

Assessing and improving



Productivity specialist Richard Taylor reflects on how businesses across the world are reacting to the current economic climate. For more than 20 years he has been at the helm of Scott-Grant Limited at their Head Office in Manchester, dealing with a client list from small start-up businesses to international blue chip giants in absolutely every sector. Richard is a Fellow and great advocate of the IMS, having been a member since the start of his career in work study.

is of course the economic climate we find ourselves in which is compelling businesses and organisations, both in the UK and abroad, to question what their performance levels are, how they have been determined and, more importantly, what opportunities exist to improve.

Cost pressures can be a good thing

Obviously every business is even more acutely aware of the cost pressures that are being applied: more organisations are certainly moving towards better cost identification. They want to examine (or have us examine) their costs of service, of production, of staffing and of products. Do they charge enough, or perhaps are they being targeted to charge less and how did they actually justify those figures? Does a particular service or activity actually add to the business, or detract from it?

Can they deliver a better service in line with the market

requiring a better response? And that "better response" encompasses the demand for better service, more for their money, more in a shorter timescale etc. I have to say, it's no bad thing that businesses are now considering this kind of detail; it should be routine but we all know only too well that time has an uncanny habit of speeding past when such well intentioned management issues arise. 'Carpe diem – hodie' or as I and countless other business owners would always want to do: seize the day – today!

As productivity specialists we are finding that business owners, managers and those with influence on the direction of their operations want us to look at the distribution and balance of work in their organisation. Cost pressures in a major manufacturer prompted them to have us re-measure their time standards in the hope that they would be able reduce them 8 or 9%. After examination we had to persuade them to take seven

Performance seems to be on a lot of people's minds. It is a common theme emerging in recent months across a vast number of business sectors and in many countries too.

The business sectors I'm thinking of include retail, distribution, manufacturing, transport, government agencies, financial services, scientific, process, construction, utilities and professional services. Some substantial companies in the professional services sector include those providing back office support, quality controls and technical functions, valuation arms for financial services. They're all concerned with performance – and cost.

The reason for this heightened level of interest

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people off their production line for them to increase throughput by 14%. This was one of so many cases of a company actually restricting performance of their human resource by not balancing it according to the work content.

Managing resources or just being resourceful?

As many readers of this Journal will doubtless agree, productivity is about the efficient and effective use of resources. Time, people, talent, knowledge, information, systems, finance, energy, land, buildings, equipment, space, materials: the list of resources is considerable and many often get overlooked.

When it comes to improving productivity, organisations are looking how to get more out of existing resources or get the same out of less resources. And this is where the objectivity of companies like mine can score highly in a situation when asked to find ways to improve the productivity levels of a business. It's about being able to gauge individual performance and examine the many factors that restrict it and cause added cost. We look at work content, standard times, effective methods, Lean principles, performance levels, line balancing.

More and more businesses across all industry sectors are being compelled to identify the location of capacities and the limitations of capacities. In some cases, they have to consider these issues on a much wider scale and examine the balance and distribution of work between different plants or sites and even

between different countries.

Free holidays

Time standards are at the heart of many businesses. They are used to determine staffing levels, cost and budgets – all the fundamental issues that impact on the viability and responsiveness of most businesses. And yet not every business uses them, understands them correctly – and in so many cases, has even heard of them.

We have been able to prove on many occasions that accurate time standards in a business could enable them to have 13 months' work but only pay for 12. That's what a 10% improvement could achieve and the point is really embraced by the business owner at the suggestion that they think of it as their four week holiday period coming free of charge. Time standards allow you to assess work content to compare the viability of different mixes of work and their impact on performance, capacity and profitability. That's how vital they are – and they're making a comeback!

Time and motion nowadays

Productivity is often linked with 'time and motion'. The evidence of time and motion studies was used to put pressure on workers to perform faster. Not surprisingly these studies had a bad press as far as workers were concerned. Similarly the image of "time and motion" doesn't sit well with any productivity specialist. The whole emphasis has changed over the years and readers will be the first

to recognise that it's the method that determines the time needed for any activity. The 21st century equivalent of the time and motion study is more literally a method and time study. This is a more far-reaching philosophy and approach to managing a business.

The real responsibility for productivity or performance improvement should be largely in the hands of those organising the work rather than the individual worker.


Performance comes in many guises

Achieving higher performance is not just about working harder nor is it just about people. Time and motion takes on a whole new meaning – but it is as vital now as it's ever been to the successful running and development of a business.

I mentioned a list of business sectors at the beginning and I have to admit that not every sector is included there. Maybe the missing ones are looking in the wrong direction for performance improvement; hopefully it's only a matter of time before they break free from whatever restrictions or pressures they suffer.

Maybe there should be an IMS health warning to businesses

If you make serious business decisions using the wrong information, you may well run your business – into the ground! If you set inappropriate targets (including ones that aren't challenging enough), you could be strangling your business.



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