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ROLE OF MANAGEMENT AND HRM PRACTICES IN ENHANCING ORGANIZATIONAL PRODUCTIVITY

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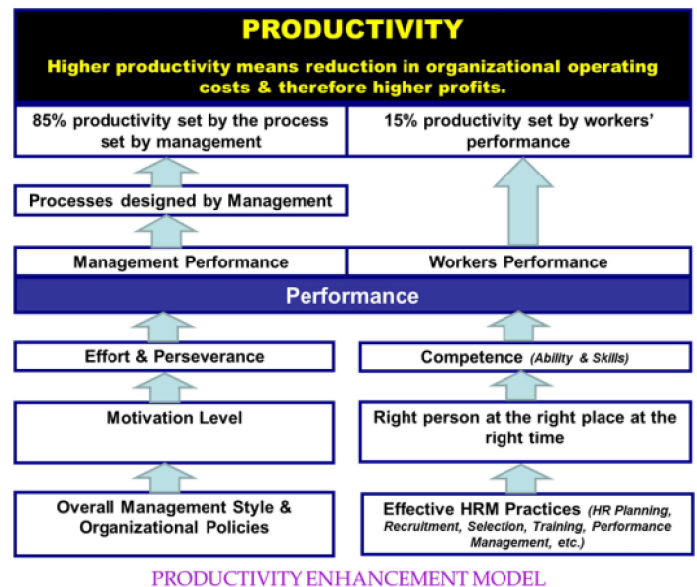


Due to globalization, many local businesses today face competition from professionally run multinational organizations in both local and foreign markets. Domestic organizations of various developing nations are thus forced to make continuous efforts to improve their productivity and performance in order to produce higher quality products at lower costs, enabling them to maintain market viability. Many of the organizations that are losing their competitiveness day by day due to this rise of external rivalry need to change their outdated work methods as well as change their attitudes towards their business processes to ensure their survival in the marketplace. In order to emphasize the importance of change, the famous quality guru W. Edwards Deming very aptly stated, "It is not necessary to change. Survival is not mandatory."

Productivity is the results (output), an organization gets for given amount of inputs. There are several benefits of increasing productivity that includes becoming more competitive due to reduction in operating costs and therefore higher profits. Making considerable improvement in organizational productivity to harness the full potential of the organization's resource base is however, a complex process. It requires not only the application of appropriate operations management techniques but also a highly effective management team along with well-devised Human Resource Management practices.

The old fashioned notion of simply 'getting people to work harder' has very little effect on productivity improvement. In general, about 85% of productivity is set by the process, which is designed by management, and only about 15% is under the influence of individual workers (Ref: Operations Management by Donald Waters, page # 165). If you place a good person into a bad system, the system will win most of the time. A person digging a hole with a spade

can work very arduously but still be far less productive than a lazy person with a bulldozer performing the same job. And if that lazy person on the bulldozer is also well trained in operating the machine and is made highly motivated to work, through the application of appropriate management techniques, this will make his overall productivity measurement reach new heights. This stream of logic is encapsulated in the Productivity Enhancement Model which depicts the relationship between the various factors impacting productivity.



The Productivity Enhancement Model, developed by the author of this article, illustrates the relationship between productivity and the numerous factors which shape it like management style, organizational policies, HRM practices, and employee motivation. It is a tool to guides management to opt for those actions that are

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geared towards their organizational productivity improvement efforts. According to this model, overall management style and organizational policies strongly affect the employees' motivation level. Even the best employees cannot perform well without effective management, proper direction, support, tools, and resources. Moreover, management plays a critical role in defining the direction, purpose, priorities, goals, and roles of the workforce. High employee motivation levels raise the extent of efforts and perseverance committed on the part of the employees.

Human Resource Management practices in organizations inclusive of recruitment, selection, training, and performance management, determine the competency levels of employees with respect to their jobs. These processes collectively ascertain that the right people are at the right place and at right time in the organization to perform the work. Increasing productivity is one of the most critical goals in business. Unfortunately, this activity is seldom accepted by HR professionals as a legitimate mandate. While most HR professionals acknowledge that their job entails establishing policy, procedures, and programs governing people management, few attempt to connect these tasks to the goal of increasing employee output (volume, speed, and quality) per rupee incurred as labor costs.

Competent and motivated employees at managerial and non-managerial positions perform well at their respective jobs. High performing Managers expend continuous efforts in improving work processes which allow for dramatic improvements in productivity. As can be seen, productivity is therefore, largely a measure of management's performance and depends far less on the individual effort of the workers, although the performance of both groups is necessary to maximize organizational productivity.

