

THE EFFECT OF STIMULATING HUMAN RESOURCE TO ACHIEVE THE COMPETENCE OF PRODUCTIVITY: A CONCEPTUAL PAPER

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Abstract

This is a conceptual paper on the study of effect of stimulating human resource to achieve the competence of productivity. The paper aims to present the reviews of the literature on the stimulating human resource and proposed a model that includes the factors (Financial motivation, Moral motivation, Positive motivation, Negative motivation, Individually motivation, and Group motivation) that enable the organization to achieve competence of productivity. The concept of human resources characterized of great importance since long time ago, particularly in recent time, because it represents an imperative necessity for managerial and strategic practitioners at the organizational level. The conclusion that was drawn is that, the effect of stimulating human resource including Financial motivation, Moral motivation, Positive motivation, Negative motivation, Individually motivation, and Group motivation may help to achieve the competence of productivity.

Keyword: stimulating human resource, competence of productivity, a conceptual paper

1.INTRODUCTION

Stimulating is one of the most important topics at work. Motivation also leads to more efficient and effective. The incentive system is very important in the work; it works to affect the psychology of human resources to improve performance. This is because the positive potential within the human and the characteristics of successful organizations seek to mobilize their employees and explore their talents to benefit and employ the optimal

employment that benefits the community (Zuckerman, 2014).

The concept of human resources characterized of great importance since long time ago, particularly in recent time, because it represents an imperative necessity for managerial and strategic practitioners at the organizational level. In addition, human resources are a key element in achieving and maximizing the organization's goals. According to Cameron (2011) the use of effective incentive system is a policy of organizations to increase the performance of employees and increase productive capacity.

Considering that human resources are of great importance, and because they are widespread throughout the organization, and specifically departments, as employees in the upper, middle and lower departments are all components of human resources, and therefore all departments always seek to look for those factors that may affect the productivity and efficient work (Alaaraj, 2018a; Alaaraj, 2018b). In this sense, the new role of human resources management has been highlighted by its strategic dimension, which carries out the overall strategic functions of the organization, starting with the process of attracting and motivating smart human resources so that it can lead to the competitive advantage in the path of prosperity and growth (Armstrong, 2010; Alaaraj et al., 2018).

Many management thinkers call HR management practices functions as a set of activities that will put HR strategies into practice and are geared towards improving performance. To enhance the capabilities, skills and knowledge of human resources as needed in order to achieve strategic objectives. Bernardin

identified human resources management practices as human resources planning, analysis, work design, recruitment, training and development, compensation and benefits, and performance evaluation. This is a set of strategies, including: human resources training strategy, human resources performance management strategy, and employee compensation and reward strategy. Some believe that human resources management activities are limited to planning, job analysis, recruitment, training, performance management and compensation (Werner, 2012, p16).

The ultimate goal of this interest was to reach the best, simplest and most successful ways to improve the performance of the employees of the organization and the incentives are external factors, influences and temptations that encourage the individual increases his performance, provides the result of superior and outstanding performance, and increases his satisfaction and loyalty to the organization and thus increases his performance and productivity again (Abu Al-Kashk, 2006; Alaarj et al., 2016).

2. BACKGROUND OF THE STUDY

Commercial banks are organizations that aspire to increase their performance to be able to continue in the business environment, where the diversity of its business and services, and the most important element that dominates the nature of its work is the human resource. While, banks are of great importance in the economies of both developed and developing countries, due in part to the relatively large size of banks as compared to other types of companies and the variety of stakeholders who have a relationship with the bank from shareholders, depositors and borrowers. A country depends very much on the integrity of the financial system and specifically the banks (Berger et al., 2008; Alaarj et al., 2016a).

Given the importance of banks, and because of the multiplicity of stakeholders with the bank, it became necessary to directly monitor banks in order to ensure their safety and reliability, and to avoid exposure to any undesirable events that may affect them, stakeholders and the economy as a whole (Alaarj et al., 2016b). Hence, the importance of supervision of banks by supervisors and regulators has become important in protecting the

rights of depositors, shareholders, customers and various stakeholders in the bank, strengthening confidence in the banking sector, and enhancing monetary and banking stability. Many studies have confirmed that the weakness of the regulatory and supervisory institutions on banks is one of the most important factors leading to the failure of banks and generate banking crises such as Mish (2001); Davies (2013); Boykin (2014); Al-Zaqeba and AL-Rashdan, (2020); Alaarj et al. (2016).

According to Bourkhis and Nabi (2013) the phenomenon of banks is the most prominent event in the Islamic, Arab, and even international banking arena. while, the efforts of scientists and researchers have contributed significantly to the continuity and development of banking experiments to date (Al-Zaqeba, 2018; Alaarj et al., 2017a, b).

Generally, with the integration of the endoscopy of banks, it necessary to consider the effectiveness of these banks, and to evaluate the banking experience to know the failures and success factors in them by studying a number of Islamic banks in a number of countries and comparing them with the traditional banks. There is no doubt that Islamic banks have been very successful in proving Islamic finance theory in that it is able to keep pace with the times and respond to the financing needs of contemporary economic life. Whereas, Islamic banks have rightly demonstrated that Islamic banking can keep up with the latest developments in the world of finance and the economy and have real advantages over RIBA-based financing and serve as a basis for a local and global financial system that has a degree of banking flexibility, coverage of the financing, and professionalism needs of contemporary society (Alaarj et al., 2015; Hasan, 2014).

