FO CUS ON THE WORK PLACE
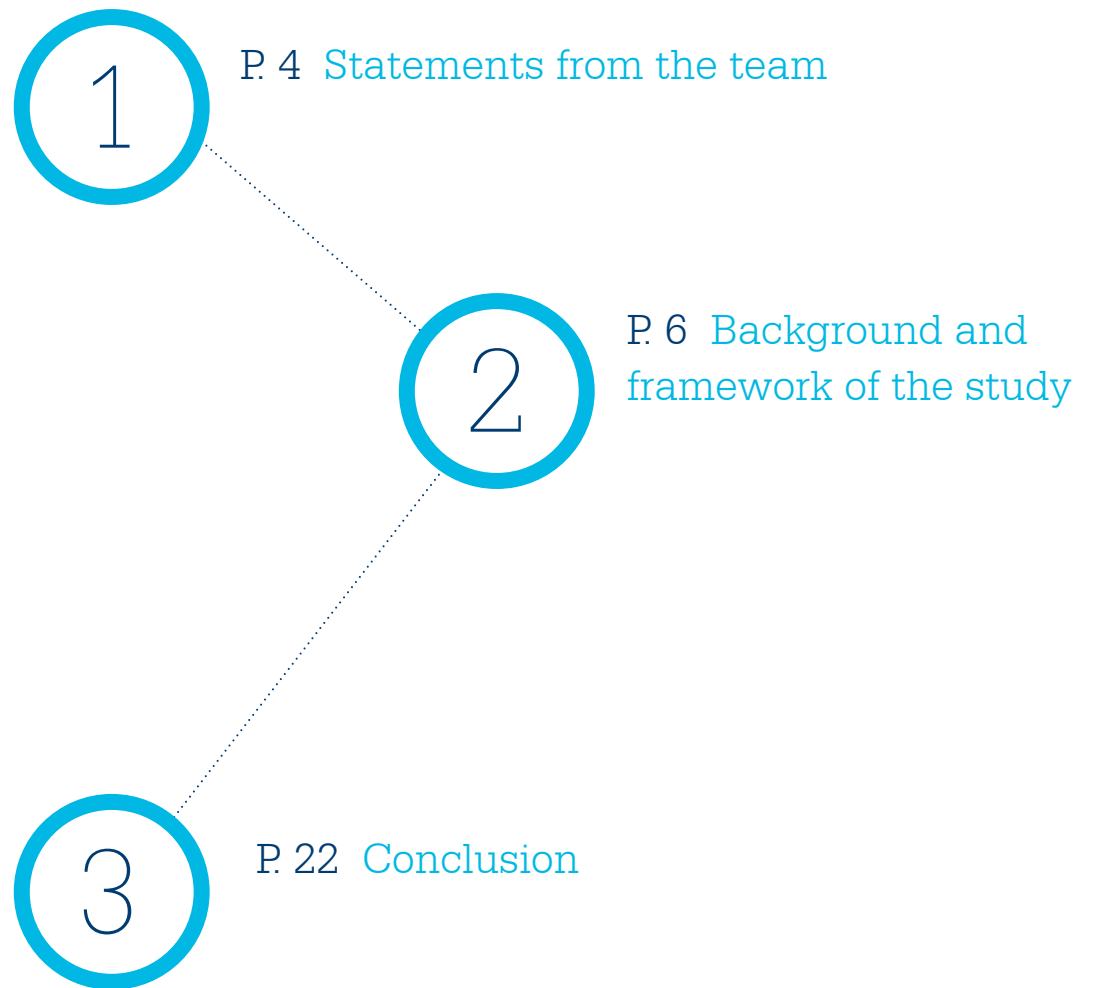
A survey from Staufen AG of
more than 1,500 employees

STAUFEN.

CONTENT

1. STATEMENTS FROM THE TEAM

>>

New Work is no excuse for inefficient processes and unclear responsibilities. On the contrary: New forms of work and advancing digitalization make it essential that companies get a grip on their work processes.

Dr. Alexandra Hey, Senior Expert, STAUFEN.AG

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>> Good leadership is not an end in itself. It must always be combined with performance improvement measures, especially in economically tense times or when transforming a company. «
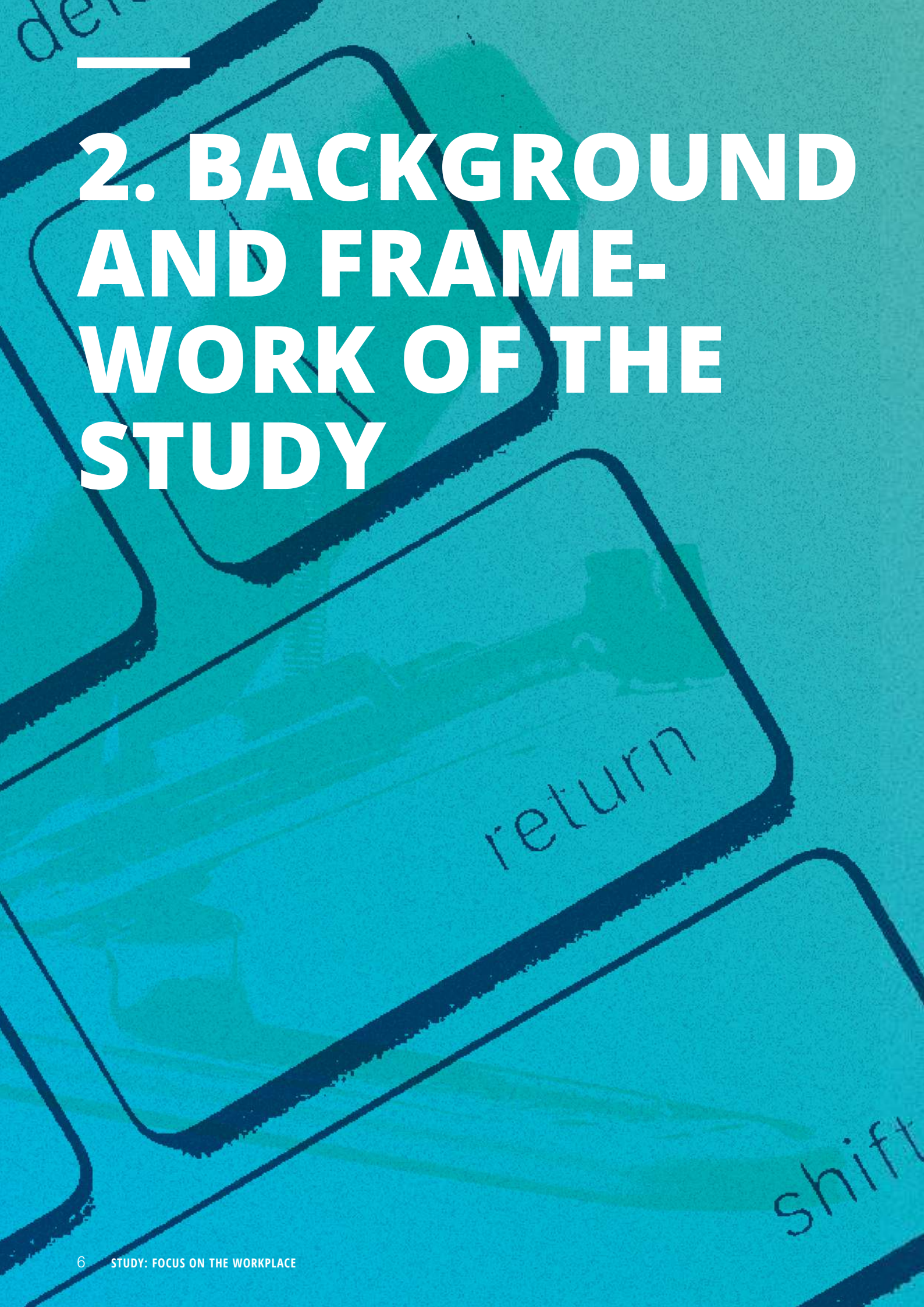
Michael Metzger, Senior Expert, STAUFEN.AG

