

INCREASING ORGANIZATIONAL PRODUCTIVITY THROUGH EFFECTIVE HUMAN RESOURCE MANAGEMENT

Vega Candra Mulia¹⁾, Afifatul Sholikhah²⁾

¹⁾Management Study Program, Universitas Terbuka, Indonesia

²⁾Faculty of Economics, Nahdlatul Ulama University Sidoarjo, Indonesia

Corresponding author: 042972899@ecampus.ut.ac.id

Abstract

This study aims to analyze the improvement of organizational productivity through the effectiveness of human resource management (HRM) using a qualitative approach. The focus of this research is to identify key factors in HR management that contribute to organizational productivity as well as understand how the implementation of HR management strategies can improve overall performance and productivity. The qualitative method used involved in-depth interviews and participatory observations in several organizations that have shown significant improvements in productivity. The results showed that effective communication, continuous training, employee motivation, and inclusive leadership are key factors in improving organizational productivity.

Keywords: Effective communication, continuous training, motivation, inclusive leadership, organizational productivity.

Introduction

Organizational productivity is one of the main indicators that determine the success and competitiveness of an organization in the face of global market dynamics. In this increasingly competitive era of globalization, organizations are required to continuously improve their performance to remain relevant and excel amid competition. One of the key factors that can drive productivity improvement is effective human resource (HR) management. Good HR management not only ensures that the organization has a competent and motivated workforce, but also creates a work environment that supports the maximum development of employee potential. The purpose of human resource management (HRM) is to ensure that the company has the right, competent, and motivated workforce to achieve organizational goals.

Human Resource Management (HRM), also called human resource development, functions to carry out human resource planning, implementation, and recruitment (including selection), training and career development of employees, as well as conducting initiatives towards the organizational development of an organization. Each of these aspects has an important role in building a strong foundation for increasing organizational productivity. For example, a proper recruitment and selection process will ensure that the organization acquires employees who have the skills and competencies it needs. Continuous training and development can improve employees' capabilities and knowledge so that they can contribute optimally. Objective and transparent performance appraisals provide constructive feedback, helping employees to improve their performance. In addition, a comprehensive employee welfare program can improve employees' physical and mental well-being, which in turn increases job satisfaction and productivity. According to Yun Iswanto (Quoting Rivai's statement, 2005), said that the existence of human resource management is very important for companies in managing, organizing, managing, and using human resources so that they can function productively, effectively, and efficiently to achieve company goals.

The qualitative approach in this study aims to examine how the effectiveness of HR management can contribute significantly to increasing organizational productivity. The findings of this study are expected to serve as a guide for HR practitioners and managers in designing and implementing effective HR management strategies to achieve organizational goals.

In the ever-evolving business world, productivity is a determining factor in organizational success. High productivity reflects not only operational efficiency, but also innovation and adaptability to change. Effective human resource (HR) management has been proven to be one of the key drivers of

organizational productivity. However, implementing appropriate and effective HR management strategies is often a challenge for many organizations.

In this context, it is important to understand how various aspects of HR management can be optimized to improve productivity. For example, an efficient recruitment process ensures that the organization gets the right employees with the required skills. A well-designed training and development program not only enhances the skills of employees but also motivates them to contribute better. Objective performance appraisals help identify areas of improvement and provide constructive feedback to employees. In addition, employee welfare that is maintained through various welfare programs will increase their loyalty and productivity. The objectives of this study are (1) to identify and analyze key factors in HR management that contribute to increasing organizational productivity. (2) To identify the contribution of effective HR management to increasing organizational productivity. (3) To analyze the best practices in HR management that can be applied to improve productivity. (4) Identify challenges in implementing effective HR management strategies and suggest solutions to overcome these challenges.

Methods

This research used a qualitative approach with a case study method in several different organizations. Data was collected through in-depth interviews with HR managers, employees, and organizational leaders as well as participatory observation of HR management practices in the workplace. Data analysis was conducted using thematic analysis techniques to identify patterns and key themes that emerged from the data.

The research subjects consisted of three different organizations from the industrial, service, and retail sectors selected based on the criteria of significant productivity improvement in the last three years. Data collection techniques were conducted with 5 respondents consisting of HR managers, employees, and organizational leaders, and directly observing HR management practices in the work environment to obtain more contextual data.

Results and Discussion

The results of interviews with five respondents can be presented as follows “Starting from recruitment and selection of prospective employees who are not careless, then conducting transparent and open communication between management and employees encourages active participation and creates a collaborative work environment (Respondent 1). Ongoing training programs help improve employee skills and competencies, which in turn increases productivity (Interviewee 2). Providing incentives and recognition for employees' good performance can increase their motivation and commitment to work (Interviewee 3). Furthermore, the interview with respondent 4 about his views on how to improve organizational productivity through effective HR management and examples of implementation in his organization. She said “Being an inclusive and empathetic leader can make employees feel valued and recognized, therefore their engagement and commitment to work will increase. In addition, employee wellbeing programs, including mental and physical health, are critical to maintaining productivity. I, as a manager, always ensure that employees have access to healthcare facilities, and other supports that help them stay healthy and productive”. The next interview with respondent 5 is that a good performance management system helps measure and evaluate employee performance objectively. Constructive feedback and periodic evaluations help employees understand areas for improvement and devise strategies to achieve their performance goals.

