

# A B C D E F G

## Seven Tips to Develop a Creative and Productive Workforce

Creating a work environment conducive to satisfaction and happiness requires several building blocks. Rachel Chan and Ali Farhoomand introduce A B C D E F G that lead the way to a more productive workforce.

by Rachel Chan and Ali Farhoomand



**M**odern Times (1936), a classic comedy featuring Charles Chaplin, depicts the agony of the factory worker Little Tramp struggling to maintain his dignity and sanity on the assembly line. Despite the many economic, technological and social changes in the last 70 years, the destiny of workers in places like Hong Kong has not really changed much. Change the factory to a typical office and you get the picture.

According to the annual World Competitiveness report by IMD Business School, in 2008 Hong Kong workers put in the second longest hours in the world (2,348 hours). In terms of labor productivity (economic output generated per one hour of work), however, they rank 20 (US\$35). When it comes to quality of life, Hong Kong doesn't fare well either. One could reasonably postulate that an inverse relationship between long

working hours and productivity may lead to a vicious cycle that culminates in a lowered job satisfaction and eventually worse quality of life.

Many people erroneously equate job satisfaction with high pay. But research shows that even though money is one of the determinants of job dissatisfaction, it is not a key driver of satisfaction. Ricardo Semler, President of Semco, a hugely successful Brazilian company, thinks happiness should be the driving force in business. Semler is the leading proponent of participative management and corporate democracy, and an avid proponent of bridging the gap between business success and personal fulfillment. His contrarian management doctrines include allowing employees set their own working hours and salaries, and hire their own bosses. This may look like a recipe of chaos, but it does work! Semler's creative and dynamic leadership has led Semco to a 900 per cent growth in 10 years, making it one of Brazil's fastest growing companies.

No doubt organizations that put the happiness of their employee at the core of their businesses are still in the minority. But so are the truly successful organizations. There is a clear link between job satisfaction and how much people care about and are willing to go extra miles to contribute to the success of the organization. A recent Gallup survey showed that highly satisfied groups of employees often exhibit above-average levels of customer loyalty, productivity, employee retention, and profitability.

But creating a work environment conducive to satisfaction and happiness requires several building blocks, including:

### Autonomy

Research shows that money can buy happiness, but only up to a point. However, there is a strong correlation

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between freedom and happiness. Semco trusts employees and give them the responsibility to make decisions. People reciprocate by honoring that trust and delivering impressive results. Google engineers are free to devote 20 per cent of their time to pursue projects that they are passionate about. Sure, it is not runaway freedom as teams are assessed against very clear targets and performance goals. And since the performance rewards are team-based, there is considerable peer pressure on individual members to deliver.

## Balance between work and play

Both employees and employers see work/life balance as vital to workplace happiness and productivity. The more progressive organizations have instituted policies to foster a better work/life balance, such as flexible working hours, wellness programmes and parental leaves. Whilst work/life balance is certainly something that should be cherished, people who have fun at work are healthier, more creative and productive, and cooperative with others. In order to stimulate productive and creative work, organizations have to allow a work/play environment to flourish. Having fun is more than occasional office parties; it is about instilling an egalitarian, open, exciting, caring and rewarding culture.

## Collegiality

Everyone would like to be surrounded by nice and friendly neighbor and colleagues. Southwest Airlines hires people first

for their personalities and second for their skills. To them, staff's attitude and personality is more important than qualification and experience. Robert Sutton of Stanford University calls it the "no jerks allowed" rule as the jerks create a culture of fear that makes the place no fun to work at.

## Development

During tough times, the training budget is amongst the first to be trimmed.

What companies do not realize is that a good staff training and development programme goes a long way in attracting and retaining a quality workforce. The need for staff development is more acute in down times as you need to ensure your staff has the skills and attitudes to turn crisis into opportunities. Edward Jones (a financial services company) was voted as one of the best companies to work for by *Sunday Times*. Despite the financial meltdown, it continues to invest in its people. The firm provides in-house and external training, career maps, mentors and guidance to help staff navigate the many opportunities on offer. The training focuses on all aspects of human resources development. Staff in return gain great satisfaction as their jobs help them in their personal growth.

## Engagement

It goes without saying that employees will only give their best if they feel they are part of the organization. Communication is key to employee engagement but is always one of the weakest spots in any



organization. Zappos, an innovative e-commerce company, works to ensure its employees feel a strong bond with and within the company, and that everyone understand how his/her team connects to the big picture of what the company is trying to accomplish. It uses traditional and social media to enable communication to flow openly—top-down, bottom-up, and laterally. Most organizations also tend to create a strong "us and them" rift between the management and the rest of the employees. The truly successful ones are those that are able to tap into the entire human resources in the organization, including the frontline staff. IBM uses the wiki platform to enable its 300,000+ worldwide to share information, collaborate and work on emergent ideas. It even extends the online collaboration to past IBMers through the Greater IBM Social Network Wiki.

## Fairness

Human beings are hard-wired to feel happy when being treated equitably. However, most organizations (especially

Asian companies) equates ability with seniority and structure with hierarchy. They are by no means the ingredients for firing up a happy and passionate workforce. W. L. Gore & Associates is a successful company known best for its Goretex fabric and also for its legendary egalitarian culture. The company is designed as a “lattice” rather than the conventional ladder hierarchy. There are no management layers, no organization charts and no bosses nor supervisors. Lines of communications flow directly through an informal network of connections and relationships. Associates become leaders when their peers judge them to be so. New recruits are assigned to “sponsor” to help them navigate through the organization.

### Giving back

Many organizations view corporate social responsibility simply as a public relations initiative. Research has shown that people actually want to feel that they can be part of something greater than themselves. The financial meltdown has caused us to

rethink whether companies should put shareholders’ value before everything else, or whether time has come for organizations to have a greater objective in the society. NetApp beats Google and other best employers in becoming the no. 1 in 100 American Employers to Work for (*Fortune Magazine* 2009). Amongst the NetApp “perks” include the five paid days for volunteer work. The company is in solid financial position, and has increased its market share during the downturn without laying off any employee.

### The innovation imperative

Today’s success is built on developing an organizational structure that is flat and fun to work for. Efficiency is no longer the main engine of economic development; Rather, adaptability, creativity and innovation have become the most important imperative for organizations to attain sustainable growth. The case for Hong Kong companies to innovate is even more pressing as control, hierarchy, and respect for authority often stifle

innovation and creative thinking. The prevalent management model in Hong Kong inadvertently keeps the employees, and their thoughts, in the box, eventually leading to their unhappiness.

There is ample evidence showing that investing in developing a happy workforce really pays off – the happier the workforce, the more innovative, productive and profitable the company. The vanguards in management innovation will stand a higher chance of weathering the economic down turn and emerge stronger and more profitable from the crisis. **H**

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