# PRODUCTIVITY IN THE WORKPLACE:

WHAT'S THE REAL PROBLEM?





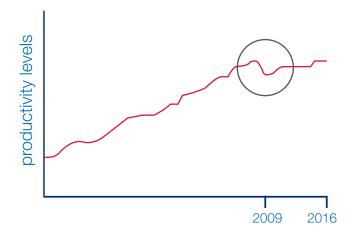
MOTIVATES July 2017

## Introduction

Since productivity levels took a nosedive in 2009, the UK has struggled to recover at the same growth rate it was previously achieving. And despite a slightly positive turnaround for productivity in 2016, we still have a long way to go to get back on track and in line with leaders Germany, the US and France.

### What the productivity problem looks like in the workplace.

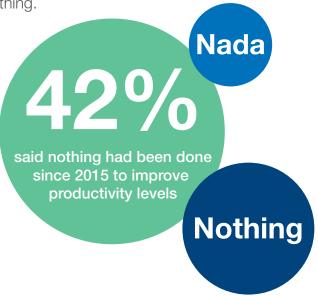
In 2015, when the Government launched its 'Fixing the Foundations' plan to improve productivity levels, we decided to conduct our own research on the subject. We spoke to over 2,000 employees to identify where output per hour was being affected and find out what their employers' were doing to solve the problem. Our main findings were that employers' were not being flexible enough with their employees' time and that the working environment had a big impact on the work that was created – for example, employees who were allowed to work from home produced more per hour compared to employees who could only work from the office.



<sup>\*</sup> ONS office for National Statistics Labour productivity report https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/labourproductivity

Two years on, we've launched a new research project to see how the productivity landscape has changed...

We initially wanted to find out what companies had done since 2015 to improve productivity levels. We were shocked to discover a staggering 42% of employees said nothing. Not one single thing.



Our first response was: "Why?"

Are businesses not placing as much importance on productivity as the government is? Is a lack of knowledge on the subject making businesses unsure about what to do? Or is there just no time to think about it? Or are employees simply not being made aware of the efforts their companies are making to tackle productivity?

Determined to get to the bottom of the productivity problem in the workplace we have used our research to explore an average employee's day to day working life to try and solve where things are going wrong.

Our findings are outlined in this report...

# Contents page



### The 'modern office'

What habits are stalling processes instead of improving them?



### **Productivity**

Why it's important to listen to our employees' opinion



# Other factors affecting productivity

There are the usual culprits, but have you considered elements such as age, location and company size too?



### Solving the real problems

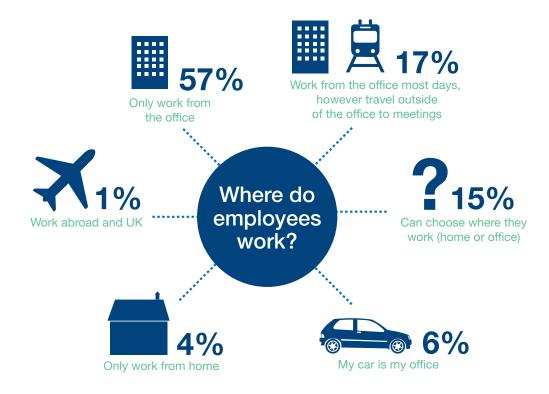
A checklist to get you on your way to solving the smaller issues today.

# The modern office

### Flexible - or not so flexible - working.

Developments in technology have enabled transactions, sales and products to be made and created in an instant. It has also formed the 'always-on' generation. Yet surely, with technology improving processes all the time we should be producing more per hour, not less.

To get to the bottom of what is going wrong, we explored what habits the average workplace has adopted today to discover where the problem lies.

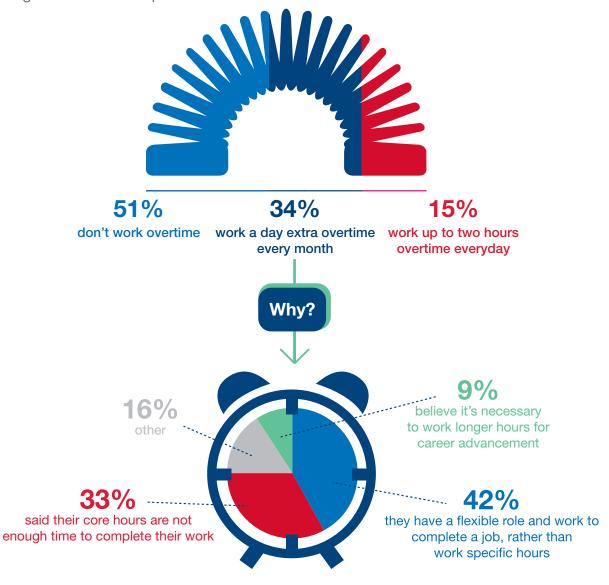


Restrictions as to where an employee can work will go on to restrict their output. When employees were asked if they got more work done in the office or at home, almost a quarter (23%) said home. Just nine-percent said they were more productive in the office.