As a result of the views of various respondents, the conclusion can be drawn that the role of HR management is crucial in ensuring employees have the necessary skills and motivation to achieve organizational goals. The implementation of effective HR practices can increase productivity, job satisfaction, and overall organizational competitiveness.

Yun Iswanto (2015) stated that the purpose of Human Resource Management globally is to ensure that organizations can achieve success through people. Therefore, one of the things that organizations need to do in achieving goals is to improve the performance of their employees.

A well-structured and well-planned HR management strategy, including the development of training programs, transparent performance appraisal systems, and employee welfare policies, is key to increasing productivity and organizational success. Employee engagement shows that relevant training and transparent performance appraisals can increase employee engagement and productivity. The importance of employee well-being policies in attracting and retaining high-quality talent and improving overall organizational performance. Organizations with strong well-being programs tend to have healthier, more productive, and more loyal employees.

Organizations that are successful in increasing their productivity generally have well-structured and well-planned HR management strategies. Some effective strategies include (1) Development of Relevant Training Programs, which identifies training needs based on performance analysis and industry trends. (2) Implementation of a Transparent Performance Appraisal System, where an objective and performance-based appraisal system provides constructive feedback to employees. (3) Employee Welfare Policy Development, i.e. a comprehensive welfare program, including work-life balance, supports employees' physical and mental well-being.

The findings of this study indicate that HR management effectiveness plays an important role in improving organizational productivity. Organizations that implement effective HR management practices not only succeed in improving individual employee performance but also overall organizational performance. The qualitative approach in this study provides deep insights into the internal dynamics of organizations and the factors that contribute to productivity.

Conclusion

The purpose of human resource management (HRM) is to ensure that the company has the right, competent, and motivated workforce to achieve organizational goals. Increased organizational productivity can be achieved through effective human resource management. Effective communication, continuous training, employee motivation, and inclusive leadership are key factors that support productivity improvement. The implementation of structured and sustainable HR management strategies has proven effective in improving organizational performance. This research makes an important contribution to the development of HR management theory and practice and can be a reference for organizations in designing productivity improvement strategies.

References

- Armstrong, M. (2012). *Armstrong's Handbook of Human Resource Management Practice*. Kogan Page.
- Iswanto, Yun. (2015). *Materi Pokok Manajemen Sumber Daya Manusia*; 1 – 9/ EKMA4214/ 3 sks/ Yun Iswanto, Adie Yusuf. Tangerang Selatan: Universitas Terbuka.
- Miles, M. B., & Huberman, A. M. (1994). *Qualitative Data Analysis: An Expanded Sourcebook*. Sage Publications.
- Nur, I. Mohamad, Azman, I., Azwan, S. Mohamad, Syahril, A. Mohamad Rozi, Sholihien, A. (2015). *Stress Kerja dan Hubungannya Dengan Kesehatan Karyawan*. *Jurnal Manajemen Sumber Daya Manusia Universitas Nasional Malaysia*.
- Rachmawati, T. R. (2024). *Pengaruh Efikasi Diri, Disiplin Kerja Dan Lingkungan Kerja Terhadap Kinerja Karyawan BLPT*. *Jurnal Manajemen Sumber Daya Manusia, Administrasi dan Pelayanan Publik Universitas Bina Taruna Gorontalo* Volume 11 Nomor 2, 2024.
- Raymond A. Noe, John R. Hollenbeck, Barry Gerhart, dan Patrick M. Wright. (2017). *Fundamentals of Human Resource Management*. McGraw-Hill Education.
- Robert L. Mathis dan John H. Jackson. (2018). *Human Resource Management: Essential Perspectives*. Cengage Learning.
- Sanjaya, A. (2021). *Analisis Kesejahteraan Karyawan*. *Jurnal Manajemen*. <https://journal.feb.unmul.ac.id/index.php/JURNALMANAJEMEN/article/view/10357/1698>
- Stephen P. Robbins & Timothy A. Judge. (2019). *Organizational Behavior*. Pearson.
- SW Aji, A., Suddin, YD., Suseno. (2017). *Analisis Pengaruh Kepemimpinan dan Kompetensi Terhadap Kinerja Melalui Kompensasi Sebagai Variabel Intervening (Survey Pada Karyawan PT Wahana Sun Solo)*. *Jurnal Manajemen Sumber Daya Manusia* jilid 11 terbitan 2. <https://scholar.google.com/>.
- Tan, T. Le, Quan, N. Q., & Tung, T. M. (2021). *Research on Employee Performance through Transactional Leadership and Organizational Commitment: A Case in FPT University Danang*. *American Journal of Social Sciences and Humanities*, 6(1), 27–38.
- Yin, R. K. (2014). *Case Study Research: Design and Methods*. Sage Publications.
- Yusuf, M., & Aprianti, K. (2020). *Manajemen Sumber Daya Manusia di Dinas Tenaga Kerja dan Transmigrasi Kabupaten Bima : Dapatkah Meningkatkan Semangat Kerja Pegawai*. *Jurnal Ilmu Ekonomi dan Bisnis*. <https://scholar.google.com/>.