

## **Productivity Pitfalls: Is time really money?**

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Efficiency and productivity – everyone wants more of it! But how do we know if we have productivity issues in our businesses to begin with?

Do any of these red flags wave at your store?

- No time for follow up
- Outdated or unused policies and procedures
- Gaps in service to customers
- Excessive costs
- Overwhelmed and disorganized staff
- Increased overhead
- Unclear roles and responsibilities
- Too much time spent trying to find things or catch up on paper work

We have all experienced one or more of the above scenarios at one time or another – at work, or at home. What will be interesting to note is how we have “measured” our productivity or lack thereof in the past.

Perhaps we have measured our productivity by striking things off the “to do list” ..... ie the ordering is done, the shelves are stocked, the store is clean, the animals are all fed, items are priced.

That sounds productive..... But is it really? Isn't it just the stuff we do daily to get by? How do we move past that, beyond the daily tasks and chores, and into tangible increases in productivity we can see, feel and measure?

If our business is to be more productive – it's all about more customers, having more visits, that are more convenient, less stressful, with less waiting time and more follow through. Our goal is to have those customers return, and recommend us to their friends. Our overall success will be gauged by becoming the store of choice for service, quality, selection and attention to detail.

Enhancing our productivity then, becomes a fine balance of improving our efficiency without compromising our quality.

Begin with teamwork. Don't try it alone. Teamwork builds loyalty and loyalty builds profits. Learn to leverage well trained staff members to increase productivity and profitability, without having to find, train and add additional staff members. A very costly and time consuming venture in itself.

What kind of team then do we want to build?

- Hire for attitude and flexibility
- Set up programs to "Train and Retain" .
- Reward staff that welcome change and embrace it.
- Make change easy and fun
- Empower staff to create solutions to problems,
- Back them when they put those solutions into action with a customer.
- Teach them to "think on their feet"
- Reward them for doing so.

Showing staff how the business works, helps them to understand the costs involved in running a business. Most times they have no idea how much their actions can impact revenues and expenses, or how the business does overall. Once we share this privileged information, staff become more involved and can then help identify areas of concern or shrink, or situations that need new policies or procedures. They become part of the solution and not part of the problem.

Talk switches from "How are YOU going to deal with IT" to "How are WE going to deal with THIS" They begin to watch for concerns in advance, to prevent things from happening. They become proactive and not reactive. They become "self directed" work teams – not simply employees who need to be told what to do. The team begins to bond with your clients and their pets. This is where the real synergy begins!

Getting Started.....

**Share your passion.** Give them a clear sense of direction by outlining your business plan and leadership style. In effect, you are providing them with a map of where you want them to go, and how to get there. Ensure that you are able to define and articulate your vision, before you try to paint a picture of it for your staff. You need to tell them about your niche market or focus and your long range goals, if they are going to be a part of them and help you to get there.

**Leadership – In order to lead – someone must be willing to follow you.** Managers and owners need to lead by example. There can be no "Do as I say, not as I do"

Those who do master leading by example reap many benefits. You come in on time; staff starts to come in on time. You leave work areas clean and tidy, they leave work areas clean and tidy.

Don't let it stop at the basics!!..... Instill in your staff the value of going one step further than customers expect. Then model that for them time and time

again. Soon you will be leading by example and fostering that star quality in your staff. Things like calling clients to follow up on new products or services, asking clients what services they would like to see in the future, letting clients know about changes in advance of their next visit. These are all things customers will remember and staff will be proud of. Both will tell their friends.

**Discover hidden staff talents** - Encourage staff to “act like an owner” - making decisions and spending money like it was their own. You will be pleasantly surprised, as many times, they will spend less than you expect for a project.

**Management Style** - Clarify the management style staff prefer to be most productive. Some thrive on a “hands on” leadership style with lots of direction, while others prefer a “hands off” approach where you are available only if they need you. There are staff members that produce best when left on their own. If you over manage them – they tend to withdraw or simply quit. Don’t lose a star player because you don’t recognize their most productive management style.

Sally ran into this very situation when she hired Joan who had years of knowledge and experience. She found that they butted heads over who was in charge. Sally solved the problem with a “hands off management” approach by giving Joan full control of one aspect of the business, the boarding facility. This allowed her to utilize her skills, feel needed and appreciated, rather than undermined and not trusted.

**Continuous Improvement** - Staff that are challenged to upgrade and use their skills stay longer and have a greater sense of worth and personal growth. Get them out to conferences, tradeshow and seminars for those areas that your store needs to brush up on. Everyone needs to grow and feel valued!

At XYZ pet store Michelle sent her staff to a Grooming expo, as they were looking to expand their services to include grooming. Michelle believed firmly that the team needed to have “buy in”. This trip proved to be well worth the money as the crew came back pumped up and energized They were up to speed on all the current issues facing the industry and they had also collected catalogues and cards from potential suppliers to get the look and feel that they wanted for the store. They were already making a difference and working as a self directed work team. This had become their project.

Set staff up for success with small projects to build confidence. Celebrate those successes. It’s great to “catch” staff doing things right! Remember to ask them into your office to thank them instead of berating them.

