

Underlying Causes of Productivity Problems

Productivity problems often creep into the business over a period of time and often businesses don't realise just how extensive they have become. Here are six common causes for productivity problems.

Variable quality

Inconsistent or unpredictable quality can be linked to either a lack of training, or ineffective training. Other times it is due to variations in components or materials. Profits are always impacted by reworks or rejects. When the cost of labor is added to the cost of materials any product which has to be rejected or reworked represents a loss to the business. The financial losses are not just the losses in materials, but also the lost opportunity cost. Another less measurable outcome is low morale and frustration amongst the team. Both of these demotivators reduce people productivity.

Poor work flow

If you find the business is experiencing bottlenecks on one hand and periods of lull on the other then that is likely to contribute to low productivity because there is not a consistent flow of work. The best people to identify poor work flow situations and recommend solutions are the people doing the job.

Machine and equipment downtime

Profits cannot be maximised when there is preventable machine and equipment downtime. Underlying causes could involve operator training, maintenance, poor leadership, or outworn and aged machinery and equipment that need replacement. Constant breakdowns produce a powerful negative effect on the workforce. The constant stop/start alone reduces productivity because of interruptions to workflow, not to mention contributing to low morale and frustration.

'Work-To-Rule' attitudes

With effective leadership people are motivated to give that little bit extra to the job and the business. Poor leadership can have the opposite effect. So if your team seems not inclined to go the extra mile, look at the strategies you have in place to lead and motivate them. Situations such as constant breakdowns and poor workflow will also have a negative effect on motivation to perform.

Lack of clear performance expectations

It is a surprising but widespread situation that the majority of people in the workplace often have no idea, or an incorrect idea of what is expected of them. It is vital that people understand how their job contributes to the goals of the business. They should also understand clearly what you want them to do to contribute to those business goals, and how you will measure whether they are doing their job effectively.

Lack of feedback

People can't work in a vacuum; we all need to know how we are getting along. The absence of feedback in the workplace also makes the work seem pointless. Most people prefer to feel that what they do has value and contributes to the greater good. Credible feedback and encouragement both from our co-workers and our bosses keeps us engaged in our work. Cultivate a culture of regular and constructive recognition and feedback for effort.