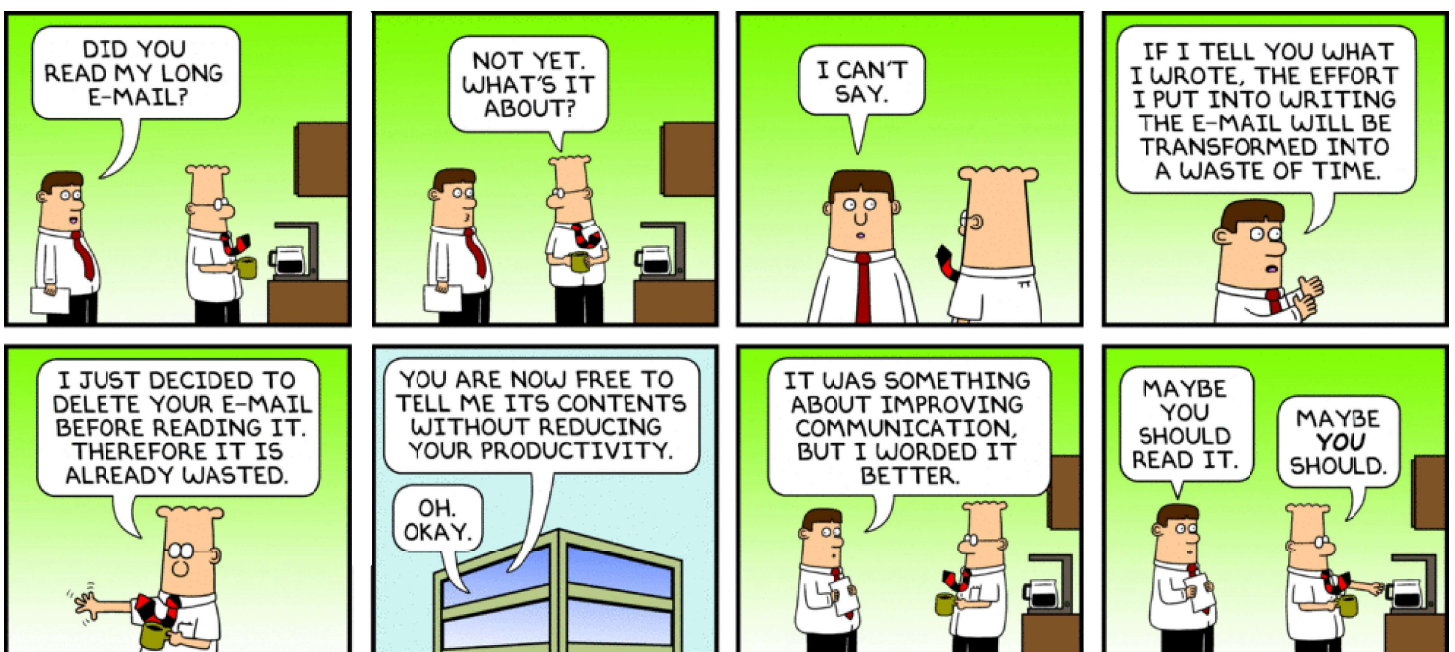
The best example for this model is that of Fredrick Winslow Taylor's pig iron experiment at Midvale Steel Company. Workers loaded 'pigs' of iron (each weighing 92 lbs) onto rail cars. Their daily average output amounted to 12.5 tons. However, Taylor believed that scientifically scrutinizing and analyzing the job to determine the 'one best way' to load pig iron, would enable an increase in output to 47 or 48 tons per day. After applying the combination of

optimal procedures, techniques, and tools based on his investigation, Taylor succeeded in achieving his desired level of productivity. He matched the right person to the right job, provided the correct tools and equipment, exacted meticulous adherence to his instructions, and additionally motivated workers with an economic incentive, namely the offer of a significantly higher daily wage. The overall result was remarkable.

Another striking example of process design alteration to increase productivity is that of Henry Ford who realized that in order to sell his cars at a low price he would have to significantly lower his production costs. To accomplish this, he introduced a set of very efficient production techniques. These included a) completely interchangeable parts, b) an extreme degree of division of labor, and c) the assembly line. The results were outstanding. In 1908, the cheapest Model T sold at \$825. By 1913, the price was down to \$500. In 1916, it was further reduced to \$360. Finally in 1926, the retail price hit a rock bottom of \$290. As Ford's workers became more productive, he could afford to pay them higher salaries. In 1914, he astonished the industrial world by raising the minimum wage in his plant to \$5 a day, an enormous figure for that time, and nearly twice as much as the company's average wage had previously been.

The Japanese have revolutionized the field of productivity management by pioneering the concept of 'lean'. This approach of enhancing productivity is founded upon the principle of waste minimization and was mostly developed by the renowned automaker Toyota. The House of Toyota, created by Taiichi Ohno and Eiji Toyoda, is a framework commonly used to explain the entire scope of lean and its implications on operational and managerial practices. Two of its core aspects are continuous improvement 'Kaizen' and 'Respect for People'.

