# IMPROVING PRODUCTIVITY AND BUSINESS EFFICIENCY

## **PRODUCTIVITY** GUIDE

HOW THE CHANGING ENVIRONMENT IS IMPACTING YOUR BUSINESS

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# INTRODUCTION

Executing a highly productive and efficient business is not a walk in the park. It used to be that growth made productivity hard to manage. While growth can still impact how we get things done, in today's workforce, we're faced with additional white noise- a new employee profile and many other elements we weren't faced with before.

The definition of productivity: measure of efficiency of a person completing a task.

Traditionally, people think of productivity in the manufacturing arena: getting more things done each day and cranking out more widgets at a lower cost. But, times have definitely changed.

There's only so much time in a day, a year, and well, your life. Psychology Today identifies the pillars of productivity as mental energy, physical energy and motivation derived from meaningful work. So how do organizations create environments that support these key pillars?

CONSISTENCY IS KEY.

This PRODUCTIVITY Guide was created to help identify the 5 W's of how our changing environment is impacting your business and provide you with some critical next steps and quick tips to help improve your productivity and business efficiency!

# LET'S DO THIS.

## BY 2020 MILLENNIALS ARE EXPECTED TO ACCOUNT FOR $1.4 TRILLION IN SPENDING.

Before we get to the heart of this issue we must agree on the WHO. Who is driving this change and who is it ultimately impacting?

Over the course of the past several years we've seen a transition in workplace dynamics with the increase in the number of millennials. Millennials are generally described as those born in the 1980s and 1990's, already are the largest segment in the workplace and will account for 75 percent of the workforce by 2030, according to United States Census Bureau's population projections.

While clichés and broad sweeping generalizations abound for all generations, there are some notable differences in how millennials were raised and educated which impacts the way this group approaches the workplace.

Understanding how to manage millennials is a great first step in managing productivity within your organization.

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WHO

# 5 TIPS
## FOR MANAGING
# MILLENNIALS

## QUICK TIP

Many millennials are hard workers who get results, but to connect with them and retain them, you might have to be willing to live with a more flexible schedule and a less restrictive dress code.

## MAKE TEAMWORK A PART OF YOUR COMPANY'S CULTURE

One of the changes in approaches to education during the decades when millennials went to school was an increased emphasis on teamwork and group projects. From elementary school through college, it was common for members of this generation to be asked to accomplish tasks as part of a team. By structuring your staff in a way that relies on everyone working together with defined roles, you'll be able to take advantage of what might be a strength for some of your younger employees.

## TAKE ADVANTAGE OF THEIR ELECTRONIC LITERACY

Millennials are the first generation to grow up with the internet as an everyday part of their lives. They are the first to embrace and take advantage of technology that connects people electronically. This experience and knowledge can help expand communication both internally and externally for your company.

## EMBRACE DIVERSITY AND FLEXIBILITY

Pew's research shows that millennials account for more people who identify as multiracial than any other generation. Recent studies also show that more than 40 percent of millennials expect to leave their jobs within two years and fewer than 30 percent want to be in the same job for more than five years. The same study shows that millennials value and are most willing to stick with companies that have diverse management teams and flexible work environments. Taking advantage of this means building a diverse leadership team and staff in addition to seeking out diverse clients. As well as, providing a work environment with opportunities for advancement and new challenges.

## FOCUS ON RESULTS

When the technology company Qualtrics did research on millennials it found the perception that the generation is "lazy" is based on a disconnect between millennials and older generations when it comes to prioritizing structure and processes. While older generations value things like fixed work schedules and dress codes, millennials are more focused on end results. This means it's important to relax the rules a bit.

## ALLOW TELECOMMUTING OR WORKING REMOTELY

Combine different traits like technologically savvy and being results-oriented, and you get employees who are capable of doing good work in ways that weren't as easily available to previous generations. Many millennials believe they should have the option to work remotely on occasion or even exclusively as long as they are getting their work done. Be flexible in this regard, and you'll have more success attracting and retaining members of this generation.

Source: The Balance Careers management and organization development consultant, Susan Heathfield

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# RETHINK THE WAY WE OPERATE INTERNALLY

Our buyer's journey and our consumer habits have changed dramatically in recent years, and this change has forced us to rethink the way we operate internally to meet the demands externally.

**American adults spend more than 11 hours per day watching, reading, listening or simply interacting with media.[1]**

There's a double-edge sword happening. On one side, we have a variety of digital platforms competing for our employees' attention during the work day. While the Internet has helped to streamline work processes, it also has given rise to the term "cyberslacking" by employees while at work.

