



Institute of Management Services

Newsletter November 2014

When it comes to productivity, the last thing on most minds is "creativity"

Most training for professionals in the USA is focused on developing better "critical thinking" and memory skills. Yet all great thinkers depend on another skill that isn't being taught: coming up with a great idea or question. Coming up with a great questions and ideas is what all the great entrepreneurs, scientists and inventors have done - and it requires creative thinking.

In our rush to stay ahead of foreign competition and to raise higher-education standards, we've continually raised the bar on analytical and memory skills - which has left virtually no time or

space for students to develop or apply creative thinking. Professor Morgan Giddings says, "That's because creative thinking has different set of optimal conditions than the



other types of thinking, and when we take those conditions away, the creative thinking goes with it." According to Giddings we need to pay more attention to the role of creative thought in science, engineering, and

entrepreneurship.

Creative thought is at the heart of all the major advancements in fields from science to business. One big leap can far outweigh many years of hard work on smaller, less creative ideas.

In many cases, our education system has sacrificed the arts and other "softer" skills in the name of creating more time for math and reading skills. In some places, especially in the Eastern USA, there's been a dramatic reduction in "free time" that allows learners to play, think, and create. Math and reading are important, but so are the creative skills.

Institute 2014 AGM

The Institute of Management Services held its forty ninth AGM in Lichfield on Friday 17th October 2014. The meeting was well attended by Institute members. The published 2013 accounts were noted and discussions took place on the finances and future activities of the Institute.

Dr Akbar Jaffari also attended the AGM and gave a presentation to Council on his companies work promot-

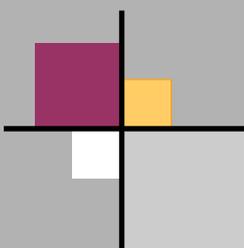
ing Productivity in Bahrain. Jafcon were recently appointed as an approved IMS Education Provider in Bahrain to run a Productivity Improvement Programme.

At The Institute Council meeting held after the AGM elections took place for the following officer positions, Andrew Muir Chairman, Julian Cutler Deputy Chairman, Richard Bridges Company Secretary, David Blanchflower Treasurer and

Media Committee Chairman, Harry Hogg assisted by Kevan Kelly Education/ Membership Chairman.



"Achieving excellence through people and productivity"



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Germany**

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German Wages and Productivity

European Employment Commissioner Laszlo Andor has indicated that wages in Germany were not climbing sharply enough and the government needed to ensure that salaries increased in line with productivity. The view is held by some economists and officials that a strong case exists for higher German wages as a way of reducing Berlin's competitive advantage over other euro zone members and ironing out imbalances

across the region.

"For about 10 years now wage increases in Germany have not kept up with the development of productivity, by a long stretch" Andor said in an interview with German newspaper Welt am Sonntag. Andor also indicated that Germany had a special responsibility in Europe given the size of its economy. He said it should significantly increase its public investment, boost demand and

reduce its "excessive export surpluses, which are hurting other European countries".

The German economy has registered significant increases in productivity but by comparison the development of wages has been relatively weak. Years of wage restraint, along with labour market reforms, have boosted Germany's economy.

Gender diversity increases office productivity

Mixed-Sex offices can help improve productivity in the workplace, according to new research from the Massachusetts Institute of Technology (MIT). But while diversity seems to be good for a business' productivity, employees actually prefer single sex working environments, says the study.

MIT economist Sara Ellison stated, "Having a more

diverse set of employee's means you have a more diverse set of skills, which could result in an office that functions better."

But less diverse working environments can lead to "higher levels of social capital", although this doesn't lead to increased productivity. Ellison also said, "The interesting twist is that higher levels of social capital are not important

enough to cause those offices to perform better. The employees might be happier, they might be more comfortable, and these might be cooperative places, but they seem to perform less well."

The findings come from an eight year study into a single US company with sixty offices across the country.

Low female employment rate weakens Korea's productivity

Analysts are warning that Korea's productivity will suffer if Asia's fourth-largest economy fails to address its low rate of female workforce participation. South Korea continues to struggle with low female economic activity due to socio-economic factors including

a lack of financial support for child care and education, and discrimination.

