

Introducing a Productivity Initiative

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In a company where good, solid, and effective managerial processes exist already, many of the techniques for improving productivity should be easy to incorporate. Though technical capabilities are crucial, implementing new systems can be expensive and often lead to drastic reductions in productivity. Employing innovative managerial techniques is a cheaper and much less disruptive means of increasing productivity and can address deeply rooted cultural barriers to productivity.

What You Need to Know

What is productivity?

Productivity is the calculation of the outputs of an organization divided by its inputs. It constitutes the estimated value of the products and services (outputs) measured against the costs incurred through the production of such outputs. Inputs can include capital, materials, tools, and employees.

How do I measure productivity?

Productivity is measured by identifying the value of the outputs and dividing it by the costs of the inputs. Productivity can be measured in financial terms or simply by quantity. For example, if a team of individuals are producing information reports, productivity can be measured by calculating the number of reports written by each employee in any given time frame. Measuring productivity is crucial in identifying whether or not an increase has occurred over time.

Will I see an immediate increase in productivity?

Any new initiative can take time to yield results. In particular, initiatives that rely upon the responsiveness of the staff can have varying levels of impact in varying time periods depending entirely upon the employees and the organizational culture. Employees can often be resistant and hostile in the face of new processes, especially if they are used to working in a certain way.

Use your knowledge and understanding of your employees to implement the right techniques at the right time and with the correct level of rigor. A more subtle initial approach may work better than a radical and potentially unsettling large-scale managerial shift. You should also identify which techniques will yield the best results for your team members; for example, if your team is motivated

and hard working, it may be more appropriate (and will yield better results more quickly) to focus on training and improve their skills.

What to Do

Create a Target Board

Measuring productivity is a vital component of any initiative to increase productivity levels. Communicating targets to staff members can actually prove to be a useful tool in facilitating an increase in productivity. Without clear and visible objectives, employees have no reason to improve their productivity. What is more, it is unfair to expect employees to guess what their targets are! Creating and updating target boards on a regular basis and ensuring that they are visible to staff (through a suitable medium) can contribute toward developing an objective-based working environment within which increased productivity can be clearly documented, and employees can be rewarded or held accountable for their performance.

Measuring productivity increases and decreases, and making those measurements visible to employees is seminal in:

- identifying whether an increase is occurring;
- proving to senior management that productivity levels are increasing;
- setting goals and objectives;
- ensuring that managers are motivated by objective figures and not subjective instincts;
- identifying whether the team or specific individuals are underperforming;
- facilitating communication with employees about productivity levels (e.g., in appraisals);
- providing a spring board for approaching employees who are underperforming;
- initiating analysis of employees' performance to identify why productivity levels are low;
- rewarding employees who reach their targets.

Target boards and their impact should be carefully managed, and it is important that the initiative and its purpose be clearly communicated to team members prior to its implementation. You should ensure that you have carefully defined the appropriate target productivity and that you do not have unrealistic expectations of employees; setting improbable targets can have a negative impact on productivity levels if employees see their objectives as unattainable.

Choose the Right Person for the Job

Fully utilizing the skills of your team is a great way of increasing productivity and keeping staff motivated and excited by the work they are doing. The process of matching workers' skills to the job

at hand should begin during the recruitment process. Recruiting staff that are right for the job ensures that they will have the skills and ability to perform productively within the role. When recruiting new staff, a comprehensive understanding of the skills required for the position and employing appropriate interview techniques is crucial in setting the groundwork to ensure that your employees have the competency to perform well. Once you have recruited staff on the basis of their skill at performing in the role, maintain an awareness of what they do well (and what they enjoy) and attempt to allocate roles that draw upon employees' strengths. Employees who work in jobs that match their skills and abilities are likely to perform better in their roles, not only because they have the innate capacity, but because they will experience a sense of satisfaction from their work.

Encourage staff members who show an interest in developing their skills. No matter how hard-working or enthusiastic an employee may be, without the right skills for the job his or her productivity will be restricted.