**About 50% of workers reporting they spend an hour or less on non-work related Internet sites.[1]**

This digital usage also plays into a growing disruption in how consumers research and buy goods and services. This transition has challenged us to deliver more at a faster pace without sacrificing value or our differentiators.

These two elements alone have us scratching our heads when it comes to productivity and efficiency.
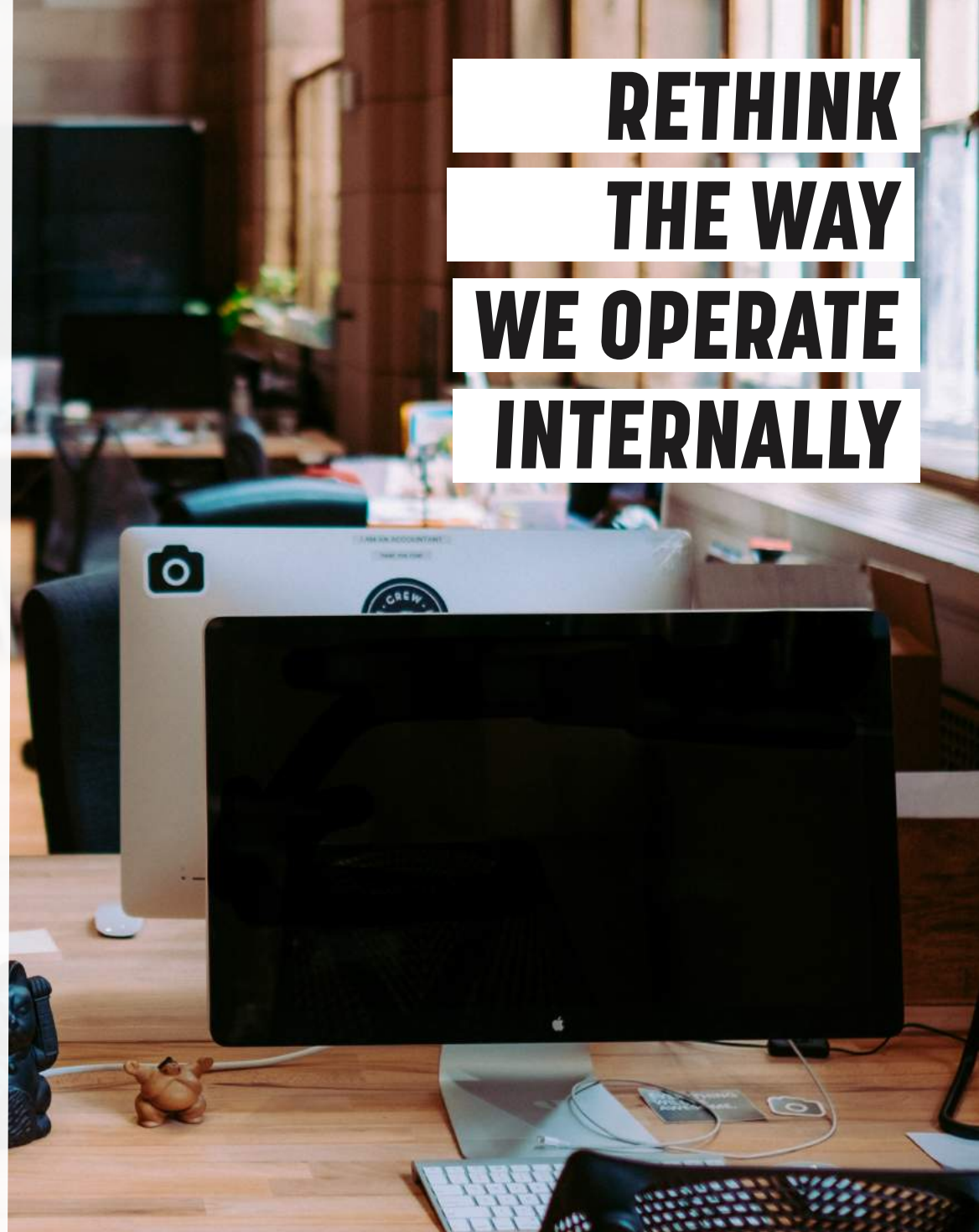
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WHAT

# COMMON TIME AND RESOURCE CONSTRAINTS

An organization is constrained by time and resources. And in today's digital society, where demands on time and resources seem to be more limited each day, improving processes and ultimately productivity and efficiency can seem like an unreachable goal.

