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Impact of Human Resources on Productivity and Financial Performance for Organizational Growth: A Comparative Study on Selected Public and Private Organizations in Bangladesh.

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**Impact of Human Resources on Productivity and Financial Performance for  
Organizational Growth: A Comparative Study on Selected Public and Private  
Organizations in Bangladesh**

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## **ABSTRACT**

This research uncovers the impact of human resources on productivity and financial performances towards organizational growth. It allows comparative analyses and findings on Bangladeshi public and private organizations employees' contribution towards respective organizations. Basically, 180 employees have been selected randomly as sample to conduct this research. Arbitrarily three public and three private organizations (namely; Petrobangla, Titas Gas & DESCO and ACI, BEXIMCO & SQUARE) have been selected to collect both primary and secondary data. Primary data have been collected through a structured questionnaire. Conversely, secondary data (last five consecutive years' financial statements) have been collected from the selected organizations. Mainly, descriptive statistics, regression analysis, time series analysis have been run to analyze and interpret data. The results show that organizational growth certainly depends on employees' productivity and financial performance for both public and private sector organizations. In addition, time series analyses have been undertaken using SPSS to know the current situation and forecast financial condition of public and private organizations for next five years. Results show that public organizations financial condition should be improved since there are huge ups and downs in the financial performances over the years. Next five years financial forecasting also suggests that consistent ups and downs may be there and government may have to subsidize consistently those organizations over the years. Finally, this research can be an evidence for the policymakers, researchers and private and public sector organizations toward realizing the significant impact of employees' contributions, involvement, and improvement of skills and financial growth of the organizations.

**Keywords:** Human Resources, Public Organizations, Private Organizations, Productivity, Financial Performance, Organizational Growth, Bangladesh.

## 1.0 INTRODUCTION

A rapidly changing economic environment, characterized by such phenomena as the globalization and deregulation of markets, changing customer and investor demands, and ever-increasing product-market competition, has become the norm for most private and public organizations. To compete, they must continually improve their performance by reducing costs, innovating products and processes, and improving quality, productivity, and speed to market. With this Special Research on human resources and organizational performance, we hope to contribute to a better understanding of the role of human resources on productivity and financial performance for organizational growth. The conceptual and empirical work relevant to this question has progressed far enough to suggest that the role of human resources can be crucial. However, given the importance and complexities of the issue, this body of work is relatively small, and most of the key questions are sorely in need of further attention. We hope that the publication of this special research will encourage and reinforce interest in this area, as well as help researchers in their decisions regarding what to study and how to study it. We also hope that it will demonstrate to senior human resources (HR) and line managers that their HR systems represent a largely untapped opportunity to improve performance of employees both public and private services in Bangladesh. In Bangladesh human resources usually have merely been seen to be trained and cared properly both in public and private sector organizations though private organizations sometimes try to improve skills and efficiency of the employees. The organizational structures, cultures, norms, values, working environment, monitoring, responsibility, authority and so on vary between public and private organizations. Besides, many public organizations do not have to show interest on profit making rather trying to welfare of the people as per policy of the state. Conversely, private organizations prime concern is to make maximum profit through increasing amount of production and sales. According to their aims and operations employees' efficiency, skills, affordability employees have been treated differently. Therefore, productivity and financial performances of public and private organizations vary which also affect organizational growth.

