

## Investigate the Factors Affecting the Employee Efficiency at Kermanshah Offices and Corporate

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**Abstract:** In today's competitive world, productivity as a philosophy and based improvement strategy viewpoint is the most important objective any organization and can constitute a chain of activities in all sectors of the population. Without a doubt, to have a future and developing dynamic and competitive economies in the world today, we need to increase productivity and optimum use of resources. This study examines the factors affecting the performance of productivity of employees. This study is applied in term of purpose and descriptive, survey and to implement. Statistical society of this research consisted of managers and employees at offices and companies in Kermanshah. Data through a questionnaire among 275 managers and employees stratified random sampling method collected and Spss Amos software is used to analyze the data.

**Key words:** Efficiency, leadership style, individual characteristics, the system of punishment and encouragement, motivation

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### INTRODUCTION

Now a days, developments in the world today of communication and because of the instability and variability in the world, especially developing countries in order to increase efficiency and contribute wisdom and creativity of managers and to assess progress in the development of creative directors and employees, to grow organization together. Human capital in an organization are the most important factor of production and the most important organizational failures lack the necessary skills in the field of human relationships.

The purpose of the organization is to foster creative intellectual people that they can face the problems and resolve them. Because one of the secrets of success in organizations to circulate information containing knowledge and experience among human. Adoption flow of knowledge between people requires preparation and infrastructure in order to create a culture that everyone else is trying to grow. Therefore, we must say that we need to advance organization's staff creativity and innovation to work for the opening of the context must strengthen our motivation in them.

In today's competitive world, productivity as a philosophy and based improvement strategy viewpoint is the most important objective of any organization and can constitute a chain of activities in all sectors of the

population. Therefore, the main objective of the mission management and effective and efficient use of resources and facilities managers of organizations as diverse as labor, capital, materials, energy and information.

This has led in all countries and better and more appropriate utilization and proper use of production factors (such as goods and services) To become a national priority and all communities to believe that the continued existence of any society is not possible without considering the issue of productivity in country and this is no exception and considering the issue important role in the development of its productivity. In this context, labor productivity growth of about 5.3% set in the fourth development plan to realize it is necessary to identify the necessary solutions.

Efficiency means in terms of conceptual effective and efficient use of resources in the production process. There is also the issue of interest on the belief that every day can do things better than the day before and thus there is a possibility of continuous increase efficiency. From the perspective of Solo, the remaining part of the growth of total factor efficiency is the same, i.e. the part of output growth that related to labor, physical capital and intermediate inputs is not.

In other words, part of increasing production by increasing the total productivity of factors of production and through better utilization of existing capacities in

terms of improving the quality of inputs and improve the structures and the relevant institutions is possible. This approach in the economic literature, the approach of “efficiency-oriented” is famous. At present, the importance of productivity to increase national production is accepted. When productivity increases, GDP will increase faster and increases production and average production per unit of production.

Also, the role of productivity in reducing cost and improving export development is important. In addition, improving productivity leads to savings in the use of resources and reduce the adverse environmental impacts and is important in the process of sustainable development (Nia, 2014).

**History:** Nemati (2005) study entitled “The Impact of performance evaluation on labor productivity in detergents. The results obtained of the analysis the questionnaires showed that performance evaluation system has a positive effect on labor productivity and all three hypotheses were confirmed.

Tavari (2001) in a study entitled identify and prioritize the factors affecting productivity of human resources using MADM “in an apparel companies in the province. Results of this study showed that highest importance or priority is management agent and the next category are personal, cultural, social psychological factors. Environmental factors is of least importance.

Ghabezi (2012) examined the factors affecting the efficiency of human capital in research centers and the results showed that leadership practices, training, payment systems, organizational structure and human investment and correct selection affect efficiency of employment.

Gosh and Mandel (2009) showed that the relationship between intellectual capital performance of the company and the traditional indicators of performance are different. (Profitability, efficiency and market valuation). Intellectual capital can explain profitably the but is not able to explain the efficiency and market valuation.