**Let's take a closer look at how we define time and resource constraints and explore ways these can be more effectively managed by organizations.**

Time constraints refer to the limitations on the start and end times of each task in a project's critical path, which is the sequence of tasks that cannot be delayed without delaying the entire project. Examples of time constraints include completing a prototype design in time for a client demonstration and completing a financial audit before the fiscal year-end.

Resource constraints refer to the limitations on staffing, equipment and other resources that are necessary to complete a project. Examples of resource constraints include limited staff and equipment availability because of other ongoing projects in a company.

The simplest way to prevent delays in time-constrained projects is to allocate additional human resources. If the additional personnel are unavailable internally, management can schedule overtime hours or hire temporary personnel from an external temporary agency. However, these measures could take resources away from other time-constrained projects and lead to cost overruns.

For resource-constrained projects, management should assign priorities to internal projects and allocate resources accordingly. Management should also build in sufficient slack in the schedule to allow for limited delays due to unplanned events or illnesses.

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# TRIED AND TRUE METHODOLOGY

The LEAN methodology is becoming more and more popular in the business community LEAN helps define our "future state" of operating by learning how to give up the "old way" of doing things, eliminating the one-off personal preferences and utilizing new software to transform the way we are doing business.

LEAN is a journey for most organizations and includes tackling issues and bottlenecks one at a time, making the culture a lasting and sustainable part of daily operations.

**1** Developing consistent and efficient processes to enable the ability to share talent and resources, reduce waste to deliver a better-quality product and allow team members to have additional capacity to provide more value-added services.

**2** Incorporating new work flow software that better track projects and key performance indicators.

**3** Enhancing team member development by incorporating immediate feedback and collaborative work environment within the business tax return process.
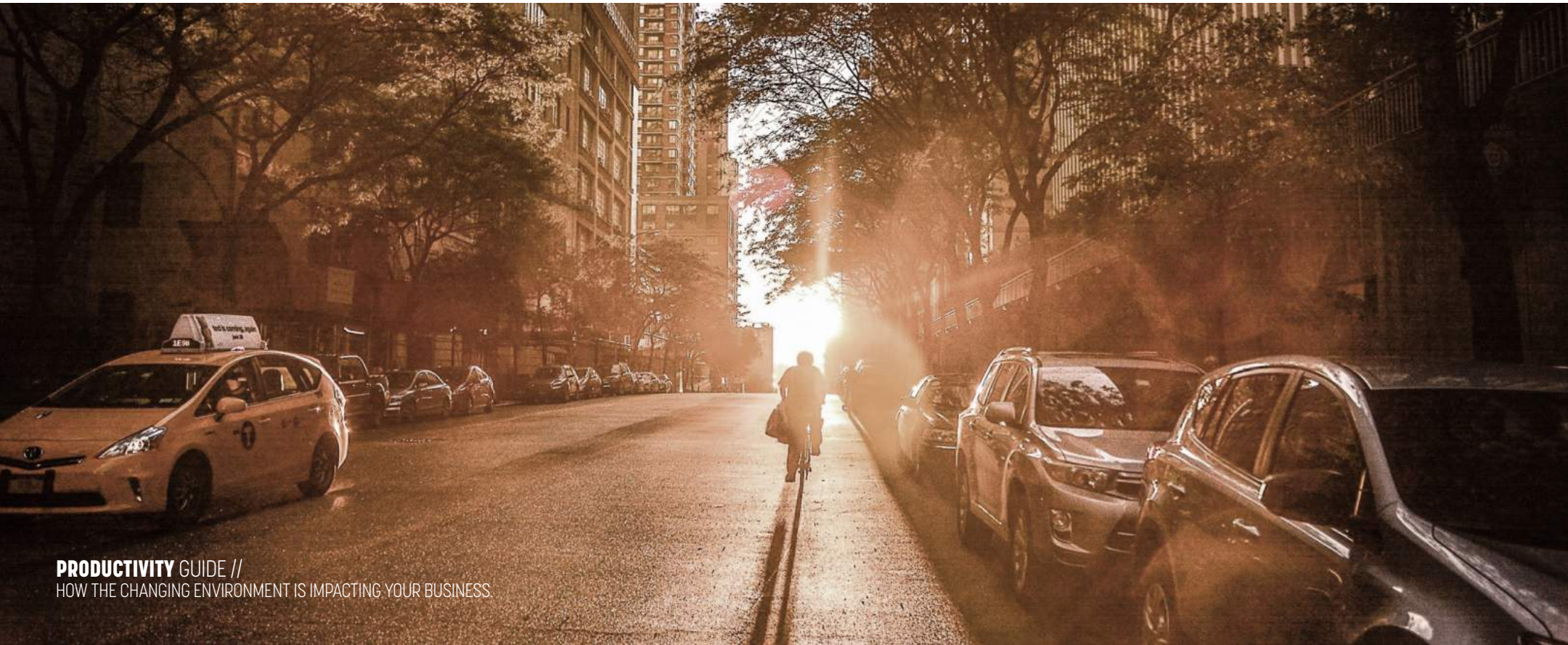
# DISRUPTION

The biggest disruptions we're seeing that are hindering many businesses today are disconnected or nonexistent systems, siloed and undocumented processes and the inability to execute an omni-channel experience is hindering many businesses today.

