



Individual and Group Aspects in Influencing Organizational Performance

Said Ridho Abdillah^{1*}, Sri Yusriani², Shine Pintor Siolemba Patiro³, Endi Rekarti⁴, Alona Amalia⁵

^{1,3,4} Graduate School, Universitas Terbuka, Tangerang Selatan, Indonesia

² Graduate School of Business, IPS, Universiti Sains Malaysia, Penang, Malaysia

⁵ English Education Departement, Postgraduate Faculty, Universitas Indraprasta PGRI, Jakarta, Indonesia

Abstract

This research explores the individual and group aspects influencing organizational performance. The individual aspects examined include motivation, leadership, and commitment, while the group aspects include group dynamics, collaboration, and trust. This study uses a literature review methodology, analyzing various journals and published books. Relevant theories are discussed to provide a comprehensive understanding of the topic. The findings suggest that both individual and group aspects significantly affect organizational performance, each contributing to improving organizational effectiveness. This research highlights the interconnectedness of individual and group factors in enhancing overall organizational success.

Keywords: Individual aspects, Group aspects, Organizational performance, Motivation, Leadership, Trust

Article History:

Received September 10, 2024; Revised September 26, 2024; Approved October 19, 2024; Published November 19, 2024.

*Correspondence Author:

ridhoabdillah@gmail.com

DOI:

<https://doi.org/10.60036/jbm.v4i4.art15>

INTRODUCTION

Organizations are dynamic entities composed of individuals and groups working collaboratively towards shared objectives (Robbins et al., 2013). Achieving these objectives requires improving organizational performance, which is crucial for an organization's sustainability and success (McGivern & Tvorik, 1997). Understanding the individual and group aspects that influence organizational performance is vital to enhance the overall effectiveness of an organization (Herzberg, 1968). Notably, the abilities and interactions of individuals and groups within an organization play a significant role in determining its success (Tannenbaum, 1962). While individuals can contribute positively to organizational performance, they can also hinder it if their actions are not aligned with organizational goals (Porter, 1990; Robbins et al., 2013). Similarly, groups can either enhance or impair organizational performance based on their internal dynamics and decision-making processes (Chiu et al., 1999). This makes the study of individual and group factors in organizational performance not only relevant but crucial for organizational growth and efficiency (McClelland, 1985).

Despite the substantial body of research on organizational performance, there is still a gap in understanding how individual and group aspects, online and onsite, when considered together, influence performance in specific organizational contexts, such as the public sector and higher education (Yusriani et al., 2024). Previous studies often focus on either individual or group-level factors in isolation, neglecting the interactive effects of these two dimensions (Kim, 2004). Moreover, much of the existing literature does not sufficiently address the unique challenges of service sectors, particularly in government organizations and educational institutions, where both individual contributions and group dynamics significantly shape outcomes (Herzberg, 1968). This study, therefore, presents a novel approach by exploring how individual and group factors synergize to impact organizational performance in these specific sectors, providing valuable insights for both theory and practice (Cotton & Hart, 2003).

While organizational performance has been extensively studied in various contexts, research that integrates both individual and group factors remains scarce (Asch, 1951). Many studies have concentrated on one dimension, such as leadership or motivation, often overlooking how group dynamics or trust play an equally pivotal role (Robbins & Judge, 2017). Furthermore, research on public sector organizations and higher education has received limited attention in terms of how these specific sectors' organizational performance is shaped by the interplay of individual and group influences (McClelland, 1985). Thus, this study addresses a critical research gap by focusing on the service sector, particularly in government and higher education institutions, which have distinct characteristics and performance challenges compared to private sector organizations (Kim, 2004).

The importance of this study lies in its potential to bridge these gaps by offering a holistic view of organizational performance (McGivern & Tvorik, 1997). By examining both the individual and group factors that affect performance, this research can provide a more comprehensive framework for improving organizational outcomes in these specific contexts (Porter, 1990). This is crucial because effective organizational performance is not solely dependent on individual capabilities or group dynamics in isolation; rather, it is the integration of both aspects that drives success (Herzberg, 1968).

