projectplace
by planview

Whitepaper

Powering Productivity

How business leaders are using technology to drive efficiency

Introduction

Explore new, independent research and get at five-point recommendation of things to think about when implementing productivity tools.

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> *"Almost all business leaders (96%) believe technology helps drive up organizational efficiency."*

Business leaders across the globe recognize the efficiency gains that come with clever use of technology. It unlocks valuable time, streamlines business operations and frees companies to grow and succeed. New, independent research commissioned by Planview supports this knowledge. It shows that companies without tech-driven productivity strategies are suffering. They are more likely to experience operational inefficiencies and time losses. And this can affect customer satisfaction and employee retention in the long-term. In some cases the ability to innovate by offering new services may even be impacted.

Technological investment is the clear solution. But this report shows companies face a number of challenges in this area. It can be difficult for businesses to know whether they're getting a true return on their investment in productivity technologies. This is because return on investment (ROI) can be tricky to define. A lack of IT support during the technology buying process is another key issue for companies, the report reveals.

In spite of this, businesses that are able to harness technology for efficiency gains can expect to be rewarded. The report highlights the positive knock-on effects of increased productivity. For example, time saved through tech-driven efficiencies can be reinvested in company activities, or put towards a better work / life balance for employees.

The study also reveals how attitudes towards productivity differ according to geographical region (US, UK, Netherlands, Germany, Nordics) – and between board level and senior management employees.

Methodology

In May 2015, research was conducted among 515 senior and key decision makers involved in IT buying processes. Respondents from a range of company sizes (50 to 1000+ employees) were interviewed. They had varying levels of seniority – from senior management to CEO.

The study was commissioned by Planview and carried out by Loudhouse, an independent research agency in London.

Chasing Efficiency – The Implications of Wasted Time

The No. 1 cause of wasted time during the workday is inefficient processes (44%), followed by an overload of paperwork (43%) and meetings (41%). Inefficiency is a core management issue. In the workplace – where time is money – it truly is vital that companies are able to streamline productivity.

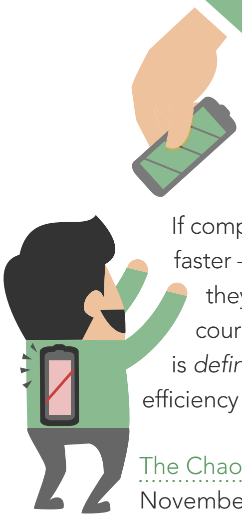
Technology is key to getting the most out of organizational performance. Almost all business leaders (96%) believe technology helps drive up organizational efficiency. So technology can be expected to play an increasing part in company productivity initiatives.

Having the right tools in place helps companies feel more confident of achieving productivity goals. According to the research, those with technology at the center of efficiency programs are more likely to be 'very confident' of success. Just 14% of 'tech-hesitant' companies are very confident of achieving productivity goals. This number rises to 53% among those that are 'tech-driven'.

Business inefficiencies are more than a nuisance for management. The study shows that employees (57%) and customers (48%) are the areas of the business most likely to suffer as a result of inefficiencies. The burden of inefficiency placed on employees and customers could lead to problems retaining them in the long term.

Company growth is also at risk. Over a quarter (28%) of business leaders believe their ability to innovate with new services is affected by performance challenges.

"Companies measure ROI through time saved and productivity gained, rather than in pure financial terms."



Investing in Efficiency. Recharge or Reinvest?

If companies want to become stronger, smarter and faster – and compete successfully in the marketplace – they need to continuously improve their efficiency. Of course, one of the challenges to becoming efficient is *defining* it. To start with, it can be helpful to think of efficiency in terms of time saved.

The Chaos Theory report, published by Projectplace in November 2014, revealed that project managers waste 2 hours and 45 minutes each week due to inefficient processes. If some of this wasted time could be won back, how might it help businesses?

The current research shows that if business leaders were able to claim back 30 minutes a day, over half (56%) would be rechargers, choosing to invest the additional time in themselves. And just under half (44%) would reinvest the time, putting it back into their business.

Far from being wasteful, time spent recharging outside of work contributes towards reduced stress levels (63%), increased job satisfaction (49%) and an improved workplace environment (42%). In the long term this keeps staff happy, stops them looking for jobs elsewhere, and generally makes them a more productive company asset.