>> Excellent leadership, lean structures and efficient processes are the basis for entrepreneurial success. Good leadership ensures that process efficiency is put into practice on a daily basis and can reach its full effect. «

Gunter Schöller, Senior Expert, STAUFEN.AG

2. BACKGROUND AND FRAME-WORK OF THE STUDY

The study "Focus on the Workplace" from business consultancy Staufen centers around satisfaction and conflicts at the workplace. The main focus of the study was on typical office workplaces in all industries – from industry and retail to service companies and the public sector.

In total, Staufen AG surveyed 1,511 employees in Germany from companies with at least 100 employees. The survey was carried out in fall 2019.

Employees are mostly satisfied

Satisfied employees are more productive, work more efficiently and are friendlier to customers – that's why companies should ensure as much satisfaction as possible in the workplace. The study "Focus on the Workplace" shows that many German companies are able to do this quite well, as two out of three employees rate their job as good or even very good.

HOW DO YOU LIKE YOUR CURRENT JOB?

22 %

42 %

21 %

10 %

3 % 2 %

Good (∑ 85 %)
- Very good
- Good
- Rather good

Not good (∑ 15 %)
- Not very good
- Not good
- Not good at all
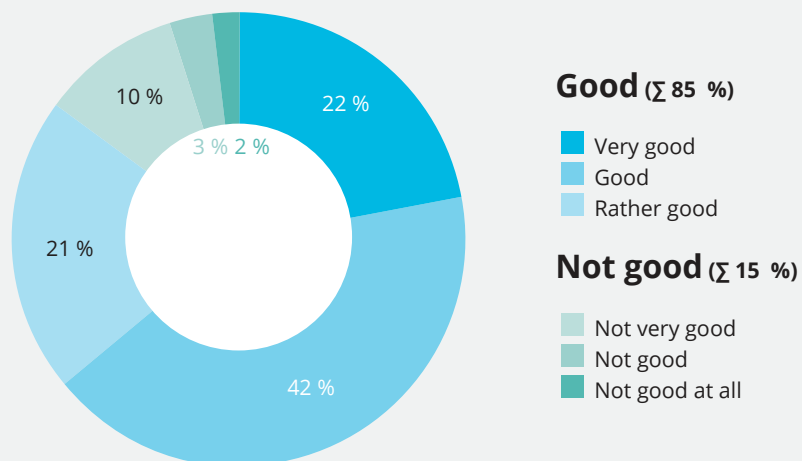
Good colleagues
means a good atmosphere

There are many possible reasons for the rather broad approval of the corporate culture and working conditions, which are analyzed in more detail in the study.
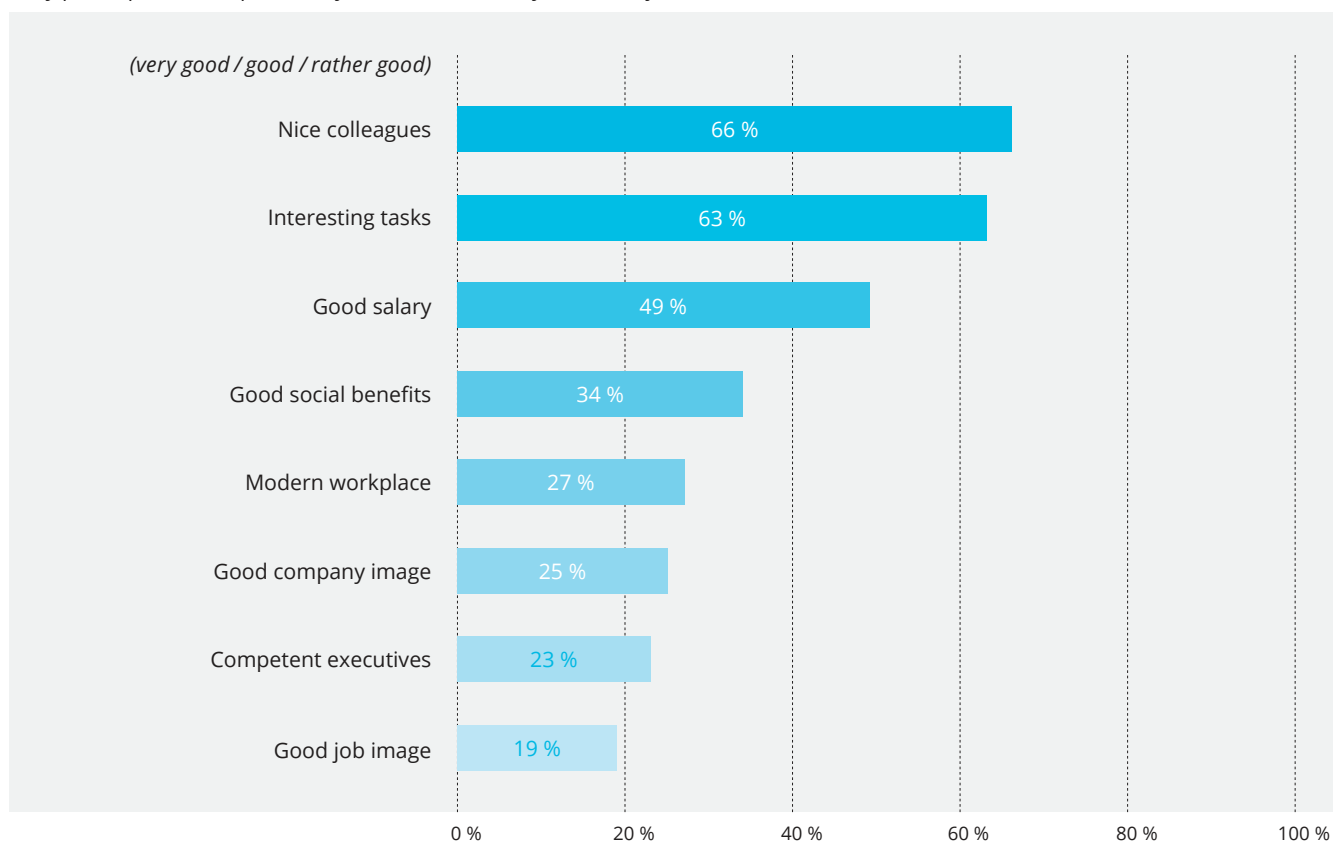
WHAT DO YOU LIKE ABOUT YOUR JOB?

