

## CLASSIFICATION OF FACTORS AFFECTING LABOR PRODUCTIVITY IN PRIVATE COMPANIES IN AZERBAIJAN (ACCESS BANK)

**Konul Aghayeva\*, Ph.D., Associate Professor**  
**Azerbaijan University of Architecture and Construction;**  
**Azerbaijan State Economic University**  
**Murad Aliyev, Master Student**  
**Azerbaijan State Economic University**

\*ORCID 0000-0002-7455-073X

© Konul Aghayeva, 2024

© Murad Aliyev, 2024

*Стаття отримана редакцією 10.01.2024 р.*

*The article was received by editorial board on 10.01.2024*

**Introduction.** Organizational factors play a key role in shaping and influencing labor productivity within ACCESS Bank. The leadership and management style adopted by bank executives has a significant impact on how employees approach their tasks and contribute to overall productivity. A leadership team that creates a positive and motivating work environment tends to inspire higher levels of dedication and commitment from the workforce. This in turn can increase efficiency and productivity. ACCESS Bank's organizational culture also has a significant impact on labor productivity. A positive and inclusive culture encourages collaboration, creativity and a sense of shared purpose among employees. Conversely, a toxic or unsupportive culture can hinder teamwork, communication, and ultimately productivity. A bank's commitment to workforce planning and allocation is critical. Effective planning ensures that the right people with the right skills are assigned to the right tasks, optimizing individual and team performance. Training and development programs implemented by ACCESS Bank make a significant contribution to organizational factors affecting labor productivity. Continuous learning opportunities not only enhance the skills and knowledge of employees, but also enable them to adapt to evolving industry trends and technological advancements. In addition, clear and efficient communication channels, along with streamlined coordination processes, are essential for smooth workflow. ACCESS Bank's ability to facilitate seamless information sharing and collaboration between various departments increases overall productivity by reducing delays and minimizing errors [10].

**Analysis of recent research and publications.** Assessment of labor conditions in private companies in Azerbaijan and their impact on the realization of labor potential have come to the fore in recent years. A thorough understanding of these dynamics is critical to fostering an enabling environment that maximizes employee productivity and well-being. In Azerbaijan, researchers and policymakers are increasingly aware of the complex relationship between the quality of working conditions and the overall work potential of the workforce. Studies are conducted to assess factors such as workplace safety, job satisfaction, and access to professional development opportunities. These studies examine the specific challenges faced by workers in the private sector and aim to identify strategies for improvement.

The results of these studies are expected to inform both government policies and corporate practices, not only to attract qualified professionals, but also to foster an environment that enables them to perform optimally. Research findings are expected to shed light on potential areas of intervention, such as improving occupational health and safety protocols, implementing employee wellness programs, and promoting a healthy work-life balance. By addressing these aspects, private companies in Azerbaijan can create a more attractive and sup-

portive work environment, ultimately unlocking the full potential of their workforce and contributing to the country's overall economic growth and competitiveness.

During the research, Agayev Z., Imanov T., Hajiyevev N., Huseynov T., Bryntseva A.N., Donald J. Bowersox, Morgunova V.I., Gadzhinsky A.M., Karnaukhova S.B., Novikova O.A., Prokofyeva T.A., Protsenko I.O., Adler P.S., Kwon S.W., Böhm M., Galic G., Olenberger C., Siegert M., Sperling A., Zyprian F., Krcmar H., Novikova D.T., Sergeyevev V.I., Stepanova V.I., Adam F., Roncevic B., Shumaeva V.A., Sherbakov V.V. and the works of others have been studied.

**Objectives of the article.** The purpose of studying the effect of the quality of working conditions on the realization of labor potential in private companies of Azerbaijan is to evaluate how workplace factors such as safety, comfort and job satisfaction affect the productivity and general performance of employees. This study aims to provide valuable insights for both employers and policymakers in optimizing working conditions for the development of labor potential and economic growth in Azerbaijan's private sector.

**The main material of the study.** Technological factors are an integral part of ACCESS Bank's operations and have a great impact on labor productivity. The information technology infrastructure maintained by the bank forms the basis of various processes, from customer transactions to internal communications. ACCESS Bank's commitment to a robust and modern infrastructure ensures that employees have access to the necessary tools and systems, facilitating a smooth and efficient workflow. Automation and digitization are key technological factors that significantly affect labor productivity within the bank. Automated processes can simplify routine tasks, reduce the burden on human resources and minimize the risk of errors. Digitalization, on the other hand, enables seamless integration of information and data, fostering a more agile and responsive organizational environment. ACCESS Bank's strategic adoption and integration of automation and digital technologies increases productivity by optimizing resource utilization and accelerating task completion [2].