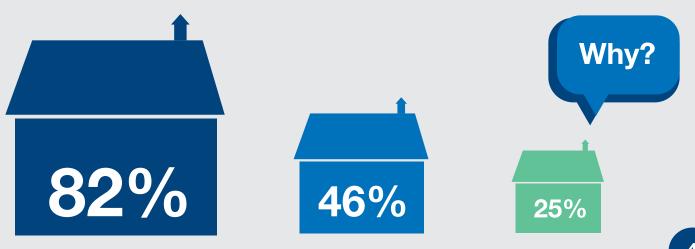


## Our jobs are flexible, therefore surely the way we work should be flexible too?

Employees confirmed that their job roles are flexible, yet the processes in place do not always allow them flexibility to get their work completed:



### 36% take work home with them



said it's a personal choice

said there are less distractions at home

said they're more productive working away from the office environment 4

### Office time wasters

Every working day there is bound to be a moan about workload, slow technology, or long meetings. Looking from the outside in, what does a day in the life of an employee in a 'modern office' really look like?



60% of employees went on to say they spend at least half a day every week - if not more – performing each of the time wasting tasks above.

Half a day per week totals 24 days every year. That's the equivalent to most people's annual holiday allowance!

October							
Sun	Mon	Tue	Wed	Thu	Fri	Sat	
1	Z	X	Æ	A	B	7	
8	Ø	10	14	1/2	1/3	14	
15	16	1/7	18	19	<b>20</b>	21	
22	<b>2</b> 3	<b>24</b>	<b>25</b>	<b>26</b>	27	28	
29	<b>30</b>	<b>31</b>					
November							
Sun	Mon	Tue	Wed	Thu	Fri	Sat	
			X	2	3	4	

If we take 60% of the number of people aged 16-64 employed in the UK we're looking at a staggering

# 441,827,088 days

### WASTED EVERY SINGLE YEAR ON OFFICE TIME WASTING TASKS\*

74.8% of the UK population figure for 16-64 year olds is 30,682.436, which means approximately this number of people in this age group are employed. 60% of employees surveyed said they waste at least half a day a week on office time wasting tasks

<sup>\*</sup>The latest UK population figure for people aged 16-64 is 41,019,300

The UK employment rate for people aged 16-64 is 74.8% for the period January 2016 to March 2017

Let's explore the top three tasks employees claimed to be the biggest office time

wasters further...

# Meetings

Meetings are effective and essential but only if done right.

Employees said they spend an average of 1.2 hours every single day in meetings. That's six hours a week, 288 hours a year that every employee spends discussing work.

Meetings need to be streamlined and punchy with clear actions to take away to make them effective – and worth it.



## **Admin**

Is it time we said goodbye to the timesheet?

A quarter (22%) of employees said they waste time every week filling in timesheets.

Timesheets have been used for many years, however when we're in an economy concerned about productivity, surely there's a much more productive way to record employees' time?

employees said they waste time every week filling in timesheets.



## **Emails**

How we did business changed dramatically when emails were invented. Communication was easier and deals were made faster. Yet, it seems emails could now be fuelling our productivity problems.

40% of employees receive between 26 – 75 emails every day That means these employees could receive up to 375 emails every working week, that's 1,500 emails a month, and 18,000 emails a year.

45% of employees said they have so many emails that they have to respond out of working hours.

26% of employees said that every single week they have trouble finding a document because of their email volume.

