

Factors Influencing Employee Job Performance –A Theoretical Study

Dr. V.P. Matheswaran¹, K. Nithya²

¹Associate Professor, University of Madras, Dept. of Adult and Continuing Education

²M.Phil, Research Scholar, University of Madras, Dept. of Adult and Continuing Education

Abstract- Human resources are the most important resource to influence job performance in organizations. Human resource is an important factor of the production process. A well trained, motivated workforce makes it possible to achieve the organization's success. For this reason management has to supply not only raw materials, facilities, and equipment, but it also has to motivate its employees. Productivity, quality and customer relations are the key areas of success and these depend on performance of the employees. Organizations need to understand the factors that influence employee's performance because such insight will help them make decisions that will inculcate improved performance from the employees and to an extension the overall performance of the organization. Employee performance has been shown to have a significant effect on organizational performance. This is due to the reason that individual performance is the foundation of organizational performance. Identifying factors that influence employees' performance can help improve recruitment, retention and organization result.

Index Terms- Human resource, Organisation, Productivity, Motivation, Employee performance.

INTRODUCTION

With the unpredictable business environment and intense business competition, amongst various businesses regardless of demographical boundaries, it becomes a challenge for the businesses to get and then maintain a distinguished position in the industry. Now the organizations have realized the value of their intellectual asset which is their employees. The quality of an organization's manpower always differentiates it from the other organizations. In fact, an abundance of resources such as infrastructures or physical facilities are made meaningless without the support of qualified human resources that directly disrupt the continuity of the business operations.

Within the framework of the professionals, good employee performance mirrors the ability to contribute through their works leading to the behavioral achievement that is in accordance with the goals of the company. Meanwhile, the level of the enterprises' success depends on the performance of the human resource management.

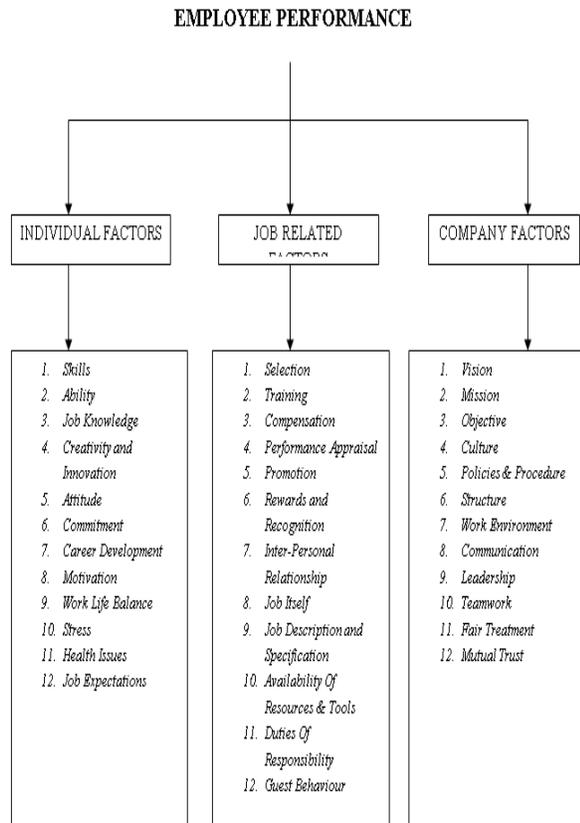
Performance of employees is influenced by different factors at work place. Job performance assesses whether a person performs a job well. Employee performance indicates the effectiveness of employee's specific actions that contribute to attain organizational goals. It is defined as the way to perform the job tasks according to the prescribed job description. Performance is the art to complete the task within the defined boundaries. There are lots of factors that influence the performance of employees. The variables that are determined to influence the performance at work place include working hours, trainings, communication barriers, stress and financial rewards. Human resource is considered as one of the most important assets in any organization which serves as an engine in the organization for providing a sustainable source of energy and service delivery. The three influential factors are classified into individual factors, job related factors and organizational factors.

DEFINITION

Employee performance is defined as whether a person executes their job duties and responsibilities well. Many companies assess their employee's performance on an annual or quarterly basis in order to define certain areas that need improvement. Performance is a critical factor in organizational success.

CONCEPTUAL FRAMEWORK

There are certain factors individually and collectively affect the performance of employees in a positive or negative manner. Factors that affect employee job performance may be classified into individual factors, job related factors and organizational factors.



INDIVIDUAL FACTORS

Individual factors that influence Performance of employees is to use their skills and knowledge to perform their jobs in a most productive manner. The individual factors that strongly influences employee’s in their performance vary from person to person that result in a different set of perceptions, attitudes and behavior towards job performance.

