

The human factor in organizations and its relationship with the promotion of competitiveness and productivity

El factor humano en las organizaciones y su relación con la promoción de la competitividad y la productividad

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Abstract

This article analyzes the importance of human factor in the field of Mexican organizations and how they must develop strategies to survive in environments of change and transformation are technological, social, political, economic and work processes of people, including other; and added to the competitiveness and productivity of organizations to enable them to grow at the national level but also on international stages. As emphasis on corporate culture regarding the training and motivation of staff, as a spearhead to contribute to the understanding of studies is Mexican organizations.

Resumen

El presente artículo analiza la importancia del factor humano en el ámbito de las organizaciones mexicanas y cómo éstas deben desarrollar estrategias para sobrevivir en entornos de cambio y transformación tecnológica, social, política, económica y laboral que son los procesos de las personas, entre otros; y que sumados a la competitividad y productividad de las organizaciones les permitan crecer a nivel nacional pero también en escenarios internacionales. Como énfasis en la cultura corporativa respecto a la formación y motivación del personal, como punta de lanza para contribuir a la comprensión de los estudios es las organizaciones mexicanas.

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Introduction

Organisational analysis is a subject that is difficult to dissociate when talking about development or competitiveness, as it will depend to a large extent on the activities carried out by an entity based on its organisational structure, its economic and business activities, among others. Thus, it is unavoidable that today's organisations have had to live through the transformation that has been generated by globalisation, since thanks to this phenomenon they must coexist and compete in an environment that is increasingly flooded with companies from different countries and with a business culture that is different from that of Mexico.

Therefore, it is essential for today's organisations to compete not only on the basis of the products and/or services they offer, but also the competitiveness that can be achieved through the human factor, since it is no stranger to the fact that various organisations promote and are composed of highly qualified personnel to operate in various scenarios.

In this sense, it is essential to study the human factor as an essential aspect in the life of an organisation, since, as Hodge, Anthony and Gales (2007, p.11) point out, this is composed of two or more people who work collaboratively and together within identifiable limits to achieve a common goal and objective. Implicit in this definition are several ideas: organisations are made up of people (i.e. members); organisations divide work among their members; and organisations pursue shared goals and objectives. Given this order of ideas and the importance of the study of the human factor in organisations, this article aims to answer the following central question: What is the importance of the human factor in achieving competitiveness and productivity in today's organisations?

Likewise, in an attempt to systematise the research, the following secondary questions are proposed:

1. What are the main strategies that organisations implement to be competitive?
2. What are the characteristics that identify the human factor in the organisation?
3. What is the importance of the human factor in the organisation?
4. What aspects inhibit the achievement of competitiveness and productivity in organisations and what actions are taken to solve them?

In an attempt to answer the above questions, this article aims to provide a general outline of the importance of the human factor for the achievement of organisational objectives such as: competitiveness and productivity.

Thus, an outline is generated on the current situation of organisations and various theories that study human capital from an organisational and business development perspective in order to subsequently point out some proposals aimed at improving the current situation of Mexican companies.

On the other hand, some objectives are established for the study of the human factor in organisations and its relationship with the promotion of competitiveness and productivity that are pursued in the research, in order to provide knowledge to guide the efforts of organisations. The general research objective is: To establish the importance of the human factor in organisations in order to achieve their objectives based on competitiveness and productivity in the operations they carry out in the business environment in which they operate.

Likewise, some specific objectives are generated to give greater emphasis and development to various variables of the study:

1. To analyse the main strategies that are implemented in organisations to achieve their competitiveness.
2. To describe the characteristics that identify the human factor in organisations.
3. To examine the importance of the human factor in the achievement of organisational objectives.
4. To delimit the aspects that impede the achievement of competitiveness and productivity in organisations and the alternative solutions that can be implemented.

Given the above, the aspects that have been considered relevant for the development of the proposed theme are organised. In this sense, an analysis of the competitive context of organisations and the importance of the human factor is presented first, as well as the conditions and environments for the development of the human factor, which allows us to observe some situations that are favourable for the development of their activities.

Next, a series of theories oriented to the study of the human factor in organisations are presented, which allow to be the basis for the development of the research, by outlining a relationship between the emergence of human resources theories and the characteristics that are currently observed.

Finally, a series of contributions are generated which, based on the study and development carried out, are shared with some points and recommendations regarding the human factor in global and Mexican organisations in order to achieve competitiveness and productivity.

The importance of the human factor in the competitive context of organisations

Competitiveness is a trend that has come to revolutionise the way of operating and doing business not only in people, but also in organisations, since nowadays they act and establish their objectives and goals based on the search for the achievement of competitiveness.