Will the success of emails be the death of them? It seems we need to re-train the world on email etiquette.



of employees could receive up to 18,000

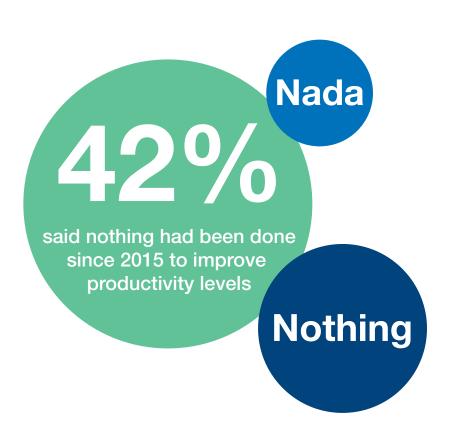
emails a year

### The modern office in 2015

As mentioned at the start of this report, we carried out our first round of research on productivity in the workplace and released the results in **September 2015** with our **"What's Killing UK Productivity?"** report.

We spoke to the same number of employees in 2015 as we have done today (July 2017) and the main findings from two years ago was that employees' output per hour was being affected by employers' not being flexible enough with their staffs time and working environment, and everyday office tasks taking longer than they should.

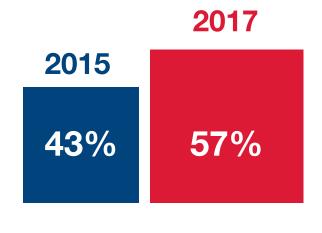
With productivity still high on most businesses' agendas today it's interesting to see what, if anything, has changed in the past two years. We already know that 42% of employees in July 2017 told us nothing at all had been done in their workplace to improve output per hour. But staggeringly, when comparing other results such as flexible working and office time wasting tasks the nation as a whole seems to have got worse in these areas, not better. Let's take a look....



### Flexible working

When employees were asked about their working environment in 2015, over two-fifths (43%) said they were not allowed to work from home.

Interestingly, despite technology continuing to improve year on year, even more employees in 2017, 57% in fact, said they were only allowed to work from the office.



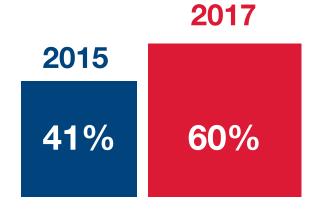
### Office time wasting tasks

In both sets of research we asked the same number of employees what they felt were the top three office tasks that wasted their time the most, and in turn restricted their output per hour.

Again, the figures have increased in the past two years, not improved as we would have expected.

	sks that restricted their output the most.  Sep 2015  Jul				
Too many mee +17%	74%	46%			
Too much add +14%	<b>24</b> /0	38%			
Too many em +10%	13/0	29%			
Technology is to +10%	1470	24%			
People manage +8%	ement 17%	25%			
A micromanage boss +6%	ging 15%	21%			

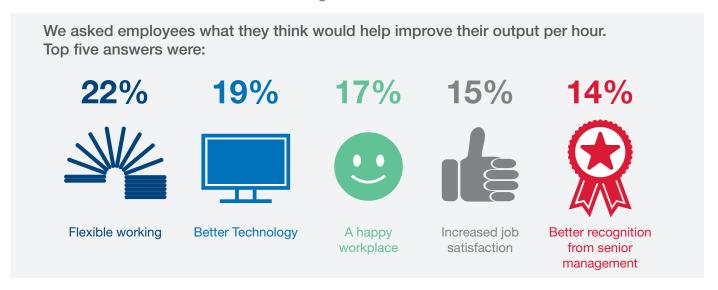
More time is being wasted on everyday office tasks two years on as 41% of employees in 2015 said they waste at least half a day a week on office time wasting tasks, compared to 60% of employees in 2017 who confirmed to waste the same amount of time.



# **Productivity**

### What employees say...

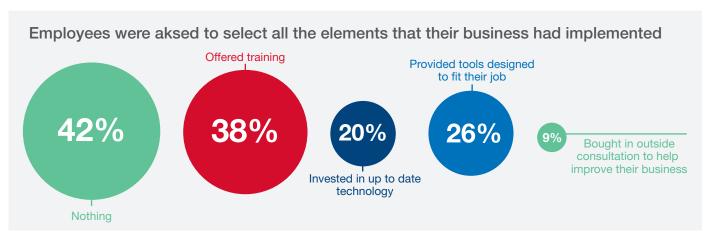
When talking about productivity we focus a lot on what businesses are and aren't doing and how we can correct errors, yet we don't often hear directly what employees have to say on the subject. We also know by looking at the 2015 vs 2017 results, that something needs to change with how we're helping employees improve their output per hour. Employees are at the heart of productivity in the workplace as they are the people on the ground doing the work. So surely their voices should be heard loud and clear when it comes to solving the issue?



