EXECUTIVE SUMMARY

Productivity is at the heart of organizational success. Improving productivity raises living standards and productivity growth is important to our firms because it helps us better meet the needs of our key stakeholders at the same or better value. It is a key driver in the virtuous cycle of greater innovation and higher levels of growth. Since the Great Recession companies have been seeking new approaches to be able to “do more with less.” Companies are increasingly focused on “doing work smarter” through better prioritization of work, the application of new technologies, and the use of lean methodologies to improve productivity. But sustaining organizational productivity also requires proactively addressing the increased stress and workload experienced by employees.

THOUGHT QUESTIONS

During this RBL Institute “Mini Forum” call we asked each participant to share his or her perspective on two key questions:

1. What has worked within your firm to improve productivity? What did you do and what results did you see?
2. How is your company addressing the needs of employees who are increasingly being asked to take on more work? What are the key issues/needs they have and how are you meeting them?

INSIGHTS FROM THE DISCUSSION

- Increasing productivity is an objective being pursued by every company. Sustaining productivity requires “doing the right things” through better prioritization and outsourcing of work, as well as “doing the right things right” via simplification and streamlining how the organization operates.
- Technology has proven to be a “double-edge sword” when it comes to increased productivity. On the one hand, technological advances (e.g., the proliferation of smart phones, the increased use of TelePresence for meetings, the emergence of social media tools for collaboration and sharing information, etc.) enable employees to do much more work than in the past. Employees can now collaborate virtually and access core enterprise IT systems “in the cloud” anytime and anywhere in the world. On the other hand, these same technological advances are making it increasingly harder to set clear boundaries between “work and life.” Many employees are “at work” 24 by 7.
- Leaders play a vital role in driving productivity through their ability to set clear priorities, rethink how the company operates, create a culture that fosters open dialogue about workload, and by identifying new ways of working smarter.
- Human Resources can enable improved organization productivity by freeing up time through easier access to what employees need and by creating an inspiring place to work that is sensitive to the diverse needs of each individual.

INITIATIVES TO IMPROVE PRODUCTIVITY

Driving improved productivity is vital to a company’s long-term success. By simplifying work, resources can be freed up to focus on developing new innovation that will drive top line growth and improved profitability.
Member Examples

- One of the key goals of Accenture’s HR Analytics team is to be as productive as possible in its quest to meet its customer’s needs. It is a globally dispersed group, which takes advantage of lower cost locations to do work. They have employed several key tactics to maximize their productivity.

  First, they truly understand the priority of requests coming from their many stakeholders. This requires constant dialogue, evaluation, and reshuffling. Doing this effectively requires each person to question and evaluate what work requests “are truly important” as well as having an understanding of the bigger picture.

  Accenture has also consolidated work across multiple groups centrally into one team. The solutions from this single group can be leveraged across multiple stakeholders. “Doing it once” has been a very effective strategy.

  Accenture has also proactively sought out new ways to streamline work processes. An internal team called the “Performance Excellence Group” familiar with six-sigma approaches is assisting in this simplification effort.

- Dow Chemical is a large, diverse global organization with several different business categories and a strong work process orientation. They are constantly looking for ways to improve their operations. They have redesigned their work and organization structure in support of their long-term business strategy. Work was separated into two key buckets: 1) value added/creative work, and 2) repeatable/routine tasks. The latter was shifted to a Business Process Services Center, and is a candidate to be outsourced.

  Dow Chemical’s HR function is on a quest to improve its productivity through standardization of its core work and greater use of technology. For example, Taleo, which was originally used for recruiting new hires, is now being leveraged for Talent Management processes (e.g., managing performance, collecting employee profiles, etc.). A single template was developed from many different formats to create an internal “LinkedIn” for the company to better access its resources.

  Efforts are underway to help shift HR leaders from “harvesting data” to “driving decisions.” Simplified tools have been developed to more efficiently import data and harvest it for new insights. A central repository of data (“a one-stop shop”) was also created for HR and leaders of others to access the data “when they needed it.”

  To foster collaboration and enhance productivity, a common technology platform was developed for all Dow Chemical employees. This includes, but is not limited to, the use of WebEx, Jammer (for instant messaging), and Cisco’s TelePresence (for virtual meetings).

