



Human capital and the productivity of companies

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ABSTRACT

This article aims to present the factors related to human capital and its impact on the productivity of companies, through a literary review. The objective of the article is to describe the influence of human capital on the fulfillment of productivity objectives in organizations. The methodology was based on the search for articles with specific inclusion and exclusion criteria from which 30 articles were extracted and 14 were selected for review.

1. INTRODUCTION

It is considered that companies will develop based on the stimuli of the environment, those companies that do not develop cease to exist. According to (Armas et al., 2017) companies are not physical structures if they cannot be considered living entities, since their operation depends on the people who make it up, as well as the fulfillment of the objectives or the failures that they come to present are largely attributed to the people, since it is well known that they are part of the operational management and administration of the organization (Armas et al., 2017, p. 5).

It is considered vitally important to take a look back to recapitulate on the evolution that organizations have had over time, as well as the theoretical principles that have contributed to the development of human talent management, human talent management goes beyond the talents that a person may possess (Armas et al., 2017).

Figure 1 includes the fundamental aspects that (Armas et al., 2017) list and that arise in the different eras of development in organizations: Classical Industrial Era; Neoclassical era, and the Age of Knowledge Management. These different reasons can appreciate, on the one hand, the evolution of organizations and principles of administration and on the other, the characteristics of labor relations in their evolution.



Figure 1. Synthesis of global changes in organizations and industrial relations.

Fuente: (Armas et al., 2017).

In illustration 1, a summary of the different eras in the development of human capital within an organization is presented, in each era, you can appreciate its progress and in the last stage highlights human talent as a key point for companies, which is one of the topics to be discussed in this article.

Of the main factors involved in the development of a company is productivity, (Hinojo et al., 2020) “define it as the achievement of goals using the minimum resources to produce in less or the same amount of time than using a wide variety of them” (p. 52).

“Productivity is the result of the harmonious articulation between technology, organization and human talent, combining resources in an optimal or balanced way to achieve objectives” (Jaimes et al., 2018).

2. DEVELOPMENT

2.1. Methodology for literature review

The documents included in the literature review covered those relating to human capital performance and productivity. The Google Scholar search engine was used to select the articles related to the topic.

In total, 98,600 documents were automatically viewed, among which were articles from the industrial sector, educational institutions, and microenterprises.

These publications mostly dealt with broad aspects of the topic of interest, so the following selection criteria were established:

Inclusion criteria

- CI 1. Research with a publication date from 2015 to date.
- CI 2. Research where it could be quickly identified in the summary or keywords “human talent”, “human capital”, “human capital performance” in relation to “productivity”.
- CI 3. Research where the purpose or objective included the study of the relationship, influence, or impact of human capital performance on productivity.
- CI 4. It was established based on the operation of the search, that is, keywords such as human factor, productivity, motivation, skills, work performance, human talent were established for the search.
- CI 5. Analysis of existing journals in Google Scholar and scientific platforms such as www.redalyc.org, www.scielo.org.pe, etc., and books also existing in Google Scholar.

Exclusion criteria

- EC 1. Research published from 2014 and previous years.
- EC 2. Studies carried out in health and education institutions.

In total, the detail of 30 documents was reviewed, of which 14 were selected, from which the relevant information was extracted according to the objective of this research and the aforementioned criteria.

Below is an overview of the documents considered in the research:

No.	Magazine	Country	Reason for selection
1	Innovate	Spain	CI 1, CI 2, CI, 4
2	Eca Synergy	Ecuador	CI 1, CI 2, CI 4
3	Innovate	Colombia	CI 1, CI 2, CI 4
4	Technological Information	Colombia	CI 1, CI 2, CI 3, CI 4
5	Didactics and Education	Ecuador	CI 1, CI 2, CI 4
6	Private University of the North	Peru	CI 1, CI 2, CI 3, CI 4
7	Venezuelan Management Magazine	Venezuela	CI 1, CI 2, CI 4
8	Techno	Colombia	CI 1, CI 2, CI 3, CI 4
9	Dept. of Administration, Economics, and Finance	Ecuador	CI 1, CI 2, CI 3, CI 4
10	Innovate	Colombia	CI 1, CI 2, CI 3, CI 4
11	Science and technology	Peru	CI 1, CI 2, CI 4
12	Research & Business	-	CI 1, CI 2, CI 4
13	Youth Management	Ecuador	CI 1, CI 2, CI 4
14	The vision of the future	Argentina	CI 1, CI 2, CI 4

2.2. Literature review.

2.2.1. Human capital as a strategic element.

The main objective of a company is to position itself in front of its competition as an innovative company and offer quality services or products superior to the rest, this as part of its strategies in competitive advantages, for this they rely on the capabilities and ability of human talent as one of your main strengths for the development of these objectives (Montoya et al., 2016).