It is important to note that according to Hitt, Ireland and Hoskisson (2008, p.7) the competitive environment of the 21st century has some different characteristics from the conventional ones known as economies of scale and huge advertising budgets of organisations. Nowadays the competitiveness of an organisation means being in line with technological changes, the information age, the growing intensity of knowledge, organisational change, as well as a factor that has been gaining relevance over the years, i.e. the human factor, who was previously considered as a part of the organisation but not as a carrier of knowledge, but as a cog in a production structure, especially in the era of Frederick Winslow Taylor.

However, according to the aforementioned authors, it is nowadays the contribution of managers and company leaders who are the ones who make the necessary change for competitiveness, through a new mental attitude that gives value to flexibility, speed, integration and the challenges that arise from ever-changing conditions.

But what is meant by competitiveness and why has it become so important for today's organisations? The term competitiveness is understood as an aptitude or ability to prevail over others, or as a competitive state, according to Peñaloza (2005, p.44). However, Michael Porter (1997, p.298), the main precursor of competitive advantage explains that the new theories are developed from economies of scale, technological disparity and the emergence of multinationals, as well as the behaviour of companies, the structure of the sector to which they belong and their positioning within it.

Therefore, a country's competitive advantage is its ability to entice firms (local or foreign) to use the country as a platform to carry out their activities. Michael Porter (1997, p.156), proposed a model to determine the competitive strengths and weaknesses of countries and their main sectors, known as the "national competitiveness diamond", a diamond with four "faces". These consist of: 1) the existence of resources (e.g. human resources and research and information infrastructures); 2) a business sector that invests in innovation; 3) a demanding local market; and 4) the presence of supporting industries.

As Porter pointed out in his study on the aforementioned advantages, a fundamental part in the development of organisations is the human factor or resource, as it involves the skills and knowledge of all the employees that make up a business entity, since as competitive dynamics accelerate, the probability increases that the only source of a truly sustainable competitive advantage will be people (Hitt, et al., 2008, p.388). Following on from this, Koontz, Weihrich and Cannice (2008, pp.412-413) note that in organisations, people are much more than a productive factor. They are members of the social systems of many organisations; they are the consumers of goods and services and thus vitally influence demand; and they are members of families, schools, churches, industry associations and political parties.

In other words, they interact in a broad social system. However, such individuals cannot be treated as average people, i.e. each person has his or her own work dynamics, knowledge, skills, etc., and it is to the extent that organisational leaders understand this that they can achieve success in the enterprise.

Batres and García-Calderón (2006, p. 213) argue that the development of successful countries teaches that the strengthening of Human Capital, focused on fields of specialisation, is the lever that attracts investment and results in integrated and powerful productive chains.

Based on the above, it can be summarised that the human factor in organisations is an extremely relevant aspect in the organisation, as it represents the main driving force for its development, even though it is an intangible aspect, it is highly assessable when it comes to measuring the results in terms of competitiveness and productivity² generated in the company, as the knowledge, experience, employee satisfaction and know-how of the organisation are aspects that allow it to achieve its objectives.

Organisational conditions and environments

Today's organisations face a number of opportunities but also threats in terms of their forms of operation, since, as has been pointed out, the current market conditions are quite different from what they were before globalisation, countries now find themselves in an environment in which there is more and more competition between companies, not only local or national, but also international, of which they know little and of which it is difficult to compete, especially if it refers to underdeveloped countries.

In this context, it is necessary to inquire about market conditions, since the world is constantly changing, it is said that "the only thing that does not change is change", referring to the fact that organisations must increasingly focus their efforts on adapting to a changing environment with new challenges to face. For this reason, various authors argue that change is something for which today's companies must be prepared in order not to perish, for example, it is imperative that they seek the implementation of new technologies.

To carry out increasingly efficient production processes, to have a production plant that innovates in products and/or services, as well as a solid human factor that is well prepared and trained in terms of organisational tasks.

Undoubtedly, intellectual capital in organisations is what provides success or failure, since it is not enough to have sophisticated equipment or the best technologies, if the direction and strategies that the company must follow to be competitive in the market and not perish are not clear.

Theories oriented to the study of the human factor

Various theories or research have been carried out on the study of the human factor in organisations. Among the most noteworthy are the human relations theory, Maslow's hierarchy of needs theory, Alderfer's ERG theory, Herzberg's motivation-hygiene theory, Vroom's experience motivation theory, among the main ones.

Based on the above, it can be established according to Chiavenato (2006, p.84) that with the humanistic approach, management theory undergoes a conceptual revolution in which there is a transition from the emphasis previously placed on the task and organisational structure, to the emphasis on the people who work or participate in organisations, i.e. now the study and concern is focused on the psychological and sociological aspects of the individuals who make up the organisation.