## 2.0 REVIEW OF LITERATURE

Since there is limited sources of data available in this field of study especially in Bangladesh this is why a number of scholars' published articles, research papers, thesis paper, project reports and a number of different countries related websites will be studied and cited in this study. **According to Markovits, Y. et al. (2007)** examined that the affective organizational commitment was found to be most influential with respect to levels of intrinsic and extrinsic job satisfaction. This concurs with other studies of the behavioral outcomes of commitment. **Adamchik, V A., and Arjun S. B. (2000)** claimed that there were wage differentials between workers in the public and the private sectors. After standardizing for worker characteristics and sector selection effects, they found that a private sector wage advantage. The wage premium was particularly pronounced for university educated workers. **Markovits, Y. et al. (2010)** examined that the satisfaction-commitment link with respect to differences between private and public sector employees. Their results confirmed the hypothesized relationship differences: Extrinsic satisfaction and intrinsic satisfaction were more strongly related to affective commitment and normative commitment for public sector employees than for private sector ones. **Lyons, S. T. et al. (2006)** revealed that private employees value work that contributes to society more than public servants, who value it more than private sector employees; private employees value opportunities for advancement less than both public and private sector employees; public servants value intellectually stimulating and challenging work more than private organizations employees; and private sector employees value prestigious work more than public servants. **Buelens, M. and Herman V. d. B. (2007)** described that differences in hierarchical level were more important determinants of work motivation than sectoral differences. In addition, most observed differences could be wholly or partially explained by differences in job content, not by the sector itself. **Bellante, D. and Albert N. L. (1981)** found that stability of employment is greater in the public sector than in the private sector. **Tsigilis, N. et al. (2006)** showed that early educators experienced moderate levels of emotional exhaustion. Public sector early educators were more satisfied from the job itself and their immediate supervisor than their counterparts in the private sector. Regression analysis showed that job satisfaction facets which contributed to early educators' burnout varied as a function of their workplace. **Manzoor, Q. A. (2012)** built three hypotheses based on the literature and the model and were tested in perspective of the previous studies and literature. Empowerment and recognition have positive effect on employee motivation. **Singh, J. (2000)** analyzed to understand mechanisms that govern the productivity and quality of frontline employees (FLEs). **Huselid, M. A. (1995)** evaluated the links between systems of High Performance Work Practices and firm performance. Results based on a national sample of nearly one thousand firms indicate that these practices have an economically and statistically significant impact on both intermediate employee outcomes (turnover and productivity) and short- and long-term measures of corporate financial performance. Support for predictions that the impact of High Performance. **Bartel, A. P. (1994)** uncovered that training plays a crucial role to increase employees' performance and organizational productivity. He found that higher rate of productivity one of the key factors of employees' consistent training other than administrative policies.

**Gruman, J. A. and Alan M. S. (2011)** suggest that producing performance increments may be best achieved by orienting the performance management system to promote employee engagement. **Leblebici, D. (2012)** established agreed the workplace environment plays a crucial role for the employees. Nowadays employees may have a large number working alternatives, and then the environment in workplace becomes a critical factor for accepting and/or keeping the jobs. **Konrad, A. M., and Robert M. (2000)** examined the adoption of work-life programs and the impact of work-life programs on firm productivity. Productivity data were obtained from CD Disclosure for 195 public, for-profit firms. Significant interaction effects indicated that in these 195 firms work-life programs had a stronger positive impact on productivity when women comprised a larger percentage of the workforce and when a higher percentage of professionals were employed. **Samnani, A. k. and P. S. (2014)** suggested that performance-enhancing compensation practices are designed to increase employee productivity through greater accountability, while highlighting performance differentials across employees. While productivity increases may occur, these practices can also stimulate an unintended consequence: workplace bullying. **Obisi, C. (2011)** expounded that organizational performance and its resultant efficiency and effectiveness can only be achieved when individuals are continuously appraised and evaluated. The inability of organization to install an effective performance appraisal strategy has hindered them from achieving competitive advantage which they require more now than ever before. **Elnaga, A. and Amen I. (2013)** found that an employee is a blood stream of any business. The accomplishment or disaster of the firm depends on its employee performance. Paper aimed at studying the effect of training on employee performance and to provide suggestion as to how firm can improve its employee performance through effective training programs. **Bandura, A. and Robert W. (1989)** examined that the results show that it is possible for goal setting alone to enhance performance without a formal-knowledge-of-results program, and thus yield external validity for Locke's theory of goal setting. **Bommer, W. H. et al. (2006)** suggested that objective and subjective measures of the same construct at the same level may be used interchangeably. The analysis, however, was based on a very limited sample. Future research should address the appropriate dimensionality of employee performance.

### 3.0 CONCEPTUAL FRAMEWORK

In this part of the study independent variables (Education, Training and Development, Physical and Psychological Strength, Compensation and Motivation, Working Environment) will be linked with dependent variables (Productivity, Financial Performance) for organizational growth.



**Figure 1: Conceptual Framework (Independent variables and dependent variables)**

In the above figure employee's education is considered as a vital element to be achieved organizational growth. On the other hand, consistent training and development of the employee can lead organizational financial progress. Physical fitness and psychological strength of employees can bring high level of involvement on the job and increase productivity of the organizations both in public and private organizations. Employees always feel happier when they have been financially compensated along with non-financial motivation. Working environment has been considered to key factor that can lead human resources work actively and efficiently to achieve organizational goals. Therefore, above mentioned five independent factors or variables initially are considered to impact on dependent variables of organizational growth (i.e. productivity and financial performance).