The selection and implementation of software and tools also play an important role in shaping technological factors that affect labor productivity. ACCESS Bank's choice of software solutions for tasks such as data analysis, customer relationship management and internal communications can have a huge impact on efficiency. Ensuring that these tools are aligned with the bank's specific needs and workflows is critical to increasing their usefulness and ultimately employee productivity. Ongoing maintenance and maintenance of technological systems are equally important. ACCESS Bank must invest in regular updates, security measures and troubleshooting to prevent system outages and ensure a stable and reliable technology environment. Preventive measures taken in this direction have a positive effect on overall labor productivity by contributing to the bank's stability and ability to provide uninterrupted service [9].

Work environment factors are a major contributor to labor productivity at ACCESS Bank and play an important role in shaping the overall employee experience. Workplace design and ergonomics have a significant impact on the comfort and well-being of the workforce. ACCESS Bank's commitment to providing a conducive physical environment, including comfortable seating, adequate lighting and well-organized work spaces, has a positive impact on employee morale and ultimately productivity. Health and safety measures are essential in creating a safe and supportive work environment. ACCESS Bank must prioritize the well-being of its employees by implementing and following strict security protocols. This not only ensures compliance with regulatory standards, but also builds trust and security among the workforce, reduces absenteeism and increases overall productivity [1].

Employee opportunities and conditions contribute to overall workforce satisfaction. ACCESS Bank's provision of facilities such as recreation areas, fitness facilities and quality dining services can strengthen the work-life balance of employees, increase job satisfaction and motivation. Understanding the importance of these factors in shaping the overall work environment is very important to create a positive and conducive atmosphere for productive work. Flexibility in work arrangements is another major work environment factor affecting labor productivity [7]. ACCESS Bank's adoption of flexible work schedules, telecommuting options or alternative work arrangements can contribute to employee satisfaction and retention. Such flexibility allows employees to better balance personal and professional commitments, leading to greater engagement and efficiency during working hours. Investing in employee satisfaction and well-being is not only a moral imperative, but also a strategic decision. A positive work environment not only fosters a healthier and more motivated workforce, but also enhances the bank's reputation as an employer of choice [9].

Human resource factors are critical determinants of labor productivity within ACCESS Bank and affect the efficiency and effectiveness of the workforce. The recruitment and selection processes carried out by the Bank

play a key role in ensuring the recruitment of qualified and suitable candidates for various positions. A rigorous and well-structured recruitment process contributes to the overall competence and skill set of the workforce and has a positive impact on productivity [4].

It is human resources that affect the skill levels of employees and labor productivity. ACCESS Bank's commitment to identifying skill gaps and providing targeted training can significantly enhance the capabilities of its workforce. By fostering a culture of continuous learning, the bank keeps employees abreast of industry trends, technological advancements and evolving business requirements.

Employee motivation and engagement are inherent human resource factors that affect productivity. ACCESS Bank's efforts to create a motivating work environment, recognize and reward achievements, and promote a sense of purpose and belonging among employees contribute to higher levels of engagement [6]. Engaged employees put in more effort according to their desires, which leads to increased productivity and positive results for the bank [9].

Implementation of effective performance appraisal systems is critical in evaluating and improving human resource factors. Regular performance reviews, constructive feedback, and goal-setting mechanisms allow employees to understand expectations and align their efforts with organizational goals. ACCESS Bank's commitment to fair and transparent performance appraisals fosters a culture of accountability and continuous improvement [3].

Compensation and benefit structures are important components of human resource factors affecting labor productivity. A competitive and fair compensation system coupled with attractive remuneration packages not only attracts top talent but also helps in employee satisfaction and retention. ACCESS Bank's ability to align its reward system with employee contributions and market standards can positively impact overall workforce productivity [1].

External economic factors have a significant impact on ACCESS Bank and shape the broader context in which the bank operates. These factors include a number of elements beyond the direct control of the organization that affect its performance and labor productivity. Economic conditions and trends, both global and local, are key considerations. The general economic health of the regions in which ACCESS Bank operates can be affected by factors such as interest rates, inflation and consumer spending. A growing economy generally results in increased business activity and consequently increased demand for banking services. On the other hand, economic downturns can lead to reduced demand and the need for strategic adaptation to maintain productivity [5].