According to Chiavenato (2006, p.88) the Human Relations Theory arises from the following facts: 1) the need to humanise and democratise management; 2) the development of human sciences; 3) the ideas of John Dewey's pragmatic philosophy and Kurt Lewin's dynamic psychology and, finally; 4) the conclusions of Hawthorne's experiment.

It should be noted that among the characteristics of the aforementioned theory is that it treats the organisation as groups of people, puts the emphasis on people, inspired by psychology systems, delegates authority, employee autonomy, trust and openness, emphasises relationships between people, as well as trust and group and interpersonal dynamics (Chiavenato, 2008, p.95).

On the other hand, some theories are observed as the theory of Maslow's hierarchy of needs, the main contribution of the psychologist was to argue that when a series of needs is satisfied, it ceases to be a motivator for the human resource, therefore, he proposed a pyramid in order of ascending importance, among which he hierarchised: 1) physiological needs, 2) security needs, 3) needs for affiliation or acceptance, 4) needs for esteem and, 5) need for self-fulfilment. Analysing a little, it can be argued that Maslow's proposal emphasises the steps that the individual follows to cover his primary need, which is self-fulfilment, pointing out that it is complicated for a person to obtain it without first having covered the rest of his or her needs (Koontz, et al., 2008, pp.417-418).

Likewise, the aforementioned authors define Alderfer as proposing the ERG theory, which consists mainly of three categories similar to those presented by Maslow: need for existence, need for relationships and need for growth.

Herzberg, for his part, established the motivation-hygiene theory, consisting of a modification of Maslow's hierarchy. His theory consists in finding a two-factor theory of motivation. In one group are: policy and administration, supervision, working conditions, interpersonal relations, salary, status, job security and the personal life of the company, which he defines as maintenance, hygiene or work context factors. In a second group, he lists job content-related satisfiers. It includes achievement, recognition, challenging work, advancement and growth at work (Koontz, et al., 2008, pp.419-420).

Finally, the expectancy motivation theory developed by Victor H. Vroom is presented, who argues that people will be motivated to do things to achieve a goal if they believe in the value of that goal and if what they do will help them achieve it (Koontz, et al., 2008, p.421).

As can be seen in the theories described above, the motivation of the human factor in organisations is a fundamental component for its development to be the most convenient for the company, since an unmotivated employee can generate losses and lack of competitiveness in the organisation.

However, based on the aforementioned theories, a motivated person will manage to be in line with the objectives pursued by the organisation, since he or she will assume them as his or her own challenges and commitments.

On the other hand, we find that for some organisations, the human factor is considered as a cost to be reduced and not as a fundamental element that contributes to the creation of value and wealth. In this sense, it can be pointed out that the creation of value does not mean for the structure a disappearance or reduction of its human resources, but rather a greater use based on the knowledge of the personnel and new ways of carrying out the company's activities.

Conclusions

Organisations in the world have been characterised by living in a complicated and in some cases hostile environment, as they all pursue a common goal, consisting of achieving competitiveness and productivity in their companies. However, it is currently difficult to think that these organisations only focus their strategies on a production system that is intensive in raw materials, as the changes and demands of the environment establish that current success is oriented towards the strategies of the organisation that emphasise the achievement of intensive production in knowledge and information. This can only be achieved through the human factor involved.

There is much talk about competitiveness in companies, and the constant competition to achieve it. Nowadays, countries seek to remain or be placed in the global competitiveness ranking, however, it is not an easy task, because it involves various aspects to be achieved such as innovation, technology, investment, efficiency, opportunities, growth, good jobs, productivity, among others.

It is important to note that in the case of Mexico, even though it has been declared by the World Economic Forum (2012) that it has moved from fifty-eighth to fifty-third place, in terms of jobs and competitiveness in various sectors of the economy there is still no improvement and despite the efforts that have been made by various institutions and organisations, there is still a long way to go to achieve the necessary improvements so that Mexican companies can compete on an equal footing with other international markets.

This is mainly due to the business culture, which is known to be little oriented towards the external sector, or even worse, to the international competition that is increasingly establishing itself in the country and for which they are not prepared. In this sense, there are countless examples and cases that Mexican organisations have experienced, however, it is a reality and an imperative need to turn their efforts towards knowledge, i.e. the training of human resources necessary for companies to be increasingly competitive. It is essential to invest and direct the efforts of both governmental institutions and the companies themselves towards constant training and the search for solutions to the problems that have been afflicting the country for decades.

Finally, it can be affirmed that there is a long way to go for Mexican organisations, especially in terms of achieving competitiveness, since, as has been mentioned, several variables must be reconsidered and redesigned in order to achieve better development and sustained growth.

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