Only participants who previously indicated that they **like** their job.

(very good / good / rather good)

Category	Percentage
Nice colleagues	66 %
Interesting tasks	63 %
Good salary	49 %
Good social benefits	34 %
Modern workplace	27 %
Good company image	25 %
Competent executives	23 %
Good job image	19 %

Statistically speaking, three reasons are significant: First and foremost are colleagues, and two out of three employees name this as the reason for their satisfaction at work. Almost as many respondents noted interesting tasks and 50 % state a good salary. However, wages are weighted differently for each industry. In industry, for example, only half of the respondents' salary is a decisive factor, while two thirds of financial service providers base their satisfaction on it. In the financial industry, which has been in trouble for years, salaries have apparently remained high.

Bad executives mean
bad atmosphere

Overall, employees appreciate friendly and proper social interaction at the workplace. Other aspects are not quite as important, such as good social benefits, a modern workplace or the image of the company or the job. Could it then be deduced that unpleasant and rude colleagues are also the reason for job dissatisfaction?

WHAT DO YOU NOT LIKE
ABOUT YOUR JOB?

Only participants who previously indicated that they **do not like** their job.

(not very good / not good / not good at all)

Incompetent executives	57 %
Bad salary	50 %
Boring tasks	36 %
Unpleasant colleagues	32 %
Old workplace	21 %
Poor social benefits	18 %
Poor job image	17 %
Poor company image	16 %

0 %   20 %   40 %   60 %   80 %   100 %
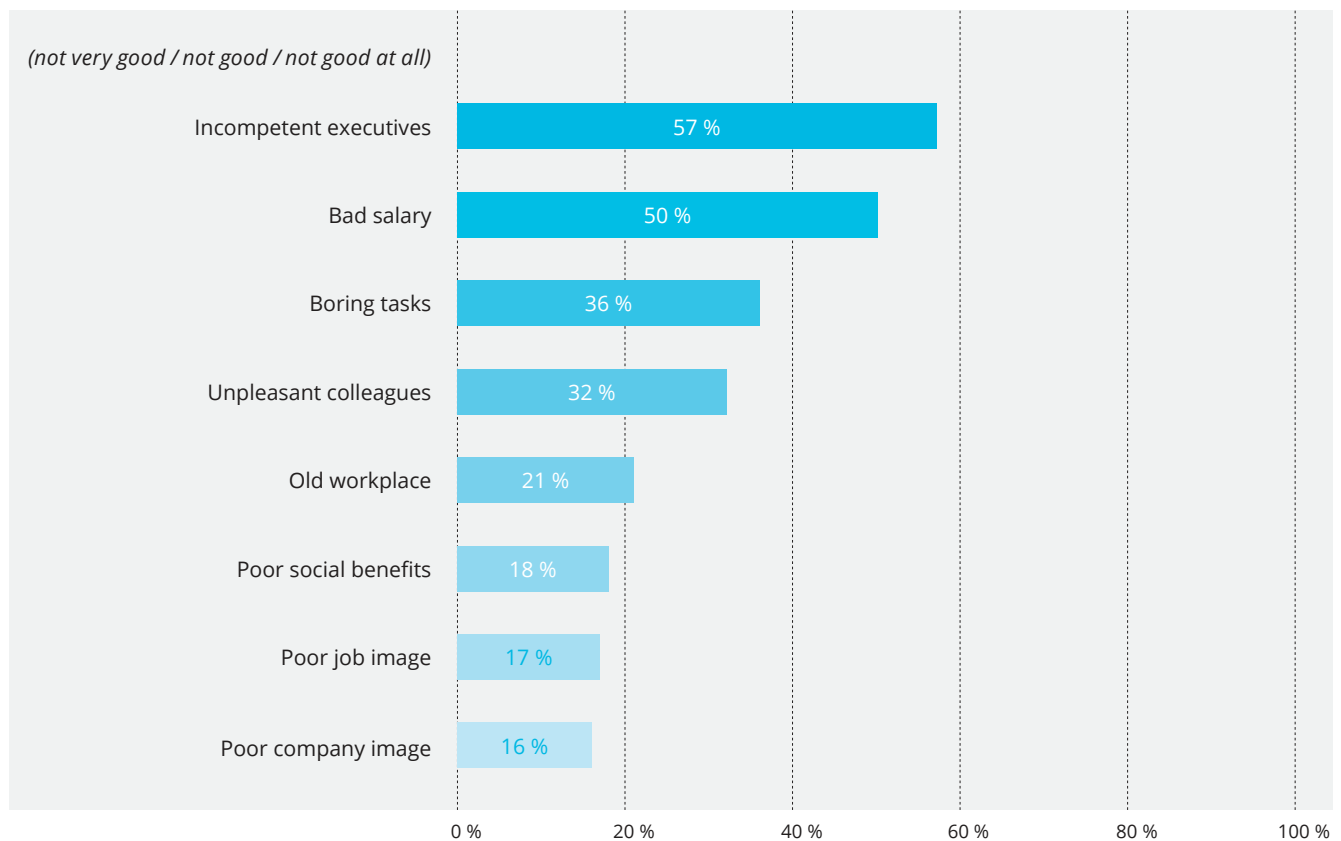
No, management is more of the problem. Although many dissatisfied employees complain about bad salaries, boring tasks and unpleasant colleagues, bad executives are the reason for a poor workplace atmosphere for well over half of the respondents. The result clearly shows the great impact of executives on the corporate culture and economic results. If managers poorly lead their employees or do not evenly distribute their attention, this not only negatively affects the mood. As a result, work performance and customer satisfaction often decrease.

Misunderstandings and conflicts – Areas of friction in the company

Reasons for a bad work atmosphere include misunderstandings (problems in communication) and conflicts (contradictions or arguments). The study clearly shows that both are the rule rather than the exception. However, conflicts are much less common than misunderstandings. The number of misunderstandings between superiors and customers, who rarely have direct contact in day-to-day business, is particularly noteworthy.

This is why fewer conflicts take place here. However, executives intervene more frequently in the work of their employees.

This has major consequences: In more than 40 percent of companies, communication problems with customers lead to growing dissatisfaction and increased complaints. Difficulties among employees lead to more sickness notifications, a common occurrence for employees when there is friction in the company.

BETWEEN WHOM DO MISUNDERSTANDINGS AND / OR CONFLICTS REGULARLY OCCUR IN YOUR COMPANY?