Most businesses spend time investing in multichannel platforms rather than the omni-channel experience, meaning they use many different ways to interact with customers but at the end of the day, the customer is lacking a seamless experience and consistent messaging.

**If you recall, we state that the pure definition of productivity is the measure of efficiency of a person completing a task.**

If it is taking three days to onboard a client and your backlog of client implementations is two weeks or more, there's a problem. And ultimately the client, who is keeping your lights on, is the one impacted.

Let's explore some great examples of companies that get how the theory and practice of omni-channel customer experiences work! [2]

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WHERE

Orvis is a sporting goods retailer who has won awards for its omni-channel strategy. How you might ask? Orvis understands its target audience and knows the most effective ways to communicate with them.

Orvis used first-party data to discover that its target audience consisted primarily of affluent customers who were age 50 and older. The company understood that while this demographic hasn't fully adopted digital technology yet, they have shown a genuine interest in using modern ecommerce tools.

So to help, Orvis gave their employees tablets that had CRM and ecommerce tools pre-installed. These tools can order out-of-stock products to the store as well as charge customers for both online and in-store purchases. If customers need assistance with a product, they can find a rep and use their tablet to learn more about an offer.

While this not only improves customer experience, Orvis's marketing team also benefits from the information they gather from customers. The CRM tools on the tablet record customer information so that employees can recognize loyal customers when they walk into a store. Employees record their shopping habits and purchase history, giving more insights to their marketing teams who are looking to deliver a more effective offer.

A quick look at the Starbucks rewards app will reveal why many consider it one of the top omni-channel experiences out there.

First, you get a free rewards card that you can use whenever you make a purchase. But unlike traditional customer loyalty programs, Starbucks has made it possible to check and reload your card via phone, website, in-store or on the app. Any change to the card or your profile gets updated across all channels, in real-time.

Standing in line to get a coffee and realize you don't have enough on your balance? Reload it and the cashier will know it's been updated by the time you swipe your card.

This isn't a new idea - more than 25 years ago, Jack Welch, who was then CEO of GE, was convinced that the speed of globalization and technological innovation in the 21st century would require companies to work very differently with shorter decision cycles, more employee engagement and stronger collaboration than had previously been required to compete. Fast forward to today and Welch's "boundary-less organization" should be the reality for most companies today.

# PROCESS IMPROVEMENT TOOL

Author and Harvard Business Review consultant Ron Ashkenas shares in an article about organizational structure that Welch's work-out process is needed now more than ever to improve cross-boundary collaboration to cope with a fast-changing global economy.

This work-out process improvement tool is now used in the Lean Six Sigma environment.

A work-out starts by setting a specific, measurable challenge and goal (clearly linked to strategic priorities), identifying the cross-functional set of participants who need to be involved and by collecting relevant data prior to the work-out event.

While planning and preparation usually takes four to six weeks and implementation occurs over 90 days, the work-out event itself takes only two to three days.

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In this section we're going to focus on when lack of productivity and business efficiencies are impacting you the most. Think about the common time and resource constraints we noted earlier. These are also known as Time Debts and we want to compare these with Time Assets.

In a blog post by James Clear, he shares most productivity strategies focus on short-term efficiency: how to manage your to-do list effectively, how to get more done each morning, how to shorten your weekly meetings, and so on. These are all reasonable ideas.