Diez et al (2010) studied the effect of human capital and structural capital on creating business value assessed. The findings showed a positive relationship between the indexes of human capital and create value.

Moda and Rafighi (2014) In this study considered three factors of job stress, motivation and communication as important factors, studies have shown that about 59.3 of employee performance placed by stress, motivation and communication and the remaining 31.7% is associated with other factors (Fig. 1).

**Efficiency:** Employee efficiency is a function of motivation, ability, knowledge, jobs, organizational

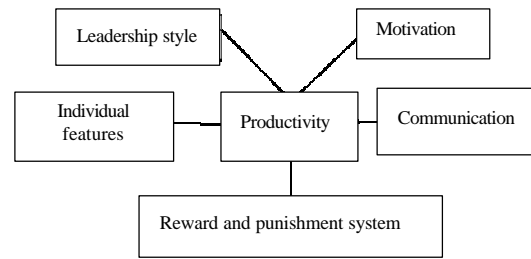


Fig. 1: Conceptual model of the study

support, environmental compatibility and feedback and credit management. In evaluating potential employees, working knowledge of the job, work experience related to the job and work-related talents should be examined and also each employee should have to do what, when and how to do it and have a good understanding of their work is accepted. Organizational support, said to help employees that they need to do business successfully (Nemati, 2005)

**Performance efficiency:** Staff performance and efficiency of the product in relation to the action are doing, i.e., the same thing is true with regard to the description of his duties (Alizadeh, 2004). The general idea is that the employees’ performance result of the interaction of three components, “communication”, “skill and mental abilities of individuals” and “Motivation”.

**Leadership style:** In the modern corporate world, the most important factors affecting is the management element communities that are deemed desirable form of management and leadership. One of the fundamental concepts of governance and leadership is associated with social developments. Because, the word order and manage community-based organization was founded. Without leadership to advance social goals and achieve the desired result or might not have been or will be very difficult.

Different styles of leadership in management literature known and defined. The remarkable thing is that there is leadership style which cannot be considered ideal style for all organizations, election or the formation of leadership style in an organization depends on organizational maturity and the nature of the business organization. In this study, the following components have been used to define leadership style: education, knowledge, attitude, experience, work experience.

**Individual characteristics:** In general, factors such as family problems and physical working environment has adverse effects on a person’s mood because as was

pointed out on its own workplace stress is causing the stress. Negative effects of stress on different people combine personal life and work life stress and frustration of poor performance and weaken the spirit.

The change is extreme in the modern world and different people within a short time is subject to change. Spectacular extreme diversity had less time to being with you in this moment of life and experience remain vigilant. In this study, the following components have been used to define individual characteristics: age, gender, education, marital status, family culture, religion and beliefs, ability, physical strength.

**System of reward and punishment:** Employees have to do everything running well and continue to do better work receive appropriate reward. Managers at many occasions to the fact that even small reward employee performance affects not aware of. In this regard, the example will be passed: Supposed to do part of the work organization and family to ignore you got your break and after work to deliver it to your manager out for manager you even bother to smile and shake your head or a not too simple emotions.

Are you in performing the assigned tasks as before you act right or you get discouraged? Many studies indicate no reward for job performance reduces continue to do things properly. Managers may believe that eternal reward employees receive salary and is perfect for them. It is true that the payroll as an important factor in maintaining and effective employee performance but employees want different and diverse in terms of their performance are rewarded.

Rewards can be material and immaterial. Rewards include many simple cases such as smiling, thank, to the sense of satisfaction and more. Managers to develop with incentives and rewards to diverse excellent performance of the organization (Ghabezi, 2013). In this study, the following components are used to define the reward and punishment system: reduced or promotion in positions, salary increase and bonus, salary deductions and fines, cum, hint.

