 24) Saiyadin (2003), Organizational Behaviour, Tata McGraw-Hill Education, P 258.
- 25) Shepard (1965), Changing Interpersonal and Intergroup Relationships in Organizations, In Handbook of Organizations, ed. James G. March, pp. 1115-1143. Chicago: Rand McNally,
- 26) Schwepker, J. (2001) , Ethical Climate Relationship to Job Satisfaction, Organizational Commitment and Turnover Intension in the Sales force, Journal of Business Report Vol 54, pp 39 – 52.
- 27) Zeinabadi, H (2010) , Job Satisfaction and Organizational Commitment as Antecedents of Organizational Citizenship behaviour (OCB) of Teachers, Procedia social and Behavioral sciences Vol 5, pp 998 – 1003.
- 28) Argyris (1998) , Integrating the Individual and the Organization, Transaction Publishers,

29) BruceClarke:

http://www.corpmagzine.com/management/human_resources/itemid/9265/pageid/2/maximize_employee_efficiency_and_productivity.html