  Given the large investment Dow Chemical makes in training and developing employees, they have been looking for ways...
to improve by the use of six-sigma approaches. They asked the question, “How could we become better if we looked at this like an operations group with throughput measures, quality, etc.?”. For example, while employees perceived that not enough training was available, they uncovered that only 55-80% of the classroom seats were being utilized in North America. In a plant, this would be viewed as low asset utilization. So the focus now is on tackling key opportunities, such as increasing the visibility of what training exists to increase utilization rates.

- Aligning work to deliver against the company’s objectives and minimizing handoffs between groups has been an opportunity at Intel. Disciplined prioritization (what is above and below the line) is essential, in particular making the tough decisions early on and getting non-essential work “off the list.” Once the prioritization is set, Intel aligns spending behind what work they have chosen to do.

Intel has made investments to create a work environment that facilitates collaboration and encourages employees to get away from their desks to talk with one another. For example, walls in the offices have been lowered and color schemes have been changed from “battleship gray” to brighter, more energizing hues. Technology is also being used at Intel (e.g., instant messaging, TelePresence rooms, etc.) to enable easier interaction and increased productivity.

For years the rigor of six-sigma and lean has been used in Intel’s factories. This same discipline is now being embedded into HR’s culture. In 2010, Business Process Management (BPM) was initiated to improve key work processes. Employees at Intel are encouraged to make ongoing, small, and rapid improvements along with the bigger, breakthrough changes in how they go about their work.

Multiple avenues are being put into place to enable employees to get what they need from HR and Finance whenever and wherever they need it. This includes online resources, live chat with an agent, virtual agents, and smartphone apps (to access pay stubs, expense reports, analytics reports, etc.). A dashboard of critical reports (such as turnover, talent pipeline status, leadership scores) is made available for managers of people through new technology. This helps put the key resources employees and managers need at their fingertips.

Historically, the culture at Intel has been one of taking informed risks. In this day and age of rapid change that is no longer sufficient. Trying new ideas and learning about what works (and what doesn’t) saves time and allows good ideas to incubate earlier.

Like many companies, repeatable work in HR, Finance, and IT has been consolidated into Shared Services groups at Intel (located in Malaysia, Costa Rica, and Poland). These centers have leveraged technology, lowered labor costs, and local language capabilities to improve overall productivity.

- The Great Recession had a significant impact on the gaming industry. The number of customers visiting resorts and casinos, as well as the amount they spend, has dropped significantly from previous highs. This forced companies like MGM Resorts International to reduce some staff and seek to “do more with less.” The focus has now shifted to “working smarter.” As the economy has improved, so too has the customer traffic, but overall spending is still down. It is imperative to seek opportunities across the company to do work more effectively and efficiently.

High-level committees, which included all the Vice Presidents from Operations, were convened at MGM Resorts to use six-sigma to improve the customer experience across the board (such as making a reservation, checking in, etc.). Focus groups were held with employees who are on the front lines with customers to understand the issues they face every day and seek their ideas (such as how to serve drinks better, run the gaming tables more efficiently, etc.). In addition, Town Hall meetings and employee surveys were used to mine data for new ideas.

During the recession MGM Resorts saw leaders rise to meet the challenge. Increased investment is being made to equip them to lead effectively, including understanding the company’s priorities and business strategy, training on key competencies and how to effectively coach their employees. HR has been a key player in this transformation. One HR system is currently in development that will provide employees HR access around the clock (given they are a 24 by 7 operation). HR can’t be closed at 3 a.m. when an employee has a question. Shared services, as well as mobile apps, are just some of the ways they are going about meeting these requests for assistance.

- At Northwestern Mutual, they are implementing lean methodologies to improve their processes so they can be more efficient, create capacity, and improve productivity.
Not only has lean allowed Northwestern Mutual to remove waste in their processes, but it has also changed their organization structure. Northwestern Mutual is centralizing common work across product lines and structuring in work cells where the employees can focus on one piece of work for extended periods of time, which has improved their productivity. They are also incorporating technology so that routine and repeatable requests are being incorporated into a single technology platform to make them easier to do. In the HR organization, they recently implemented a Shared Services operational model so that self-service can be done by individual employees and managers, which has freed up the HR Business Partners to pursue more strategic work.

