Gary Dessler

IMPROVING PRODUCTIVITY AT WORK

motivating today's employees

A practical guide explaining behavioral science techniques that improve productivity and efficiency.

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Motivating Today's Employees

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for my son Derek

If you're like most managers, you don't have to read the headlines to know that there's a productivity problem in America today. You take your car back to the dealer for servicing, and find that two return trips are required just to undo the problems the mechanics caused on your first trip. You go to a restaurant for lunch and have to wait twenty minutes to order while the waiters talk among themselves in a corner. You explain time and again to your employees why good attendance is required, yet many continue to miss work whenever they can. You try to motivate your people to use some initiative, but to no avail.

If you've run into problems like these, you're certainly not alone. A recent Gallup Poll found that 50 percent of all wage earners could accomplish more each day if they tried, while 30 percent of them said the increases could be 20 percent or more. The government report *Work in America* notes that worker productivity is low, and goes on to say that problems like absenteeism, poor quality, and outright sabotage are partly a symptom of a declining work ethic. Throughout North America, in fact (and in other countries as well), managers from first line supervisors to company presidents, from auto dealers to shoe manufacturers to General Motors are trying to come to grips with the problem of how to motivate today's employees.

A great deal of progress is being made. Supervisors across the country are being trained to use positive reinforcement to boost performance,

improve safety, and cut absenteeism. Others are being taught new decision-making techniques, and how to work with their groups in Quality Circles to solve work-related problems. New leadership techniques are helping managers fit their styles to the needs of the situation. Other managers are learning how to use job enrichment on a one-to-one basis to motivate their individual employees.

This book grew out of my experience as a consultant, professor, and practicing manager. Managers today are dealing with a more sophisticated work force and set of problems than they ever have before, and one implication of this is that they need a more sophisticated arsenal of motivation techniques. The purpose of this book is to provide a concise and practical explanation of how to use some of the newest of these productivity-boosting techniques: I would hope, for instance, that after studying this book you will be able to implement your own behavior management/positive reinforcement program, effectively organize and manage a quality circle, apply new decision-making techniques, use job enrichment to motivate one or more of your subordinates, choose the right leadership style for the situation, and do a more effective job of screening, training, and appraising your subordinates. The techniques are available, they work, and thousands of supervisors and managers have already used them with success.

GARY DESSLER

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People and Productivity

Item: Managers at Emery Air Freight Company were concerned with rising costs: productivity was down, and shipping containers—which should have been used 90 percent of the time—were used only half the time. A *positive reinforcement* program was implemented, in which goals (for container usage) were set, and workers got quick feedback on their performance from a graph and from their supervisors. Container usage immediately leaped 95 percent for a cost saving to the firm of over $500,000 per year.

Item: Productivity in the keypunch operation at Traveler's Insurance Company was a problem. Output was down, error rates were high, schedules were often missed, and absenteeism and turnover were higher than average. Consultants implemented a *job enrichment* program in which keypunch operators were assigned continuing responsibility for certain accounts, checked their own work, and set their own work schedules. Actual savings in salary and machine rental charges during the first year totaled $64,305.

Item: A manufacturer was faced with excessive production costs—costs that were making the firm less competitive. The solution? The firm organized a *quality circle* program, in which small groups of workers analyzed production problems and suggested solutions. Three circles established goals to

reduce product costs by 20 percent over a six-month period, and assembly hours per unit were thus reduced by 39 percent, for a total savings of $154,000.

Items like these stand in stark contrast to the nation's dismal productivity figures. In one recent year, for instance, the United States ranked sixth among the world's leading industrial nations in productivity gains, posting a productivity increase of only 2.5 percent compared with Japan's 8.3 percent, France's 4.9 percent, Canada's 4.2 percent, West Germany's 3.7 percent, and Italy's 2.9 percent. Only Great Britain, with a 1.6 percent increase, registered a productivity gain smaller than that of the United States. In the following year the productivity rate of American businesses and workers, as measured by economic output in relation to paid hours spent on the job, actually fell 0.9 percent—only the second time since 1947 that the rate has declined for a full year.[1]

There are many ways of attacking this productivity problem. For example, legislated factors like pollution control and occupational safety may inhibit productivity. But the fact is that there are few employers with the clout to influence such legislation. And, this is certainly not an issue that the individual supervisor usually has much control over. Worker productivity can also be increased by investing more heavily in modern equipment—whether this involves steel mills or new computerized typewriters for secretaries. And, of course, such investments are exactly the sort of thing President Reagan's tax cuts were aimed at encouraging. While useful, though, this is only part of the solution since, ultimately, virtually all service and manufacturing activities no matter how automated rely heavily on human beings. Even in the most highly automated auto assembly plants, for instance, poor employee attendance, high turnover, and worker resistance can drastically curtail productivity. And, in relatively nonautomated industries this is especially the case.