**Motivation:** A condition in people that makes them prone to certain behaviors and actions. Discussion of factors to satisfy needs more staff morale and effectiveness and create an intimate and attractive environment for their organizational environments every person concerned about the future of this country is drawn. Because with the effort and consultation and harmony among all people and organizations in the community, one can naturally hope that through the exercise of a right management and scientific progress in developing countries actually take steps accordingly (Moghaddam, 2004). In this study, the following components have been used

to define motives: improving environmental conditions, sense of security and job stability, partnership.

**Communications:** In order for an idea to become a reality, there must be plans and develops when an application needs to communicate with the people who are involved in implementing it. In this regard, communication is a means of obtaining the work of others and is defined as the process of transmitting and receiving information.

The starting point for all communications management tasks. Without communications, planning, organization and control of information transfer is not possible because they may not understand.

Communications is the process of sending information through a person-to-person and understood by the recipient, i.e., transfer and sharing of thoughts and ideas or facts in such a way that recipient receives them and understand. In other words, communications is the process by which people are trying to come to common concepts achieved thanks to the exchange of symbolic messages. In this study, the following components have been used to define relevance: Even with coworkers, individual Manager.

#### **Research hypothesis:**

- The leadership style has a positive and significant impact on performance employee efficiency
- The individual features has significant positive impact on the efficiency of employees
- The system of reward and punishment has a positive and significant impact on the efficiency of employees
- Motivation has a positive and significant impact on the efficiency of employees
- Communications has a positive and significant impact on staff efficiency performance

#### **MATERIALS AND METHODS**

Research method is applied in term of purpose and the type of data, qualitative terms and in terms of how to implement a cross-sectional, descriptive-survey solidarity. Statistical society of research 8,000 managers and administrative staff and selected companies in Kermanshah using stratified random sampling of 275 people formed the study sample. Likert type questionnaire and method of data collection is just a score of 1-100 that overall Cronbach's alpha of 0.957 which indicates good reliability of the questionnaire.

#### **RESULTS AND DISCUSSION**

The normality of the distribution of variables: First, a questionnaire to assess the normal distribution of

variables, the Kolmogorov-Smirnov test was used. The null hypothesis and alternative hypothesis is defined as follows:

- $H_0$ : Variable distribution is normal
- $H_1$ : Variable distribution is not normal

If the level is significantly lower test the null hypothesis is rejected and the result is 0.05 which is not normally distributed variables. As seen in the Table 1, significant levels for individual characteristics variables, system of reward and punishment, motivation and communication and the result is 0.05 more of these variables are normally distributed and changing leadership style because it has a significantly lower level of 0.05 is not normally distributed then (Table 1).

Structural equation modeling and testing research hypotheses. In general, structural equation modeling techniques and software have been tested Amos 22 research hypotheses. To achieve this aim, the normality test is conducted. Then confirmatory factor analysis was performed for each of the questionnaires. Finally, the main hypotheses and assumptions secondary research model has been implemented (Fig. 2 and 3).

**Check the status of comparative indicators (CFI, NFI, IFI and RFI):** The status of comparative predictions shown in Table 2. The NF value or normalized fit index of Bentler-Bonnet 0.97 amount is obtained, according to the standard value of 0.9 is desirable that the index would be an indication that the model according to the measure of appropriate fitness.

The RF or relative fit index value of 0.95 is obtained, according to the standard value of 0.9 is desirable that the index would be an indication that the model according to the measure of appropriate fitness.

The CFI value or comparative fit index value of 0.99 is obtained, according to the standard value of 0.9 is desirable that the index would be an indication that the model according to the measure of appropriate fitness. The RMSE value or root mean square error value 0.03 is obtained with respect to the standard value is less than desirable 0.05.