Therefore, we can say that, if the staff develops a higher level of knowledge, as well as competencies and skills, this facilitates their collaboration within the company and the performance of their tasks and assigned activity efficiently and the quality superior to the standard and with the possibility of adding added value to the organization.

When an organization includes within its plant personnel with the above characteristics, said organization presents productivity improvements and is positioned as a competitive

company that translates into products or services that stand out from the rest of the organizations (Simancas et al., 2018).

Human talent can also be considered as capital that the more it accumulates knowledge, skills, and experience that they obtain through education and experience learned in the company, adds value to it.

It is considered that it is investing in human capital, when it is invested in the training in the operation, in the health services that are offered to them, the rewards and benefits, in short, all the possible income that the staff may have as a benefit by the organization. (Simancas et al., 2018).

Specialists in strategic human resource management theorize that, through their human resources practices, such as personnel development or training, organizations create a particular form of aggregate knowledge, skills, and competencies that in turn contributes to performance at the organizational level (Simancas et al., 2018).

2.2.2. Management and development of human capital.

Planning, organization, development, coordination, and control are able combination to create the ideal environment for the efficient performance of personnel, this can be generated if the organization builds an environment that allows the people who collaborate in it to achieve their objectives, even if these are not directly related to the organization, however, when achieving their objectives, they will be reflected in a collective format within the company (Ramírez and Zavaleta, 2017).

The objective of human capital management includes the development of procedures that strengthen and define the structures of the company efficiently, as well as the firm establishment of mechanisms that contribute to the achievement of the objectives of the company, to achieve the above, techniques aimed at planning, must be available, organization, direction, and control as any administrative process, but with a focus on personnel (Vera y Blanco 2019).

“The general objective of human talent management is the correct integration of strategy, structure, work systems, and people, to achieve the deployment of all their skills and capabilities from people and achieve efficiency and organizational competitiveness” (Vera and Blanco 2019).

This can be translated into reaching a maximum level of productivity by directing efforts to promote an ideal work environment so that staff can function in such a way that the expected productivity objective is achieved (Maturana and Andrade, 2019).

Several specific objectives emerge from this general objective such as (Vera and Blanco 2019).

1. Help the organization achieve its goals.
2. Provide the organization with well-trained and motivated employees.
3. Develop and maintain the quality of the working environment.
4. Provide competitiveness to the organization.
5. Enable self-realization and employee satisfaction at work.
6. Manage change and instruct the tool to achieve it.

You can also name the general objectives that will serve to achieve efficiency in the organization (Vera y Blanco 2019).

1. Attract: It is the way to look for and attract the most capable people to the company. They are the strategies and tactics so that people have a lot of interest in working in our organization.
2. Develop: To potentiate the capacity within this phase can focus on the following factors:
 - Training, which is to foster the environment for staff to acquire skills that allow them to do their work with productivity.
 - Training is learning how to do the job.
 - Staff development referred to identifying motivations and desires that drive to perform a job with enthusiasm.
 - Organizational development: Teach to think according to the organization as values, goals, behavior, and projections.
3. Retain: They are the policies, strategies, and tactics that are used so that the people who work with the company can stay for many years and in this part, something very important comes in that is motivation.

2.2.3. Motivation and human capital.

“Motivation is the process of stimulating an individual to perform an action that satisfies some of their needs and reaches some desired goal for the motivator” (Miranda, 2016).

“The motivation of human resources consists fundamentally in maintaining corporate cultures and values that lead to high performance” (Miranda, 2016).

Motivation is the desire to make a lot of effort to achieve the goals of the organization, conditioned by the need to satisfy some individual need (Miranda, 2016).

