Productivity?

No concept has been more misunderstood that that of productivity. For workers a call for increased productivity carries with it the threat of lay-offs. Managers believe productivity to be an economic trade-off between efficiency and product or service quality. The paradox is that when managers focus on productivity, long-term improvements are rarely seen. On the other hand, when managers focus on quality, productivity improves continuously.

Managers were attracted by the idea of improving productivity in a customer service centre. They called in productivity consultants who measured the number of calls received and the number of service people available to take these calls. They then calculated the average time taken to handle a customer query and fed the data into a productivity equation in order to determine an ideal resource level. The managers adjusted staffing levels in line with the consultant's recommendations.

A monitoring system was introduced to 'help' the service personnel. 'Traffic lights' were installed above their work area, with a monitor displaying the amount of time customers were being kept waiting. When the light moved from green to amber it was to signal that customers' calls were being held in a queue. When the light went to red it indicated that customers had been holding for longer than thirty seconds. Productivity declined.

Not only did productivity decline, morale did too. This is a typical illustration. Managers are seduced by the attractiveness of the productivity promise. It seems to stop them thinking about what's actually happening. With systems such as this everything would work perfectly if all calls actually took the average time, if they came in a consistent flow, required the same amounts of administration and if nobody was ever absent from their station - but life isn't like that.

The staff who dealt with the customers had two complaints. First, the database they used when dealing with customers was unreliable and this sometimes led to calls taking longer than necessary. Second, they estimated that as many as half the calls were from customers chasing progress of an earlier problem. The productivity programmes effectively ignored both issues.

A quality approach would have been to tackle both problems by systematically identifying their causes and taking action to reduce them.

The monitor showed how many calls were waiting, how long the longest had waited and how many times the red light had been activated in a day. The operators soon learned how to 'bounce' waiting calls so that the system recognised them as new calls. By doing this they could reduce the frequency of red lights; this kept their manager happy.

In a similar situation, telesellers learned to accept and then cut off a customer because this produced better call statistics in the monitor,. In these cases morale is so low that people will do anything just to get through the day. They feel that their managers are only paying attention to the number of people at their stations and what's being shown on the monitor.