Several individual aspects, such as motivation, leadership, and commitment, are key drivers of organizational performance (Maslow, 1943; Oubrich et al., 2021). Motivation, as an internal state that propels an individual to take action, is fundamental to achieving organizational goals (Bandura, 1978). Herzberg's motivation-hygiene theory posits that two categories of factors influence motivation: hygiene factors (e.g., work environment) and motivator factors (e.g., personal growth and recognition) (Herzberg, 1968). Effective motivation at both the individual

and group levels is critical for boosting performance, and it can lead to higher levels of productivity and satisfaction (Robbins et al., 2013).

Leadership, another key individual factor, also plays a crucial role in organizational performance (Hersey & Blanchard, 1988). According to situational leadership theory, effective leadership must be adaptable to the specific needs of the situation at hand (Hersey & Blanchard, 1988). A leader's ability to inspire, guide, and motivate individuals and teams is directly linked to organizational success (Tannenbaum, 1962). Furthermore, individual commitment is an essential aspect that improves trust and motivation, which, in turn, enhance organizational performance (McClelland, 1985). According to trust theory, commitment grows when individuals and groups perceive that the organization supports their interests and fosters a culture of fairness (Costa & McCrae, 1992).

Group aspects, such as group dynamics, cooperation, and trust, significantly influence organizational performance (Chiu et al., 1999). Group dynamics refer to the interactions, relationships, and roles that individuals adopt within a group (Asch, 1951). Positive group dynamics can foster collaboration and increase the performance of both individuals and teams (Robbins et al., 2013). According to transformational leadership theory, leaders who acknowledge and actively manage group dynamics can enhance team motivation and overall performance (Bass & Avolio, 1994).

Cooperation among team members and between different groups within an organization is another critical factor (Weber, 1978). Research has shown that intergroup cooperation leads to increased efficiency, reduced conflicts, and improved performance (Robbins & Judge, 2017). Trust, both among individuals and within groups, is equally important (Dunning, 2011; Van der Lippe & Lippényi, 2020). Trust enables open communication, encourages collaboration, and fosters a sense of security that enhances collective performance (Bandura, 1978). Trust is cultivated when individuals feel that relationships and cooperation within the organization are transparent, fair, and equitable (Costa & McCrae, 1992).

Organizational performance is a comprehensive measure of how effectively an organization achieves its predefined goals (Porter, 1990). It encompasses various outcomes, including productivity, employee satisfaction, and customer satisfaction (McGivern & Tvorik, 1997). In this context, understanding the impact of both individual and group factors is crucial to ensuring that organizational activities are efficient, effective, and aligned with the interests of stakeholders such as employees, customers, and shareholders (Yusriani et al., 2024).

This study addresses two key research questions: (1) What individual aspects contribute to improving organizational performance? and (2) What group aspects are most influential in enhancing organizational performance? The study is situated within the context of the public sector and higher education, aiming to explore the unique challenges and opportunities within these sectors (Kim, 2004). By examining both individual and group-level influences on organizational performance, this research will provide insights that are particularly relevant for service-oriented organizations (Herzberg, 1968; Robbins et al., 2013).

METHOD

This study is descriptive research, employing observation to compare theoretical insights with real-world situations (Creswell & Creswell, 2017). The research methodology utilized is a literature review of various journals and published books, which provides a broad understanding of the factors influencing individual and group performance within organizations (Chiu et al., 1999). This study also integrates analyses from previous research to enrich the understanding of the factors affecting organizational performance (Robbins & Judge, 2017).

The research is conducted in three locations: the East and North Kalimantan Regional Office of the Directorate General of Taxes in Balikpapan, the Open University Office in Tangerang,

Indonesia, and the distribution office for mail and packages in Billund, Denmark. The selection of these locations aims to provide a diverse range of organizational dynamics, including those in the public sector, higher education institutions, and international distribution companies (Kim, 2004; Yusriani et al., 2024).

The research is carried out over one year, from August 1, 2023, to August 1, 2024. The research procedure includes several stages: planning, implementation, observation, literature review analysis, and evaluation-reflection (Robbins & Judge, 2017; Hersey & Blanchard, 1988). Data collected from the literature review will be systematically analyzed to determine how individual and group aspects impact organizational performance across different sectors.