Boost Morale

Though intangible, low morale can have real and tangible effects on productivity. Negativity and despondency are infectious and low morale can create a discontented and disengaged workforce, which can yield hours of lost productivity. Boosting employee and team morale is achievable through what may seem fairly simple and well-known managerial techniques, but these are often the ones that fall to the bottom of managers' lists of priorities:

- Listen to your staff and **be approachable**; make sure that you give your staff the time they need, listen to their concerns, and act upon them if necessary.
- **Recognize and reward** employees who perform well
- Express **appreciation** for your employees and show them that you value the work that they do.
- Encourage and motivate staff at all times and **engender a positive attitude** in the workplace.
- Give staff **feedback on performance**, be it good or bad—they are unlikely to be mind readers!

Low morale often leads to unnecessary absence and, at its worst, high employee attrition rates; boosting morale can therefore increase productivity through higher attendance figures and reduce the high costs associated with staff turnover.

Involve Employees in the Initiative

There is no reason why your intention to improve productivity should be a covert operation. Communicate your ideas and your objectives to your employees and explicitly involve them in the process. Ask them for their input and encourage them to generate ideas about how to increase the productivity of the team. Your staff will bring a new perspective and may create new and exciting ideas about how to improve the team's performance.

A quality circle consists of a group of employees who meet at regular intervals to identify and resolve work-related problems without the potentially intimidating and restricting influence of the manager. Quality circles can work very well in generating ideas and feedback about how management can facilitate an improvement in employee performance, and they demonstrate to the team that management respects and values their input.

Lead by Example

Drivers for increasing productivity rarely stem from the bottom and seep upward, but rather start at the top and filter down. Investing time and energy in encouraging employees to work hard and improve productivity will have little effect if you do not demonstrate productivity yourself. You should act as a role model to your staff and demonstrate how a productive member of staff behaves.

What to Avoid

You Introduce Processes That Are Unsuitable for Your Employees

Sit down before making any changes and think about how best to incorporate the techniques into your current management responsibilities and be absolutely clear about which techniques you feel will work well within your working environment. Attempting to introduce processes that are clearly unsuitable for your team will be ineffective and a waste of your valuable time. Taking a little time before embarking on any new initiative to plan and set out your objectives, rather than ad-libbing as you go, can go a long way to ensuring that you maintain your focus and drive and that the process will not become so overwhelming that you give up at the first hurdle. Though an initiative to increase productivity requires you to invest your time and energy, when successful it will presage extra effort in the future.

You Take a “Hiring and Firing” Attitude

In some cases it may transpire that certain members of your team are simply not suited to the job and no matter how hard you try, they just do not respond to your efforts. In these cases it may be appropriate to consider whether or not it is in your interests, and theirs, for them to remain in their roles. However, you should avoid jumping to the conclusion that your employees are not fit for the job before you have given them a chance to respond to your techniques. Taking drastic action and removing employees from your team should really be a last resort when all else fails. Give your staff the opportunity to increase their productivity and bear in mind that each individual will respond to your techniques at his or her own pace. Hiring and firing can be incredibly disruptive and may impede the

potential for successfully encouraging and motivating staff to improve productivity. The resources required for recruiting new staff may be better spent investing in the staff you already have.

You Fail to Consider How Your Organization Will Best Benefit from Increased Productivity

When improvements in productivity are achieved, and employees are producing an increased number of outputs, there are two ways in which an organization can benefit:

- An organization can generate increased revenue in situations in which customer demand for the increased outputs exists.
- An organization can lower its overhead by reducing staff numbers but maintaining the quantity of outputs.

Understanding your organization and how it would best benefit from an increase in productivity is vital in ensuring that the initiative delivers the best possible results for you and your company.

Where to Learn More

Books:

Nigro, Nicholas, *The Everything Coaching and Mentoring Book: How to Increase Productivity, Foster Talent, and Encourage Success*. Adams Media Corporation, 2002.

Bain, David, *The Productivity Prescription: The Manager's Guide to Improving Productivity and Profits*. McGraw-Hill, 1986.

Web Site:

Mind Tools: www.mindtools.com