#### 3.1 Limitations

While conducting this research main limitation has been considered insufficient secondary data since large number of researches have not been conducted yet by the researchers on comparative study on public and private sectors employees, especially in Bangladesh. Besides, it is too difficult for the researchers to collect data from different government departments as they do not have direct access for conducting research survey.

#### 3.2 Rationale of the Study

As it has already been mentioned, there is no mentionable research works conducted yet in the area of measuring impact of public and private sector employees' contribution as comparative studies for the growth of

organizational growth. We felt it as an ideal field to explore something of creative nature if an exhaustive research can be conducted in this area. In fact no entity such as university, research organizations or government agencies has taken pain in showing any interest to carry out such an economic study. So the main interest to work in this area has been emanated from the urge to do a basic work through carrying out a study to observe, analyze and find out impact, if any, of human resources both in public and private sectors. We believe this kind of study will be useful for further research work as well as making policy makers interested in taking new policies for the organizational productivity and financial growth which may be leading to sustainable economic development in the days ahead in Bangladesh.

### **3.3 Objectives of the Study**

Every research should have some specific objectives. This section of the study will provide specific purposes to analyze and find out the impact of human resources on productivity and financial performance for organizational growth, taking into considerations a number of public and private organizations. As Bangladesh graduated from the developing country to the lower middle income country a couple of years back and she is in the process of graduating from being the aid-dependent economy into a self-reliant economy, the main focus of this paper is to reveal the significance of human resources in boosting national economic growth. As only private sector employees are not sufficient to generate required productivity in the economy, demands for public sectors employees have become obvious. The paper will analyze the trends of both public and private sectors employees on productivity and financial performance for organizational growth in Bangladesh.

To some extent the specific objectives of the study will be as follows:

- i) To present the status of human resources in public and private sectors in Bangladesh and trend of organizational growth;
- ii) To outline the major policies attracting human resources in Bangladesh;
- iii) To analyze financial performance of employees some of government and non government organizations in Bangladesh
- iv) To identify major problems of human resources in Bangladesh; and
- v) To provide some modest suggestions to develop human resources for government and non-government organizations in Bangladesh to increase organizational growth rapidly.

### **3.4 Research Hypotheses**

**H<sub>0</sub>1:** There is no significant impact of education of employees on financial growth of government and private organizations in Bangladesh.

**H<sub>0</sub>2:** There is no significant impact of training and development of employees on financial growth of government and private organizations in Bangladesh.

**H<sub>0</sub>3:** There is no significant impact of physical and psychological Strength of employees on financial growth of government and private organizations in Bangladesh.

**H<sub>0</sub>4:** There is no significant impact of compensation and motivation of employees on financial growth of government and private organizations in Bangladesh.

**H<sub>0</sub>5:** There is no significant impact of working environment of employees on financial growth of government and private organizations in Bangladesh.

### **4.0 METHODOLOGY OF THE STUDY**

Both quantitative and qualitative research methods have been adapted to collect secondary data. The target population for this research has been considered for both public and private sector employees. In this study, the accessible population has been comprised of all the above mentioned stakeholders of human resources of Bangladesh. Stratified random sampling technique has been adopted. The researchers decided what needed to be known and set out to find employees who were willing to provide the information by virtue of knowledge or experience. Therefore, accessible population was divided into different strata or batch to draw the random sample. In the sample more than five years experienced employees were given preference to be a sample for the study. In this study, there were mainly 180 employees (public sectors 90, private sectors 90) considered as sample to conduct survey questionnaire. After the pilot testing and all necessary modifications, the researchers went directly to the related departments to collect primary data. Besides different journal articles, reports, financial statement have been observed and analyzed as secondary data through the simple statistical tools i.e. discrete statistics, regression analysis, time series analysis and other necessary methods using SPSS and Microsoft Office Excel software tools.

### **5.0 DATA ANALYSES AND FINDINGS**

In this section of the research numerous analyses have been done such as; descriptive statistics, reliability test, regression analysis, time series analysis to reach the objective of the research.