RESULTS AND DISCUSSION

Theoretical Review in this study, Organizational performance refers to the outcomes achieved in meeting goals, measured through final results, customer loyalty, and operational efficiency (Robbins & Judge, 2017). Effective performance depends on external conditions and members' internal efficiency and interactions (Robbins & Judge, 2017).

1. Individual Aspects Influencing Organizational Performance

Individual attributes play a significant role in shaping organizational success:

Competence

Competent employees enhance performance through skills aligned with organizational needs, supported by effective recruitment and training (Robbins & Judge, 2017).

Attitudes

Positive attitudes drive higher productivity and cooperation, fostering a supportive work environment that improves results (Robbins & Judge, 2017).

Personality and Self-Efficacy

Personality traits and high self-efficacy lead to resilience and proactive behavior, essential for productivity and organizational success (Bandura, 1997; Robbins & Judge, 2017).

Motivation

Motivated individuals, influenced by intrinsic and extrinsic factors, contribute significantly to higher performance (Herzberg, 1968; Robbins & Judge, 2017).

Stress

Moderate stress can boost performance, but excessive stress reduces productivity and job satisfaction (Robbins & Judge, 2017).

Diversity

Diversity enhances creativity and problem-solving but requires effective management to leverage its full benefits (Robbins & Judge, 2017).

2. Group Aspects Influencing Organizational Performance

Groups impact performance through shared goals and collaborative dynamics:

Effective Leadership

Strong leadership motivates and supports teams, fostering higher performance (Bass & Avolio, 1994).

Interpersonal Skills

Effective communication and collaboration enhance group efficiency and productivity (Robbins & Judge, 2017).

Commitment and Cohesion

Committed and cohesive groups achieve higher cooperation and better performance (Robbins & Judge, 2017).

Teamwork Ability

Well-coordinated teams handle challenges efficiently and contribute to improved outcomes (Robbins & Judge, 2017).

Management Support

Active support from management ensures resource availability and facilitates team success (Robbins & Judge, 2017).

Adequate Resources

Sufficient resources enable teams to meet goals without delays, enhancing performance (Robbins & Judge, 2017).

Adaptation in Teams

Adaptable teams can respond effectively to changes, maintaining performance even in dynamic environments (Robbins & Judge, 2017; Yusriani et al., 2024).

This section provides an in-depth discussion on the individual and group factors that significantly impact organizational performance, especially in the context of the authors' workplace in the service sector, with a focus on public services and higher education. The following sections examine these factors through established theoretical frameworks and empirical insights.

1. Individual Aspects Influencing Organizational Performance

Individuals play a pivotal role in the performance of any organization. Each person within an organization carries specific responsibilities that, when executed optimally, lead to enhanced overall performance. Individual traits, behaviors, and psychological factors all contribute to the capacity of an organization to achieve its goals. The following individual aspects are critical in shaping organizational performance:

1.1. Competence

Competence is a key determinant of organizational success, as it defines an individual's ability to meet the demands of their role. McClelland's (1985) theory highlights the significance of achievement, power, and affiliation needs in motivating individuals. Those who are motivated by achievement tend to develop higher competence in their professional tasks, contributing positively to the organization's goals. Competence is assessed through various means such as recruitment processes, skill evaluations, and ongoing training programs. Well-competent employees not only enhance their personal performance but also uplift the overall functioning of the organization (Robbins & Judge, 2017). Moreover, competence is often developed through a continual learning process, and its impact on organizational performance is more pronounced when individuals actively seek personal and professional development opportunities (Herzberg, 1968).

1.2. Attitude

Attitude, particularly work attitude, is a powerful predictor of performance in organizational settings. Positive work attitudes, such as proactivity, flexibility, and the willingness to learn, help individuals navigate challenges and adapt to changing circumstances. Individuals with a constructive work attitude tend to exhibit higher job satisfaction, stronger commitment to the organization, and increased productivity (Costa & McCrae, 1992). On the other hand, negative attitudes can lead to disengagement, absenteeism, and diminished team morale, ultimately impeding the organization's success (Robbins & Judge, 2017). Studies have shown that when employees are aligned with the organizational culture and values, their attitudes improve, resulting in better overall performance (McClelland, 1985).