**Career Path** - Make it clear that this is not a dead end job; there is room for

advancement. Employees should be given a copy of their job description, mission, vision and goals. These are to be signed, and placed in their employee record. Levels of skills to be attained and tasks delegated are tracked here. Staff must embrace continuous improvement not complacency. This is how they can have an impact on the business and how you can gauge their productivity.

**Encourage staff to take initiative and manage risks.** Create a “Culture of Change” – Embracing change creates an atmosphere where increasing productivity becomes a focus within the team. Staff thrive on finding new ways to streamline processes, reduce costs and increase customer satisfaction. Teams are encouraged to provide solutions, plans, and budgets for areas of the store that need to be updated, or changed.

**Employee productivity and satisfaction** is closely linked to “culture”. If staff are stressed, production and job satisfaction declines, along with profits.

We can eliminate much of that stress by embracing the following good business practices:

- Give staff clear, job descriptions with “stretch” objectives.
- Review goals semi-annually to avoid ambiguity
- Conduct Performance planning versus Performance reviewing.
- Ensure staff have a current policy and procedure manual
- Recognize that responsibility allows staff to feel valued.
- Train staff to make decisions that increase customer satisfaction.

**Core Values** - You can't control their home life but you can foster a positive work environment with solid core values as listed below:

- Honesty and integrity
- Respect and trust
- Team atmosphere
- Continuous learning
- Pets always come first

**Staff Worth** - Happy, well trained, staff are more productive, and create an atmosphere where customers feel comfortable starting a conversation about their pets. Customers will tell their friends. Conversely, customers can sense when a staff member is struggling and there is tension or infighting and they will be hesitant to return. Conflict costs! But how much?

The cost of conflict has long been debated and the impact is substantial. Below is a chart from Cynthia Wutchiett, CPA. Estimating the cost of losing an \$8.00/hour staff member at \$13,500. Clearly, we need to place more emphasis on staff retention programs.

Hiring cost	\$600.00
Departing inefficiency	\$350.00
Other staff inefficiency	\$350.00
Vacancy inefficiency	\$3600.00
Staff training inefficiency	\$4,300.0
New employee inefficiency	<u>\$4,300.00</u>
Total cost of Turnover:	\$13,500

\*Note this does not include the value assigned to the loss of a valued customer or her future referrals.

Table 1

If your business has a revolving door where staff are walking in and walking out – teams cannot be built and productivity will suffer markedly. Learn to hire for attitude and flexibility, work to retain staff, and save yourself grief and money. If you have difficulty hiring – outsource. There are professional services to help with this very concern. Many even guarantees that if the staff member that they provide doesn't work out, they will replace them for free!!!

**Measuring productivity:** Begin with a marketing focus in the store every month. Highlight services or products such as Doggy Day Care Month, "Groom your own" Pet Seminar, Puppy Party Week. Then, transform the # of casual recommendations of a product or service into tangible results such as - the # of booked grooming appointments, or # of bags of food sent home, # of people that returned after use of that new product or service.

*"Customers won't "comply" unless they know that the services offered are filling a need or solving a problem".*

Remember the old adage if you can't measure it you can't manage it – there will be no way to prove that any of these concepts work if you don't have way to track them on a sheet or in the computer. Make use of your suppliers! They are only too happy to set goals and track targets. Be sure to foster those relationships to benefit your business as well as theirs!.

**Teach staff to talk in terms of benefits** – it's all about solving peoples problems

Ex. "What this means to you Mrs. Jones is that after using this product, Muffy's breath will be fresh, she'll feel better and you'll feel more comfortable hugging her again."

**Walk the Talk** – Everyone on the team must have one message or focus for

customers. Ultimately, having staff use the services themselves shows customers your teams level of commitment to quality.

**Follow Up** – Don't let recommendations, appointments, or use of a product fall through the cracks. Keep records to prevent this from happening and hold staff meetings regularly to communicate progress made, and where things still need to be tightened up.

**Passive income** –The success of ancillary sales depends on staff. If customers have come in for boarding, it's up to staff to indicate that you now have a "doggie suite" with extra run room. Or, that there is a boarding plan that offers extras, like nightly "hugs and pats" teeth brushing, treats or baths. Ensure that the team knows the points of differentiation between your services and that of your competitors. This is the only way that they can recommend your services with confidence.

### **Options**

If you've found you are lacking in any one particular area, don't fret. Just dig in. Inch by Inch is a cinch..... You can start by making an action plan to implement some of the following options:

- Analyzing schedules in your facility
- Eliminating overstaffing during slow times,
- Ensuring appropriate staffing during peak times
- Implementing staff rewards and retention programs.
  
- Identifying areas of waste:
  - Time
  - Money
  - Energy
  - Products
  - Supplies
- Maximize use of resources
  - Staff members,
  - Schedules,
  - Equipment,

Minimize:

- Time spent on the phone,
- Steps on the computer,
- Cost of supplies

We've identified the many pitfalls of productivity, and provided some tools to

strike that fine balance of improving our efficiency without compromising our quality. Remember that staff retention is a key element for sustained success - so "Train to Retain"! Remember too, that your customer service is only as good as the training you provide for your people.

It's a constant struggle, but in the end, being able to trust and rely upon your team IS well worth your TIME and your MONEY.