The analysts suggested government intervention and policy revisions that could benefit both private companies and female workers. Easing the taxes on working couples, who

currently face higher taxes and less credits than single people, would be one way to boost female economic activity by 2.5 percent, the International Monetary Fund and the Bank of Korea said in a research paper.

Unproductive Meetings

Have you ever sat in a meeting thinking your time is being wasted and the meeting is unproductive?

Don't worry; you're not alone. According to a survey carried out by Industry Week, 2000 managers claimed that at least 30% of their time spent in meetings was a waste of time.

It's always important to ensure every meeting is productive and that all in attendance benefit from the meeting.

All ideas raised at a meeting should be fully evaluated. It's easy to reject an idea that

sounds ridiculous or strays outside the status quo, but you can worry about that later. You should always keep an open mind. If someone disagrees with your idea, it's not the end of the world. The whole point of a meeting is to share ideas and increase productivity, even if some egos are bruised.

It's important to remember, the only reason anyone should be having meetings is because they increase productivity through sharing information. Keep your meetings productive and relevant or they will just become another time-sink.



Australia retail Industry is Inefficient

The Australian Productivity Commission has released a report which indicates a need for an open and honest conversation within retail industry about the impact of trading hours on the retail business.

The Productivity Commission report noted many industry comments regarding retailer's reluctance and inability to open their stores on a Sunday due to

the impact of penalty rates and crippling costs of labour.

The report highlighted that in retail labour costs and rent as a share of revenue are much higher in Australia than in the United Kingdom and the United States.

The report also noted the high cost of doing business particularly within the clothing and

footwear sectors, was almost double, that of USA/UK.



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Wellness raises staff Productivity

Employees of the Ibadan Electricity Distribution Company (IBEDC) Plc Nigeria have been advised to pay greater attention to their health by ensuring personal hygiene and balance nutrition, as these will make them healthy and contribute productivity and business success.

These were the highlights of a health seminar organised by the power distribution company for its workforce. While counselling IBEDC staff against the deadly Ebola virus, Dr Patrick Ijewere, said they should be vigilant, avoid touching vomits and other effluents of any suspected case and seek medical help as soon as possible if

symptoms associated with the virus keep manifesting in anyone around them.

Dr (Mrs) Sherese Ijewere, a consultant nutritionist, also advised the staff to avoid junk food, too much sugar, fat and exercise regularly to stay healthy and productive.

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Institute of Management Services

Brooke House
24 Dam Street
Lichfield
Staffordshire
WS13 6AA

Phone: 01543 266909

Fax: 01543 257848

E-mail: admin@ims-stowe.fsnet.co.uk

Website: www.ims-productivity.com

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The Institute's mission is:

to promote to key stakeholders in UK government and commerce:

an understanding of the concept of productivity and its improvement;

and

the importance of structured approaches to productivity analysis, measurement and enhancement.

to identify good practice and professional standards in productivity improvement by individuals or organisations; and to create and deliver education, training, advisory and support services aimed at helping individuals and organisations to establish and maintain that good practice and those professional standards.



British Workers Less Productive

British workers are far less productive than their counterparts in the world's other major developed economies, according to figures issued by the Office for National Statistics. The figures indicate that output per worker in the UK was 19 percentage points below the average for the rest of the G7 in 2013.

Output per hour in the UK, another measure of productivity, was 17 percentage points below the average – the widest gap since 1992. Workers in the United States were the most productive, followed by those in Italy then France, Germany and Canada. Only Japan had workers less productive than those in Britain.

The figures raise questions over whether the loss of productivity in the financial crisis and its aftermath is permanent and how much can be clawed back as the economy recovers. Andy Haldane, chief economist at the Bank of England, indicated that weak productivity was one of the 'reasons to be fearful' about the state of the economy.

He further indicated that the economy 'appears to be writhing in both agony and ecstasy' as strong growth and record employment are offset by weak wages and productivity. 'This has been a jobs-rich but pay-poor recovery,' he added. 'The level of productivity is no higher than it was six years ago.'



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