Table 1: Kolomnrov-Smimov test

Variables	Number	Z-statistic	Significant level	Results
Leadership style	367	2.321	0	Abnormal
Individual features	367	2.679	0.058	Normal
Reward and punishment system	367	2.713	0.08	Normal
Motivation	367	1.078	0.195	Normal
Communication	367	1.182	0.122	Normal

Table 2: Indicators of overall model fitting

Models	X2/df	RMSEA	NFI	CFI	IFI	RFI	PRATIO	PNFI	PCFI
Accepted value	2>	0.05>	>0.9	>0.9	>0.9	>0.9	>0.50	>0.50	>0.50
Calculated value	1	0.03	0.97	0.99	0.99	0.95	0.59	0.57	0.58

**Thrifty indicators (RATIO, PNFI, PCD):** PRATIO value or ratio of 0.59 are being thrifty and more than 0.5 and indicate the desired state model.

The PNFI thrifty value or normalized index is equal to or greater than 0.5 and 0.57 show the desired state model. Value comparative fit index thrifty PCFI or equal to 0.58 and 0.5 is greater than that of the desired state model.

**Hypothesis 1; leadership style has a positive and significant impact on performance and employee productivity:** According to the results in Table significance level of the hypothesis 0.015 and is less than 0.05, therefore research hypothesis is confirmed in the sense that leadership style has a positive and significant impact on performance and employee productivity. This is the effect 0.166 Given that this is a positive factor is its effect directly. In other words, by changing a single (increase) leadership style to the 0.166% performance increase productivity.

**Hypothesis 2; feature has a positive and significant impact on performance and employee productivity:** According to the results in Table significance level hypothesis is equal to 0.000 and less than 0.05, therefore research hypothesis is confirmed, meaning that features has positive and significant impact on performance and employee productivity. This is the effect 0.474 given that this is a positive factor is its effect directly. In other words by changing a single (increase) the individual characteristics of 0.474% performance increase productivity.

**Hypothesis 3; reward and punishment system has positive and significant impact on performance and employee productivity:** According to the results in Table significance level hypothesis is equal to 0.000 and <0.05, therefore hypothesis is confirmed, meaning that the system of reward and punishment has a positive and significant impact on performance and employee productivity. This is the effect 0.343 Given that this is a positive factor is its effect directly. In other words, by changing a single (increase) system of reward and punishment to the 0.343% performance increase productivity.

**Hypothesis 4: Motivation has a positive and significant impact on performance and employee productivity:** According to the results in 0.002 and against the hypothesis significance level is <0.05, therefore research hypothesis is confirmed in the sense that motivation has