Interestingly, time reinvested in the workplace is most likely to go towards staff development rather than typical business tasks. Over half (56%) would invest in their own personal development. And just under half (44%) would coach other employees if given the opportunity. In comparison, just a third would explore growth prospects (33%) or evaluate new products for the business (31%).

It's clear that business leaders recognize the value of investing in themselves. They either use spare time to unwind and reenergize for greater workplace productivity. Or they harness it for professional development. Whether in the office, or at home – time savings can be used to boost human productivity AND business performance.

Profiting From Efficiency – Know Your ROI

Companies want to know they're getting a good return on their financial outlay in productivity tools. But ROI is difficult to pin down. As discussed, efficiency and productivity can be hard to define. It follows that the ROI of productivity technologies is hard to define too.

Overall, just 40% of companies believe it is easy to measure ROI both before and after investing in new technology. A third (35%) believe it is easy to determine ROI only before investing, and one-fifth (19%) claim it is easy only after investment.

Organizations looking to gauge the potential ROI of productivity software tend to focus on three key parameters. These are:

- Time required to train end-users (54%),
- Time and effort required for implementation (50%)
- The impact on user productivity (50%).

Put simply, companies measure ROI through time saved and productivity gained, rather than in pure financial terms.

So, how do successful companies measure ROI? The key for many organizations is the IT department, as they have an important role to play in helping decision-makers navigate the process. The study shows that companies receiving a high level of IT support when identifying ROI potential are more likely to be confident in their final ROI judgment.

"The report reveals interesting differences between several regions. But two countries stand out in particular: the US and the Netherlands."

Two-thirds (63%) of those with high levels of IT support claim it is easy to determine value for money both before and after making a technology investment. Less than a third (29%) of those with mid to low IT support believe the same.

Only a third (32%) of those interviewed felt they had high levels of IT support when considering ROI. So it's clear that the majority of businesses are leaving their productivity gains up to chance. It's a trend that can't continue if companies want to realize their business potential.

Cross-cultural Attitudes to Efficiency

The research shows trends and attitudes in different groups and regions.

Depending on role and experience, the bias to invest in oneself or the business differs. Board-level professionals and CEOs are under-represented among those that prefer to reinvest spare time back into business. They account for 40% of reinvestors, with senior management and directors making up the remaining 60%.

Board-level employees are however more likely to value the importance of technology in driving up efficiency. Over half (53%) believe technology is central to improving productivity. This number falls to just over a third (36%) among senior management.

The US and the Netherlands: A Comparison

The report reveals interesting differences between several regions. But two countries stand out in particular: the US and the Netherlands.

The US emerges as the most tech-driven region. The research shows 59% of US respondents claim that technology plays an integral part in making their organization more efficient. The positive impact of technology on companies in the US is evident throughout the research. Americans are the most tech-driven. And they are the most confident in their ability to improve productivity. Almost half (47%) of US respondents were 'very confident' of achieving efficiency targets.

Unsurprisingly, the US also enjoys the highest levels of IT support when trying to determine the ROI of technology that supports productivity and efficiency. This makes them the most successful region when it comes to easily identifying ROI – both before and after investing in productivity tools. Around half (45%) of US business leaders find this process straightforward.

In contrast, the Netherlands is the least tech-driven region. Only a quarter (23%) say technology is central to their organizational efficiency. Predictably, this means that they are among the least confident when it comes to meeting efficiency targets. Just one in five (21%) Dutch professionals are 'very confident' in their ability to meet productivity goals.