■ Misunderstandings ■ Conflicts

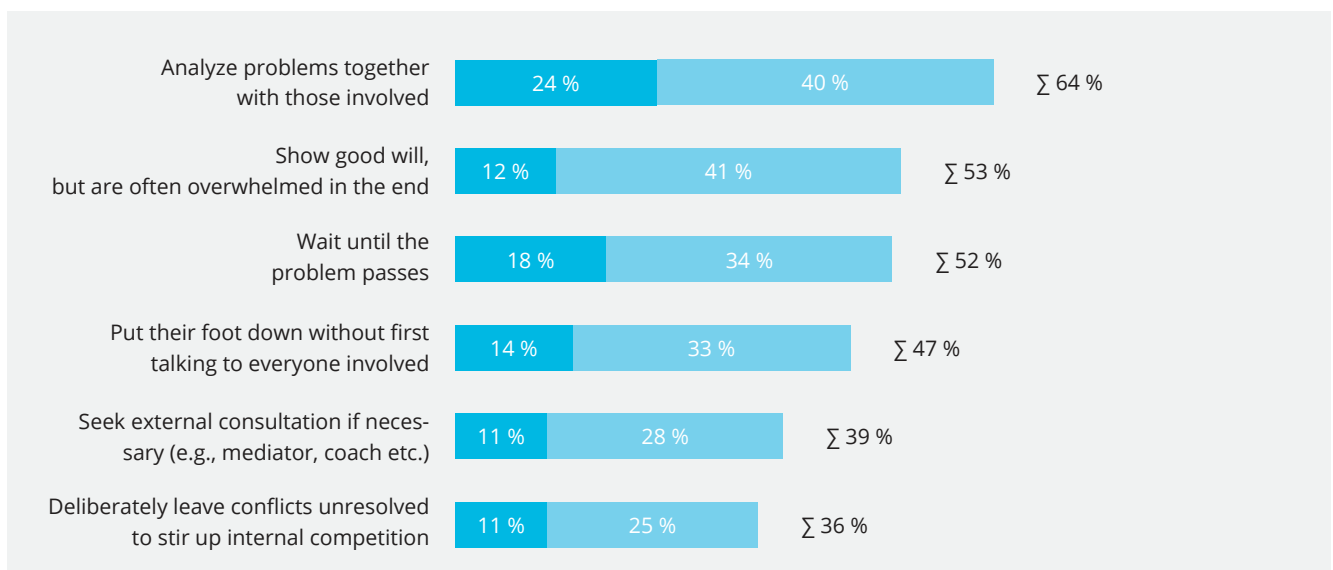|	Misunderstandings	Conflicts
Between employees	81 %	38 %
Between employees and customers	81 %	34 %
Between supervisors and customers	81 %	28 %
Between employees and supervisors	75 %	45 %
Between supervisors	72 %	42 %
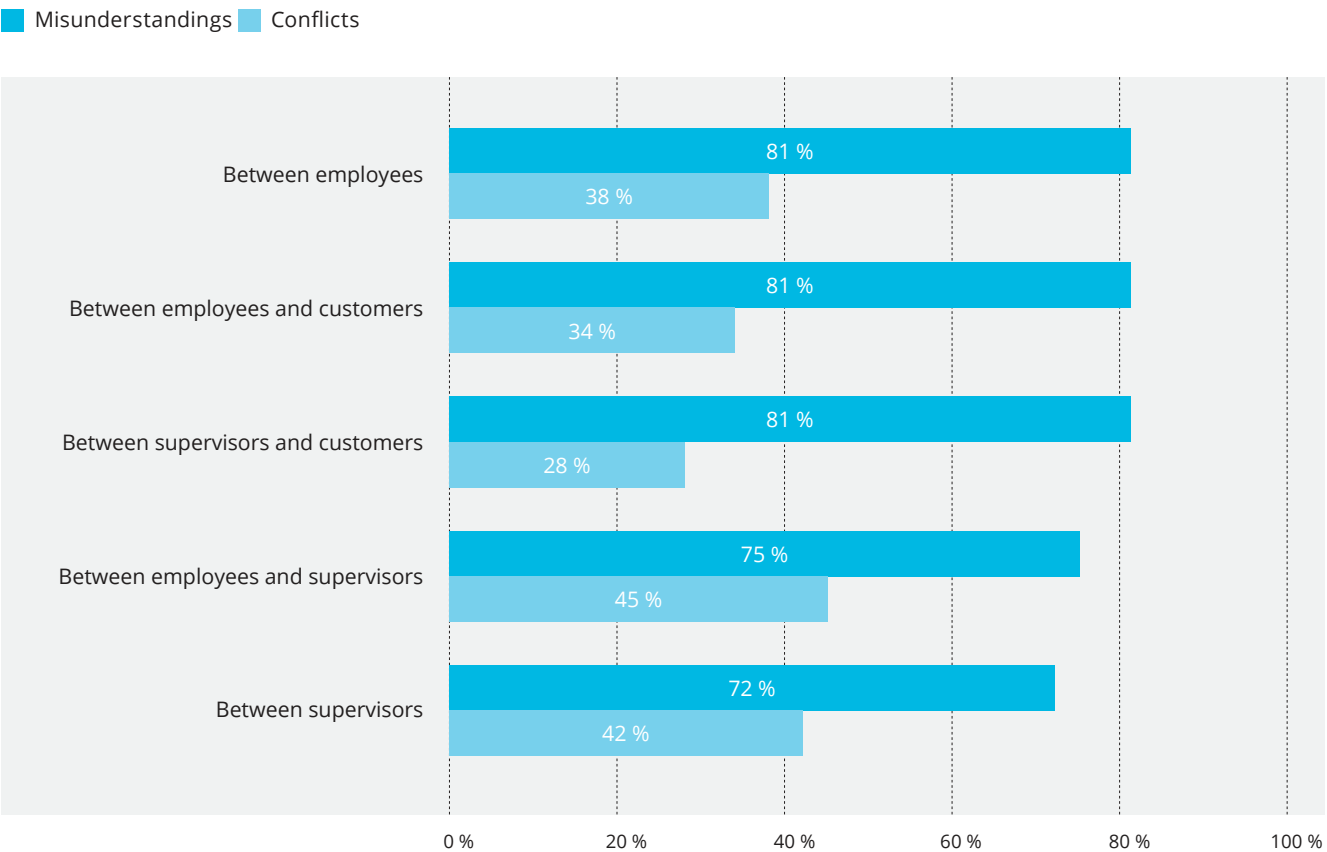
Especially in the industrial sector, this impacts manufacturing. For more than a third, quality problems occur, resulting in necessary rework on products that are actually already finished. Additional inquiries and coordination loops are a typical consequence of too many areas of friction in a company.

The effects of friction on the fluctuation rate in companies are less, however just as potent – for both employees and customers. In 31 percent of companies, employees have already quit and in 19 percent, customers have switched to the competition. A clear sign that executives must take difficulties within the workforce, but also with individual customers, seriously.

HOW DO YOUR SUPERVISORS TYPICALLY HANDLE MISUNDERSTANDINGS AND CONFLICTS?