1.3. Personality and Self-Efficacy

An individual's personality plays a crucial role in how they perform within an organization. The Big Five Personality Traits (Costa & McCrae, 1992) — neuroticism, extraversion, openness,

agreeableness, and conscientiousness — all influence workplace behaviors and decision-making processes. For instance, conscientious individuals are more likely to demonstrate higher levels of dedication, attention to detail, and reliability, all of which are essential for organizational success. Bandura's (1978) concept of self-efficacy further complements this by asserting that individuals with high self-efficacy — a belief in their abilities — are more resilient in the face of challenges and are likely to take on complex tasks. Employees with high self-efficacy tend to set higher goals for themselves and exhibit persistence, leading to greater productivity and enhanced organizational performance (Robbins & Judge, 2017). Additionally, fostering self-efficacy within employees can boost their confidence, leading to a more proactive and engaged workforce.

1.4. Motivation

Motivation is perhaps one of the most powerful drivers of organizational performance. Herzberg's (1968) two-factor theory divides motivation into two categories: motivators and hygiene factors. Motivators, such as recognition, achievement, and opportunities for advancement, contribute to an employee's intrinsic satisfaction and drive. In contrast, hygiene factors, such as working conditions, salary, and job security, are necessary to avoid dissatisfaction but do not directly drive motivation. A well-motivated workforce is essential for the continuous achievement of organizational goals, as motivated employees are more likely to go above and beyond their basic job requirements (McClelland, 1985). Organizations that effectively tap into intrinsic motivators can see improvements in employee productivity, innovation, and engagement (Robbins & Judge, 2017).

1.5. Stress

While stress is often viewed negatively, moderate levels of stress can actually be beneficial in certain circumstances. Stress can drive individuals to meet deadlines, sharpen focus, and overcome challenges. However, excessive or chronic stress can have detrimental effects on both physical and mental health, leading to burnout and disengagement (Cotton & Hart, 2003). Organizations must therefore develop strategies to manage stress, providing employees with the necessary support, resources, and training to cope with stress in a healthy way. According to Robbins & Judge (2017), a balance must be struck between maintaining high performance expectations and ensuring employee well-being. Support systems such as employee assistance programs, stress management workshops, and regular feedback can help mitigate the negative impacts of stress.

1.6. Diversity

Diversity within an organization can bring about a wealth of perspectives, experiences, and problem-solving strategies. Research has shown that diverse teams are more creative and capable of solving complex problems due to the variety of viewpoints they bring (Porter, 1990). However, managing diversity also comes with challenges, such as communication barriers, potential conflicts, and misunderstandings. Effective leadership and a commitment to diversity and inclusion are essential to mitigate these challenges and harness the benefits of a diverse workforce. As such, organizations that promote inclusivity and diversity often see better decision-making and improved performance outcomes (Robbins & Judge, 2017). Furthermore, diversity in teams can help organizations adapt more effectively to globalized markets by catering to the needs of diverse customer bases.

2. Group Aspects Influencing Organizational Performance

While individual aspects are crucial, the dynamics within groups or teams also significantly affect organizational performance. Groups within organizations can enhance performance through collaboration, shared goals, and effective communication. However, when

mismanaged, group dynamics can create conflict, reduce productivity, and hamper overall effectiveness. The following group aspects are integral to organizational success:

2.1. Effective Leadership

Leadership is one of the most important factors influencing group dynamics and, by extension, organizational performance. Hersey & Blanchard's (1988) situational leadership theory posits that leaders must adapt their leadership styles to the specific needs of the group and the context in which they operate. Effective leaders are not only capable of providing clear direction but also inspire and motivate their teams to perform at their best. Leadership that fosters trust, encourages open communication, and provides necessary support can significantly improve organizational performance (Robbins & Judge, 2017). Leaders who are attuned to the needs and strengths of their teams are more likely to inspire high levels of productivity and collaboration.

2.2. Interpersonal Skills

The ability to communicate effectively, resolve conflicts, and build relationships is crucial for any team to function successfully. Interpersonal skills help employees to interact harmoniously, exchange ideas, and contribute to the achievement of common objectives. Teams with strong interpersonal relationships tend to have better collaboration, less conflict, and higher morale, which, in turn, boosts organizational performance (Tannenbaum, 1962). Effective interpersonal communication also reduces misunderstandings and promotes a more efficient work environment, as team members can quickly address issues and find solutions together (Robbins & Judge, 2017).

