



## **ADVANTAGE CONSULTING GROUP LTD.**

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#### **PRODUCTIVITY SOFTWARE**

In the new world economy, increased productivity has become a necessity for any company that wants to remain competitive. As companies lower headcounts through layoffs and attrition, the need for a more efficient and effective workforce has never been more important.

Industrial engineering firms have met this need for some companies using *engineered labor standards*.

These labor standards set the accepted pace for any measured activity and allows a company to measure how their employees are doing when compared to the standards.

For these standards to be effective, a method of measuring performance is absolutely necessary. This is where *productivity software* is needed to complete the implementation of any project.

Productivity software serves four basic roles:

1. Calculate standard times for assigned tasks.
2. Measure employee performance based on the standard time.
3. Report the results.
4. Store the data in a useful format that allows access for employee reviews or company productivity studies.

Once these tasks are accomplished, the company is able to gauge the productivity of the workforce. Once this is accomplished, decisions about supervision, discipline, staffing levels and compensation can be made based on objective data.

## **CHOOSING A PRODUCTIVITY PROGRAM**

Productivity software falls into two basic types:

1. Programs that calculate averages based on the number of movements made by the employee.
2. Programs that calculate specific times based on the distance traveled and the items picked.

A program that looks at the movements of a picker or fork driver will determine how many aisles the employees goes to and give a average time for each aisle. In this method, if the aisles are next to each other, then the time given is too long, but if the aisles are on opposite sides of the warehouse, then the times are far too short.

In some systems, a time per case is applied, giving the same time for each case. Programs that calculate time based on cube, weight and quantity, as well as level, are far more accurate. Some items, such as cereal, are much lighter than items such as Bottles of water. Heaver items require more care to handle and should be given a longer amount of time to move.

Advantage Consulting has developed a program that calculates exact standards for each assignment. While this type of program is more complicated, it is also more accurate in determining the actual performance level of each employee.

In terms of potential labor disputes, it is far easier for an employee to dispute a performance grade based on a program that uses averages than a program that gives an exact account of each assignment.

## **REPORTING CAPABILITIES**

A productivity program that does not have reporting capabilities does not fulfill its purpose.

Without reports, there would be no way to analyze the data that the program has calculated.

Reports should give the following information:

- Individual performance on a daily and weekly basis
- Performance of an entire shift on a daily basis
- Performance of an entire operation on a daily basis.
- Any other information the customer requests.

Reports should be easy to read and understand, and should not be inundated with so much data that they are hard to follow.

## **SETTING UP A PROGRAM AT THE CUSTOMER**

The initial stages of setting up a program can be very labor intensive. Since each company has its own specific needs and quirks, any standard program is going to need to be modified to deal with these anomalies.

Any program needs to be able to accept data from the company's mainframe. Without input telling the program what the assignments are, and how they are to be accomplished, the program cannot measure how long the assignment should take.

Any programmer needs to be able to conform their program to the customer's process. The process needs to be uniform, and any changes need to be conveyed far in advance, but it still needs to conform to the customers data stream.

The hardest part of any program setup is being able to get through the process without stepping on the toes of the in-house IT department. In many cases, you will be seen as a threat to the in-house people. Sometimes there is nothing you can do about this, but you need to do everything in your power to minimize these situations.

Some helpful steps:

1. Get the input of the IT staff.
  - a. If they feel empowered, they will be less likely to throw up roadblocks
2. Know what your system will need to operate.
  - a. If IT does not think that you know what you are doing, they will not feel comfortable working with you.
3. Be prepared for any possible installation problems.
  - a. All systems have their quirks, and if you are prepared for these installation problems and have the correct patches with you, you will go a long way to winning the IT department over.

## **EXPECT PROBLEMS**

When putting a major software package together, having installation and performance problems are going to happen. The true professional is prepared to deal with these problems, and is able to make the customer feel like they have hired someone who knows what they are doing.

Each product development should be viewed as an opportunity to improve the capabilities of your program. In this way, both your customers and your company benefit from the process.