In summary, organizations need to apply a holistic approach towards improving productivity. It includes improvement of several business processes including processes pertaining to Human Resources management, management leadership style, and overall organizational policies.



MAJOR RISKS FOR BUSINESSES, ECONOMIES, AND NATIONS

by Muhammad Syed-ul-Haque
Executive Director



INTRODUCTION

Identification and comprehension of global risks are critical for governments, corporations, and societies in an interconnected world with unprecedented challenges. Future conditions are influenced by these risks, which can range from geopolitical conflicts to environmental dangers. Following are the major risks along with their global implications and the steps that must be taken to address and mitigate them.

1. ENVIRONMENTAL DEGRADATION BRINGS CLIMATE CHANGE

With potentially catastrophic effects for the entire planet, climate change is one of the most urgent threats facing the world today. Human well-being, food security, and ecosystems are at risk due to rising temperatures and extreme weather events. Never before has there been a greater need for swift and concerted action to slow down climate change, cut carbon emissions, and switch to sustainable lifestyle choices.

2. PANDEMICS BRINGS RISK FOR GLOBAL HEALTH

The COVID-19 pandemic has highlighted how susceptible international health systems are to unanticipated difficulties. Significant risks include the emergence of infectious diseases, antibiotic resistance, and inadequate healthcare infrastructure. To reduce the risks associated with pandemics, it is essential to invest in healthcare infrastructure, strengthen global health governance, and improve international collaboration on disease surveillance.

3. THREATS RELATED TO CYBERSECURITY

The danger of cyberattacks increases dramatically as the world gets more digitally connected. The militarization of artificial intelligence, data breaches, and cyberattacks on vital infrastructure present serious risks to people, companies, and governments. To defend against cyber threats, strong legal frameworks, international cooperation, and strengthened cybersecurity measures are imperative.

4. ECONOMIC INEQUALITY

An ongoing global risk that can result in social discontent, political instability, and slower economic growth is the widening of economic inequality. The gap between the wealthy and the underprivileged is widening due to differences in income, access to education, and economic opportunities. To address the underlying causes of economic inequality, inclusive economic policies must be put into place, along with investments in social programs and education as well as equitable taxation.

5. TENSIONS IN THE GEOPOLITICAL LANDSCAPE

The world's stability is threatened by geopolitical tensions brought on by trade disputes, ideological disagreements, and territorial disputes. Growing nationalism and protectionism can potentially sabotage global cooperation and spark confrontations with far-reaching effects. To control and reduce geopolitical tensions, communication, diplomacy, and the development of international institutions are essential.

6. LOSS OF BIODIVERSITY

The swift reduction in biodiversity poses a serious threat to the world's ecosystems, agriculture, and human survival. The rate at

which species are disappearing is concerning and is accelerated by pollution, habitat destruction, and climate change. The delicate balance of the planet's ecosystems must be preserved, and the effects of biodiversity loss must be mitigated through conservation efforts, sustainable land-use practices, and international cooperation.

7. SOCIAL UNREST DUE TO POLITICAL INSTABILITY

Global peace and security are in danger due to political instability and social unrest brought on by economic disparity, corruption, and poor governance. Protests, political upheavals, and civil unrest can worsen already-existing problems and trigger humanitarian crises. Preventing and reducing political instability requires bolstering democratic institutions, encouraging good governance, and addressing socioeconomic disparities.

8. PROLIFERATION OF NUCLEAR WEAPONS AND OTHER WEAPONS OF MASS DESTRUCTION

Nuclear weapons proliferation is still a serious worldwide threat that could have disastrous effects. The possibility of nuclear war is increased by tensions between countries possessing nuclear weapons and by the proliferation of nuclear technology along with other weapons of mass destruction. Preventing the spread of such weapons requires concerted international efforts to disarm, fortify non-proliferation agreements, and advance diplomatic solutions.

9. DISRUPTIONS DUE TO TECHNOLOGICAL ADVANCES

There are risks and opportunities associated with the rapid advancements in technology, such as biotechnology, automation, and artificial intelligence. Displacement of workers, moral dilemmas, and improper use of new technologies can have a significant impact on society. To maximize the advantages while reducing the risks associated with emerging technologies, international collaboration, ethical standards, and responsible innovation are crucial.

10. SCARCITY OF DRINKABLE WATER

A rising global concern is water scarcity, which is made worse by population expansion, climate change, and irresponsible water management techniques. Inadequate availability of potable water can exacerbate local conflicts, affect agriculture, and trigger humanitarian emergencies. To address the challenges posed by water scarcity, international cooperation on water-sharing agreements, investment in water infrastructure, and sustainable water management are essential.