**ADDRESSING THE NEEDS OF EMPLOYEES**

Improving productivity has many benefits, including higher levels of profitability, greater customer satisfaction, and improved standards of living in many parts of the world. However, like any change there have been unintended consequences, such as increased levels of stress on employees. In most companies, employees are wrestling with meeting the demands of their job while still “having a life” (taking care of themselves as well as their families). Companies who succeed in the long-term will need to be sensitive to these issues and proactively address them. In addition to changing the organization design (setting priorities rigorously, simplifying structures, etc.), focusing on the individual employee is paramount.

**Member Examples**

- **Accenture** is increasingly sensitive to what its employees are saying. This begins with having the important conversation, “What are you being asked to do?” This includes talking to their customers to be able to identify possible issues that need to be addressed (misaligned expectations, work overload, etc.). Leaders are being taught how to really care about their employee’s wellbeing. In addition, employees are trained on how to prioritize their work, better manage stress, and use technology more effectively to reduce overall workload.

- Stress from one’s workload has been an issue at **Dow Chemical** for many years. This area has always scored low on their annual employee survey. There is constant dialogue about prioritization of one’s work as well as elimination of non-valued added tasks. For example, they identified that employees were being asked to complete a number of questionnaires throughout the year, many of them asking for similar information. They are now asking the question, “What utility are getting from all these surveys?”

One of the competencies for success at Dow Chemical is “courageous leadership.” This includes having the courage to say no as well as challenge the status quo. Leaders are reminded that change happens “one person at a time.” New people leaders are encouraged to really understand the work of their teams to be able to see opportunities to streamline the work, better manage workload, etc. Delegation is another area of opportunity, where leaders can free up time by trusting their employees as well as enabling their growth and development.
Dow Chemical has a very strong culture of health and wellness. Training now includes stress management, building resilience, and managing personal health—to name just a few areas. Success in this area is routinely tracked and measured.

At the end of the day, they have found that there is no substitute for leaders who are able to inspire and rally their organizations, in particular through periods of intense work and challenge.

- Employee’s work very hard at Intel, and lots of technology enables them to produce much more. The demands on people are continuously increasing. A major focus has been on creating a great place to work. This includes helping employees free up time in their lives by providing on-site services such as dry cleaning, car washes, etc. This gives time back for them to invest in themselves, such as visiting the on-site “health for life” center. The company also provides discount tickets for community activities such as concerts and local sporting events. More options are being provided to create “flex” for employees, such as working remotely or getting employees key information when they need it via mobile apps.

- At MGM Resorts International, investments are being made to help employees both understand the business as well as better deal with their own personal health (mental, financial, and physical). For example, 50% of the homes in Las Vegas are still “under water.” Many employees are concerned about losing their homes, which is a distraction from them being fully engaged at work. MGM Resorts’ employee assistance program includes both financial as well as legal advice on how to save one’s home. Wellness coaches also teach employees how to live better or stay hydrated in the 100 plus degree heat. Discounted bus passes and movie tickets are available to improve convenience for employees and free up time day-to-day.

With regards to the business, time is spent on explaining why additional staff is not being added as traffic improves (guests are coming back but are spending less). In addition to explaining the financials, the impact of their daily behaviors on guest service is reinforced.

- Northwestern Mutual is also focused on the financial and mental wellbeing of their employees. Wellness programs include employee assistance and stress management. Numerous amenities exist such as on-site dry cleaning, fitness centers, and a farmers market to get fresh produce.

In the past, they often hired employees into people leader roles who were technical experts. They are changing that and expect the role of people leader to be able to create the future, drive results, and engage employees. Northwestern Mutual is also developing people leaders to be better coaches, including greater empathy to personal issues, and coaching employees on how to manage change.

They continue to build out their work at home capabilities so that employees can spend a good portion of their workweek working at home versus travelling into the office. This has helped tremendously with employees’ ability to balance the needs of their personal lives and work lives.

**CONCLUDING THOUGHTS**

We live in a world of relentless change and new demands being placed on all of our organizations. There is no light at the end of the tunnel where the workload will get lighter. There will always be “another email in the inbox” no matter how hard we try. The key to long-term success is “doing the right things right,” both as corporations and as individuals. Deciding what really needs to be done and the most efficient way of doing it is the ultimate key to sustaining high levels of productivity as well as personal satisfaction and wellbeing.