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**14 FOR 14**

Companies to watch next year  
**P.26**

---

**2014 OUTLOOK**

What to expect, in the year ahead  
**P.58**

**P.50**

# Balancing quality and efficiency

By Russ Klein



**INDUSTRIAL ENGINEERING** was once thought of as something only applied to processes in factories and production lines. But now more office-based businesses are embracing the concepts to increase quality and set production standards, creating and managing systems that integrate people and processes in productive ways.

Field service companies and their internal staffs can benefit from these applications. Safeguard Properties, the leader in the property preservation industry, is using the principles of industrial engineering to set expectations of its employees, balance speed versus quality, select the right candidates for each job function, and evolve training techniques based on production standards.

Many companies make the mistake of taking a “cookie cutter” approach to setting standards. Rather, standards need to be established through a scientific process that is specific to the organization, independent, and averaged over time.

For example, a company could set a production standard of nine minutes to complete an order. But unless this number has been tested with multiple employees and properly analyzed, it may be too much or too little time. Multiple variables come into play that will affect order completion times, such as the order type, the number of photos that need reviewed, client rules, and loan type. These need to be factored into any studies or analysis of production standards.

Because quality and production go hand-in-hand, every production unit can benefit from industrial engineering to some degree. It is important to understand what employees do at the most basic levels to develop appropriate labor standards and training opportunities. This can be achieved through time and motion studies.

Time and motion studies analyze the time spent on each function of a job or series of jobs to evaluate performance. These studies are used to create production standards and check the efficiency of workers. It also is a good way to identify best practices.

In the time and motion studies, job functions can be measured to fractions of a second.

For example, in the offices at Safeguard, employees can be measured on how long it takes to answer a phone call, update an order, review photos, or respond to an email. Safeguard employees are also evaluated on quality scores.

To get an accurate assessment, companies need to study a group of diverse employees completing these various functions with differing variables to help determine what standards will produce the best quality in the end. Once the study is complete the results can be analyzed and business standards established for all job functions.

A few common misconceptions in business are that there is always a trade-off between speed and quality and that having employees complete their work at a slower pace will improve scores. Safeguard recently completed a study asking some of its employees to slow down to boost job performance.

The results showed that some of the fastest employees actually had the best quality scores. Knowing that speed and quality can co-exist helped Safeguard adjust its production standards.

Although speed and quality can co-exist, it is important that companies find the trade-off point — or the point at which speed impacts quality — to effectively set production standards. The data collected in the time and motion studies as well as quality control reviews can help companies accurately determine the trade-off point and set realistic expectations for employees.

A critical component to improving quality in any business is selecting the right people to do the job. This includes consistency in the interviewing process and applicant testing.

While selecting applicants, companies must have their interviewers ask a uniform set of questions. This enables all of the interviewers to compare answers and collaborate on hiring decisions. The interviews also should focus on a specific job and pre-determined skill set necessary to be successful in that role.

Applicants lacking those skills should be disqualified for the job.

Another way to establish if an applicant is a good fit for the job is to create a test. Questions about specific behaviors, scenarios, personality, and skills can help predict on-the-job performance and help companies choose the right employees.

Training is another critical component in boosting quality scores while maintaining efficiency. Studies have shown that adult learners thrive on a blended learning model — a mix of classroom and on-the-job training. Adults also learn easier if the training is interactive, especially in the classroom setting. This can be accomplished through alternatives like e-learning and online simulations.

Training depends on quality and production standards. Once those standards have been set, it is important for companies to evaluate their training needs through a job-task analysis. This can be done by identifying all of the tasks performed by each position and creating a comprehensive list of all of the company’s training resources. Comparing those job tasks to the list of available training materials can identify any gaps or conflicts.

Training content then can be designed to fill those gaps and enhance the existing training materials.

Also, it is critical for companies to create a standard leader’s guide for each course for members of their training staff. Every session must have the same delivery, content, and order. It is equally as important to have a mix of professional trainers on staff and utilize the company’s subject matter experts for training new employees.

Along those same lines, companies need to create common training content that departments or service lines can modify to fit their needs. The company only needs to create this common content once so it is easier to update, reduces time trying to find the correct presentation, and provides a consistent appearance for the company.

Finding the perfect balance between quality and speed requires a little industrial engineering even in businesses that are office-based like the internal operations at property preservation companies. With proper production standards, interviewing processes and training, all employees know the company’s expectations and can succeed in achieving the standards set by the company.

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