TERAMIND

MEASURING EMPLOYEE PRODUCTIVITY IN TODAY'S WORKFORCE

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INTRODUCTION

Employee productivity needs improving, but so does the way we measure it.

The evidence is clear. Across the board, employee productivity needs some improvement. To begin doing that, we first need a way to measure productivity that accurately reflects the modern day worker.

5%
of employees are fulfilling their productivity potential

2.4 hours
is the time spent on productive work

80%
of employees feel overworked

68%
productivity decrease when employees feel overworked

OUTDATED PRODUCTIVITY EQUATIONS

These equations may have worked in the past, but they leave out how work has evolved for today's employees.

Traditional productivity measurements rely on a simple output/ input equation but the values they create are misleading. Using "total hours worked" or "labor costs" assumes that all work is equal; critical information about individual employee productivity, like the quality and efficiency of the work, is totally ignored. This type of information used to be collected by subjective performance reviews and assessments. But even these have been found ineffective with a growing number of companies abandoning the practice. To fully measure and understand employee productivity in the modern workplace, a new approach is needed.

Revenue ÷ Labor Costs:
Tells us productivity by labor expenses.

Revenue ÷ Hours Worked:
Tells us productivity per hour.

Revenue ÷ Number Of Employees:
Tells us productivity per employee.

VALUABLE WORK VS BUSY WORK

Valuable work is the work employees perform that further company objectives and progress company goals, but accounts for less than three hours of the workday [5]

Calculating productivity today must take into account the type of work employees perform. While technology and the open space office brought endless possibilities to communicate and collaborate, it also created more busy work. This leaves less time for employees to spend on valuable work, or the work they perform that adds value to the company.

This difference in the type of work employees perform is the reason traditional productivity measurement equations are unreliable. Emails, work group chats and meetings now account for ⅔ of the workday. That's over five hours per day that employees spend at work but not productively working. Measuring productivity, especially with the goal of improving it, requires a system that only takes into account the valuable work being performed.

MEASURING PRODUCTIVITY

Measuring productivity for today's workforce requires a more nuanced approach. Taking stock of each of the metrics seen in the graph below--task completion, hours worked, work quality and efficiency--gives us valuable insight into how employees work and identifies areas where productivity can be improved. Together these metrics give us a new way to measure productivity, one that separates busy work from valuable work and supplies a complete survey of employee time.

Task Completion
How much valuable work was completed during the period?

Hours Worked
How much time was spent working on the value-added work?

Work Quality
How useful is the work product that is being produced?

Efficiency
Is the work being done efficiently?

HOW TO COLLECT PRODUCTIVITY METRICS

User activity monitoring & task management apps are the best tools for measuring productivity

Measuring productivity requires an objective, data driven approach. Employee monitoring and task management apps provide the hard data needed and offer additional features that can be beneficial to productivity.

Separately, key performance indicators provide the data evidence needed to assess work quality. KPIs look different depending on your industry or department: manufacturing might track defects while sales may consider returning customers.

	Task Tracking	Time Tracking	Quality Assessments	Efficiency Tracking	Additional Features		
					Data Loss Prevention	Collaboration	Performance Analysis
User Activity & Employee Monitoring	✔	✔	✖	✔	✔	✔	✔
Task Management Apps	✔	✔	✖	✖	✖	✔	✔

USING THE DATA TO IMPROVE PRODUCTIVITY

Improve completion rates by analyzing the amount of time spent on each task

GET MORE DONE

Using the hours worked and efficiency data points help improve task completion. Analyze how time was spent on individual tasks. If idle time and distractions are more common on certain tasks, try task gamification to increase motivation to get more work done.

USE THE TOOLS

Employee monitoring and task management tools measure productivity and help improve it.

Avoid idle time and loss of focus with employee monitoring software. Send idle time notifications to employees' desktops to help them refocus when they get too far off task.

Use your task management app to gamify tasks. Have employees compete individually or in groups to progress tasks more quickly in order to earn rewards.

Make more time for valuable tasks by examining the time spent on all tasks

USE THE TOOLS

Use a monitoring software to send desktop alerts whenever employees are using a "busy work" app like chat and email for too long.

Create a minimum number of value-added tasks employees must complete each week using a task management app.

Examine time spent in meetings using employee monitoring and set time limits for meetings if necessary.

GET MORE TIME

If productivity metrics show that not enough time is being dedicated to valuable work, it may be time for a workflow overhaul. This can be done in small, manageable steps. Start by establishing quiet hours, a time during the day when meetings won't be called and email and chat responses aren't expected.

Analyze task completion and time spent on assignments to improve work quality

DELIVER RESULTS

Poor work quality might be the result of too many tasks or poor strategy. If employees are delivering tasks but not results, you might try easing their workload so they can better focus. If time and assignment completion isn't the issue, consider A/B testing their work to see what is and isn't performing.

USE THE TOOLS

See if employees are rushing their work and affecting quality using employee monitoring.

Integrate your organization's task management software into an employee monitoring tool to keep track of KPIs and other productivity metrics in one place.

Use the screen recordings collected by employee monitoring software to examine and share the workflow of employees who produce the best performing work.

Improve efficiency by evaluating task completion, time worked and quality of work

WORK SMARTER

Improve efficiency by examining the hours worked and the number of valuable assignments completed. Identify processes that can be improved. If busy work is the culprit, allocate time for that kind of work later in the day or week. If distractions are the problem, consider putting limits on the things that cause them.

USE THE TOOLS

Lower distractions using a monitoring software by blocking unnecessary websites after too much time has been spent on them.

Let employees see what everyone is working on using a task management app in order to decrease repetitive work.

Use the softwares' performance analysis features to see where processes can be improved.

CONCLUSION

- **Improve productivity by updating the way you measure it**
- **Separate busy work from valuable work using the four key metrics of productivity**
- **Accurately measure and improve productivity using user activity monitoring and task management tools**
- **Take regular and consistent measurements in order to track improvements**

Everyone wants to improve productivity, but in order to do so the way productivity is measured needs to be redefined. Since historical equations don't account for the modernization of work, a new method is needed; one that separates busy work from valuable work and accounts for the growing number of distractions facing employees.

By looking at four distinct aspects of productivity, organizations can begin to build an understanding of exactly how employees work. Using the right tool and gathering objective data allows businesses to analyze their processes and improve them.

Productivity is captured over time and in order to get the most out of measurements, they must be taken consistently. Only then, when data-driven, systematic measurements are taken can organizations begin to improve the productivity of their workforce.

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