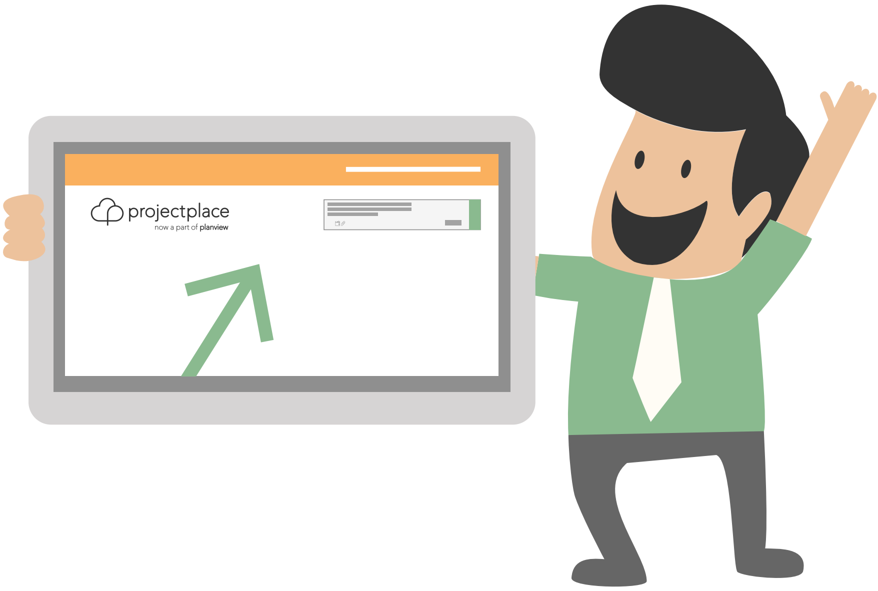
The Dutch also have the lowest levels of IT support during the ROI consideration process. They trail behind the US in being able to determine ROI both before and after purchasing new technology that supports productivity and efficiency.

The results of the two countries show a clear parallel between the use of productivity tools and increased efficiency. And they highlight the importance of high-quality IT support in achieving ROI too.

The confidence of board-level professionals in technology appears to make them more assured about business success. A notable 39% of board executives say they are 'very confident' of meeting productivity goals – this is in contrast to just 25% of senior management professionals.

C-level executives believe in the power of technology. They trust it to fuel organizational efficiency.

"Involve internal IT departments and expertise as much as possible in the ROI consideration process."



Conclusion

Efficiency and technological investment go hand in hand – businesses strive for less wasted time, and working smarter by putting the right tools in place helps these businesses feel more confident in achieving their productivity goals. But there are challenges for businesses that want to ensure the best possible ROI AND measure it. These challenges are apparent both before and after purchasing IT efficiency solutions. In order to prevent these challenges from arising, companies should:

- Define what efficiency and ROI mean to them. Desired productivity gains are likely to differ from one organization to the next.

- Identify the ways in which their IT infrastructure is best placed to contribute to efficiency. For example, will automation, smoother communication tools, increased software flexibility or collaborative software be of the most benefit?

- Involve internal IT departments and expertise as much as possible in the ROI consideration process. Set out with them at the beginning of the process exactly what criteria they need to keep a track of and ensure it's done so immediately after a new solution is deployed. Because they are stakeholders who have insight into the business' entire organizational infrastructure, it's important they understand early on how a new technology should be assessed.

"Mobile and flexible working solutions create time savings and reduce employee stress – leading to a more productive workforce."

Given the difficulty of implementing tech-driven efficiencies, Planview has created the following five-point recommendation for those wanting to employ productivity tools.

1. Get onboard with technology

Proactively pursue tech-driven efficiency. Delaying innovation now will only mean more work to be done in the future. Change doesn't have to be daunting or overly intrusive – start with small technology investments in key areas of inefficiency. Easy-to-implement cloud and SaaS products exist for almost every organizational challenge. Seek to involve tech providers in the ROI process while also maintaining a healthy level of critique.

2. Use collaborative technologies

Business is reliant on effective teamwork and project management. Collaborative software can help by clarifying cross-team communications, eliminating duplicated effort and reducing admin pressures. This leads to time gains and increased productivity.

3. Aim for mobility and flexibility

Cloud computing and mobile devices have enabled greater workspace flexibility. Wearable tech is about to arrive in the workplace in a big way. So bring-your-own-device trends and working from home or on the move, can be expected to rise. Mobile and flexible working solutions create time savings and reduce employee stress – leading to a more productive workforce.

4. Innovate with scalability in mind

Scalability is key. The ability to start small and add capabilities and functionality as needed is essential. Technology will only continue to evolve. Consider whether your current productivity tools are future-proof, and seek to invest in tools that will evolve with technological developments. Software-based solutions are crucial in this regard.

5. Prioritize ease-of-use

Implement technology that is simple and satisfying to use. Employees tend to avoid engaging with complicated solutions. This means that productivity benefits are not fully realized. Consider using visually intuitive tools such as Kanban and Gantt, which are both highly effective and enjoyable to work with.

Find out how we support our customers in their investment decision - try our easy to use ROI calculator or read more on the cost of inefficiencies here.