Therefore, motivation can be defined as the means that staff and the company promote to achieve the fulfillment of their goals to reflect personal and collective interest.

Motivation is the main source of retention and satisfaction of the staff of an organization, since, although the staff is part of an organization they do not separate their personal goals and dreams for this simple fact, the company must motivate them to fulfill these goals and dreams which will be rewarded with some factor of interest of the person or group of people towards the organization (Miranda, 2016).

2.2.4. Human capital and productivity.

Productivity is the main objective of an organization, the efforts of human capital are focused on the fulfillment of this which is the main objective (Suarez, 2018).

The resources of the organization are managed by people who focus their activity and efforts on producing products or services of superior quality concerning the competition and achieving the improvement of their activities day by day to obtain a positive impact within the organization, as well as in their personal life (Obando, 2020).

The development of the skills of the staff focused on improving productivity can be obtained by making an investment in training and increasing the experience of people within the same company (Maturana and Andrade, 2019). In general, within organizations, it can be identified that employees increase productivity when they learn new skills when they explore new methods to carry out their activities, by perfecting the techniques already learned in educational institutions or companies to which they previously belonged (Ganga and Villacís, 2018).

Based on the above, the talent acquired by employees and accumulated through education or experience, as well as the person's natural skills serve to promote and enhance improvement and supported by training activities can result in the exploitation of talent aimed at the good of the organization (Simancas et al., 2018).

(Simancas et al., 2018) mention that efforts should be focused on three types of actions related to the individual to increase productivity:

- Motivation, skills, job satisfaction, identification, commitment, and empowerment with the organization.
- General aspects such as participation, cohesion, and conflict management.
- Strengthen cooperation with emphasis on organizational culture, climate, and leadership.

To determine if the strategies implemented are related to the improvement in productivity and its impact on it, it is common to implement evaluations this is achieved by defining indicators to be able to measure productivity within the organization (Diaz and Quintana, 2021). The main indicators commonly used in companies are efficiency, effectiveness, and effectiveness, these factors when heard are immediately related to productivity. The above factors allow to measure the level of productivity achieved and additional the impact or influence of the personnel in that result, with this it can be analyzed if the level of productivity achieved was the expected or knew what was defined by the company (Simancas et al., 2018).

The productivity and work performance of the staff within a company are factors of great relevance for the fulfillment of the objectives of the organization, the main focus of these factors is focused on the competencies and the contribution of these and hand in hand with the skills of the worker-oriented towards efficient performance (Hinojo et al., 2020).

Competencies are defined as “the set of characteristics of a person that are directly related to a good execution in a certain task or job”. Therefore, we can say that a competent employee can be generated by training him to increase performance in a specific task; “for example, a person competent in problem-solving will respond to possible difficulties more effectively and quickly than another person with low resolute-competence” (Hinojo et al., 2020).

The evaluation of work performance is a daily fact of life, as well as in the organization motivated by work experience, and is a fundamental tool for the development of human talent in an organization (Álvarez et al., 2018).

3. CONCLUSIONS

In the environment of organizations, an important factor for production cost because, to achieve productivity, the company has to correctly manage the resources that this entails, in such a way that the productivity objective is achieved without jeopardizing the good financial performance of the organization.

To achieve this, the human capital of the company must necessarily be committed, trained and motivated, so that it works in the direction of the productivity objective established by the company.

The productivity of a company is the reflection of the training of its personnel, so it is increasingly common for companies to consider investing in the training of their workers to obtain positive results in the future.

However, the literature selected for the topic shows the growing importance of human capital for the productivity of organizations, where it is clear that the knowledge, competencies, and skills that organizations implant in their workers are considered competitive advantages in the market.

Therefore, it can be obtained as the main result of this literature review that the performance of human talent is a key piece to achieving the goal of productivity in an organization.

For the performance of personnel in an organization to position itself at a level with which target productivity can be achieved, companies must concentrate their efforts on staff training.

During the different stages of the development of organizations, it was normal to consider the worker as another production resource to be exploited in companies, however, currently, the role of personnel for the improvement of productivity is valued and highlighted.

In an organization, human capital is the most important resource, the coverage of their needs within the organization, the increase of their potential, and the development of each worker is of high influence for the fulfillment of the objectives of the company, including productivity.

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