

## Does Measuring Productivity Add Value?

We see so much written on the need for increased productivity but measuring productivity alone does not amount to much. There are many ways of measuring productivity but people can be 'productive' without actually adding value.

When we talk of value, there is a need to add value to all stakeholders as well as to the organisation itself (employees, customers, suppliers, investors et al). It is for this reason that there is a need to link productivity to capability and, in so doing, measure human performance. However, this requires the adoption of 'individualisation' in the workplace.

This means:

- Ensuring that people are aware of how their actions (work) can affect operations in other areas of the organisation. This starts with ensuring that onboarding meets the needs of the individual in providing the company orientation, team building and professional networking opportunities required for them to undertake their work in a way that creates value.
- Knowing how far people have progressed in their individual professional development.
- Setting meaningful work for the individual that will also provide development. This may mean them 'stepping out' of their comfort zone – but not to the point whereby they are put under undue stress.
- Ensuring that there is a support network in place to assist them – should it be needed. This might include utilising more experienced colleagues as mentors – this may also have a positive effect on teamwork.
- Setting a realistic timescale for the work to be completed.
- Providing individual feedback based on their performance in completing tasks that have been set and providing guidance where necessary. This should include letting people know that they are valued – even where there may have been failings. Failings should be used as a learning curve not a criticism.
- Ensuring that professional development mirrors the requirements needed to produce outcomes set out in the Organisational Strategy.

If you are controlling human performance and putting in place a timescale for work to be completed, are you not also setting the rate of productivity (as well as adding value)?

But this also requires a balance whereby people are given autonomy in the completion of their work and in their learning – it is not a format for micro-management.

It is also worth noting that they will still be picking up implicit learning (the unstructured learning that takes place by listening to, or watching, people in the workplace). Such learning needs to be put into context (how was it utilised). Utilising such learning in the wrong context could have costly consequences.

So, why is the measurement of human performance so important?

Staff Development (through communication & collaboration) = Organisational Development (through innovation & creativity) = Growth (for the employee and the organisation) = Value (to all stakeholders) = Brand (the way in which the organisation is perceived in the external environment).

However, this requires good management and leadership.

We see so many posts on social media that suggest that 'people leave bad managers'. In many cases they are actually leaving bad organisations, where people have been promoted purely on their 'technical' skills with little, if any, thought given to the fact that they will require the training and mentoring needed to be an effective manager/leader of people. In these circumstances, human performance will fail. That said, there are other areas that also need to be 'shaped' so as to ensure that they support the management of human performance.

In addition to ensuring that human performance supports the overall strategy of the organisation and brings capability to the fore; organisational design, organisational structure and the overall culture within the organisation will determine how well the Value Chain delivers customer expectations (or, better still, exceeds them). It is the sum of all these parts that will generate value.

I hope that you have found this article to be both of interest and helpful in managing productivity and value within your organisation.