Clear states that we often fail to realize however, that there are certain strategic choices that impact our time on a larger scale. These choices can be categorized as Time Assets or Time Debts, which are two concepts he learned from Patrick McKenzie.[3]

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**WHEN**

# TIME ASSETS

# TIME DEBTS

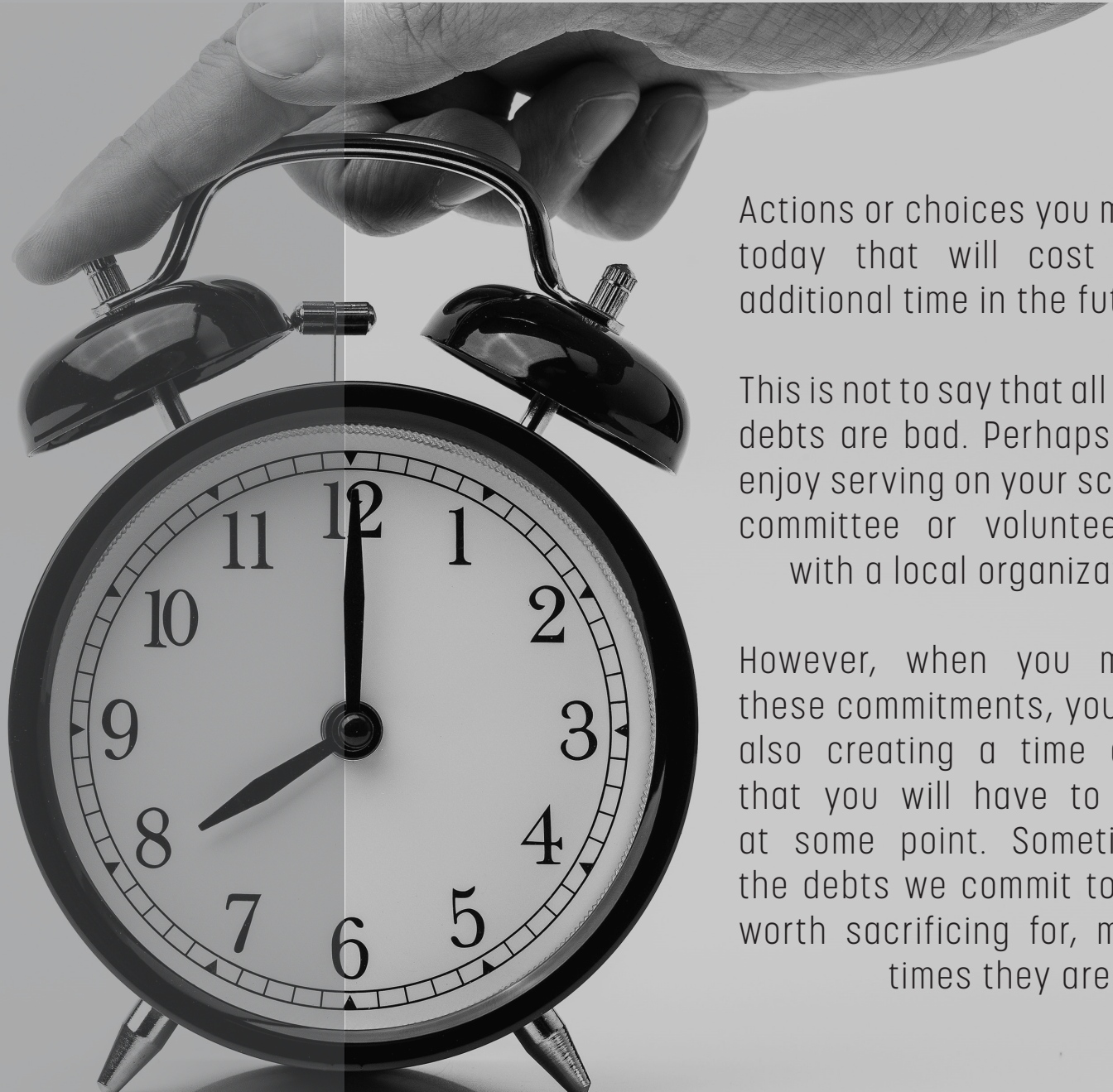Actions or choices you make today that will save you time in the future.

Software is a classic example of a time asset. You can write a program one time today and it will run processes for you over and over again every day afterward. You pay an upfront investment of time and get a payoff each day afterward.

Actions or choices you make today that will cost you additional time in the future.

This is not to say that all time debts are bad. Perhaps you enjoy serving on your school committee or volunteering with a local organization.

However, when you make these commitments, you are also creating a time debt that you will have to pay at some point. Sometimes the debts we commit to are worth sacrificing for, many times they are not.

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# SYSTEMS ARE MORE IMPORTANT THAN GOALS.

Time Assets are a perfect example of why this is true. Each Time Asset that you create is a system that goes to work for you day in and day out.

If your schedule is filled with Time Debts, then it doesn't matter how hard you work. Your choices will constantly put you in a productivity hole. However, if you strategically build Time Assets day after day, then you multiply your time exponentially.