The **happy workplace** is an interesting point as many factors determine the positive atmosphere of an office: environment, colleagues, rules, management, technology and workload.

Most of the points employees felt would make their output more efficient actually come under the **happy workplace** heading – therefore, you'd like to think that by getting these right a happy workplace will follow.

We know that 42% of employees said their business had not done anything to improve productivity in the past two years, however what did employees say their business HAD done?



When comparing what businesses had done to what employees felt would help them, only one area matched – technology. It suggests businesses need to be considering the day to day running of their company rather than just top line strategy actions when it comes to improving output.

# Other factors affecting productivity

So far we have discussed factors you would expect to affect your businesses output per hour. However, we also discovered other factors such as age, region and company size all play a part too.

### **Age**

Age doesn't have too much of an effect on productivity until you look at when and what time employees feel they work to their best speed and ability.

Day	Age	Age			
	18-24	25-34	35-44	45-54	55+
Monday	17%	16%	23%	18%	18%
Tuesday	15%	17%	13%	15%	15%
Wednesday	19%	10%	13%	14%	12%
Thursday	10%	10%	8%	7%	7%
Friday	9%	12%	10%	11%	12%

### Tuesday

More 25-34 year olds said they achieved their best output on a Tuesday

### Monday

The majority of employees aged 35 - 55 said Monday was their most productive day



### Wednesday

In comparison, Wednesday was the day more 18-24 year old employees said they achieved the most (19%)

If we were to let employees complete their work in the most productive time for them it would save a lot of wasted non-hours in the office.

### Location

Not surprisingly the bigger UK cities seem to be on top of productivity more than other areas.

### London and Edinburgh come out on top

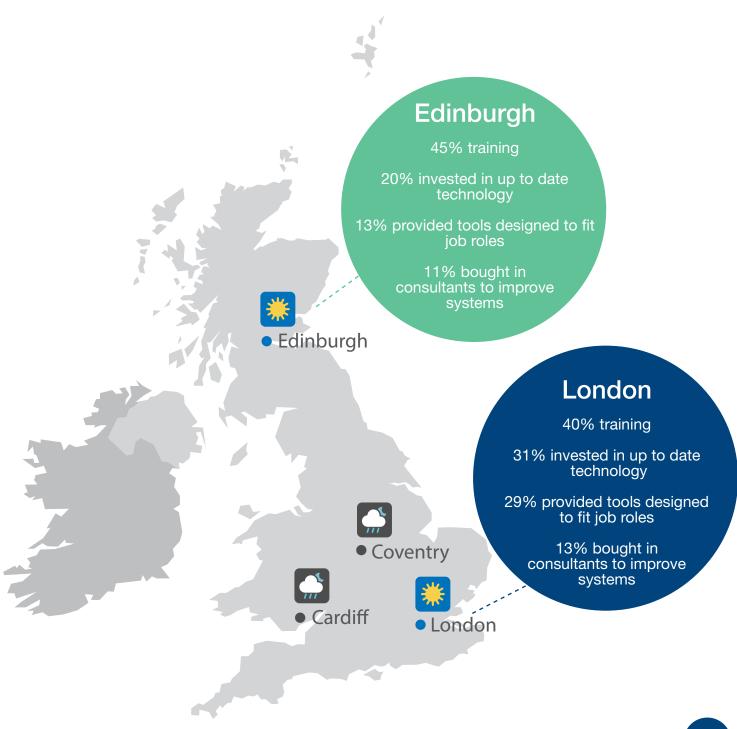
65% of employees in London said their business has implemented something new to improve productivity

66% of employees in Edinburgh said the same

### Cardiff and Coventry rank the lowest

51% of employees in Cardiff said their business has not taken any action to improve productivity 60% of employees in Coventry said the same

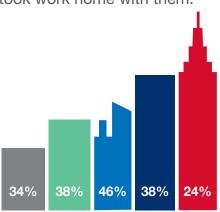
So what have cities like London and Scotland introduced to help increase productivity levels?



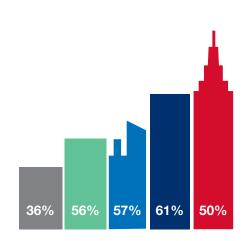
### Company size

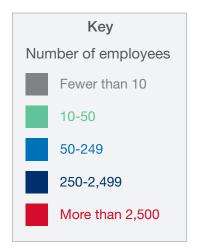
The results show that the productivity crunch point hits **medium sized businesses** the most. This could be due to many factors such as company growth.

