CHAPTER I

INTRODUCTION
One way of assessing a country's progress is through its productivity. The greater the per capita output per unit cost, the greater is the advantage that accrues to the country. Hence, it is an understandable concern that we should put our best efforts to enhance this overall output. The profitability of an industrial enterprise rationally depends upon the efficiency with which this output is brought about.

High productivity is a hallmark of excellence attained by making the best use of faculties, talents and skills possessed by the personnel within an organization. High productivity means doing a piece of work in the shortest period of time incurring the least expenditure on inputs, without compromising on quality or workmanship.

Whether the available time is fully used or not depends on the workers. It is believed that someone doing a manual job can work faster or slower according to his choice. An attempt to speed up the rate of working except by proper training will tend to increase the number of errors. In order to reduce this ineffective time, he must be made to want to reduce it, and it is the business of the management to create the conditions that will make him want to get on well with his work.
All said and done, the efficiency of the production output of an organisation can be traced to the efficacy with which the individuals of the organisation function. Unless the work output of the individuals is high, the overall productivity of the organisation suffers. Therefore, manipulating the efficiency of the individual to improve his performance is a prime goal of psychologists concerned with organizations.

A motivating climate, a job that allows for variety and a soundly based wage structure including incentive schemes can motivate the worker to reduce ineffective time and hence will make for high quality. Frederick Taylor had pioneered the crusade for higher productivity by improving labour productivity through methods of study, work measurement, and by the introduction of incentives based on savings achieved with higher outputs. For a higher managerial productivity all members have to know not only what is meant by productivity, but also how to measure it and be familiar with the various techniques of improving productivity.

The productivity of workers is usually expressed in terms of output per man-hour and is called labour productivity. The most common concept of productivity relates to the amount of work done in a day. A person who does
more work in a given time is considered to be more effective than one who does not. For rating productivity, work has to be quantified. The work done by a fitter can be quantified in terms of standard hours. This refers to the time taken in hours to complete a job by a worker of average abilities working at a standard pace under typical working conditions. Productivity of a worker is calculated as the rate at which the work is done.

The productivity of employees is a question of output. Recent publications frequently describe employee productivity in terms of both efficiency and effectiveness. Both terms are approaches to judging the level of output of an employee. The term efficiency refers to the output of an employee against the inputs necessary to obtain the output. The term effectiveness refers to the obtained output compared to potential output.

The factors that govern the efficient work output of the individual are both intrinsic and extrinsic. Intrinsic factors may include among other things, his ability, personality, motivation, needs, satisfaction, in terms of material and non-material returns that he gets for his work, work culture and his general habits and attitudes. Extrinsic factors may include the physical arrangements in the organization, the organizational climate, cultural factors, conditions in the family, the individuals interaction with the other members in the organization, etc. In
a sense, the extrinsic and intrinsic factors interact among themselves, and it is the total effect that actually determines his performance.

Not only the nature and interplay of the aforementioned factors depend upon the organisation but they are very much influenced by the cultural inputs of a society. For example, it is common knowledge that Japanese organisations differ from American and Indian organisations both in terms of extrinsic and intrinsic factors. What may hold good in a Japanese society may not hold good in the Indian set up. Even conceding that a similar set of factors operated across diverse cultures, the extent of the operation of these factors may vary from culture to culture.

India is a developing country. It has had a hoary past. Right now it is in the grip of modernisation, industrialization, urbanization, etc. It is also a country which continues to depend predominantly on an agro-based economy with approximately two-thirds of its population of a rural heritage, mostly uneducated and on the borderlines of poverty. These unique conditions may influence the nature and the extent of the play of extrinsic and intrinsic factors that determine an individual's work output.
It is in the context of the foregoing and due to a short fall of studies that relate to individual work output, that a need was felt to assess the role of some factors in determining an individuals work output. Also, ours being a mixed economy of public and private enterprise and in view of the liberal amount of job security available in public sector undertakings when compared to several private undertakings, it was felt that the role of extrinsic and intrinsic factors may vary in these two types of undertakings.

Another question that interested the investigator was whether variation in the age of the person mediated the operation of the extrinsic and intrinsic factors - Vis-a-vis work output of the person. In order to find some answers to these questions in an Indian setting, a study was planned to investigate the role of certain factors like co-operation, work involvement, achievement motivation, adjustment and organizational climate in determining work output of younger and older age levels in public sector and private sector undertakings.