**Time Debts need to be paid. Be careful how you choose them. Time Assets pay you over and over again. Spend more time creating them.**

# SMART STRATEGY

Areas like process definition and improvement or system implementation or standardization can be daunting initiatives to take on, but that typically means they are the most important. Be smart in your strategy to getting better and in the case of improving productivity and business efficiency, some times less is more. Commit to a smart strategy!

# QUICK TIP

It's important to take a serious look into your organization and clearly define your Time Assets and your Time Debts just as you would your financial success – an investment vs. an expense.

A helpful exercise is to identify the top 3 areas or gaps that need attention, prioritize and define the Time Assets and Time Debts as they relate.

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# 11 REASONS WHY **PRODUCTIVITY** SHOULD BE ON YOUR BUSINESS AGENDA[4]

## 1. INCREASING PROFITABILITY

Companies experience an increase in profitability when it becomes less expensive to produce their goods and services. When workers become more efficient, less labor is required to produce the same amount of goods.

## 2. LOWERING OPERATIONAL COSTS

Companies can reduce operational costs through a number of initiatives. If individual workers improve their personal work flow, they will either produce more in less time or reduce the amount of hours they need to work to achieve the same output. Technology is also a major contributor.

## 3. OPTIMIZING RESOURCES

Often companies don't use their resources to their best potential. Employees are busy some of the time and looking for work to do at other times. Better human resource management offers a great opportunity to reduce costs and increase productivity.

## 4. IMPROVING CUSTOMER SERVICE

One of the external benefits comes when customers are given more time and attention. Systems run better, and the customer feels the benefit. Of course, when the customer is benefiting, the company benefits because happy customers lead to happy managers and happy shareholders.

## 5. SEIZING THE OPPORTUNITY FOR GROWTH

An increase in productivity is always an opportunity for growth. How this increase is used is up to management. If the productivity increase results in more time for employees, it's important to control how this time is spent.

## 6. REDUCING WASTE AND ENVIRONMENTAL IMPACT

If you're not organized and take ten hours to do work that could be done in six, you use four hours of extra electricity that doesn't need to be used. When you don't look closely at the way you're doing things, you waste time, money and resources.

## EMPLOYEES MATTER, TOO!

Everyone is aware of the multitude of benefits that organizations gain from productivity increases, but the benefits for employees may not be as widely known as those noticed by the accountants and financial people.

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# 11 REASONS WHY **PRODUCTIVITY** SHOULD BE ON YOUR BUSINESS AGENDA

### 7. IMPROVING COMPETITIVENESS

Anything you can do faster, more efficiently or better than your competitors gives you an edge. Increased productivity leads to increased competitiveness. If you can produce your products at a lower cost than your competitor, you can charge less. If you can deliver your service more quickly than your competitor, you can serve more clients or you can increase time spent on customer service, increasing your value add to the customer.