■ Applies   ■ Applies more or less

Surveyed on a 4-point scale from "Applies" to "Does not apply"

	Applies	Applies more or less	Sum
Analyze problems together with those involved	24 %	40 %	∑ 64 %
Show good will, but are often overwhelmed in the end	12 %	41 %	∑ 53 %
Wait until the problem passes	18 %	34 %	∑ 52 %
Put their foot down without first talking to everyone involved	14 %	33 %	∑ 47 %
Seek external consultation if necessary (e.g., mediator, coach etc.)	11 %	28 %	∑ 39 %
Deliberately leave conflicts unresolved to stir up internal competition	11 %	25 %	∑ 36 %

Dealing with conflicts – Not one of the companies' strengths

Conflicts are uncomfortable for everyone involved, but especially for supervisors. Because of the misunderstandings and conflicts that arise, their decisions are put into question. At the same time, they are the only ones in the company who can resolve any sources of friction. Unfortunately, dealing with conflicts is not necessarily a strength of most companies. Basically, there are three options: Management can "order" the problems away by putting down their foot, ignore them or analyze in a productive manner.

PUTTING DOWN YOUR FOOT:

In nearly every second company, it is common for supervisors to put down their foot without first talking to everyone involved. If this occurs, it is likely that misunderstandings and conflicts will soon once again turn into a problem.

WAITING DIFFICULTIES OUT:

Turning a blind eye to conflicts is a common reaction – for almost every second company. But a third of companies also recognize the conflicts, yet consciously choose to put up with them. This stirs up internal competition, which could lead to better performance – risky behavior when it comes to the consequences of conflicts.

ANALYZING AND SOLVING PROBLEMS:

A good two thirds of companies follow modern management theory, which favors cooperative solutions. In doing so, management calls together all of those involved to solve the difficulties together. However, this is often just goodwill, because supervisors in approximately 50 % of companies become overwhelmed with this approach.

One reason why management becomes overwhelmed: Only a little more than a third of companies seek external consultation from mediators and coaches when needed. That is far from enough, as external parties offer the great advantage of seeing issues with an unclouded view. They have no biases, do not follow company traditions and are not integrated into social relationships. This gives them the opportunity to clearly identify conflicts.

Further education leads to satisfied employees

Professional growth and employee development is an important element in employee satisfaction. Employees who regularly takes part in seminars and training courses are of great value to the company. Two out of three executives agree and have prioritized the topic of further training. However, this does not apply to every company: Many have no real interest or corresponding measures have not been pursued due to need to economize.

DO YOUR SUPERVISORS PAY ENOUGH ATTENTION TO THE TOPIC OF FURTHER TRAINING / EMPLOYEE DEVELOPMENT?

9 %

27 %

25 %

39 %

Yes (∑ 66 %)
- Yes
- Mostly
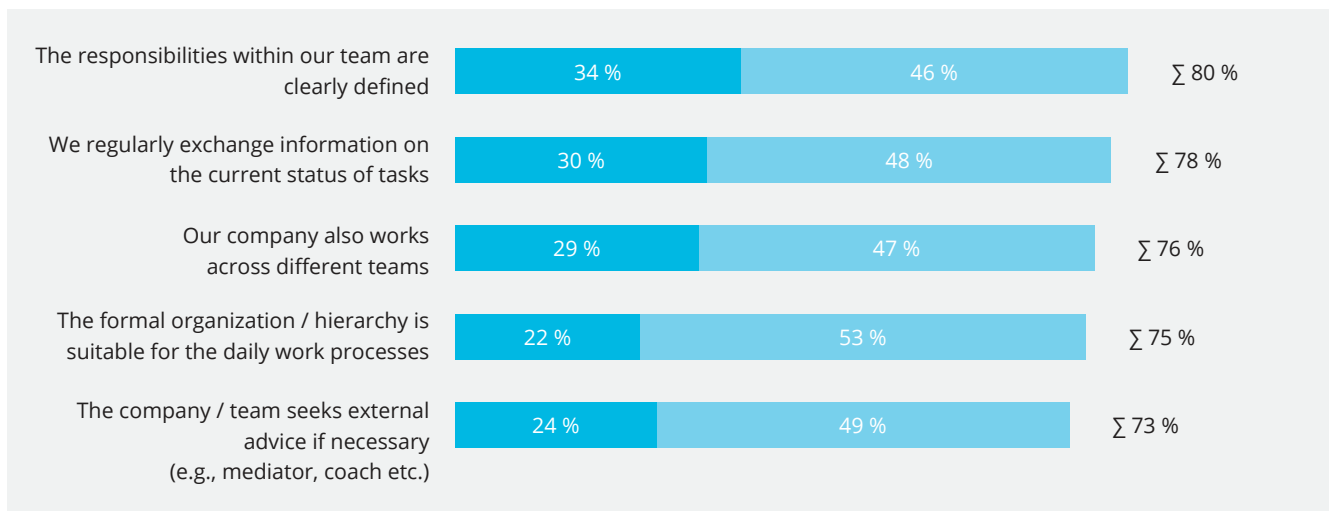
No (∑ 34 %)
- Not really
- No
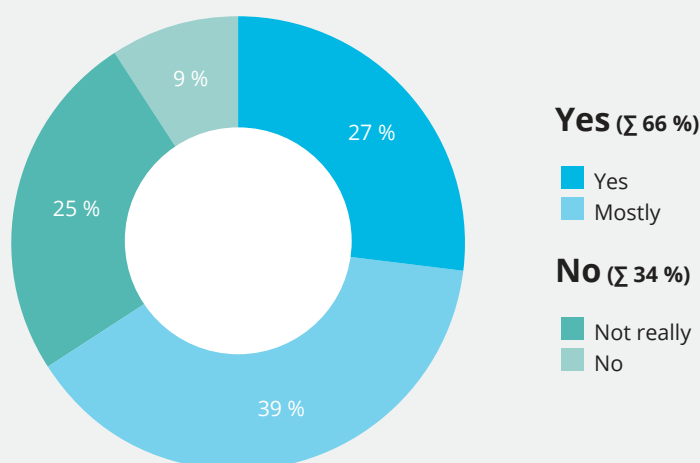
Efficient and well organized work

Employee performance and thus their satisfaction does not solely depend on personal factors. The organization of work is particularly important for teamwork: If efficient processes, clear role descriptions and fixed responsibilities are set in place, team friction will also disappear. Companies must ensure that everyone knows exactly what to do and who is responsible for which tasks.

HOW WOULD YOU DESCRIBE THE ORGANIZATION OF WORK AT YOUR WORKPLACE?