Nearly half of employees in medium sized businesses (46%) said they take work home with them.
% of employees who said they took work home with them:



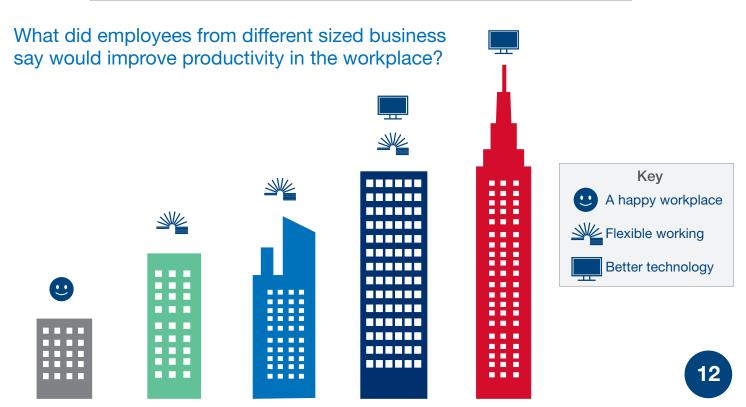
Over half of employees in medium sized businesses (57%) said they took work home with them as it is essential to meet deadlines





### Medium sized businesses seem to be receiving far too many emails too.

Number of	Number of emails					
employees	25 or fewer	26-50	51-75	76-100	100+	
Fewer than 10	73%	19%	4%	2%	2%	
10-50	58%	25%	12%	3%	2%	
50-249	39%	33%	21%	4%	3%	
250-2,499	48%	26%	15%	7%	4%	
More than 2,500	57%	24%	9%	4%	6%	



# Solving the real problems

When it comes to solving productivity levels in the workplace we will more than likely start fixing top level problems. This isn't a bad place to start, however the research confirms it's essential to look at the smaller problems too. They could be adding up to be creating a much bigger issue than we might think.

The good news about smaller problems is that you can easily change them without much, if any, investment. It may simply be a case of training managers to ensure their team don't overkill on emails, tell managers to only agree to meetings if they're really essential, and give staff more flexibility to complete an important job at a time when they work to their best.

Ok, so we cannot ignore the areas that will have a big impact on output and cost money such as new technology. But a good strategy would be to tackle the easy issues first, while the business is working out how it is going to afford and implement new processes and kit. At least then you'll start to see some improvement to productivity levels while you're working on the more difficult and expensive solutions.



### Improving productivity in the workplace checklist

As a starter for ten, here's a checklist of the things you could get your company and team to consider implementing today.





### Flexible working

Enable employees to work from home if they need to focus on a big piece of work. Or if the sun shining outside and employees are not achieving much, let them finish early. You'll find when they do then return to work the next day they'll be invigorated and eager to get on with the tasks they need to achieve.





#### **Meetings**

Drum into managers that meetings should only take place if really necessary. Ask yourself whether the problem could be solved in a quick phone call or a quick face to face chat at a desk instead. And if meetings are essential only pull in the people that are really required.





#### **Admin**

Get employees to tell you what admin bogs them down. Is it the timesheets, the weekly reports or meeting minutes? Review the issues and decide whether you can scrap them. If not, identify how to streamline them.





### **Emails**

Tell employees to think twice before they hit send on an email. Can they pick up the phone or walk over to their colleague's desk instead? Challenge employees to send no more than 10 emails a day. It'll improve their email etiquette and train them to think differently.





### Give autonomy

There's nothing worse than a boss looking over your shoulder at your every move. It hugely hinders output. Identify micromanagers and give them tips on how to back off. Use managers who are good at trusting staff to get on with the job as mentors for your other managers, and reward for good people management 'behaviours' rather than just targets.





#### Show appreciation

Employees said they would be more productive if they had job satisfaction and better recognition from senior management. Think about how you feel if your work isn't recognised in comparison to when it is. If your boss has said thank you it makes you feel motivated and valued. However, if your boss ignores your efforts it is very demotivating. Treat your employees how you want to be treated. It'll make a huge difference.

### **About the survey**

The survey was conducted among **2,040 UK employees** in May 2017.

The survey was run by an independent research agency.

To request copies or to find out more about the survey please contact:

enquiries@motivates.co.uk

### **About Motivates**

Motivates deliver motivation, incentive and reward schemes to assure employers will drive lasting engagement and success for their business.



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