The banking work on this picture has become a reality that should be studied carefully so that the banks that have fallen behind and the shortcomings of some aspects of it to reconsider some of their methods and policies, on other hand so that success and excellence can continue, thus proceed according to the criteria that could be based and take a course of progress and success (Tietenberg, 2016). Through this comparison and the study of the practical realities of these banks, it is possible to identify the criteria for the success of banks

as well as to identify the reasons for the failures that have occurred in some banks (Brynjolfsson and McAfee, 2014).

According to Dusuki (2008) the main objective of Islamic and commercial banks of all types is to achieve profit despite the differences in the means and mechanisms of each, while the indicators of success of all banks in their survival and continuity is mainly due to the profits they gain.

3. LITERATURE REVIEW AND PROPOSED MODEL

The human cadre is the primary element in production, in addition to all the other resources of any service or profit-oriented organization that defines its objectives and seeks to achieve them in the foreseeable term, and the desire to achieve these goals (Rainey, 2009; and Schwarz, 2017).

Motivation is the process of activating employees in positive or negative ways with the aim of increasing production rates and improving performance, by all possible means to motivate employees to work well and include all the methods used to motivate them to work continuously (Ramhi et al., 2017; and Al-Zaqeba & AL-Rashdan, 2020).

To understand the relationship between employees and employers, there is a study conducted by Yesufu (2016). He found that employees' perception of the recruitment and development, training and selection and compensation and benefits HR practices had significant and positive effects, as well as the training and development HR practices to have the strongest positive effect on the relational and balanced types of psychological contracts.

Anderson (2018) indicates that confidence and open-mindedness in relation to continuing organizational change and development have a positive effect on the productive efficiency of workers in service organizations. Ukpai (2019) found that human resource practices (HRPs) causally tend to influence other HR outcomes, and organizational financial performance (OFP).

The study of Alrebeay (2017) showed that not all HR systems affect organizational outcomes in similar ways. While motivation-enhancing practices are the only HR system to have a direct effect on service performance, different HR systems may contribute to shaping various organizational cultures in order to attain the desired

outcomes. Whereas, the relationships between empowerment practices, and skill, and service performance are positively mediated by competitive and innovative cultures, such relationships are negatively mediated by bureaucratic cultures. On the other hand, culture types have opposite effects on the relationship between performance and motivation-enhancing HR practices. Alrebeay (2017) also found that community and bureaucratic cultures negatively mediate the effects of skill- and empowerment-enhancing HR practices, both culture types positively mediate the effects of motivation-enhancement practices. The study of Alrebeay (2017) does not support the mediating effect of organization culture on the association between HR systems and turnover intentions, furthermore Alrebeay (2017) confirm that human capital only mediates the relationship between motivation-enhancing HR practices and both service performance.

A study conducted by Lewis (2017) showed that support and improved communication and shading for staff retention contribute to the theory of human resources in terms of the benefit of the most informal methods of human resources development as well as for managers to retain the benefits and hourly wages provided to employees; thus, contributing positively to improving productivity to the staff (HR). Nevertheless, variations in organization size appear to affect the retention rate and qualification level of employees most significantly. In addition, Shi (2018) found that the fit between business strategy and other HR practices, notably payroll systems and performance appraisals have positive effect on the staff performance during different economic cycle stages. Also, HR systems are still considered as working supportively to the growth of organizations.

The previous studies confirmed the positive effect between the independent variables and the dependent variables for this study. Subsequently, based on the above discussions, the following is hypothesized:

- H1: Stimulating human resource affects significantly on the productivity competence in Jordanian banks.
- H1.a: Stimulating human resource affects significantly on individual skill of employees in Jordanian banks.
- H1.b: Stimulating human resource affects significantly on the technological power in Jordanian banks.

H1.c: Stimulating human resource affects significantly on the practical experience of employees in Jordanian banks.

4. CONCEPTUAL FRAMEWORK

The conceptual framework of this study was developed to examine the effect of stimulating human resource to achieve productive efficiency.

Based on previous studies, HR Stimulating expected to affect the competence productivity. Figure 1 presents conceptual framework for the study.

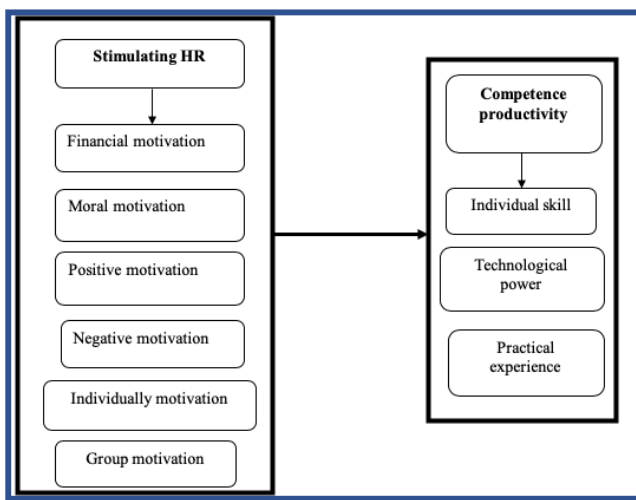


Figure 1: Conceptual Framework of Competence Productivity

5. CONCLUSION

This study examines the importance of stimulating HR stuff to increase their efficiency and productivity. The HR stimulating is extended by including financial motivation, moral motivation, positive and negative motivation, individually motivation, and group motivation. In addition, the competence productivity is extended by including individual skill, technological power, and practical experience. The previous studies confirmed the positive effect between the stimulating HR and the competence of productivity. For this study, it's recommended that the banks apply stimulating HR to achieve competence of productivity by the employees.

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