

2 Shovels – Unearthing real productivity improvements

Summary

In 1898 at the Bethlehem steel works, Pennsylvania, USA, FW Taylor conducted what is probably the most significant productivity improvement exercise to date. His study concentrated on the shovelling of coke and iron ore, considering all aspects from working methods and conditions to the tools used. The results were fantastic, even by today's standards. He reduced the labour force by 72% and halved the cost of shovelling a ton of raw material. This one study produced savings of \$78,000 which in today's money is a staggering £1,600,000. How did he do it? He designed 2 shovels, one for coke and one for iron ore.

2 Shovels is a workshop that empowers the delegates to make real improvements in their organisations, just as Taylor did, by explaining the importance of productivity in the workplace, defining what productivity really is and giving delegates some practical tools to take back to the work place. Using Taylor's study as the theme throughout, the workshop is split into two halves; the first is classroom based and the second takes place in the workplace looking at real life examples.

Background

There has been much written about the level of productivity in the UK and the North East of England and how we compare, or don't, to the rest of Europe and the United States. According to research from the London School of Economics (IRS Employment Review 2005):

- The market sector of the UK economy is 40% less competitive than the United States and is 20% less productive than either France or Germany based upon the most common measure of productivity – output per hour worked.
- In the UK workers have to put in 16% more time to achieve the same output as their German counterparts - This means that for every 60 minutes worked in Germany, in the UK workers have to work for an extra 9 minutes to achieve the same output.

From the results of a recent study of 41 organisations undertaken by the IRS Employment Review (2005), a number of respondents highlighted the following issues:

- Greater efforts to improve managers understanding of how to measure and manage productivity
- Employee attitudes, particularly towards change
- Introduction of better bonus schemes, more flexible hours and working arrangements

In a 2005 CIPD document Smart Work, there are a number of points which support the findings of the IRS Employment Review study, these being:

- Organisations are more concerned with their overall performance – market share, profits and share holder value or in public or voluntary sectors, quality of service provision – than they are about productivity, and
- The DTI and HM treasury share the productivity objective...yet the productivity message is frequently lost in translation.

Our own experience has shown that there are huge knowledge gaps around productivity, what it really is, how to measure it and how to improve it. We firmly believe that there is the same knowledge gap in other organisations as substantiated by the data shown above.

Having set up Boyd & Noble Productivity Solutions we decided that the **2 Shovels** workshops were to be one of our core products as we feel that they can make a significant impact on closing the productivity gaps of organisations in the North East of England.

The way it works

2 Shovels is very much a hands on approach to learning through discussion and involvement. The workshops empower the delegates to make improvements in their organisations by explaining and defining what productivity really is. Through the workshops, delegates will understand the importance of productivity in the workplace, be able to identify factors that can and do affect productivity and learn how to measure and improve productivity in their own environments.

There are a number of ways in which it can be delivered, so that it can be tailored to specific individual, group and organisational needs, for example:

- In House – Run for the benefit of an individual organisation either on client’s premises or at an alternate location. For example, if the client was local government, we could, if required, tailor the content (case studies) to that of issues likely to be present in local government.
- Open Forum – Mixed audience from various organisations. Here, generic content (case studies) would be used.
- Specific audiences, such as, all levels of management, shop floor operators, administration staff etc
- Workshop length to suit the organisations needs, for example, they could be a 30 – 40 minute basic overview to a full day or more including diagnostics and delivery of actual solutions to productivity gaps.

It is envisaged that to realise the benefits and get a good return on investment, clients will choose the full day workshop.

The first or morning session is always classroom based and looks at the theory that underpins productivity. This is achieved by discussing the major issues within the group as a whole and in syndicate groups, backed up by the use of a number of case studies.

By the end of this first session the aim is to have:

- Raised awareness of productivity related issues within the workplace
- Discussed how these can be best tackled
- Developed individual workplace action plans
- Introduced delegates to a number of tools & techniques that can be applied back in the workplace

The second or afternoon session is a follow-up activity and this can take place either on the afternoon following the morning session or at some other arranged date and time. This session involves “walking the job” with delegates to re-enforce the earlier learning with practical help and advice within their own workplace.

Alternatively where a workplace visit is not required delegates can attend an afternoon clinic where they can bring along some of their more important issues which can be discussed in more detail on an individual basis.

Workshop Content

The seminar covers the following areas:

- Defining productivity
- Factors that influence productivity
- What we can do about these factors
- How to improve productivity / make changes
- Measuring productivity
- The benefit of Time as a measurement
- Productive / un-productive time
- Syndicate exercises / case studies assisting and testing the new knowledge

Who Would Benefit

The knowledge that can be gained from the workshops will benefit all sizes and types of businesses, from sole traders to multinational PLCs in both the private, public and not for profit sectors. The seminars would also benefit specific departments within organisations.

We have recently run a series of 40 minute overview workshops at Federation of Small Businesses meetings in Hartlepool and North Tyneside and the feedback was positive. It was agreed that all businesses would benefit from having this knowledge i.e. getting the processes and resources aligned in the most effective way to ensure the best chances of success.

Due to our own experiences we have discovered that there is a gap in the support for new businesses. As a new business ourselves, we received advice from various parties regarding finance, legalities, marketing etc but no advice on how best to use our resources, how to setup our processes / systems etc. **2 Shovels** fills this gap.

Benefits to the Delegates

- Have a clear understanding of what productivity really is
- Understand how their actions and how they do things and when they do things can affect their organisations
- Understand how to measure productivity
- Understand the need for measurement
- Understand the need for change
- How to make changes within their organisations

Benefits to the Parent Organisations

- Employees empowered to improve productivity and to make and manage changes
- Become more competitive
- Reduced costs
- Change management becomes easier
- Sustainable changes made
- Adding value to their products / services
- Increased customer satisfaction
- Increased profit margins
- Increased customer satisfaction
- Repeat business
- Referrals to others

Benefits to North East England

- Improved productivity
- More business
- Retained business
- More competitive
- Meeting government targets
- Closing the North-South productivity gap
- Closing the global productivity gap

Contact Details

For more details about how **2 Shovels**, please contact David Boyd or David Noble on 0191 5166928, or email info@boydandnoble.co.uk. Alternatively, visit our website at www.boydandnoble.co.uk.