1. SKILLS

A skill is the ability to carry out a task with determined results often within a given amount of time, energy, or both. Skill usually requires certain environmental stimuli and situations to assess the level of skill being shown and used. An individual employee being a part of the organisation requires various skills to perform his task.

2. ABILITY

Ability is a general word for power, native or acquired, enabling one to do things well. It is the capacity possessed by individual employees to do or act in accordance with the job demand. The ability of an individual essentially consists of two basic aspects they are intellectual ability and physical ability. Employees have a high work motivation, but if they are not supported by adequate working ability, their performance will be low.

3. JOB KNOWLEDGE

Job knowledge Measures employee’s demonstrated job relevant knowledge and essential skills, such as work practices, policies, procedures, resources, laws, customer service, and technical information, as well as the relationship of work to the organization’s mission. Also measured are the employee’s self-improvement efforts to enhance skills and knowledge and to stay current with changes impacting the job.

4. CREATIVITY AND INNOVATION

Creativity is the capability or act of conceiving something original or unusual and Innovation is the implementation of something new. Changes in technology, globalization, and increased competition have all created an environment in which creativity and innovation are needed in order to cope with situational and economic pressures and frequent changes. The foundation of organizational creativity and innovation, have focus on individual creativity in general, and how work environments can foster employee creativity in particular.

5. ATTITUDE

A tendency to respond positively or negatively towards a certain idea, object, person, or situation. Attitude influences an individual's choice of action, and responses to challenges, incentives, and rewards (together called stimuli). The four major components of attitude are (1) Affective: emotions or feelings. (2) Cognitive: belief or opinions held consciously. (3) Co-native: inclination for action. (4) Evaluative: positive or negative response to stimuli.

6. COMMITMENT

It is the a willingness of an employee to dedicate his valuable time and energy to perform activities or a promise or firm decision to do something in

accordance with his job. The success or failure of an organization is closely related to the effort and commitment of its employees. Employees who are engaged in their work and committed to their organizations give companies crucial competitive advantage including higher productivity and lower employee turnover.

7. CAREER DEVELOPMENT

Career development is the lifelong process of managing learning, work, leisure, and transitions in order to move toward a personally determined and evolving preferred future.

It involves training on new skills, moving to higher job responsibilities, making a career change within the same organization, moving to a different organization or starting one's own business. Career development is directly linked to the goals and objectives set by an individual. The individual needs to train himself to acquire the skills needed for the option or career path chosen by him.

8. MOTIVATION

Motivation is the reason for people's actions, desires, and needs. Motivation is also one's direction to behaviour, or what causes a person to want to repeat behaviour. An individual is not motivated by another individual. Motivation comes from within the individual. Internal and external factors that stimulate desire and energy in people to be continually interested and committed to a job, role or subject, or to make an effort to attain a goal.

9. WORKLIFE BALANCE

Work-life balance is the term used to describe the balance that an individual needs between times allocated for work and other aspects of life. Areas of life other than work-life can be personal interests, family and social or leisure activities. An employee can focus and perform his task better when he is able to balance between his work and family.

10. STRESS

Stress is a feeling of strain and pressure. Stress is a type of psychological pain. Stress can make the individual more susceptible to physical illnesses. An individual's personality characteristics, genetics, and childhood experiences with major stressors and traumas may also dictate their response to stressors.

11. HEALTH ISSUES

Health is multi-factorial and complex. It is influenced by factors such as age, family history of illness, employment, education and living conditions. A variety of lifestyle or health related habits (behavioural factors) can have a major impact on a person's health. Behavioural and social issues that impact on health include smoking, alcohol, poor diet leading to obesity or malnutrition, lack of physical exercise, sexual behaviour and problems resulting from drug taking.

12. JOB EXPECTATIONS

The components an employee expects from his job such as responsibility, satisfaction, and good pay: raise/lower the job expectations. Employee job expectations includes timely and accurate payment of wages, adequate training, safe working conditions, full explanation of all company policies and especially of your job responsibilities, and fair and constructive feedback from supervisor. Most of these employee expectations are not only reasonable, but also are required by law.

JOB RELATED FACTORS

Job related factors that influence employee performance is based on the HR functions, job description & specification, availability of resources & tools, and the nature of job. The job factors that strongly influences employee's in their performance vary from job to job depending on the industries that result in a different set of performance.

1. SELECTION

It is regarded as the most important function of the HR department. It involves selecting the right man for the right job at the right time in right number. Proper selection is very helpful in building up a suitable workforce. If the right people are selected for various jobs, their productivity and efficiency will be high.