2.3. Commitment and Cohesion

Commitment to the group and organizational objectives is critical for successful teamwork. When team members are highly committed to their tasks and to each other, they are more likely to work collaboratively and focus on achieving common goals. Cohesion refers to the sense of unity and support within a group, which is closely tied to team performance. Teams that exhibit high levels of commitment and cohesion are more likely to overcome obstacles and work through challenges together. Research has shown that groups with strong cohesion experience better communication, higher job satisfaction, and improved performance outcomes (Kim, 2004).

2.4. Ability to Work in Teams

The ability to collaborate effectively within teams is essential for organizational success. Teamwork requires individuals to set aside personal differences and work towards shared goals, often under pressure. Teams that function well together tend to be more innovative, efficient, and capable of handling complex tasks. Effective teamwork also fosters mutual respect, which further enhances collaboration and performance (McGivern & Tvorik, 1997). Teams that communicate well and operate in an organized manner are better equipped to meet deadlines, innovate, and contribute to the organization's overall performance.

2.5. Management Support

Support from management is vital for the success of any team within an organization. Management can offer support in several ways, such as by providing necessary resources, offering training, and ensuring that teams have the tools they need to succeed. When management demonstrates active support, it sends a message to the team that their work is valued and that they are integral to the organization's success. This support can translate into increased job satisfaction, motivation, and performance (Porter, 1990; Robbins et al., 2013). Employees who feel supported by their leaders are more likely to be engaged and perform at their best.

2.6. Adequate Resources

Having access to the necessary resources is essential for individuals and teams to perform their tasks effectively. Adequate resources — including time, financial support, technology, and training — enable teams to focus on their core tasks without the distraction of resource shortages. Furthermore, the availability of resources minimizes the risks associated with task failure and ensures that teams can meet organizational goals without unnecessary delays (Weber, 1978; Robbins & Judge, 2017). Organizations that invest in the necessary tools and infrastructure for their teams are more likely to achieve success and improve overall performance.

2.7. Adaptability in Teams

Adaptability is an increasingly important trait for teams operating in today's fast-paced, dynamic environments. Teams that can quickly respond to changes — whether in market conditions, technological advancements, or shifts in organizational strategy — are better equipped to sustain performance levels. Adaptable teams are not only more resilient in the face of uncertainty but also more innovative, as they are open to new ideas and willing to experiment with different approaches. Organizations that prioritize adaptability are better positioned to thrive in complex and evolving industries (Yusriani et al., 2024). Moreover, adaptable teams can quickly learn from their experiences, continuously improving and evolving to meet new challenges effectively.

CONCLUSION

Conclusion

This study aimed to examine the influence of individual and group aspects on organizational performance, particularly within public service and higher education sectors. The findings confirm that both individual competencies, such as motivation, self-efficacy, and stress management, and group factors, including leadership, interpersonal skills, and team cohesion, play crucial roles in enhancing organizational outcomes. The research supports existing theories, such as Herzberg's Two-Factor Theory, which highlights the importance of motivation, and Bandura's concept of self-efficacy, reinforcing the view that employees who believe in their abilities contribute significantly to organizational success. Additionally, the study enriches the understanding of how group dynamics, supported by effective leadership and adaptability, influence collective performance. This integration of individual and group factors provides a comprehensive framework that aligns with and expands current organizational behavior theories.

Limitations

This research has several limitations. Methodologically, it relied on literature reviews and observational analysis, which may not capture the full complexity of real-time interactions and context-specific factors influencing organizational performance. The use of secondary data may also limit the depth of empirical validation. Theoretically, while the study bridges gaps in examining both individual and group factors, it does not exhaustively cover other potential influences, such as external economic pressures or organizational culture. These limitations suggest the need for empirical, longitudinal studies that incorporate direct data collection and explore additional dimensions impacting performance.

Research Implications

The findings of this study carry both practical and theoretical implications. Practically, organizations, especially in the public sector and higher education, should prioritize balanced human resource strategies that foster individual competencies while promoting group cohesion

and leadership development. Policies focused on continuous training, stress management programs, and adaptive leadership could enhance both individual and collective performance. Theoretically, this study verifies the integration of individual and group-level theories in understanding organizational performance and opens avenues for further research. Future studies could explore mixed-method approaches or sector-specific variations, incorporating variables such as technology adoption and cultural influences to deepen the theoretical model.

