

### **In the Good Old Days...**

In the “good old days” of the sixties and seventies there were scientific management tools that helped insurance company executives control and manage employees by clearly defining how long it took to do work. The best of these work measurement programs were based on engineered work standards.

Many employees didn't like these programs, but they worked. They kept costs in line with expectations and helped determine staffing needs. They were also expensive, cumbersome to maintain and required a relatively static environment. They couldn't keep up in today's world of multifunctional teams, flexible job designs, database operating systems, personalized customer service and continuous improvement environments. They were also very “top down” and many employees thought they were demeaning.

These tools have died but the need remains. Companies still need to control costs and maintain quality, but with the active support of their employees.

A new tool has evolved that is very effective. It's an interactive, computer staffing model that's based specifically on how the work is done. It is a tool that tells everyone in a team or unit how many and what type of employees are needed to process the current workload. It also helps pinpoint what needs to change to get the work done with current staff.

The staffing model can also project future needs by allowing you to change variables and play “what if” scenarios. For example, it will indicate how many underwriters will be needed in a multifunctional team if new business increases by 25%, or if persistency or retention improves by 1%. It will show how many claims examiners you will need next year to handle the projected change in sales. How many, and with what specialties by what product lines? It will help answer other questions . . . like is it time to add a team or unit? Or maybe consolidate? It can also assist when managing short-term emergencies by helping you plan overtime and other strategies.

This isn't information just for management. When this tool is made available to everyone in a team or unit, everyone understands and appreciates the realities of management. They see beyond just the situation or problem (too much work, not enough help) to solutions that will work. The staffing model tells you what you should have. You then use this as the target to manage to. It takes much of the subjectivity and guesswork out of staffing.

If you'd like to hear more about how to design and use staffing models and some of the other tools we have for managing results, give me a call.