

# Compare your work with Conway's categories

*Most of us work on the wrong things for over 50% of our time, ie, over half of our work is wasted (Conway 1992).*

Conway based this statement on analyses of work done on manufacturing companies in the industrialised world. The author has shown that it is also applicable in the livestock industry in an Arab culture (Synnot 1994). However, there is lack of documented evidence to its application in the service industry in the rural sector in Australia.

Thus, it was decided to analyse a 37 month period (1990-1993) on the activities of a general manager in a large integrated rural merchant using the definitions of work as described by Conway (1968 & 1992).

The rural merchant had 7 branches in northern NSW and 4 in southern and central Queensland. It was manned by around 90 staff (mostly graduates) and with an annual turnover of approximately \$100 million. Its activities involve retailing, wholesaling and distribution of agricultural

inputs like seed, fertiliser, herbicides, insecticides, livestock products, general merchandise, and so on.

In addition it provides value-added services like grain trading, general agricultural consultancy (includes recruiting for overseas consulting), distribution of anhydrous ammonia and crop terms (on lending working capital to select farmers) for cotton growing, dry land farming (cereals,

canola, sunflowers etc), horticulture and livestock production (including feedlots).

The general manager reports to a managing director and a board of directors; the GM is responsible for all aspects of the company's operations including profitability, cash flow, debtors, stock, margins, business and staff development.

There is a lack of documented use of Total Quality Management (TQM) in rural

**Table 2: Definitions and categories of the general manager's tasks in the organisation**

Category	Tasks
Value-adding	Most meeting with clients (includes suppliers), some staff management meetings & developing new projects.
Necessary	Most inter-branch travel, some meetings (client, staff and management), most reports (board and management), meetings with the bank, developing and upgrading systems, most administrative matters (including staff appraisals and developing business plans), monitoring and evaluating performance of different sections and most stocktakes.
Re-work	Some travel (includes inter-branch), chasing delinquent debtors, some staff and management meetings, some reports (board and management), upgrading computer system, some administrative matters & re-doing tasks like stocktakes.
Unnecessary	Many meetings, most visitors, some travel, some staff meetings & some reports.
Not working	Holidays, waiting time, personal business, lunch time, sick & coffee breaks.

**Table 2: The average and monthly range of time spent (%) on tasks over 37 months in 1990-1993 compared with a typical organisation (Conway 1992)**

Work	Typical average	Australian average	Rural Merchant range (monthly)	
			min.	max.
value-adding	20	14	7	21
necessary	15	32	18	45
rework	30	18	7	27
unnecessary	10	9	2	15
not working	25	27	15	44

industries in Australia. One of the aims of TQM is to evaluate work practices and improve efficiency. First work needs to be defined and categorised. Conway (1968 & 1992) in his description of TQM categorises work into five headings: value-adding, necessary work, rework, unnecessary work and not working. The formal definitions are:

1. Value-adding: work that increases the worth of a product or service to an external customer, that is, adds value from the external customer's viewpoint.
2. Necessary work: work which consists of tasks that need to be performed to keep the organisation operating but has no value to the external customer, such as expense reports, travelling, filing tax returns.
3. Re-work: necessary work but required only because something was not done properly the first time.
4. Unnecessary work: not value-adding; all tasks which do not add value and are not necessary for the operation of the organisation.
5. Not working but being paid: authorised like holidays, vacations, illness, personal time off, breaks and unauthorised like waiting time, idle time and so on.

The monthly range depends on activities like annual holidays.

The main reason for the higher percentages under "necessary work" (see table 2) is that the general manager's role was predominantly administrative. The company had experienced rapid expansion: a 12-fold growth in sales of approximately \$100 million over 10 years. Yet managerial and administrative systems were unable to handle the sales growth.

Most of the general manager's time was spent on managerial and administrative improvement tasks. This involved considerable travelling to branches. For example, over a three-week period the general manager spent 85 hours travelling in the car.

When comparing the results of the rural merchant with Conway's typical organisation, the percentage under "unnecessary" and "not working" are similar. The high percentage under "necessary work" explains the lower percentage under "value-added" and "rework".

It may be that Conway's results are different for a company experiencing explosive sales growth and in the rural service sector.

However, it supports Conway's finding

that not enough managerial time is spent on the productive matters as defined by "value-adding" and "necessary work". Too much is wasted on "rework", "unnecessary work" and "not working".

It has been claimed by Dr. Ian Brammar of the Australian Technology Transfer Council (November 1986) that the vast majority of western companies spend no more than 5% of their processing time on value-added activities; Toyota spends 50% (Conway 1992).

Conway's work definitions help focus on the way work is done and the relevant importance of different tasks. It encourages us to put more emphasis on "value-adding" tasks and "necessary work" while reducing the time spent on "rework", "unnecessary work" and "not working." Q

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