2. TRAINING AND DEVELOPMENT

Training focuses on specific job knowledge and skill that is to be applied for a particular job. It focuses on imparting manual skills, technical procedures and routine methods. Development focuses on broad knowledge and insights that may be required for adaption to environmental demands in the future. It is

very important for betterment and development of the workforce and growth and development of the organization for its survival and success.

3. COMPENSATION

Compensation is a systematic approach of providing monetary value to employees in exchange for work performed. It helps in attracting, retaining and motivating better performance. Compensation may be monetary and non-monetary. Compensation and benefits provided may vary from company to company. Benefits are indirect and non-cash payments within a compensation package. They are provided by organizations in addition to salary to create a competitive package for the potential employee.

4. PERFORMANCE APPRAISAL

Performance appraisal is a process of evaluating an employee's performance of a job in terms of its requirements. It involves measurement of both performance of the present job and potential for the advancement to the higher job. It helps to increase the efficiency and work performance of the workforce.

5. PROMOTION

Promotion means advancement within the organization. It is an upward movement of an employee from current job to another that is higher in pay, responsibility, status and organizational level. A sound promotion policy ensures fair chances of advancement, which increases competitive spirit, self development, motivation, loyalty.

6. REWARDS AND RECOGNITION

Success of an organization depends on the satisfaction and motivation of employees which is enhanced through rewards and recognition. Rewards may be monetary or non-monetary provided to individuals and/or groups to recognize their excellence in their field. Recognition is an acknowledgement of a person's status or merits. Rewards and recognition are powerful tools for employee motivation and performance improvement.

7. INTERPERSONAL RELATIONSHIP

Interpersonal relationship is defined as a close association between individuals who share common

interest and goals. Interpersonal relationship facilitates personal and development, sense of security, enjoyment, understanding, establishing personal identity, better communication. It helps employees in better job performance.

8. JOB ITSELF

The nature of an employee's work refers to the basic daily tasks that he carries out as part of his job, and the non-routine tasks required by the job. The characteristics of these tasks comprise the nature of an employee's work. The job elements and the task involved depends and differs according to the management.

9. JOB DESCRIPTION & SPECIFICATION

Job description indicates the tasks and the duties and responsibility tagged to a job. It involves job title, location, job summary, task involved, conditions of job performance. Job specification indicates the capabilities the job holder must possess. It specifies the minimum human qualities required for successful job performance.

10. AVAILABILITY OF RESOURCES & TOOLS

Job activities require resources such as a team of skilled workers, machines or tools. Allocating resources to activities links these resources to one another and facilitates task completion. Availability of right tools, equipment and resources at right time supports quality job performance by employees.

11. DUTIES AND RESPONSIBILITY

Job duties and responsibility gives a comprehensive listing of the duties together with some indication of the frequency of occurrence or percentage of time devoted to each major duty. It is regarded as the heart of job.

12. GUEST BEHAVIOUR

Guests are inevitably participating in the whole productive process of service industries directly. Their behavior will inevitably impact service product quality. Guest behavior plays an important role in determining employee performance.

ORGANISATIONAL FACTORS

Organizations have set clear visions and missions which they intend to achieve. Managing employee

performance is one of the key drivers for organizational success in the present context of organizations trying to adopt a resource centered view of the organization hence management of different organizations have different factors that influence employee performance in their organizations.

1. VISION

The ability to think about or plan the future with imagination or wisdom. Vision should provide a clear understanding of business to take strategic decision. Vision provides a strong foundation for developing a comprehensive mission statement. Vision helps to prepare for the future, clarifies direction, and reduces risk, motivates employees for better performance by boosting morale.

2. MISSION

Mission is a statement which defines the role that an organization plays in a society. It provides a concise statement of the organizations existence, purpose, identity, values and philosophy.

3. OBJECTIVES

Objectives are the end results of a planned activity. It specifies the quantity and quality of performance to be achieved, time period, the process and person who is responsible for the achievement of the objectives. It helps management in formulating strategies, defining the organizational environment, decision-making, coordinating the activities and provide standard for assessing organizational performance.

4. CULTURE

Organizational culture is a system of shared meaning held by members that distinguishes the organization from other organizations. The ultimate source of an organization's culture is its founders. Strong organizational cultures have a great influence on the behavior of its members, increases cohesiveness and results in lower employee turnover.

5. POLICIES AND PROCEDURES

Policies and procedures reflect the way an organization operates. Organizations will plunge into chaos without them and daily operations will halt. Policies are the list of rules or framework for the task.

Procedure is the step-by-step instructions for how to complete the task.