Regulatory compliance is an important external economic factor shaping ACCESS Bank's operations. Changes in financial regulations, both domestically and internationally, can affect a bank's procedures, reporting requirements and overall business strategy. Compliance efforts may require adjustments to internal processes, potentially impacting labor productivity as employees adjust to new regulatory frameworks [9].

Market demand and competition are additional external economic factors that play a decisive role in the formation of ACCESS Bank's activity. Understanding the needs and preferences of the market, as well as the actions of competitors, is important for the strategic planning of the bank. Adapting to changes in market demand and staying ahead of competitive pressures is critical to maintaining and increasing productivity.

Changes in industry standards and technological advances are also influenced by external economic factors. ACCESS Bank must keep pace with emerging technologies and industry best practices to remain competitive. Implementing innovative solutions can increase operational efficiency and productivity, positioning the bank as a leader in the rapidly evolving financial services landscape [3].

As a result, economic policies and government initiatives represent external economic factors that may affect ACCESS Bank. Government decisions regarding fiscal and monetary policy, as well as broader economic development initiatives, can affect the regulatory environment, interest rates, and overall economic stability. ACCESS Bank's ability to adapt to and capitalize on these external economic factors is critical to managing a dynamic financial landscape and maintaining optimal levels of labor productivity [8].

**Conclusions.** Organizational policies and practices are integral components that shape working conditions at Access Bank in Azerbaijan. These internal guidelines are designed to govern various aspects of the workplace, including employee conduct, benefits and overall organizational culture. Access Bank's commitment to a positive and conducive work environment is reflected in its organizational policies and practices. Access Bank's internal policies cover a range of areas from human resources to employee welfare. Human resource policies dictate hiring practices, performance evaluations, and career development opportunities. By aligning

these policies with industry standards, Access Bank aims to attract and retain highly qualified personnel and ensure a skilled and motivated workforce.

Rewards given to employees also play a decisive role in determining working conditions. Access Bank's practices with health insurance, retirement plans and other benefits contribute to the overall job satisfaction and morale of its employees. A comprehensive and competitive benefits package not only attracts qualified professionals, but also increases the sense of security and loyalty in the workforce. Workplace safety and inclusion policies are important elements that contribute to a positive work environment. Access Bank's commitment to providing a safe and inclusive workplace is demonstrated through policies addressing discrimination, harassment, health and safety standards. These policies create an atmosphere where employees feel valued, respected, and supported, which ultimately improves the overall working environment. Innovation in organizational practice is another key aspect. Access Bank may implement flexible working arrangements, remote working policies or advanced technologies to improve efficiency and work-life balance. The bank's alignment with evolving business trends ensures employees have the tools and flexibility they need to thrive in the dynamic banking industry.

#### **REFERENCES:**

1. Abbasov A. B. (2011) Business organization and management: textbook. Baku: Azerbaijan State University of Economics Publishing House, 464 p.
2. Adam F., Roncevic B. (2013) Social Capital: Recent Debates and Research Trends. *Social Science Information, SAGE Publications*, no. 42(2), pp. 155–183.
3. Adler P. S., Kwon S. W. (2012) Social Capital: Prospects for a New Concept. *The Academy of Management Review*, no. 27 (1), pp. 17–40.
4. Hajiyev N. (2018) Strategic Business Management. Baku: Azerbaijan State University of Economics, 636 p.
5. Imranov A. M. (2007) Management: textbook. Baku, 268 p.
6. Mammadov S. (2009) Basics of Management. Baku, 77 p.
7. Sargut S. (2013) The Role of Trust in the Formation of Organizational Structures in Corporate Areas and the Execution of Economic Transactions. (Editor: Ferda Erdem). Social Sciences Trust, Ankara, Vadi Yayinlari, pp. 89–124.
8. Shahbazov K. A., Mammadov M. H., Hasanov H. S. (2007) Management. Baku, 1036 p.
9. ACCESS BANK. Bank rəqəmlərdə. Available at: <https://www.accessbank.az/az/our-bank/in-figures/>
10. ACCESS BANK. Available at: <https://www.accessbank.az/>

UDC 331.101.6

JEL E24, J01, J81

**Konul Aghayeva**, Ph.D., Associate Professor, Azerbaijan University of Architecture and Construction; Azerbaijan State Economic University. **Murad Aliyev**, Master Student, Azerbaijan State Economic University. **Classification of factors affecting labor productivity in private companies in Azerbaijan (ACCESS Bank).**