Are employees part of the problem? Yes. Many believe that the work ethic that once drove people to do their best has all but disappeared, and that this may itself be related to the decrease in craftsman-like jobs in today's automated society. The government report *Work in America* notes that worker productivity is low and goes on to say that problems like absenteeism, turnover, wildcat strikes, sabotage, poor quality products, and reluctance by workers to commit themselves to their work tasks are important reasons.[2] A recent Gallup poll suggests that 50 percent of all

wage earners could accomplish more each day if they tried, while 30 percent of the wage earners said those increases could be 20 percent or more.[3]

Yet, as the items at the start of this chapter illustrate, employees can be encouraged to be far more productive and to have more satisfying, challenging, enjoyable jobs as well. There are, in other words, techniques that are being used today in organizations that have been shown to be effective in improving the productivity and performance of employees, and explaining how to use these techniques is the purpose of this book. The techniques and how they each contribute to improved productivity are as follows:

PART ONE: THE BEHAVIOR MANAGEMENT APPROACH TO IMPROVED PERFORMANCE

Chapter 2: The Basics of Behavior Management. This chapter explains a simple, step-by-step procedure you can use to build positive reinforcement—and improved performance—into your subordinates' jobs.

Chapter 3: Behavior Management Applications. Here you are shown how companies have actually used behavior management to reduce costs, improve attendance, reduce accidents, and boost sales and productivity.

PART TWO: NEW LEADERSHIP AND WORK ARRANGEMENT TECHNIQUES

Chapter 4: Modern Leadership Techniques. This chapter outlines how to use *leader match,* a new technique for analyzing your leadership style and adapting it to the situation, a technique that can boost the performance of both you and your subordinates.

Chapter 5: Participation and System 4. You are shown how you can make *participative management* work for you, by identifying those situations where participation is (and is not) appropriate.

Chapter 6: Quality Circles. The basics of *quality circles* are explained, including how to set one up, how to avoid the main quality circle pitfalls, and how to use the problem-solving techniques like "fish-bone diagrams" that form the heart of the quality circle approach to problem analysis and performance improvement.

Chapter 7: Job Enrichment: Designing Motivation into the Job. This explains the specific, concrete steps you can take to actually enrich a subordinate's job, steps that have been shown to boost profits, and employee morale, in many applications.

PART THREE: ESSENTIAL HUMAN RESOURCE MANAGEMENT
                TECHNIQUES

Chapter 8:   Interviewing and Selecting Employees: How to Hire Effective Subordinates. Improved performance begins with the hiring of topnotch subordinates, those with the basic skills, aptitudes, and desire to get the job done. This chapter will help you improve your "employee selection batting average" by explaining how to use new interviewing and selection techniques.

Chapter 9:   Training Subordinates: The Principles of Training. To perform effectively, your subordinates also have to be trained in how to perform their new jobs. This chapter provides useful guidelines and principles showing how you can improve your effectiveness as a trainer.

Chapter 10:   Appraising Your Employee's Performance. This chapter provides a complete mini-course in performance appraisal, explaining how to conduct the appraisal, the problems to avoid, and how to plan for and use the appraisal interview to rectify your subordinates' performance problems and improve their productivity and performance.

NOTES

1. Campbell McConnell, "Why Is U.S. Productivity Slowing Down?" *Harvard Business Review*, Vol. 57 (March–April 1979), pp. 36–61.

2. *Work in America,* Report of the Special Task Force of the Secretary of Health, Education and Welfare (Cambridge, Mass.: MIT Press, 1973).

3. Quoted from Thomas Connellan, *How to Improve Human Performance* (New York: Harper & Row, 1978), p. 4.

PART ONE

The Behavior Management Approach to Improved Performance

2

The Basics of Behavior Management

INTRODUCTION

Emery Air Freight has employees keep a graph showing how many containers were packed per hour, to give the workers "self-feedback" on how they're performing, and productivity soars; a large bakery has supervisors graph "actions performed safely," and the feedback that the graph provides boosts plant-wide safety; at a Bell System division, sales representatives are given specific daily quotas and get feedback several times per day, instead of monthly, and sales increase substantially.

   Incidents like these reflect the increasing use throughout industry of *behavior management*, a productivity-boosting technique that aims at changing behavior through the use of rewards and punishment. Behavior management (also called behavior modification, positive reinforcement, or conditioning) is based on the idea that (1) behavior which leads to a positive consequence (reward) tends to be repeated, while behavior that leads to a negative consequence (punishment) tends not to be repeated, and that (2) by providing the right rewards, you can therefore change a person's behavior. Behavior management focuses exclusively on two things: on the workers *behavior* and on the *consequences* of that behavior.

   Behavior management assumes, first, that the actual behavior is more important than its psychological "causes" like morale, personality,

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