6. STRUCTURE

Organizational structure is a framework within which an organization arranges its lines of authorities and communicates and allocates rights and duties. Organizational structure determines the relationship between functions and positions and subdivides and delegates roles, responsibilities and authority to carryout defined tasks.

7. WORKENVIRONMENT

Work environment is the location where a task is completed. When pertaining to a place of environment, the work environment involves the physical geographical location as well as the immediate surroundings of the workplace, such as a construction site or office building. The fundamental aim of systematic work environment management is to prevent ill health and promote a good work environment. Clear procedures, knowledge, allocation of work environment tasks and cooperation at the workplace are important.

8. COMMUNICATION

Communication involves exchange or sharing of ideas, opinions and facts between two or more persons. It is the process of conveying written, verbal or gestural message from one person to another. An effective communication skill is a critical element in career and personal lives.

9. LEADERSHIP

Leadership is the ability to develop a vision that motivates others to move with a passion towards a common goal. It is a process by which a person influences others to accomplish an objective and directs the organization to be cohesive and coherent.

10. TEAMWORK

Teamwork is the ability to cooperate effectively with others to achieve a common goal. It facilitates fair share of work and resources and help one another for task completion. Creates and maintains a climate of trust and open, honest communication.

11. FAIR TREATMENT

Employees should always be treated with dignity and respect. If employees perceive that the organization is just and fair, they will be more committed to their jobs. This will increase their job satisfaction and increased productivity of the organization.

12. MUTUAL TRUST

When employees have a high level of trust in management, the organization becomes significantly better at achieving its business goals. High trust will lead to better relationship among members, increased cooperation and coordination, better performance and attainment of organizational goals.

ADVANTAGES OF HIGHER EMPLOYEES' PERFORMANCE

Following are advantages of higher performance to the individuals, organization, society and Nation as a whole:

- (a) The productivity of individual on job increases.
- (b) Employee gets job satisfaction at job.
- (c) Psychological problems of employees come to low level.
- (d) Involvement of employees in their jobs increases.
- (e) A sense of commitment and loyalty among employees develop.
- (f) Employees get higher salaries and incentives on production basis.
- (g) Quality and quantity of the total production increase.
- (h) Sales and market shares of the company in the market improves.
- (i) Profit improves and that leads to progress of the business.
- (j) Good will of the organization goes high.
- (k) All these contribute in the development of national economy and living standard of the Society as a whole.

CASESTUDY

Cargill, the US food producer and distributor, started to transform its traditional performance management processes by 'Everyday Performance Management'. It removed performance ratings and annual review forms and instead focused on managers having frequent, on-the-job conversations and giving regular, constructive feedback. They have made this work by:

- Regularly rewarding and recognizing managers who demonstrate good day-to-day performance management practices.
- Sharing the experiences and tips of their successful managers.
- Holding teams accountable for practicing day-to-day performance management.
- Building the skills needed to succeed at Everyday Performance Management, including effective two-way communication, giving feedback, and coaching.

The outcome has been impressive, with 70% of Cargill employees now saying they feel valued as a result of their ongoing performance discussions with their manager.

IMPLICATIONS

Performance management systems ensure that, all noses are pointing in the same direction. If the direction is undecided, the performance management system is rendered useless as it will merely monitor the disjointed daily activities of the employees and not the performance of an organization as a whole. By linking individual employee work efforts with the organization's mission and objectives, the employee and the organization understand how that job contributes to the organization. By focusing attention on setting clear performance expectations it could be results, actions and behaviours, it helps the employee know what needs to be done successful on the job. By defining job mystery and career development goals as part of the process, it makes it very clear how the current position supports employee growth and the additional opportunities the employee needs to explore. Factors influencing employee performance acts as an indicator to know the areas were special focus is required to enhance the performance of employees & to improve the various determinants that facilitates job performance.

CONCLUSION

Performance management is a vital part of the process of managing human resources with the aim of achieving employee and organizational goals. It is people who provide experience, talent, skills and knowledge necessary to achieve the organizational goals. The progress of an organization depends on its

ability to identify, recruit, select, train and retain the right people. An employee achieves a high performance on the base of internal satisfaction. It is stated that a high performance can be reached when the organization provide certain job characteristics. Skill variety, task identity, task significance, continues feedback, employee motivation, these job characteristics together with the ability of the employee provide the opportunity for a high performance. employee performance facilitates an organization to achieve cooperative results. Motivated employees work harder and it make more productive, happier and more concerned with customer satisfaction and ultimately, more profitable for any organization. By recognizing and rewarding their achievements, employees feel more appreciated and willing to go that extra mile.

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