# Why Measure Performance?

It’s a proven fact that measurement alone can improve performance. In the early part of this century, many studies on productivity were conducted and one study in particular was eventually labeled *The Hawthorne Effect*. In this study, the principals of a large factory operation decided to measure the effect of lighting on worker productivity. Management explained to the staff that they intended to measure their production output, and established initial benchmarks based on historical data. A short time after the light levels were increased, productivity was measured and considerable increases were noted. Again, management raised the light levels and a second time productivity increased. The immediate opinion was that lighting was a major factor in production efficiency. To further validate their findings, management elected to *reduce* the light levels and measure the results again. To their amazement, they found that once again, productivity *increased*. After studying their findings, they learned two things.

1. Light levels had some influence on productivity.
2. The primary influence was that workers knew they were being measured.

# Know these things!

1. Conduct thorough and detailed job costing.
2. Share the data and information collected with your staff.
3. Establish company/employee benchmarks and goals that can be reviewed and assessed regularly.
4. Recognize staff members for good performance.