### 5.1 Descriptive Statistics

Descriptive statistics generally shows proper description of data set which has been previously surveyed by the researchers. In this study, total 180 (90 from public organizations and 90 from private organizations) valid samples were considered to analyze and interpret their responses through specific methods of analyses as per achieving objective of the research. Among the employees 65% was male employees. Conversely, there were 35% female employees. These results suggest that still in Bangladesh rate of women in the workforce is not up to the mark but present government trying to equalize it rapidly. On the other hand, 8.3% was below 25 years of age, 37.2% was 25 to 35 years old, 47.2% was 35 to 45 years of age and 7.2% was 45 and above years of age in observed employees. These suggest that in Bangladesh energetic, capable employees' rate is very high that can bring organizational growth and economic growth as well as their age range between 25 to 45 years respectively. Therefore, impressive opportunities may have for the economy if human resources are properly utilized. The education has been found that 7.2% was undergraduates, 37.2% was graduates, 51.7% was post graduates and 3.9% was above post graduates. Maximum 51.7% employees have done their post graduates that should be increased by country in future to get high contribute specialized human resources in accomplishment of specialized tasks. Organizations should also try to seek for educated employees in term of the higher degree as per requirement.

### 5.2 Data Reliability Test

Cronbach's Alpha	N of Items
.985	6

Table 1: Data Reliability Test Summary

The question of reliability rises as the function of scales is stretched to encompass the realm of prediction. One of the most reliability statistics in use today is Cronbach's alpha - Santos, J. R. A. (1999). Cronbach's alpha .70 and above is the good result, .80 and above better result and .90 and above is the best. Therefore, in the Table 1, Cronbach's alpha for the thirty items is almost .99 or 99%, suggesting that the items have the best internal consistency.

### 5.3 Regression Analysis

Statistical data analysis programs commonly compute the p-values during the execution of hypothesis test. Adjusted R-squared, on the other hand, gives the percentage of variation explained by only those independent variables that in reality affect the dependent variable.

#### 5.3.1 Education on organizational growth (H<sub>01</sub>)

Null hypothesis (H<sub>01</sub>) was stated that there was no significant impact of independent variable on dependent variable. In this study,  $b = .93$ ,  $t(178) = 2.92$  and  $p < .05$ , on the other hand, results shown by calculations in the tables 3, 4;  $F(1, 178) = 1136.490$ ,  $p < .001$ , with an adjusted  $R^2 = .86$ . The regression equation is;  $Y = a + bX$  (where, Y = dependent variable, b = slope, X = independent variable and a = constant). Therefore, the equation was found as,  $Y = .35 + .93X$ . The regression model states that if p value (probability value) is lesser than alpha value (standard level of significance,  $\alpha = .05$ ) then the model is significant. In this study, developed model was highly significant with p value ( $p < .001$ ) at the standard level of significance level ( $\alpha = .05$ ). On the other hand, adjusted  $R^2$  (adjusted  $R^2$  indicates that the percentage of variation explained by only the independent variables that actually affect the dependent variable) .86 or 86% of variance in dependent variable (organizational growth) which could be explained by independent variable (education).

#### 5.3.2 Training and development on organizational growth (H<sub>02</sub>)

Null hypothesis (H<sub>02</sub>) was stated that there was no significant impact of independent variable on dependent variable. In this study,  $b = .87$ ,  $t(178) = 4.92$  and  $p < .05$ , on the other hand, results shown by calculations in the tables 3, 4;  $F(1, 178) = 570.589$ ,  $p < .001$ , with an adjusted  $R^2 = .76$ . The regression equation is;  $Y = a + bX$  (where, Y = dependent variable, b = slope, X = independent variable and a = constant). Therefore, the equation was found as,  $Y = .76 + .87X$ . The regression model states that if p value (probability value) is lesser than alpha value (standard level of significance,  $\alpha = .05$ ) then the model is significant. In this study, developed model was highly significant with p value ( $p < .001$ ) at the standard level of significance level ( $\alpha = .05$ ). On the other hand, adjusted  $R^2$  (adjusted  $R^2$  indicates that the percentage of variation explained by only the independent variables that actually affect the dependent variable) .76 or 76% of variance in dependent variable (organizational growth) which could be explained by independent variable (training and development).

#### 5.3.3 Physical and psychological strength on organizational growth (H<sub>03</sub>)

Null hypothesis (H<sub>03</sub>) was stated that there was no significant impact of independent variable on dependent variable. In this study,  $b = .97$ ,  $t(178) = 2.25$  and  $p < .05$ , on the other hand, results shown by calculations in the tables 3, 4;  $F(1, 178) = 2928.804$ ,  $p < .001$ , with an adjusted  $R^2 = .94$ . The regression equation is;  $Y = a + bX$  (where, Y = dependent variable, b = slope, X = independent variable and a = constant). Therefore, the



equation was found as,  $Y = .18 + .97X$ . The regression model states that if p value (probability value) is lesser than alpha value (standard level of significance,  $\alpha = .05$ ) then the model is significant. In this study, developed model was highly significant with p value ( $p < .001$ ) at the standard level of significance level ( $\alpha = .05$ ). On the other hand, adjusted  $R^2$  (adjusted  $R^2$  indicates that the percentage of variation explained by only the independent variables that actually affect the dependent variable) .97 or 97% of variance in dependent variable (organizational growth) which could be explained by independent variable (physical and psychological strength).

