The Role of Industrial-Organizational Psychology in Enhancing Employee Management: A Comprehensive Analysis of Human Resource Strategies, Employee Well-being, and Performance Measurement

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Abstract: Psychology is a new topic for society, although mental health was an aspect that already existed for nearly a century it can only be theorized in recent years. The study of psychology also manages to come up with various quantity measurements to track psychological behavior. After the 21st century, the psychological issue has become another serious health problem. Another change from the productivity aspect is the company put its focus from the financial target to more abstract and subjective feedback from their customer. This paper discusses the use of IO-psychology in the area of human resources management and the evolution of economic engines. The paper will extend the theory by concluding previous studies on what Io-psychology can do and their potential effect on our economic system. The paper will briefly introduce IO-psychology and its effect on the reform of the human resources department, employee loyalty, job satisfaction, working environment, and the evolution of performance measurement. It suggests paying more attention to employees' inner values and their effect on the company culture.

Keywords: Industrial-organizational psychology, employee management, human resource strategies, performance measurement.

1. Introduction

In the age of a value-based production market, the company should use psychological methods to reform its strategy. In this paper, I will discuss the value of putting Industry-organization psychology(IO-psychology) into the company strategy and its potential benefit from reforming the human resources department and establishing a company culture, improving employee well-being, creating employee loyalty, and the new standard of performance measurement.

IO-psychology is a newborn psychology theory in the psychology field. It has been faced with the issue of practicality since the day it was published. IO-psychologists have been trying to expand their thought for almost 40 years but before the 21st century, the workforce environment was far from reality. In the last century, companies enjoyed the benefit of population growth after World War 2, and the labor force was big enough to improve the economic engine. At that time financial standards are the most important ones for the company and government. IO-psychology is a theory for

improving employee health and well-being, teamwork and leadership, performance measurement, and job and work design [1]. IO-psychologists are familiar with psychology theories such as social, personality, and experimental. They use their knowledge to shape the company. After being trained in business school IO-psychologists can contribute special achievements to accounting, human resources, and economics. IO-psychology can bring huge differences to the current employment situation. The IO-psychology typically focuses on the micro-side, which is the main difference between those who only take the view of business school. Traditional human resources departments and decision-makers are more interested in profit, productivity, and the result of the investment. Those who take IO-psychology courses can have expanded knowledge of motivation organizational behavior, and the satisfaction of the work [2]. However, IO-psychology faces a series of challenges when they are extended to the public. First psychology theory was mainly published in academic journals which contain expensive subscription fee. This also sets a gap for those who trying to understand it. Secondly, the challenge from the media might be misleading its audience. Social media like blogs allow people to publish their ideas and discuss them with others, they also spread faster than traditional media. Therefore, some ideas might be misguiding the audience which psychology theory has different leading when explain it in a different view. The traditional method of extending the new theory to the manager who might use it in their daily job includes training programs and managers need to be aware of related knowledge [3].

2.   Literature Review

The IO-psychology is an ignored aspect of the manager which can boost another evolution to the management of human resources. The production process of the past decade has always made profit their maximum priority and did not concentrate on human rights. The factories in Southeast Asia do not have the same conditions as those in Europe. Although the labor cost is much lower than in developed areas the working conditions. From the research of previous studies workers in developing countries are always faced with dirty and risky environments that lack safety guards while workers suffer more working hours [4]. Global companies always seek a cheap labor force, so they move out of those labor-dependent industries from local society to China's land then as the labor force of China's mainland grows higher, they move factories to Southeast Asia and as for common feature they do not provide a good environment for aboard workers. The working environment always contains job safety and allocation of working hours for those who only focus on maximum profit and extend working hours out of permission or only provide limited security for their workers, their employees are always working under high pressure. Raziq research suggested the working environment will affect employee productivity efficiency and loyalty from the mental aspect [5]. The slide effect of the change in the environment on employees cannot be ignored easily, and io-psychology can improve the situation. The working environment is unmarkable because one has to take feedback from others while different people might have different points of view of their current situation therefore psychological methods can be put into practice to identify what employees truly need. IO-psychology helps corporations build new eco-friendly environments. The traditional thought shows the company always focuses on externalities those actions are passive and always combine with the government's direct ordinance which only contains limited protection because the government policy has to give in to economic development. Thus, if the company tried to fit society's rapid change, only considering externality would not be enough [6]. IO-psychology provides a vision of internal management such actions are done by positive will. It will be more efficient than forced by the laws. The company can search for new management methods by improving internal processes and not abandoning employees' rights for greater profit.

The IO-psychology can improve the employee's well-being and enhance corporate cohesion. The company's human resources department has recently focused on maintaining its first-line workers.