■ Applies ■ Applies more or less

Surveyed on a 4-point scale from "Applies" to "Does not apply"

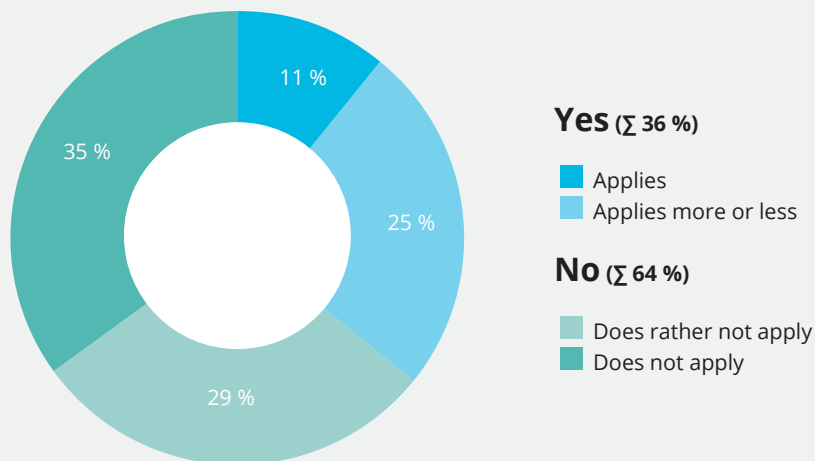|	Applies	Applies more or less	Sum
The responsibilities within our team are clearly defined	34 %	46 %	∑ 80 %
We regularly exchange information on the current status of tasks	30 %	48 %	∑ 78 %
Our company also works across different teams	29 %	47 %	∑ 76 %
The formal organization / hierarchy is suitable for the daily work processes	22 %	53 %	∑ 75 %
The company / team seeks external advice if necessary (e.g., mediator, coach etc.)	24 %	49 %	∑ 73 %

However, there is still great room for improvement for many companies. Three out of four companies already work together across different teams, at least to some extent. Conversely, this also means that a quarter has yet to overcome their silo thinking. Things are not much better when it comes to responsibilities. Nearly every fifth company improvises instead of setting clear rules. The distribution of work also seems to be a major weakness: More than a quarter of companies experience shortcomings here and are not tackling the issue in a systematic manner. Difficulties also arise from unresolved interface problems and a lack of workload measurement, which would enable an objective assessment.

Insufficient integration
of IT systems

From an employee's point of view, IT systems are also part of the framework conditions. In addition to its practicality, strong integration of IT is essential. Unfortunately, this is not the case for a third of companies, in which employees must often manually transfer data between software.

I OFTEN TRANSFER DATA FROM ONE IT SYSTEM TO ANOTHER AT WORK

11 %

25 %

29 %

35 %

Yes (∑ 36 %)
- Applies
- Applies more or less

No (∑ 64 %)
- Does rather not apply
- Does not apply

This result is astonishing, since the mantra of highly integrated IT has been around for at least two decades. These failures affect job satisfaction, because re-entering data that is already on the computer leads to boredom, frustration and, as a result, errors. Service providers are somewhat ahead of industrial companies in this regard, who operate slightly more modern IT equipment. Among other things, this is certainly due to the fact that industrial IT systems for production are used significantly longer than typical office computers. This means that the digital interfaces that have long been common in other areas are missing.

One way to relieve employees of monotonous data collection is, for example, by using Robotic Process Automation (RPA). RPA software not only gives them more freedom when it comes to value creation activities, but also lowers the error rate and costs in highly standardized processes.
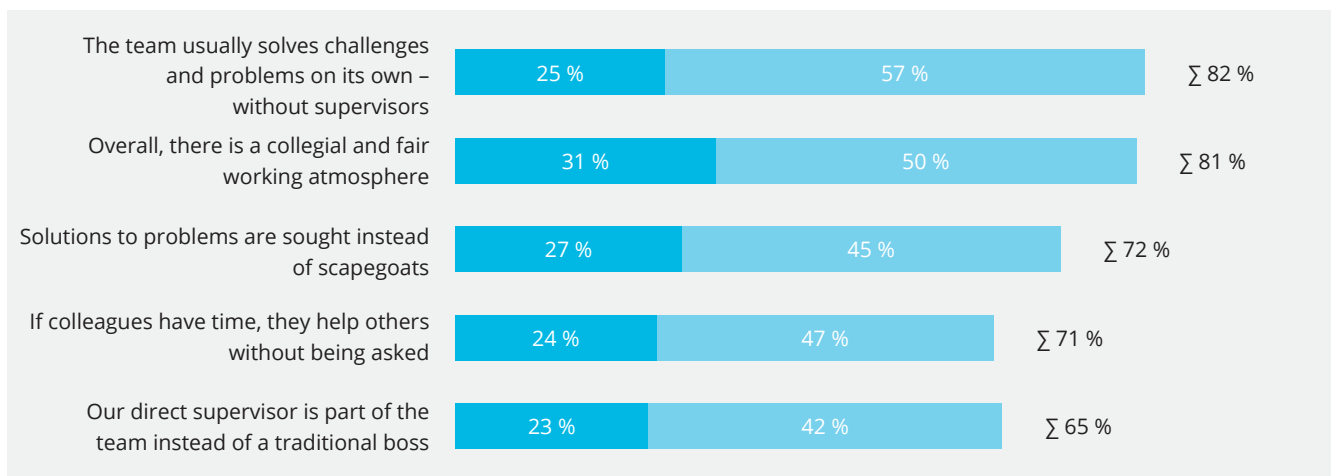
Excellent work climate – collegiality, fairness and willingness to help

In nearly eight out of ten companies, there is a good to satisfactory working atmosphere. Teams are often allowed to work independently and there is a collegial and fair working environment among team members. There is room for improvement when it comes to the willingness to help others, as it is common among employees to help colleagues without being asked to do so in less than three quarters of the companies surveyed.

HOW WOULD YOU DESCRIBE THE WORKING ATMOSPHERE AT YOUR WORKPLACE?
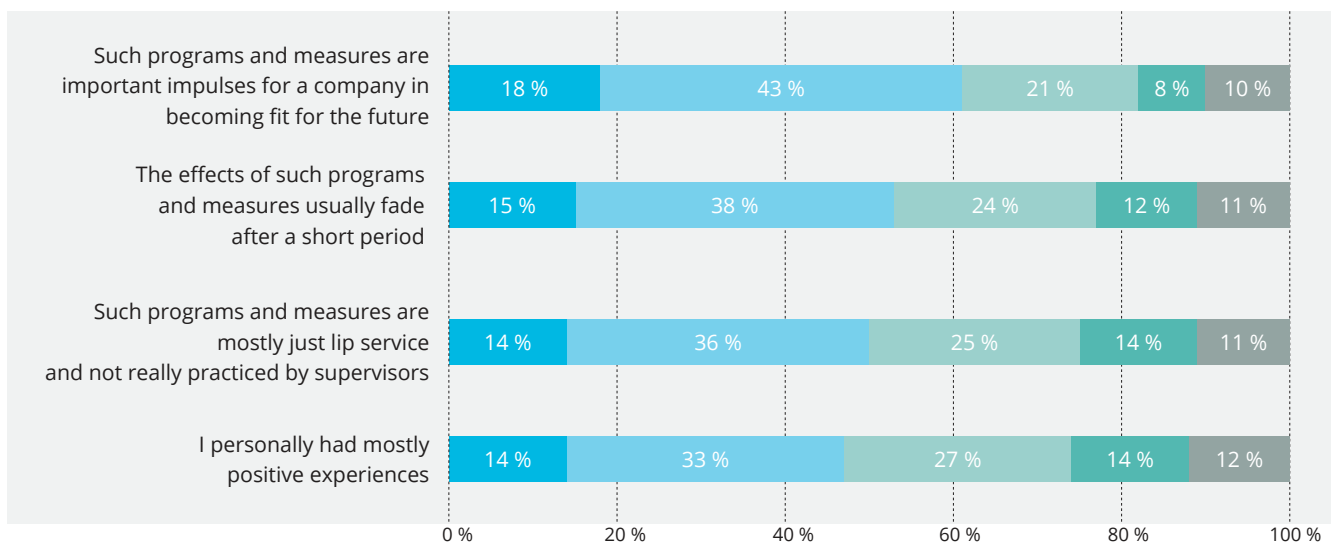
■ Applies ■ Applies more or less