#### 5.3.4 Compensation and motivation on organizational growth (H<sub>04</sub>)

Null hypothesis (H<sub>04</sub>) was stated that there was no significant impact of independent variable on dependent variable. In this study,  $b = .97$ ,  $t(178) = 2.87$  and  $p < .05$ , on the other hand, results shown by calculations in the tables 3, 4:  $F(1, 178) = 2984.712$ ,  $p < .001$ , with an adjusted  $R^2 = .94$ . The regression equation is;  $Y = a + bX$  (where, Y = dependent variable, b = slope, X = independent variable and a = constant). Therefore, the equation was found as,  $Y = .22 + .97X$ . The regression model states that if p value (probability value) is lesser than alpha value (standard level of significance,  $\alpha = .05$ ) then the model is significant. In this study, developed model was highly significant with p value ( $p < .001$ ) at the standard level of significance level ( $\alpha = .05$ ). On the other hand, adjusted  $R^2$  (adjusted  $R^2$  indicates that the percentage of variation explained by only the independent variables that actually affect the dependent variable) .97 or 97% of variance in dependent variable (organizational growth) which could be explained by independent variable (physical and psychological strength).

#### 5.3.5 Working Environment on organizational growth (H<sub>05</sub>)

Null hypothesis (H<sub>05</sub>) was stated that there was no significant impact of independent variable on dependent variable. In this study,  $b = .88$ ,  $t(178) = 3.90$  and  $p < .05$ , on the other hand, results shown by calculations in the tables 3, 4:  $F(1, 178) = 639.275$ ,  $p < .001$ , with an adjusted  $R^2 = .78$ . The regression equation is;  $Y = a + bX$  (where, Y = dependent variable, b = slope, X = independent variable and a = constant). Therefore, the equation was found as,  $Y = .59 + .88X$ . The regression model states that if p value (probability value) is lesser than alpha value (standard level of significance,  $\alpha = .05$ ) then the model is significant. In this study, developed model was highly significant with p value ( $p < .001$ ) at the standard level of significance level ( $\alpha = .05$ ). On the other hand, adjusted  $R^2$  (adjusted  $R^2$  indicates that the percentage of variation explained by only the independent variables that actually affect the dependent variable) .88 or 88% of variance in dependent variable (organizational growth) which could be explained by independent variable (working environment).

### 5.4 Time Series Analysis

In this part of the study time series analysis has been adopted using SPSS to find out more insight of financial performances and trends of public and private sector organizations. Five consecutive financial statements have been considered to run time series analysis.

#### 5.4.1 Government Organizations: PETROBANGLA

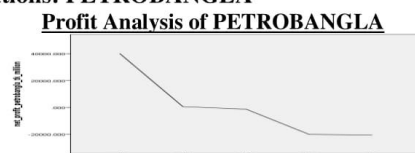


Figure 2: Net profit Trend of PETROBANGLA during FY 2013-14 to 2017-18

In the figure 2, net profit (Tk. in million) of Petrobangla has been shown for the FY 2013-14 to 2017-18. The figure shows that FY 2013-14 Petrobangla has net profit Tk. 40,000 million (forty thousand million) but gradually it lost its profitability. Consequently, from the FY 2014-15 to 2017-18 FY it has been carrying negative profitability. It seems to be very insignificant and poor financial performances over the years for its shareholders and also for the economy. Though financial statements very often shows that a big amount of profit has been utilizing for the development of organization as a result it becomes loosing organization. On the other hand, government has been consistently subsidizing the organization over the periods to run it smoothly.

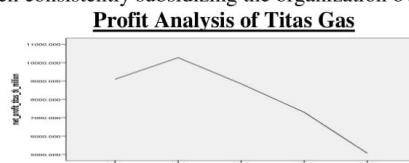


Figure 4: Net profit Trend of Titas Gas during FY 2013-14 to 2017-18

In the figure 4, net profit (Tk. in million) of Titas Gas has been shown for the FY 2013-14 to 2017-18. The figure shows that FY 2013-14 Titas Gas has net profit Tk. 9,000 million (nine thousand million) and it has become top in the FY 2014-15 at 10,500 million (ten thousand five hundred million) but slowly it lost its profitability. Consequently, it has been seen in the graph that FY 2017-18 it has become lowest profitability among the observed years by Tk. 5,000 million (five thousand million). Therefore it is also an organization that does not allow smiling of its shareholders.