Acknowledgments

We would like to extend our sincere gratitude to all participants and institutions that contributed to this research, including the East and North Kalimantan Regional Office of the Directorate General of Taxes, the Open University Office in Tangerang, Indonesia, and the distribution center in Billund, Denmark. Your valuable insights and cooperation made this study possible. Special thanks to our research advisors and peer reviewers for their guidance and constructive feedback. Lastly, we acknowledge the support of our colleagues and families, whose encouragement was vital throughout the research process.

REFERENCES

- Asch, S. E. (1951). Effects of group pressure upon the modification and distortion of judgments. In H. Guetzkow (Ed.), *Groups, leadership, and men* (pp. 177–190). Carnegie Press.
- Bandura, A. (1978). Reflections on self-efficacy. *Advances in behaviour research and therapy*, 1(4), 237-269.
- Costa, P. T., & McCrae, R. R. (1992). Normal personality assessment in clinical practice: The NEO personality inventory. *Psychological Assessment*, 4, 5-13.
- Creswell, J. W., & Creswell, J. D. (2017). *Research design: Qualitative, quantitative, and mixed methods approaches*. Sage publications.
- Cotton, P., & Hart, P. M. (2003). Occupational wellbeing and performance: A review of organisational health research. *Australian Psychologist*, 38(2), 118-127.
- Chiu, W., Thompson, D., Mak, W. M., & Lo, K. L. (1999). Re-thinking training needs analysis: A proposed framework for literature review. *Personnel Review*, 28(1/2), 77-90.
- Dunning, D. (2011). The Dunning–Kruger effect: On being ignorant of one's own ignorance. In *Advances in experimental social psychology* (Vol. 44, pp. 247-296). Academic Press.
- Epstein, S. L. (1995). Learning in the right places. *The Journal of the Learning Sciences*, 4(3), 281-319.
- Hersey, P., & Blanchard, K. H. (1988). *Management and Organizational Behavior*. Englewood Cliffs, NJ: Prentice-Hall.
- Herzberg, F. (1968) One More Time: How Do You Motivate Employees? *Harvard Business Review*, 46, 53-62.
- Kim, S. (2004). Individual-level factors and organizational performance in government organizations. *Journal of public administration research and theory*, 15(2), 245-261.
- Maslow, A. H. (1943). A theory of human motivation. *Psychological Review*, 50(4), 370–396.
- McClelland, D. C. (1985). How Motives, Skills, and Values Determine What People Do. *American Psychologist*, 40, 812-825.
- McGivern, M. H., & Tvorik, S. J. (1997). Determinants of organizational performance. *Management decision*, 35(6), 417-435.
- Oubrich, M., Hakmaoui, A., Benhayoun, L., Söilen, K. S., & Abdulkader, B. (2021). Impacts of leadership style, organizational design and HRM practices on knowledge hiding: The indirect roles of organizational justice and competitive work environment. *Journal of Business Research*, 137, 488-499.

- Porter, M. (1990). *The competitive advantage of nations*. Harvard Business Review Press.
- Robbins, S., Judge, T. A., Millett, B., & Boyle, M. (2013). *Organisational behaviour*. Pearson Higher Education AU.
- Robbins, P. Stephen & Judge, Timothy A. (2017). *Organizational Behaviour*, Edisi 13, Jilid 1, Salemba Empat, Jakarta.
- Tannenbaum, A. S. (1962). Control in organizations: Individual adjustment and organizational performance. *Administrative science quarterly*, 236-257.
- Van der Lippe, T., & Lippényi, Z. (2020). Co-workers working from home and individual and team performance. *New technology, work and employment*, 35(1), 60-79.
- Weber, M. (1978). *Economy and society: An outline of interpretive sociology* (Vol. 1). University of California press.
- Yusriani, S., Patirol, S. P. S., Rekartl, E., Pamungkas, C. R., & Nurbaeti, N. (2024). Analyzing the Impact of Knowledge Sharing in Virtual Teams: Practical Evidence from Indonesia Open University. *Ilomata International Journal of Management*, 5(2).