Surveyed on a 4-point scale from "Applies" to "Does not apply"

The team usually solves challenges and problems on its own – without supervisors	25 %	57 %	∑ 82 %
Overall, there is a collegial and fair working atmosphere	31 %	50 %	∑ 81 %
Solutions to problems are sought instead of scapegoats	27 %	45 %	∑ 72 %
If colleagues have time, they help others without being asked	24 %	47 %	∑ 71 %
Our direct supervisor is part of the team instead of a traditional boss	23 %	42 %	∑ 65 %

However, only around a third of the companies surveyed noted a consistently good working environment. Another problem is the error culture: 73 percent of companies really have no such thing. Only a minority of companies pursue a modern error culture, as is common in agile and lean concepts. Far too many companies regularly look for scapegoats instead of solutions when errors occur or projects run into difficulties. This is similar with regards to the position of direct supervisors: Agile work requires direct supervisors to be part of the team instead of the sole decision-maker who delegates tasks. Less than a quarter of companies have fully implemented this concept.

WHAT IS YOUR EXPERIENCE WITH CHANGE PROGRAMS OR RESTRUCTURING MEASURES IN YOUR COMPANY?

■ Applies ■ Applies more or less ■ Does rather not apply ■ Does not apply ■ I have no experience with this

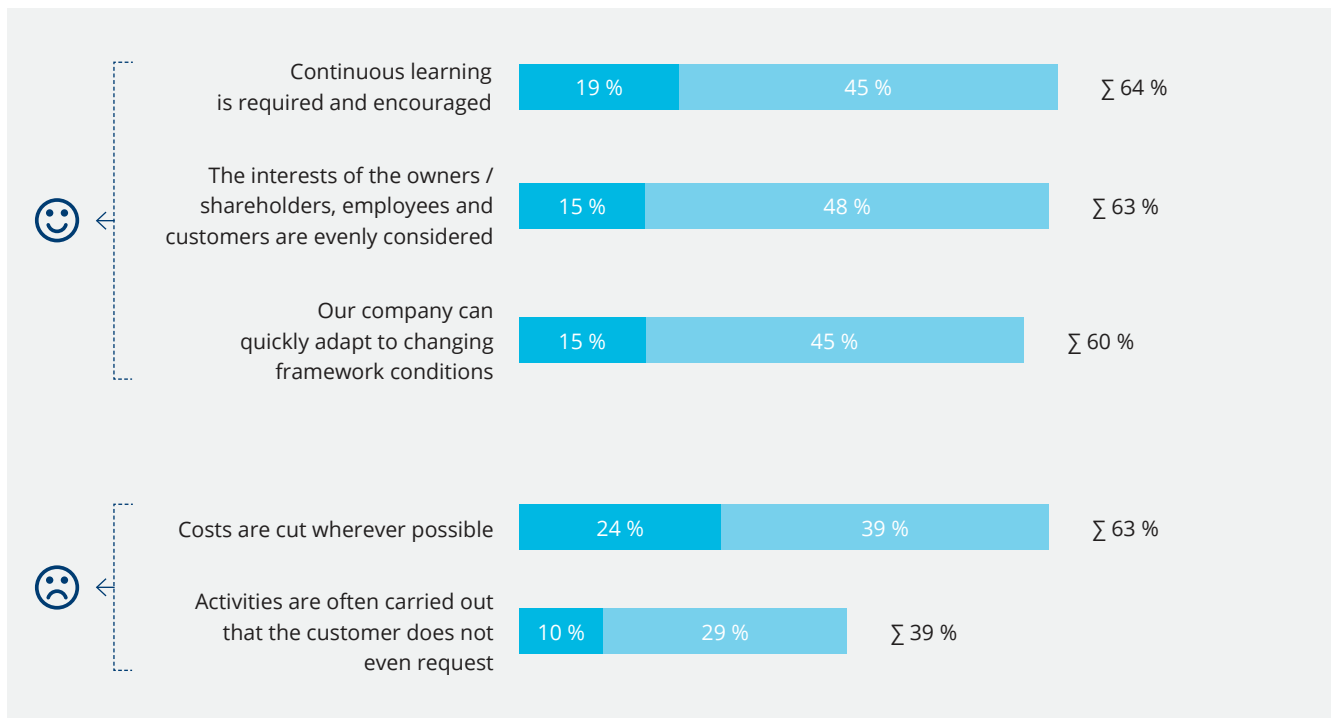|	Applies	Applies more or less	Does rather not apply	Does not apply	I have no experience with this
Such programs and measures are important impulses for a company in becoming fit for the future	18 %	43 %	21 %	8 %	10 %
The effects of such programs and measures usually fade after a short period	15 %	38 %	24 %	12 %	11 %
Such programs and measures are mostly just lip service and not really practiced by supervisors	14 %	36 %	25 %	14 %	11 %
I personally had mostly positive experiences	14 %	33 %	27 %	14 %	12 %

The fact that a significant number of companies remain shy when it comes to modern management concepts is also evident when looking at change programs or restructuring measures. In every second company, they fade after a short period. The explanation from employees: The implementation of programs and measures is often lip service and, above all, they are not put into practice by supervisors.

HOW SUITABLY DO THE FOLLOWING STATEMENTS CHARACTERIZE YOUR COMPANY?

■ Applies ■ Applies more or less

Surveyed on a 4-point scale from "Applies" to "Does not apply"

Statement	Applies	Applies more or less	Sum
Continuous learning is required and encouraged	19 %	45 %	∑ 64 %
The interests of the owners / shareholders, employees and customers are evenly considered	15 %	48 %	∑ 63 %
Our company can quickly adapt to changing framework conditions	15 %	45 %	∑ 60 %
Costs are cut wherever possible	24 %	39 %	∑ 63 %
Activities are often carried out that the customer does not even request	10 %	29 %	∑ 39 %

Only 15 percent of employees are actually convinced that their company can quickly adapt to changing framework conditions, while 24 percent feel that their company is cutting costs wherever possible without a plan. The analyses of indirect processes repeatedly show that an intelligent improvement to the cost structure does not have to come at the expense of the employees. On the contrary: R&D departments, for example, whose processes have been restructured, are typically not only significantly more creative and productive with the same number of employees but also more satisfied.

3. CONCLUSION

Process and leadership excellence are the keys to employee satisfaction

Many parts of the study show that good processes and structured work organization form the basis for employee satisfaction. Both allow employees to get involved in the company and demonstrate their maximum performance. Inefficient processes prevent this from happening. Companies not only need to optimize individual processes but also improve the interfaces between work steps.