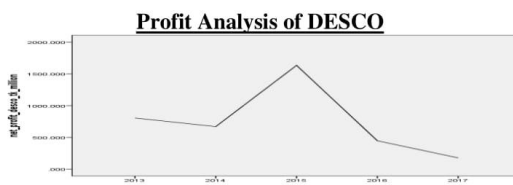


Figure 6: Net profit Trend of DESCO during FY 2013-14 to 2017-18

In the figure 6, net profit (Tk. in million) of DESCO has been shown for the FY 2013-14 to 2017-18. The figure shows that FY 2013-14 DESCO has net profit Tk. 800 million (eight hundred million) and in the FY 2014-15 it has become top position in term of profit by Tk 1,600 million (one thousand six hundred million). But in the the FY 2016-17 to FY 2017-18 it has been downward profitability. Therefore, the curve seems to be almost 'A' shape. It is suggesting that company's operations or other variables are not up to the mark to get a desired profit for the shareholders.

**Profit and Equity Forecasting of Petrobangla, Titas and DESCO for 2018-22**

		Forecast				
Model		2018	2019	2020	2021	2022
net_profit_petrobangla_tk_million-Model_1	Forecast	-41584.293	-55801.186	-70018.079	-84234.972	-98451.865
	UCL	2968.938	-9293.238	-21634.278	-34045.338	-46519.113
	LCL	-86137.524	-102309.134	-118401.880	-134424.606	-150384.617
shareholders_equity_petrobangla_tk_million-Model_2	Forecast	130937.161	130937.161	130937.161	130937.161	130937.161
	UCL	320868.269	320868.269	320868.269	320868.269	320868.269
	LCL	-58993.947	-58993.947	-58993.947	-58993.947	-58993.947
net_profit_titas_tk_million-Model_3	Forecast	5062.244	3958.439	2854.633	1750.828	647.023
	UCL	8860.171	7756.373	6652.585	5548.810	4445.053
	LCL	1264.317	160.504	-943.318	-2047.154	-3151.007
shareholders_equity_titas_tk_million-Model_4	Forecast	68897.018	73010.826	77124.634	81238.441	85352.249
	UCL	73076.556	82356.416	92762.697	104130.141	116347.687
	LCL	64717.480	63665.235	61486.570	58346.742	54356.812
net_profit_desco_tk_million-Model_5	Forecast	746.200	746.200	746.200	746.200	746.200
	UCL	2276.164	2276.164	2276.164	2276.164	2276.164
	LCL	-783.764	-783.764	-783.764	-783.764	-783.764
shareholders_equity_desco_tk_million-Model_6	Forecast	3770.895	4435.330	5099.765	5764.200	6428.635
	UCL	5188.868	5915.282	6639.206	7360.919	8080.650
	LCL	2352.922	2955.378	3560.324	4167.481	4776.620

Table 23: Net Profit and Equity Forecasting for 2018-22 of PETROBANGLA, Titas Gas and DESCO

The table 23 represents the forecasting of net profit and equity for the FY 2018-19 to FY 2022-23 of Petrobangla, Titas Gas and DESCO. From the first two rows of the table represents Petrobangla's forecasting of net profit and equity for next five years respectively. It does not show mentionable stability of financial performances of the organization. On the other hand, performances of Titas in terms of net profit represent also inconsistent and poor which may continue over the years though its equity shows some consistency somehow. Finally, DESCO has mixed scenarios as net profits may go down most of the periods and sometimes it may up.