The talent of workers becomes another important factor of production [7]. It turns out that experienced workers have become another kind of asset, especially for manufacturers. After the damage from the epidemic and the population from most of the developed countries continue decreasing, it narrows the option for the company to choose their employee. The research shows more than 50 % of experienced first-line workers quit their jobs even in big companies such as G&E and 3M they also had a high quit rate. For corporations, the training program for junior workers always takes a lot of time and effort. Some companies tried to train their training program by e-platform, but it turned out ineffective as offline one. However, if the corporation can maintain its relationship with its employees by offering better wages and other CSR issues, so to lower the cost of retraining workers, corporations focus on how to persuade those experienced workers to continue their careers. IO-psychology can help the company to improve these situations because such a problem is associated with the value the company can provide. IO-psychology can play a role in finding the interest and the talent of marginalized workers [8]. IO-psychology is a new psychological theory to explains the new working environment and the latest production relationship. After the 1990s the company always focused on creating different values in the way production has changed which means the managers of the company should consider more than capital and producing material, the relationship and the mental needs of the employee also have to be on their consideration for seeking investor. IO-psychology can let managers know about other issues such as the working environment and working schedule then provide the welfare employees need. A company that cares about employee CSR, tends to create more well-being for employees. After IO-psychology is put into employee management the manager can motivate employees and those who have more talent engaged in the production [9]. That suggests IO-psychology can give a better solution to the worsening workforce environment.

3.   Analysis

The IO-psychology can bring evolution for the company's performance measurement. During the past 20 years, we summarized business performance measurement from three perspectives: operations perspective, strategic control perspective, and management account perspective. In the early stage of globalization, the performance measurement is based on the sacrifice of customer satisfaction. From the 1960s to the 1980s, there appeared a more complex measurement due to the transaction of the economic engine moved from the supply side to the demand side the key of the performance measurement became quality, flexibility, and satisfaction. A new system had been built to fit with the economic changes, and people realized that performance measurement is a system with multiple dimensions [10]. However, there are some limits to the current system in some cultures. For the business performance measurements, the most important parts are that performance should be clearly defined, and accurately measured; and rewards should be contingent. Some companies could have different meanings for the above perspectives and add deceptive information to cheat investors, customers, and the government [11]. Enter the information age, the open innovation movement boosted the need for each corporation to collaborate in a global multicultural network which directly affected the process of internal organization performance and innovation performance. Also, in the 21st century, SMEs becoming another unignorable part of the economic engine and provide the majority of the workplaces for society while such companies have more flexible management methods and itinerant staff than public companies and bigger corporations. Instead of the financial target, in this stage, companies put their focus on the satisfaction of the customers. Since these standards unlike the time or price can be easily performed to the manager how their service or goods did on the market it required more flexible measurement. IO-psychology first came out in the 1970s as an early theory to measure individual differences and provide psychological tests then select employees and identify their performance on various work [12]. Therefore, we can try to improve our system with IO-psychology because IO-psychology can help managers collect individual ideas rectify

and harmonize previous performance measurements into a more flexible measurement system. Because IO-psychology takes a more personal view from those previous ones thus it can provide flexibility for managers to get connected with employees than they used to and motivate employees to give better feedback from various work than their reward. IO-psychology is another step in bringing manager with their employee and measuring how they behave during the job.

The human resource process can be improved by using the IO-psychology method in their selection. Human resource management has two main categories strategic human resource management and organizational human resource management. The first one, strategy human resource management requires the human resources department to combine their recruitment policy with the company's current strategic goals [13]. To accomplish this goal, human resources need to have a voice on the committee, but it will be harder when nowadays the manager structure becomes flatter. Organizational human resource management always leads to organizational performance and organizational politics. Since the organization is the basis of the company there are some common futures that managers can use to organize their employees. If promotion progress happens in the company department and organization politics is an important method to solve conflict in the team. It can advance the organization's positive function and increase its flexibility [14]. Furthermore, the current human resource management faces severe challenges and needs to be changed. Some studies have figured out that to achieve a higher level of organizational success human resource departments should not only focus on traditional standards such as efficiency and organizational performance but also on their members' welfare. It is stated that the organization's success should base on the satisfaction of each member the human resource department has the authority and the ability to improve the situation from two aspects. In the 21st century, the human resource department should be the advocator and the defender of human rights [15]. Facing these changes, human resources need to evolve to fit the unstable environment and enhanced international competition. To fully address human resources issues, the department should develop a long-term solution. Although the theory of putting IO-psychology into practice first appeared in the 1980s the research turns out that this theory was not fit with the economic environment at that age and was ahead of that time [16]. The IO-psychology provides a method of the inner side of human value. In contrast, transforming the quantitative method into abstract feedback from employees inside the mind. IO-Psychology acts as the role of getting higher involvement and alignment capability. Io-psychology can help optimize the organization's members and create additional value. IO-psychology also can help find employees' inner values and the key values separate from each other. For companies who want to stand out from the other in the competitive environment, the company culture is an important aspect to show to their investors and customers. The company's culture is regarded as another intangible asset despite its brand [17]. The human resources department should work as a tailor of the company to shape the employees in their culture and give a direction for selecting employees they need, among the working skills IO-psychology can help to discover their endogenous. Human resources have become another important investment.

4. Conclusion

Ack After analyzing the discussion in the paper, we can understand that IO-psychology has a bright future in the further development of the corporation. This paper suggests using the IO-psychology method to improve the company's human resources process and the improvement of employee welfare. The paper suggests the head of the corporation and the manager should take the knowledge of IO-psychology to help them better manage their employee and guide them in the company's direction. For those managers in the first line who always attach to employees and have more opportunities to the feedback of employee. While the paper still has more to improve such as the lack of a first-hand survey database it is the conclusion of previous studies and combined with the current

labor environment and economic situation. And better solutions for advertising more people to the theory of IO-psychology are still needed.

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