### 8. REDUCING EMPLOYEE BURNOUT

When people have too much to do and not enough time to do it, it can result in stress, exhaustion or total burnout. Working more efficiently whether a reduction in time spent on daily processes or a reallocation of roles and responsibilities - results in people being able to cope better with their workload and complete their responsibilities in the time allocated to them.
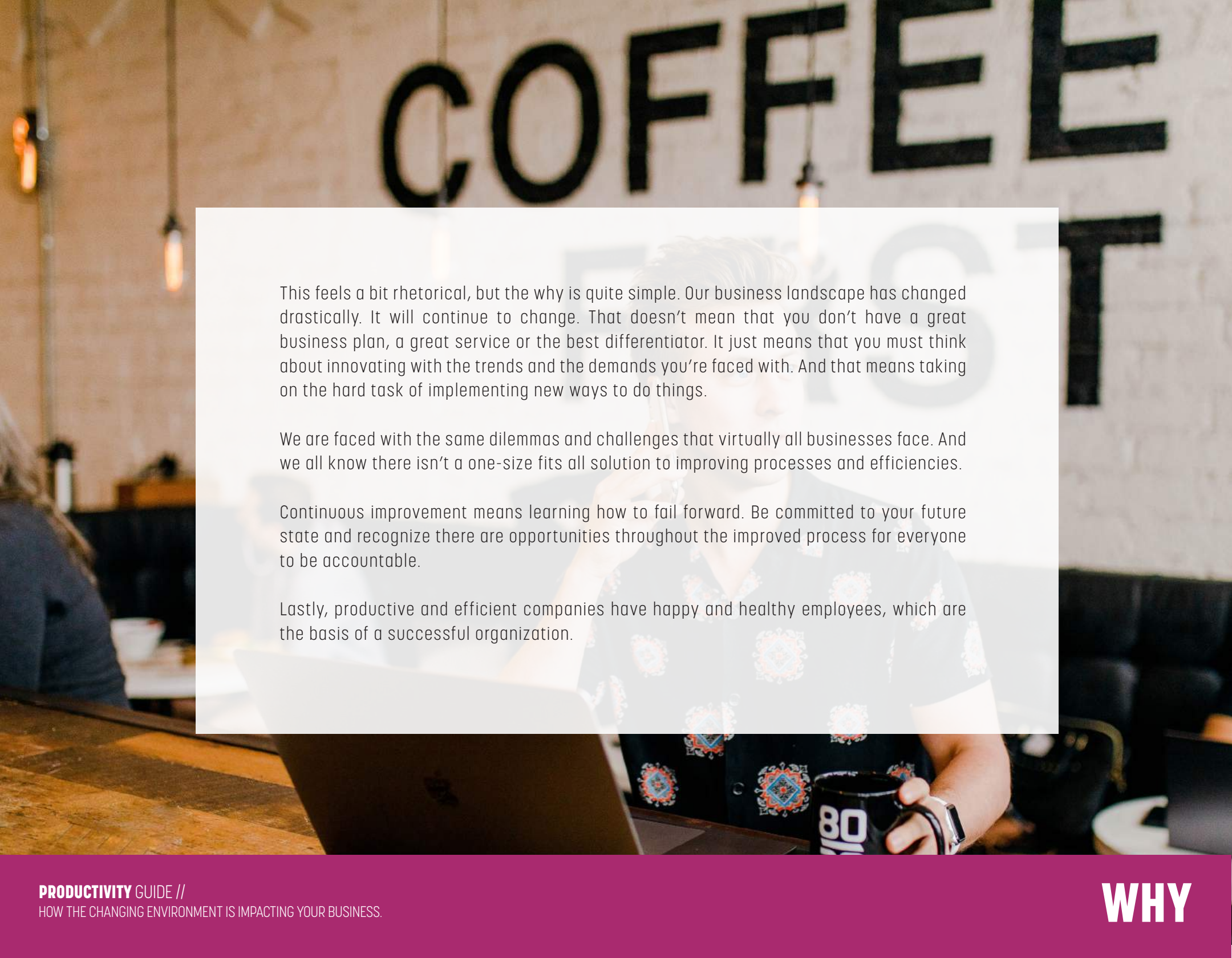
### 9. ENHANCING WELL-BEING

Another benefit of improved productivity is personal well-being. Well-being can be described as a state where you're healthy, comfortable and happy. When you're more in control of your workload, you can be more in control of your life: having time to include exercise, to cook healthy food and rest when you need to relax. With less stress, you can listen to your body and give it more of what it needs. All the good things in life are within your reach. All it takes is a few little changes and you'll see them all add up to stunning results.

### 10. IMPROVING MORALE

When companies help employees become more organized and productive, they're investing in the well-being of the employee. Many workers see productivity as a way to squeeze more work out of the worker. This vision has to change. Increased productivity is a positive outcome for all involved. When employees understand what improving their efficiency can mean to them [reduced stress and increased control, well-being and focus] they can then embrace the process and accept the benefits that can be gained. When employees reap the benefits of increased efficiencies, it usually improves their morale and commitment toward the company.

### 11. INCREASING ENGAGEMENT

More productive workers are usually more engaged in their work. Engagement is a result of a number of factors, which are often linked to the quality of leadership, the amount of autonomy an individual feels and the degree to which they feel in control of their work and workload. When the effort your put into your work makes a difference and you aren't just treading water, you'll be more focused and engaged. When employees take control to get their work lives organized, it usually leads to increased focus, commitment and engagement, or they will move on to another job role that they feel is more suitable for them.

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This feels a bit rhetorical, but the why is quite simple. Our business landscape has changed drastically. It will continue to change. That doesn't mean that you don't have a great business plan, a great service or the best differentiator. It just means that you must think about innovating with the trends and the demands you're faced with. And that means taking on the hard task of implementing new ways to do things.

We are faced with the same dilemmas and challenges that virtually all businesses face. And we all know there isn't a one-size fits all solution to improving processes and efficiencies.

Continuous improvement means learning how to fail forward. Be committed to your future state and recognize there are opportunities throughout the improved process for everyone to be accountable.

Lastly, productive and efficient companies have happy and healthy employees, which are the basis of a successful organization.