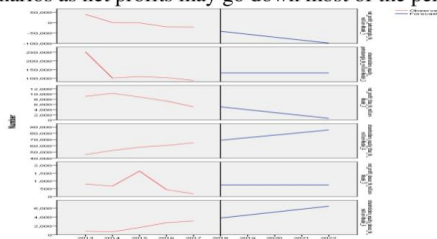


Figure 8: Net Profit and Equity Forecasting for 2018-22 of PETROBANGLA, Titas Gas and DESCO

The figure 8 represents the forecasting of net profit and equity for the FY 2018-19 to FY 2022-23 of Petrobangla, Titas Gas and DESCO. The different curves like red color presents observed value and blue presents forecasting value of selected government organizations. From the first two portions of the figure represents Petrobangla's observed and forecasting net profit and equity for last five years and next five years respectively. In the observed curve (red) does not show any stability of the organization along with forecasting curve (blue). On the other side, Titas observed curve shows also inconsistent poor performances over the years as forecasting follows the same trend of the organization. But its equity shows some consistency somehow in both observed and forecasting curves which may bring some hope for the shareholder and stakeholders. Last but not least, DESCO has mixed scenarios as net profits goes down most of the periods and sometimes it ups inconsistently in the observed periods and forecasting curve may take place similar things in the following years. Its equity has got some resistant in terms of better future trend.

**5.4.2 Private Organizations (ACI, BEXIMCO and SQUARE):**

**Profit Analysis of ACI**

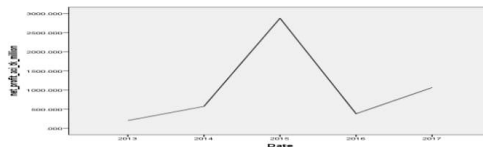


Figure 9: Net profit Trend of ACI during FY 2013-14 to 2017-18

In the figure 9, net profit (Tk. in million) of ACI has been shown for the FY 2013-14 to 2017-18. The figure shows that FY 2013-14 ACI has net profit Tk. 40,000 million (forty thousand million) but gradually it lost its profitability. Consequently, from the FY 2014-15 to 2017-18 FY it has been carrying negative profitability. It seems to be very insignificant and poor financial performances over the years for its shareholders and also for the economy. Though financial statements very often shows that a big amount of profit has been utilizing for the development of organization as a result it becomes loosing organization. On the other hand, government has been consistently subsidizing the organization over the periods to run it smoothly.

**Profit Analysis of BEXIMCO**



Figure 11: Net profit Trend of BEXIMCO during FY 2013-14 to 2017-18

In the figure 11, net profit (Tk. in million) of BEXIMCO has been shown for the FY 2013-14 to 2017-18. The figure shows that FY 2013-14 BEXIMCO has net profit Tk. 40,000 million (forty thousand million) but gradually it lost its profitability. Consequently, from the FY 2014-15 to 2017-18 FY it has been carrying negative profitability. It seems to be very insignificant and poor financial performances over the years for its shareholders and also for the economy. Though financial statements very often shows that a big amount of profit has been utilizing for the development of organization as a result it becomes loosing organization. On the other hand, government has been consistently subsidizing the organization over the periods to run it smoothly.

**Profit Analysis of SQUARE**

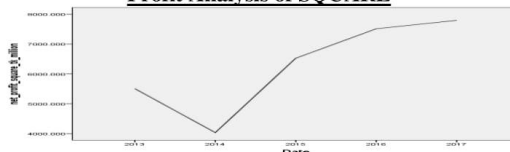


Figure 13: Net profit Trend of SQUARE during FY 2013-14 to 2017-18

In the figure 13, net profit (Tk. in million) of SQUARE has been shown for the FY 2013-14 to 2017-18. The figure shows that FY 2013-14 SQUARE has net profit Tk. 40,000 million (forty thousand million) but gradually it lost its profitability. Consequently, from the FY 2014-15 to 2017-18 FY it has been carrying negative profitability. It seems to be very insignificant and poor financial performances over the years for its shareholders and also for the economy. Though financial statements very often shows that a big amount of profit has been utilizing for the development of organization as a result it becomes loosing organization. On the other hand, government has been consistently subsidizing the organization over the periods to run it smoothly.