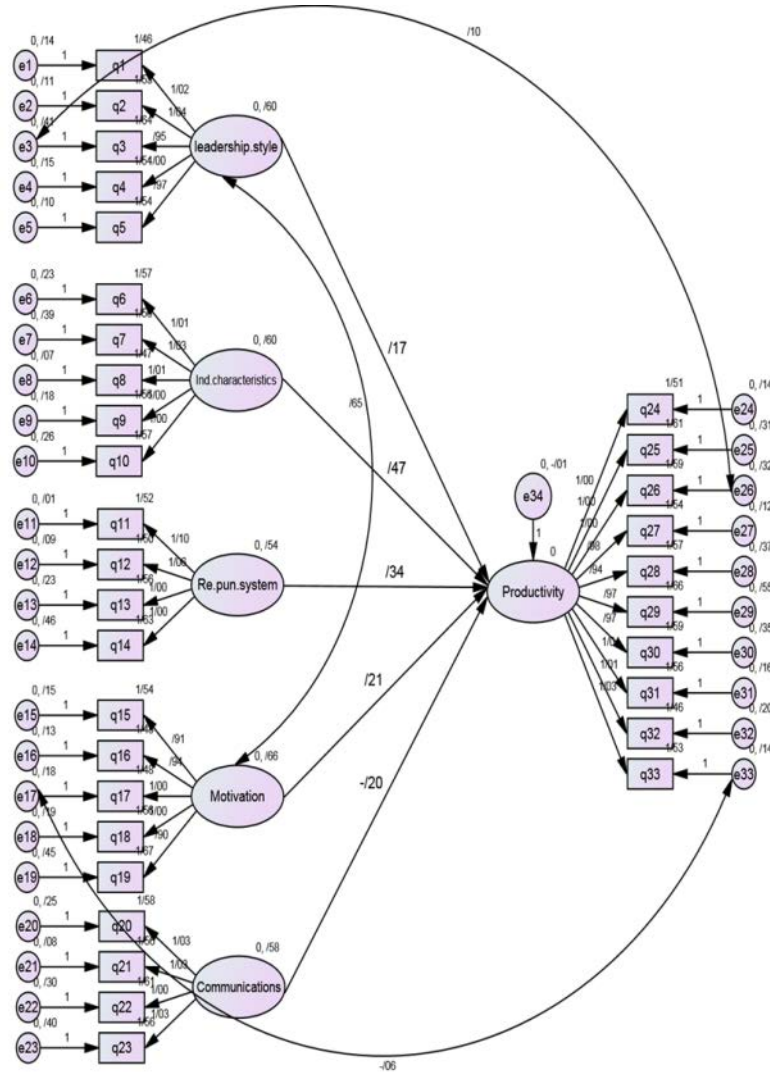


Fig. 2: Model non-standard structural correction coefficients

a positive and significant impact on performance and employee productivity. This is the effect 0.206. Given that this is a positive factor its effect directly. In other words, by changing a single (increase) incentives to increase the rate of 0.206% productivity performance (Table 3).

**Hypothesis 5: communication has a positive and significant impact on performance and employee productivity:** According to the results in Table 3 significance level of the hypothesis 0.062 and is more than 0.05, therefore research hypothesis is rejected which means that communication has a positive and significant impact on performance and employee productivity (Table 3).

**Practical recommendations:** The first hypothesis (of leadership style on performance efficiency) Using participatory and empowering leadership style as true. Proper management information system for managers of accurate information and statistics about the performance of systems and operations and other required information. Giving knowledge workers and employees about the objectives and tasks of the organization and the people in it. Empowering employees and consult with them. Create an intimate relationship between managers and employees to enhance employee performance. Competent and appropriate to entrust the work to engage people in jobs by admin.

The second hypothesis (personal impact on the performance of productivity features). Increase the level of staff. Increase the proper use of human resources,

