

Picture of the original article (click to enlarge):



... Or, how can a company improve its internal efficiency and reduce potential operational costs without any significant financial input?

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**As a chain is only as strong as its weakest link, the organizations' performance, over time, becomes degraded by its weakest member.**

**Do you know who the weakest member of your organization or company is, or, due to who the company cannot achieve greater success?**

Due to congestion in the market, companies that manage to operate with minimal margins and maximise the optimal usage of their resource will survive in the future. This is especially true for the capacity utilization of human potential, which according to statistics is realized at about 60%. Aleksander Schmidt, who is an economist and practising psychologist, is convinced that if the individual organization is able to increase this number by at least 10%, it will result in a significant reduction of costs and increase profit (residual income with the same operating costs).

Most of his work includes consulting to the upper management and the implementation of reorganization processes in companies. In his areas of expertise, he is constantly faced with containing unnecessary losses brought about by the low efficiency of employees and the question arises, of how to achieve greater creativity, autonomy and responsibility towards employees and reduce unnecessary business losses.

**The most important reason for reduced performance and poor relationships within the team lays in the under-capacity of leaders to work with people, followed immediately by inadequate evaluation and rewarding!**

The fact is that each of us achieve more and better when we are evaluated and our work is properly rewarded.

After discussions with higher management, we arrive at the usual two problems:

> Most directors attribute low levels of business success to factors other than people issues and therefore cannot address the root causes.

> Almost all negative relationships cannot be detected until they turn into an open conflict, but this happens relatively rarely. Negative relationships that remain unresolved and hidden over long periods deplete both the concerned parties, counter influence productivity and encourage neglect of duty and role.

Experience shows that the quality of relationships between colleagues can be improved mostly either by rewarding employees on the basis of their inter relationships or the additional training of managers.

By improving relations a company can achieve a better working environment, improved co-operation and raise the accountability of individuals, which positively affects productivity.

The benefits are noticeable organisation wide.

If a company fails to improve the quality of relations or fails to upgrade the managerial skills and motivational levels of their employees, it will continue to see lower productivity.

Schmidt has designed a computer program, HRM Review, for evaluating and rewarding, which allows the tracking of each employee's work performance and also reveals his/her attitude to other people and the business itself.

**The programs results are as accurate as those from a financial accounting statement ...**

... Which allows management to take effective and affirmative action!

The program operates around the principle of 360 ° assessment, by means of two questionnaires. The first questionnaire is designed towards higher and middle management for performance review and collaborative downstream orientation.

The second questionnaire is intended for non-managerial employees, to assess the quality of their interpersonal relations.

All parameters such as: the number of ratings, the number of issues, their contents, value and impact of the individual questionnaires, comments to entries, setting access rights and individual settings for the calculation of the income incentive, companies can accommodate to their needs.

Questionnaires are administered monthly, and employees need spend only a few minutes to complete them.

There are two variants of the program: Basic and Upgraded package, which allow for:

- > Regular insight into the efficiency of internal potential.
- > An overview into possible causes for degraded performance.
- > Insight into the possible solutions to improve performance of operations.

The basic package provides 12 reports that allow for comprehensive assessment and reward, and all the necessary calculations and insights in terms of work results as well as the quality of relations between individuals.

The upgraded package with an additional 11 reports allows complete analysis of human potential, reveals the reasons for current and possible problems.

Besides the above, we also offer consultancy services.

HRM Review is protected by copyright, as this is the first software application of its kind, adds Schmidt.