**Profit and Equity Forecasting of ACL, BEXIMCO and SQUARE for 2018-22**

		Forecast				
Model		2018	2019	2020	2021	2022
net_profit_aci_tk_million-Model_1	Forecast	1020.400	1020.400	1020.400	1020.400	1020.400
	UCL	4038.594	4038.594	4038.594	4038.594	4038.594
	LCL	-1997.794	-1997.794	-1997.794	-1997.794	-1997.794
shareholders_equity_aci_tk_million-Model_2	Forecast	15658.816	17664.014	19669.212	21674.411	23679.609
	UCL	20922.208	23158.563	25385.579	27604.303	29815.602
	LCL	10395.423	12169.465	13952.846	15744.518	17543.616
net_profit_beximco_tk_million-Model_3	Forecast	1518.519	1737.386	1956.254	2175.121	2393.989
	UCL	2103.836	2348.355	2591.843	2834.415	3076.166
	LCL	933.202	1126.417	1320.664	1515.827	1711.811
shareholders_equity_beximco_tk_million-Model_4	Forecast	64813.031	67970.385	71127.740	74285.095	77442.450
	UCL	72575.740	76075.455	79561.285	83034.793	86497.271
	LCL	57050.321	59865.316	62694.196	65535.397	68387.629
net_profit_square_tk_million-Model_5	Forecast	8600.181	9405.627	10211.073	11016.518	11821.964
	UCL	12243.362	13120.815	13996.901	14871.695	15745.266
	LCL	4957.000	5690.439	6425.244	7161.342	7898.662
shareholders_equity_square_tk_million-Model_6	Forecast	53221.837	59413.175	65604.514	71795.852	77987.190
	UCL	55895.373	62382.720	68843.354	75283.469	81707.183
	LCL	50548.301	56443.631	62365.673	68308.235	74267.197

Table 25: Net Profit and Equity Forecasting for 2018-22 of ACL, BEXIMCO and SQUARE

The table 25 represents the forecasting of net profit and equity for the FY 2018-19 to FY 2022-23 of ACL, BEXIMCO and SQUARE. From the first two rows of the table represents ACL's forecasting of net profit and equity for next five years respectively. It shows mentionable stability of financial performances of the organization. On the other hand, performances of BEXIMCO in terms of net profit represent also consistent and upward which may continue over the years. To end with, SQUARE has also good scenarios as net profits may go up most of the periods.

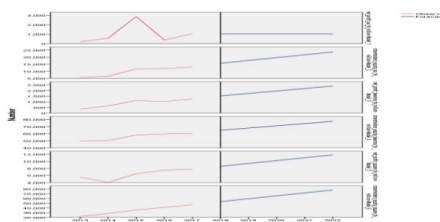


Figure 15: Net Profit and Equity Forecasting for 2018-22 of ACL, BEXIMCO and SQUARE

The figure 15 represents the forecasting of net profit and equity for the FY 2018-19 to FY 2022-23 of ACL, BEXIMCO and SQUARE. The different curves like red color presents observed value and blue presents forecasting value of selected government organizations. From the first two portions of the figure represents ACL's observed and forecasting net profit and equity for last five years and next five years respectively. In the observed curve (red) does not show somehow stability of the organization though constant scenarios in forecasting curve (blue). On the other side, BEXIMCO's observed curve shows consistent higher efficient performances over the years as forecasting follows the same trend of the organization. Last but not the least, SQUARE has high level of increasing in net profits over the observed periods and forecasting curve also takes place similar things in the following years. Its equity has got better trend in the forecasting periods.

**6.0 RECOMMENDATION ON FINDINGS**

Hypotheses have been tested through multiple regression method using SPSS. The results show that organizational growth certainly depends on employees' productivity and financial performance for both public and private sector organizations. In addition, time series analyses have been undertaken using SPSS to know the current situation and forecast financial condition of public and private organizations for next five years. Results show that public organizations financial condition more volatile, there are huge ups and downs in the financial performances over the years. Next five years financial forecasting also suggests that consistent ups and downs will be there and government may have to subsidize consistently those organizations during the years. On the other hand time series data analyses result show that private organizations have been doing well in terms of their financial performances. Besides financial forecasting for the following five years also suggests that consistent upward trend to be found in terms of their financial activities. While conducting this research public

organizations employee were reluctant to provide their responses, dissimilarly private organizations employees were found to be interested to response properly on the questionnaire survey by the researchers.

## 7.0 CONCLUSION

This research uncovers the impact of human resources on productivity and financial performances towards organizational growth. It allows comparative analyses and findings on Bangladeshi public and private organizations employees' contribution towards respective organizations. By the analyses and findings it reveals that employees of private organizations more consistent, efficient performer on productivity and financial aspects though there are some issues to be addressed like working hours, leaves, promotion and rewards, job security etc. by the stockholders to minimize agency gap. On the other hand, employees of the government organizations enjoy job security, regular promotion and rewards, fixed working hours etc. but still observed organizations employees well behind in terms of productivity and financial performances. Currently government takes inclusive training and development with full digitalization facilities especially for the government employees to enrich their skills and motivate themselves to work for the organization to contribute efficiently in productivity and profitability. Finally, this research can be evidence for the policymakers, researchers and private and public sector organizations toward realizing the significant impact of employees' contributions, involvement, and development of skills for financial growth of the organizations.

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