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**WHY**

# QUICK TIPS

// LOW ON RESOURCES? OUTSOURCE. **IT WILL BE WORTH THE RETURN.**

// HAVE A STRONG WORKFORCE? **DEVELOP A PROJECT TEAM TO EXECUTE.**

// DON'T FORGET YOUR CLIENTS. **GETTING THEIR FEEDBACK CAN BE HELPFUL IN MORE WAYS THAN ONE.**

// KEEP IT SIMPLE. SERIOUSLY. **LESS IS MORE! FOCUS AND COMMIT.**

// COMMUNICATION IS CRITICAL. **KEEP YOUR STAFF AND CLIENTS IN THE LOOP REGULARLY.**

// IT DOESN'T HAVE TO BE PERFECT. **THAT WILL PARALYZE YOUR PROGRESS.**

// FIND A PEER GROUP! MANY ORGANIZATIONS ARE GOING THROUGH THIS SAME TRANSITION. **SHARE BEST PRACTICES!**

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# THINGS TO CONSIDER

There are multiple solutions and applications at your disposal that can help solve your productivity issues. [Finances Online](#) gives a run-down of a variety of ways to increase productivity:

## CRM TOOLS [HubSpot, NetSuite]

1. Process and analyze customer information
2. Associate disconnected data
3. Depict opportunities
4. Create sales funnels
5. Carry out loyalty campaigns
6. Devote attention to high-value buyers

## TIME TRACKING TOOLS [Kronos, TMetric]

1. Measure and document the hours worked
2. Accurate data for payroll, promotion, your overall status in the company
3. Give businesses the best metric on how to measure productivity
4. Implement productivity management in a company-wide setting

## PROJECT MANAGEMENT TOOLS [Wrike]

1. Set more realistic milestones and deadlines
2. Tie up and automate interdependent assignments
3. Keep all of your team members focused on your deliverables

## GENERAL ORGANIZERS [Evernote]

1. Clip contents or save notes (audio and text)
2. Organize photos
3. Set reminders
4. Upload attachments
5. Sync files and data across your various desktop and mobile devices

## TEAM COMMUNICATION TOOLS [Lifesize, Slack]

1. Make it possible for team members to exchange data and discuss corporate operations in real-time
2. Ensure everything is running seamlessly and effectively as they should
3. Discuss sensitive corporate data in a protected, internal environment

## COLLABORATION [Asana]

1. Collaboration packages generally consist of tools for effective communication, document exchange, conferencing and real-time assistance which diminish collaboration obstacles in remote and decentralized teams
2. Companies can keep all of their employees on the same page - save time and money
3. Identify problems at an early stage

## FILE SHARING [Citrix ShareFile]

1. Employees can use business networks to distribute and share project documents
2. The software can be used to track inbound and outbound brand mentions, social marketing campaigns and the effectiveness of social media presence
3. Basic SMMS software enables a company to combine multiple social media accounts, and track and analyze conversations using a single dashboard
4. Web-based SMMS solutions enable automated and real time posting to multiple channels, and you can post the same content on LinkedIn, Twitter and Facebook with a few clicks
5. These platforms allow companies to monitor social media chatter and learn about the preferences of customers

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## READY TO GET STARTED!?

Go through a process of discovery, and figure out where your gaps are. Prioritize the areas that mean the most and will make the biggest impact. Oh, and don't just brainstorm. Make meaningful progress! Fail and figure it out. And lastly, listen to your customers. This is for them.

BerganKDV created and uses a process called ENGAGE™ to help clients work through identifying where inefficiencies exist in an organization. It goes something like this:

### DISCOVER // MAKE THE CONNECTION

- What are your business goals?
- What are your obstacles?
- What processes are wasting your time and your employees' time?
- What are you frustrated with?
- What do you want to focus your time on?

### PLAN // THOUGHTFUL COLLABORATION

- Identify potential courses of action
- Chart a plan with goals and deliverables identified

### EXECUTE // DRIVING THE OUTCOME

- Deploy customized solutions
- Check-in regularly
- Stay on-time and on-budget

### LISTEN // LEARN and GROW

- What went well?
- What didn't go as well as planned?
- How has the health of your organization improved?
- What are next steps?

## NEXT STEPS

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# MAKE THE HOURS IN THE DAY GO FURTHER

Executing a highly productive and efficient business is not a walk in the park. Focusing in on the biggest elements impacting your business will change the game. We hope this PRODUCTIVITY GUIDE is the inspiration and resource you need to get started and assist you in your change journey!

## Productivity
### Making the Hours in the Day Go Further

*The main thing is to keep the main thing the main thing.*

—STEPHEN COVEY

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