The impact of the quality of working conditions in private companies on the realization of labor potential is very relevant in the modern dynamic and interconnected world. This issue is important because of its profound implications for individuals, organizations and society as a whole. The welfare of workers is at the forefront of this discussion. Working conditions cover a wide range of factors, including workplace safety, job security, fair compensation, and opportunities for personal and professional development. When these conditions are favorable, employees are more likely to thrive, leading to increased job satisfaction, higher morale, and improved mental and physical health. Conversely, poor working conditions can prevent employees from realizing their potential, resulting in reduced productivity and a negative impact on individuals' lives in general. The topic is relevant in the context of organizational activity. Private companies that prioritize the quality of working conditions tend to get many advantages. Satisfied employees are more engaged, innovative and loyal to their employers. This translates into higher productivity, lower turnover rates and a competitive advantage in attracting top talent. As a result, a company's income is significantly affected by the extent to which its employees can realize their labor potential. The discussion of working conditions goes beyond individual companies. It is intrinsically linked to wider social and ethical considerations. Providing employees with safe and decent working conditions is consistent with the principles of social responsibility and ethical business practices. Companies that neglect this responsibility can face reputational damage and legal consequences, highlighting the broader societal implications of this issue. The research focuses on the workforce working in private companies in Azerbaijan and how their working conditions affect their ability to fully utilize their skills and potential. The subject of the study is the relationship between the quality of working conditions and the extent to which employees working in private companies in Azerbaijan can use and manifest their labor potential. Different methods were used during the research. These were various methods such as research, analysis, synthesis,

comparison, generalization, statistical analysis, survey organization and analysis, data collection. These methods are designed to assess the current state of working conditions in private companies in Azerbaijan. Through the method of synthesis, it was used to make individual elements (properties, attributes) into a single whole for a more detailed study. The information base of the study was made up of various local and foreign research works, survey data, internet resources and books related to the topic. Studying the effect of working conditions on labor potential in private companies has important practical implications for various stakeholders. Private companies can use these findings to optimize their workplaces and improve employee well-being, job satisfaction, and productivity. By investing in better working conditions, such as ergonomic facilities, health and safety measures, and employee development programs, businesses can reduce turnover rates, improve overall workforce performance, and ultimately achieve greater competitiveness and profitability.

**Key words:** labor productivity, labor potential, Azerbaijan, private sector, ACCESS Bank, working conditions.

УДК 331.101.6

JEL E24, J01, J81

**Конул Агасва**, Ph.D., доцент, Азербайджанський університет архітектури та будівництва; Азербайджанський державний економічний університет. **Мурад Алієв**, студент магістратури, Азербайджанський державний економічний університет. **Класифікація факторів, що впливають на продуктивність праці в приватних компаніях Азербайджану (ACCESS Bank).**

Тема статті актуальна в контексті організаційної діяльності. Приватні компанії, які надають пріоритет якості умов праці, як правило, отримують багато переваг. Задоволені працівники більш заангажовані, інноваційні та лояльні до своїх роботодавців. Це означає вищу продуктивність, нижчу плинність кадрів і конкурентну перевагу в залученні найкращих талантів. Як наслідок, на дохід компанії суттєво впливає те, наскільки її працівники можуть реалізувати свій трудовий потенціал. Обговорення умов праці виходить за рамки окремих компаній. Це нерозривно пов'язане з більш широкими соціальними та етичними міркуваннями. Забезпечення працівникам безпечних і гідних умов праці відповідає принципам соціальної відповідальності та етичним практикам ведення бізнесу. Компанії, які нехтують цією відповідальністю, можуть зіткнутися зі збитком репутації та юридичними наслідками, що підкреслює ширші суспільні наслідки цієї проблеми. Дослідження зосереджено на робочій силі, яка працює в приватних компаніях в Азербайджані, і на тому, як умови їхньої роботи впливають на їх здатність повною мірою використовувати свої навички та потенціал. Предметом дослідження є взаємозв'язок між якістю умов праці та тим, наскільки працівники, які працюють у приватних компаніях Азербайджану, можуть використовувати та проявляти свій трудовий потенціал.

**Ключові слова:** продуктивність праці, трудовий потенціал, Азербайджан, приватний сектор, ACCESS Bank, умови праці.