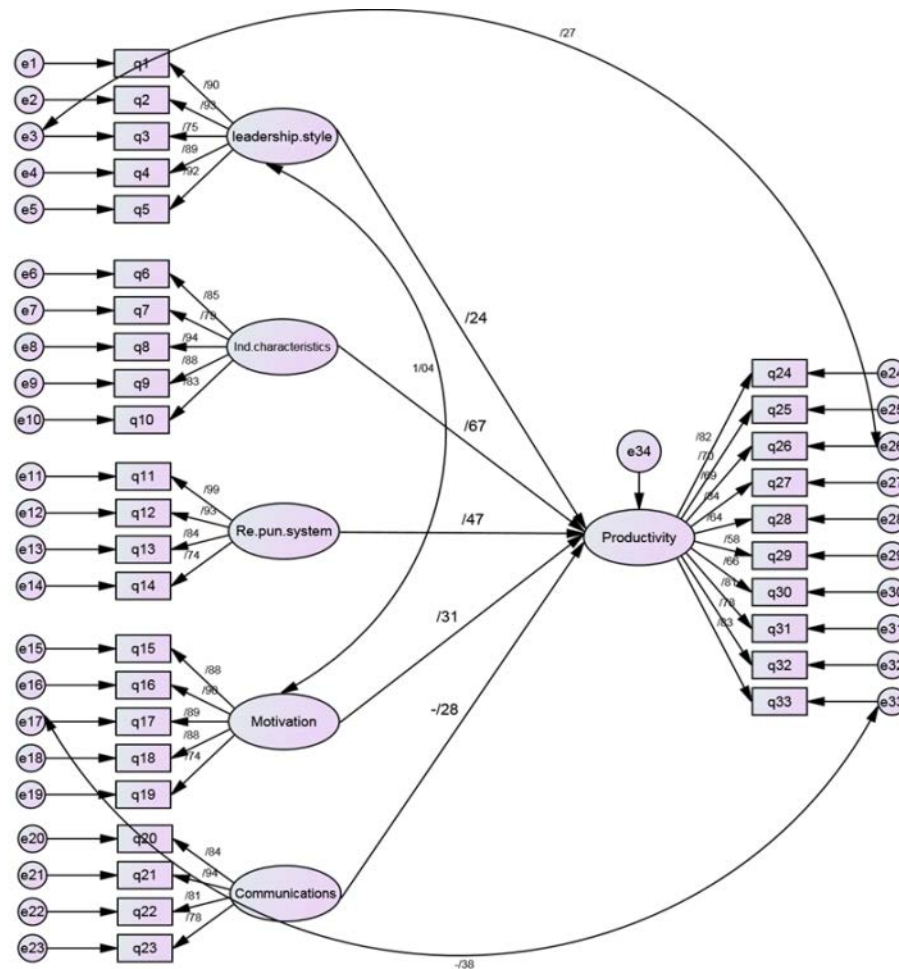


Fig. 3: Correcting the structural model with the standardized coefficient

Table 3: Final results of testing hypotheses

Hypotheses	Significant level	Effect size	Results
Leadership style has a positive and significant impact on performance and employee productivity	0.015	0.166	H <sub>0</sub> is rejected
Feature has a positive and significant impact on performance and employee productivity	0	0.474	H <sub>0</sub> is rejected
Reward and punishment system has positive and significant impact on performance and employee productivity	0	0.343	H <sub>0</sub> is rejected
Motivation has a positive and significant impact on performance and employee productivity	0.002	0.206	H <sub>0</sub> is rejected
Communication has a positive and significant impact on performance and employee productivity	0.062	-0.197	H <sub>0</sub> is not rejected

according to the expertise and proper training and targeted programs, consistent with the organization's goals. Evaluation of personality traits, moral, family and experiences of individuals and the use of this feature and records responsibility and enterprises in escrow. Use of young, motivated and expert. Use of people with high work ethic and adhere to the principles.

The third hypothesis (reward and punishment system impact on the performance of productivity). Punishment should fit the crime. Punishment system should exist for all employees at all organizational levels. Punishment should be carried out immediately after inappropriate behavior. Staff should be used to encourage the appearance of the inner rewards (rewards esoteric:

participation in decision-making, more freedom in caravans appear bonuses: financial bonus, salary increase, etc.).

The fourth hypothesis (motivational effect on the performance of productivity). Create good conditions for work and recreation for employees. Enhance the sense of responsibility and compassion to motivate work in some cases, both for managers and for employees. Enhancement of employees for duties. Empowering employees and consult with them. Increased the trust of employees (adhere to the commitments and promises, honestly share your information, respect for all employees, not just compatible, try to avoid blame and excuses, be accountable). The division of labor based

on employees' job satisfaction and interest in the enterprise. Create the framework for increased job security (official staff, salary support from subordinates and superiors).

The fifth hypothesis (the impact on productivity performance). Improve relations between managers and employees (the employee is not treated like a slave, believe independence of staff, increased dialogue with employees, communicate directly with staff, etc.).

Helping colleagues when necessary and run things as a group and mass. Creating a friendly and informal relations between employees (meetings outside the office, the tourism, travel a few days, go clubs, etc.). Reduced insufficient and ineffective communication between different types of work.

### **CONCLUSION**

Hypotheses were tested using correlation and regression tests and the results of the research showed that leadership style, individual characteristics, the system of punishment and reward and motivate positive effect on the efficiency and effectiveness of

communication was rejected on efficiency. Then, proposed model was tested using structural equation modeling coefficients were excluded non-standard and standard model has been presented.

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