CONCLUSION

To build a resilient and sustainable future, it is critical to recognize and comprehend global risks. The top ten global risks listed in this essay demonstrate the complexity and interdependence of issues that the modern world is confronting. It takes coordinated efforts from governments, businesses, international organizations, and individuals to address these risks. By working together and taking proactive steps, the international community can reduce the effects of these risks and promote shared prosperity in the future by creating a more safe, just, and sustainable world.

These risks also bring opportunities for businesses and nations. Developing workable solutions for these possible problems, risks, and issues will generate significant revenue and economic development.

INSPIRATIONAL QUOTES

The people who are crazy enough to think they can change the world are the ones who do.
– **Steve Jobs, former co-founder, chairman, and CEO of Apple Inc.**

You shouldn't focus on why you can't do something, which is what most people do. You should focus on why perhaps you can and be one of the exceptions.
– **Steve McConnell Case – Former CEO & Chairman of America Online**

The biggest risk is not taking any risk.
– **Mark Zuckerberg Chairman, CEO & Co-founder of Facebook**

Karachi

Mar 04-05	CREATING ORGANIZATIONAL EXCELLENCE
Mar 04-05	DEVELOPING MANAGERIAL COMPETENCIES
Mar 04-05	HACCP & ISO 22000 FOOD SAFETY MANAGEMENT SYSTEMS (NEW)
Mar 04-05	PROJECT MONITORING, EVALUATION AND CONTROL
Apr 15-16	STRATEGIC MANAGEMENT
Apr 15-16	UNDERSTANDING PPRA RULES
Apr 15-17	TRAINING TECHNIQUES FOR TRAINERS
Apr 18-19	CRITICAL THINKING AND ANALYTICAL SKILLS
Apr 22-23	HABITS OF SUCCESSFUL PROFESSIONALS
Apr 22-23	DASHBOARD REPORTING AND ADVANCED DATA ANALYSIS WITH MS EXCEL
Apr 22-23	HANDLING DIFFICULT PEOPLE
Apr 22-24	ADMINISTRATIVE PROCEDURES FOR GOVERNMENT OFFICIALS
Apr 24-26	EFFECTIVE COMMUNICATION SKILLS
Apr 29-30	MANAGERIAL TRANSITION: FROM OPERATIONAL MANAGER TO STRATEGIC THINKER
Apr 29-30	CONTRACT MANAGEMENT

Lahore

Mar 04-05	EFFECTIVE PURCHASE MANAGEMENT
Mar 04-06	DEVELOPMENT COURSE FOR SUPERVISORS
Mar 04-06	HUMAN RESOURCE MANAGEMENT
Mar 07-08	STRESS MANAGEMENT
Apr 17-19	MANAGING THE LEARNING AND DEVELOPMENT FUNCTION: FROM TNA TO ROTI
Apr 18-19	INTERNAL FINANCIAL AUDITING AND RISK MANAGEMENT
Apr 22-24	SKILLS IN GOAL SETTING AND WORK PLANNING
Apr 22-24	PRODUCTION OPERATIONS MANAGEMENT
Apr 23-24	MANAGERIAL PSYCHOLOGY
Apr 25-26	E-LEADERSHIP
Apr 29-30	MANAGING AND LEADING ORGANIZATIONAL CHANGE

Islamabad

Mar 04-05	NEGOTIATION SKILLS
Mar 07-08	CRITICAL THINKING AND ANALYTICAL SKILLS
Apr 15-16	SKILLS IN ADMINISTRATION
Apr 17-19	ADVANCED MS EXCEL
Apr 17-19	HUMAN RESOURCE MANAGEMENT
Apr 17-19	WORKSHOP ON PROJECT MANAGEMENT
Apr 22-23	CLOUD COMPUTING INFRASTRUCTURE
Apr 22-24	INTEGRATED HSE MANAGEMENT SYSTEMS: ISO 14001 AND 45001
Apr 22-24	FINANCE AND ACCOUNTING FOR NON FINANCIAL EXECUTIVES
Apr 29-30	DEVELOPING EMPLOYEE PERFORMANCE MEASUREMENT AND KPI SYSTEM

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3.	Diploma in Project Management	16-02-2024	Wed & Fri 6pm to 9pm	4 Months	56,000
4.	Diploma in Educational Leadership & Management	10-02-2024	Saturday 2pm to 8pm	3 Months	41,000
5.	Diploma in Management and Leadership	04-02-2024	Sunday 11am to 4pm	3 Months	41,000
6.	Diploma in Digital Marketing	04-02-2024	Sunday 10am to 4pm	3 Months	41,000
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