RETHINKING PRODUCTIVITY Value Creation in a Productive Environment

"It's easy to work harder and harder at climbing the ladder of success only to discover it's leaning against the wrong wall" Stephen Covey

IS THIS THE REAL PROBLEM WITH PRODUCTIVITY?

What if it's not just about economic and geographical research ... national and regional interventions ... spending millions after millions on seeking top-down solutions ... pointing the finger at poor leadership, lack of skills, international comparisons, lack of a common language, poor performance against 'traditional' measures ...etc etc?

What if – in parallel with this well-trodden territory - we enable any enterprise in any sector to discover its own unique links between value creation *shared with its customers* and the productive environment which will drive and sustain it? What if this underpins the culture and practice of High Performance Working and a workforce engaged and offering discretionary contribution that accelerates the business benefits? What if this feeds upwards to colour in the big picture needed at the regional and national level?

Why not? After all, a recent project funded by the University of Sheffield's Product Insights Network (PIN) has already addressed the first of these objectives and produced results which exceeded expectations, and has opened the doorway to progressing to the second objective.

"All great things have small beginnings ...

Don't push growth; remove the factors limiting growth"

Peter Senge

THE PROJECT, ENTITLED 'RELATING PRODUCTIVITY TO ORGANISATIONAL CONTEXT', engaged six companies (3 engineering manufacture, 3 service) from six sectors in a short facilitated process. Each company nominated a group of participants who firstly submitted their individual responses to 17 questions via Google Forms. These were collated and consensus for their organisation was developed in six separate 90 minute workshops.

Throughout the process a golden rule of verbatim capture using their own words was scrupulously observed. As well as using the questionnaire in semi-structured interview mode, the teams were introduced to a new framework, inspired by the Kano model, for representing their own unique set of 'value-creating attributes' as either 'Customers Value' (USP/Brand Value/Order-winning features) or 'Customers Expect' (Order-qualifiers/organisational enablers). In every case this brought about mindset shift enabling the new perspectives of Productivity to be explored thoroughly and constructively as the process continued.

The shift was exemplified by the individuals' responses in a '3-2-1' reflection to close the workshops: 3 Aspects / elements of Productivity that became CLEARER for me; 2 Things I will do to improve my personal AND/OR team productivity; 1 Thing I will EXPLORE to make a positive impact on my business's productivity. It was strengthened and consolidated through the extension of the framework by the companies themselves, to show both categories of attributes as current strengths or requiring improvement, and setting up appropriate action plans.

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SO WHAT IS THE OPPORTUNITY?

Government and Regional strategies appear regularly, always identifying higher productivity as a key building block for strategy deployment and embedding. Yet it is still cited as a 'puzzle', a 'paradox' and so

on, and expensive new research initiatives are constantly being announced.

Examples of the 3-2-1 reflections from **the six** firms engaged in the PIN project graphically demonstrate

the shifts achieved and the energising effect of this approach. Value Creation

- Direct connection productivity has to overall profitability of the business
- ✓ Focus on the areas that can make the most impact
- ✓ Systems & Processes to drive through right first time activities
- ✓ Pursue innovation/ development where possible
- ✓ Gain clarity of our customer needs
- ✓ More objective in the productivity

Meaning

- ✓ The language that we use to describe productivity is important
- ✓ It's about us as a Team ... always looking to improve/find a better way to do things
- ✓ Work smarter not harder
- Effective & efficient: 'lean method working'



Measures/Systems

- We need to set a benchmark for our current productivity levels
- ✓ Pursuit of a fully digital company
- Blended approach combining digitalisation with maintenance of personal service
- ✓ Systematic approach on KPI
- Find simple and innovative solutions to increase productivity by looking at the internal systems
- ✓ Process is a key element for improvement

These can be achieved rapidly and in any sector.
The process can be applied easily, and will support and power-up other initiatives. It will provide a concrete foundation for ongoing development of true High

- ✓ We must have good communication
- √ Sharing knowledge
- ✓ Encourage feedback so a communication is understood
- ✓ Reward innovation & success
- ✓ We may have the tools but not the mindset to explore them
- ✓ Share the vision with the team

Leadership, Management & Teams

- ✓ How I can play a part in driving the agenda around productivity
- ✓ I am responsible for delivering productivity to my peers, colleagues and business
- ✓ Listen to my team more and encourage more challenging of conventional fixed ideas
- ✓ Invest time in developing my team and share common goals to increase input and motivation

Personal

Performance Working. It has proved itself in the remote working mode necessitated by lockdowns and social distancing. It can readily be transferred to, and deployed by, other experienced practitioners and facilitators.

In the Covid recovery situation this is more important than ever. One further quote:

"There was a competition between the North Wind and the Sun to decide which is the stronger of the two. The challenge was to make a passing traveller remove his cloak.

However hard the North Wind blew, the traveller only wrapped his cloak tighter to keep warm, but when the Sun shone, the traveller was overcome with heat and soon took his cloak off."

Aesop

Footnotes:

- a) The PIN project Relating Productivity to Organisational Context was carried out March-June 2020 jointly by Clive Reynolds (Strategic Capability Ltd) and Colin Siddle (Ryton Management Consultants Ltd). The published report can be found at <u>Final Report Relating Productivity to Organisational Context</u>.
- b) A key finding from the project was the importance of an understanding and adoption of *Customer Intimacy* as a fundamental component of organisational strategy. Without this any efforts to enhance productivity will be too inwardly focused. Our follow-up research is now yielding new approaches to this imperative.