Here, the role of executives is essential. Because while the relationship between colleagues in the company is usually good, supervisors are now often the cause of tension or for giving up (keyword: inner resignation) among the workforce. Excellent leaders, on the other hand, push for the company's success on all fronts – starting with their own employees.
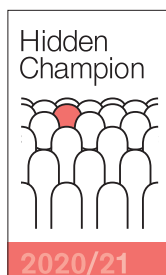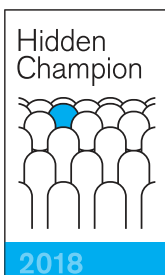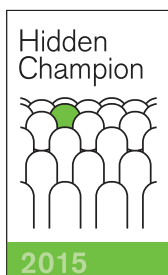
High-quality processes, stable work organization, a positive and participative leadership culture based on lean management and agility as well as clear team organization are decisive for the success of a company. If these general conditions are met, employee satisfaction will increase as well as the success of the company.

ABOUT US

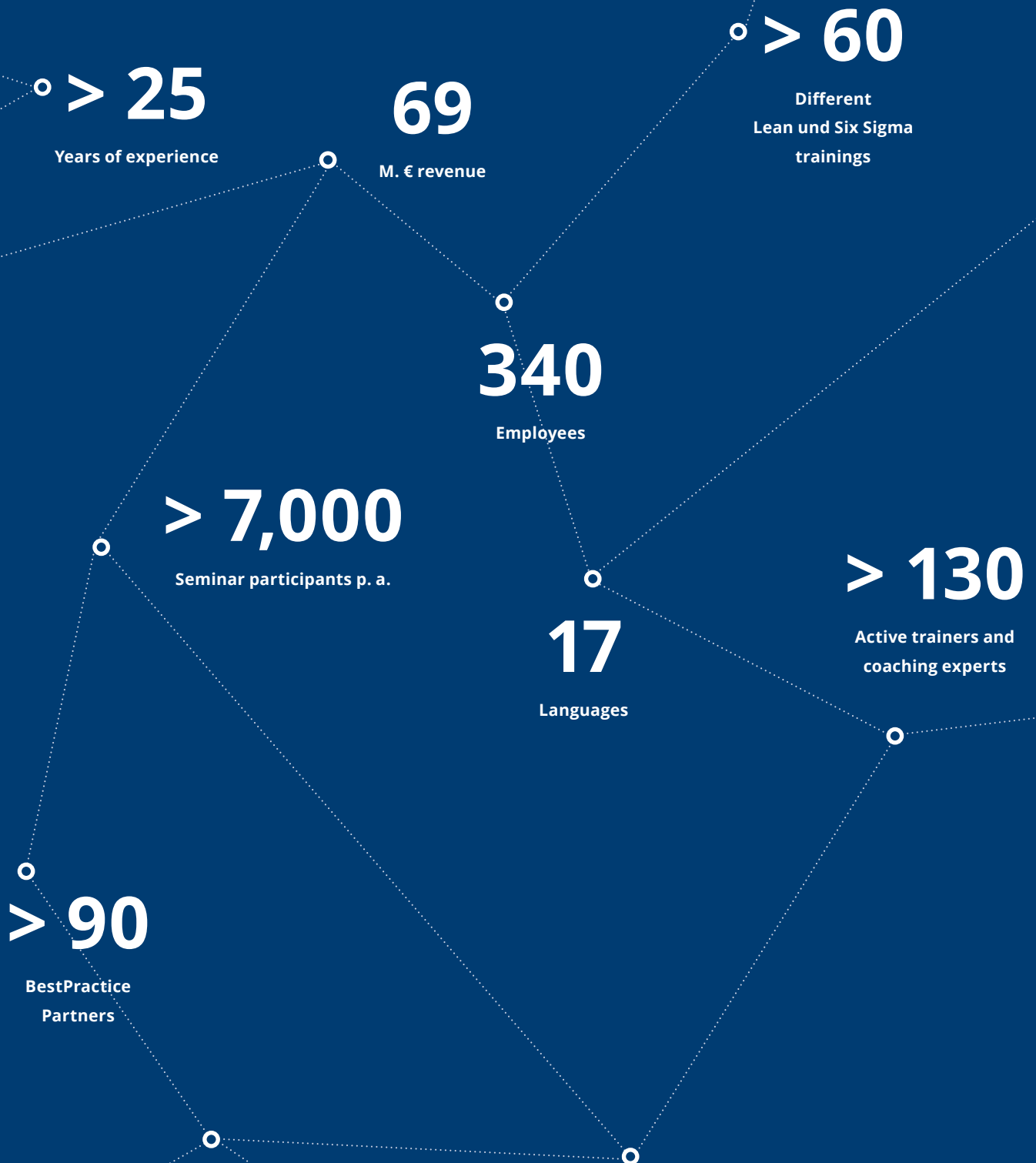## We believe that inside every company there is an even better one.

Staufen AG is a Lean Management consulting firm and academy. We have been advising and qualifying companies and employees for over 25 years. Around the world.

Our goal is to make every company better and to advance our customers. Our special approach focuses on quickly setting the right changes in motion and establishing a sustainable culture of change.

Figures. Data. Facts.

> 25
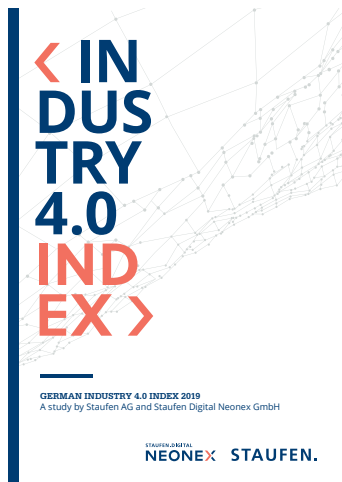Years of experience

69
M. € revenue

> 60
Different
Lean und Six Sigma
trainings

340
Employees

> 7,000
Seminar participants p. a.

17
Languages

> 130
Active trainers and
coaching experts

> 90
BestPractice
Partners

STUDIES

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‹ IN DUS TRY 4.0 IND EX ›

GERMAN INDUSTRY 4.0 INDEX 2019
A study by Staufen AG and Staufen Digital Neonex GmbH

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SUCCESS IN CHANGE

GERMAN CHANGE READINESS INDEX 2019
A study by Staufen AG and Staufen Digital Neonex GmbH

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AERO SPACE 2019

LEADERSHIP IN TIMES OF CHANGE

A study by Staufen AG
and the Federal Association of the German Aerospace Industry (BDLI)

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BEST STRATEGY 2018

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IN DUS TRY 4.0

GERMAN INDUSTRY 4.0 INDEX 2018
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SUCCESS IN CHANGE

GERMAN CHANGE READINESS INDEX 2017
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LEAN SERVICE IN MECHANICAL AND PLANT ENGINEERING

**LEAN SERVICE 2016 –
Challenges and actions required**
A study by Staufen AG

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INNO VA TION 2016

INDUSTRY MONITOR: INNOVATION 2016
A study by Staufen AG

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INSIDE EVERY COMPANY
THERE IS AN EVEN BETTER ONE.