



Is there a 'most successful' or 'accepted' way/ theory for measuring per person productivity? How does one measure HR's success in this?

Craig Anderson

Interesting question; thanks for posting. I think that seeking to measure "per person productivity" in MOST organizations is impossible to do in a meaningful way. Of course, people will find (unimportant) things to measure, but the true measure of productivity in a knowledge-based organization (and what organizations today are not knowledge-based?) cannot be measured. I suggest you seek out the work of W. Edwards Deming as a starting point to understand the fallacy of much of what passed for management today. In a nutshell, virtually all of an individual's contribution to the performance of the organizational system depends on factors beyond the control of the individual (e.g., selection, placement, training, skills, supervisor, manager, clarity of vision, strategy, objectives, team members, information, tools and methods, etc.). Anyway, good luck and let's see what others have to say.

Uwe Daniel

It all depends ... for a blue collar worker, there might be a straightforward way of measuring productivity by counting output (no of items produced).

We introduced measurements in engineering several times; let me give an example out of the world of software engineers. There have been many metrics around since the 1960s, like counting "lines of code" produced per person per day. But this very much varies between industries, programming language etc. so many clever people tried to find better metrics.

During several years we found out that engineers first of all needed to be convinced and pushed a little by management that measuring personal output is very important. Only by measuring and comparing things like product cost and project time can be estimated. We made sure that no comparison between engineers in the same group happened so that there was no reason for cheating. After several months almost everybody was convinced that the increased knowledge which task takes how long was of personal and mutual benefit. Anonymous statistics then helped management and each engineer to estimate new projects afford much better.

Summary: One can measure personal output and by that increase productivity and accuracy of cost and time estimates. But it is strictly a measurement to compare within a well defined group of projects, a general metric to compare industries or departments is very problematic. A comparison between people in the same group or department is



prohibited in many countries and is very questionable as people begin to cheat the system if they expect disadvantages in payment or promotion.

... And never forget: what you measure is what you get!

measuring the performance of a sales guy by turnover created can ruin the company (the easiest way to reach a perfect rating is to sell 100 Euro bills for 95 Euro ;-)

remark for those of you who might be interested in the software topic:

Google for the trigger words PSP or personal software process, task time monitoring and COCOMO (the latter is the old and not very successful experiment to judge software productivity by parametric algorithms)

[Les Ormonde](#)

I agree with Craig's analysis, but your question feels like you are trying to establish a generalized measure for what is essentially an individual characteristic - and in that case, I doubt you will be successful.

Depending on the circumstances you are trying to deal with, you might want to think about establishing a measure of value contributed. This can be related to an individual's (or a role's) accountabilities, for instance, a project manager might be measured on margin delivered by her projects over the year. The danger with this route however is the difficulty of establishing/agreeing the value of an individual's role, the fallout from discovering that some roles are not very high value and the subjectivity likely to be applied when measuring the actual value that was contributed.

[Shirish Joshi](#)

I don't know whether there is a theory of measuring productivity especially of knowledge workers. I have been working in this area for last 8/10 years. In fact i am launching a program to share my understanding.

You may like to read a book called thinking for Living by Thomas Devenport published by HBS.

What is important is the purpose for which you want to measure productivity. Your concern seems to be more about the accountability of Hr. I think HR should be jointly accountable along with the line management. However I doubt whether Hr people are equipped to take up this task.



Harry Wolfe

Is there a most "successful" or "accepted" way/ theory for measuring "per person productivity?"

Yes there is practical answer to that question, currently being used.

Knowledge workers are employed because they have the education, qualifications, knowledge, experience, and competences specified for success a job. The questions are:

(1) Are they enthusiastic and motivated to do the job? (2) Is their thinking aligned with, and focused on their job objectives? (3) Do they have the attitudes, beliefs values and commitment required for success in the job?

As attitude determines what information is allowed to enter the mind, to influence and direct behaviour, and attitude motivates behaviour, the critical point is that the person in the job has the "right" attitude of beliefs and values. Attitude is more than twice as important for success in a job as any other attribute a job holder may bring to the job. The manager of a job is the arbiter of a jobholder's success in a job. The manager of the job is the only person who knows how he/she wants the job holder to work to achieve that success in the job. The manager of a job is the only person who can specify what attitudes, beliefs and values are necessary for success in that specific job.

The only practical answer to the question that I know of that measures and validates "per person productivity" is: The manager of the job (1) specifies, describes, quantitatively measures, and validates the attitudes the manager requires the person in that job to have for high-performance in achieving the job objectives. (2) The manager of the job then describes, quantitatively measures, and validates the attitudes of the job holder. (3) The difference between those two different validated measurements is the validated measurement of the jobholder's "per person productivity" in the job

Uwe Daniel

I learned from your comments that what I understood (productivity in the meaning of output/value generated) is different what you mean, and that is excellence in doing an HR job.

You already quoted many systems how to rate performance. I've never been an HR person, so let me introduce the view of a customer of the HR department.

HR has a defined role in every organisation (or should have). There should be a service level agreement or the like between HR and the departments/divisions it works for. Then the KPIs are set in this document. In addition one could do a regular customer satisfaction survey and rate the HR function accordingly. The HR manager is responsible to increase the



compliance with the SLA and to increase customer satisfaction. For me being the head of a business unit some years ago the most important issues with HR were:

1. The quality of new people hired and,
 2. The effectiveness of personal development of the existing workforce. You might start in collecting expectations of customer departments if no SLA yet exists.
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Sanjeev Kumar Chugh

Justifying an HR position is a tough job but not impossible. One needs to define the metrics and keep monitoring them on a regular basis. And of course, on the soft side, monitor whether behaviour is in line with values agreed within the organisation.

The sad part is that people take the easy way out by towing the popular line. "Flavour of the moment/day" works very well for many. In the bargain the values are compromised and the performance becomes sub-standard but acceptable by the top-brass.

With greed of quick profit ruling the roost in the corporate world and rat-race being the order of the day in offices, cases such Satyam are flashes in the pan. People show their false concerns and talk big things but follow what works; you got it right, the best way with their superiors. After all, you get the much needed business support. And you need it badly, don't you?

So life goes on, ideals are for idle people. If you need to work, then work with what works....at the end of the month EMI and bills await you pay check!

Harry Wolfe

You ask - how does one measure HR's success in this? The answer lies in the benchmark that validates a manager's ability to select, and to lead. I suspect everyone has experienced the manager who tells his people to do one thing, and then personally does something else. The manager who says his people are his greatest asset, and treats them like dirt. The manager who in fact does not "walk" his/her "talk" will never be a leader.

Attitudes, beliefs and values motivate and direct the behaviour a person "walks". How that person talks is limited only to the imagination, and creativity. It is the manager who "walks" what he or she "talks", when interviewing candidates, who is a good selector of people, and a leader.

A validated benchmark of attitudes and behaviour for high performance in a position is when the manager's perception of the culture of behaviour for high performance in that position matches the manager's perception of the attitudes for high performance in the same position.





Once a benchmark is validated, the quantitative measurement of the "gap" between the attitudes of the job holder, and the manager's validated benchmark for high performance in that position, is a measure of the intangible productivity of the job holder. As the jobholder becomes more competent in the position, his/her attitude to their job changes. Quantitatively measurement of this change in attitude is a measure of the change in the jobholder's intangible productivity.

If you wish to see this process in a selection situation I suggest website:

<http://www.managementdynamics.info/admin/downloads/3.1-Geier-Selection-Report.pdf>

Download "Select the Best." In this case it is selecting the best leader.

Page 1. It's a quick overview for the busy executive anxious to make a decision. The page identifies, and describes, Jack Blackwell's Attitudes, Validated Performance on Appointment, Culture Fit, and Future Performance Potential in the Position of Leader.

Page 2. Is a graphical representation, with quantitatively measurement, of the benchmarked attitudes for the position of leader matched against Jack Blackwell's attitudes as a leader? The attitude measurements are in the six performance attitude continuums of: Flexibility; Assertiveness; Creativeness; Team Spirit; Optimism; Reasonableness.

Page 3. Jack Blackwell's leadership is measured on this page.

Page 5 - 10. Describe Jack Blackwell's actual behaviour "walked" as a leader, as predicted by his attitudes, in each of the six performance attitude continuums.

I hope this information is of help.