

# THE WORLD'S MOST PRODUCTIVE COUNTRIES

What does Luxembourg know that the rest of us don't? Lisa Smyth finds out what CEOs can learn about productivity from the countries doing it best.

Self-made billionaire and Virgin Group founder Sir Richard Branson once said "Clients do not come first. Employees come first. If you take care of your employees, they will take care of the clients." This citation has launched hundreds of internet memes and inspirational coffee mugs. But, research released last year on the world's most productive countries suggests CEOs around the world really need to heed Branson's advice.

In 2017, the research team at Expert Market looked at the top 35 countries by GDP as designated by the Organisation for Economic Cooperation and Development, and then determined productivity levels by dividing GDP per capita by the number of hours worked in a nation.

Luxembourg topped the list for the second year by an incredibly large margin, with the average employee working 29 hours a week and their productivity per hour coming in at £51.80. Workers in the second country on the list, Norway, were productive to the tune of £39.72 per hour, and averaging just 27 hours a week.

Other northern European countries with lower than average working hours rounded out the top 10, along with Australia (32 hours a week) and the US (which according to this study, averages 34 hours a week, though other studies have reported it as high as 47 hours).

"Productivity is a really hot topic at the moment – it is the backbone of an economy. We wanted to focus on productivity at the individual level," explains Sophia Patsikas, Research Executive at Expert Market. "Different cultural attitudes to working really come into play. The northern European countries have always pioneered the way forward in work-life balance."

## STRIKING AN INCLUSIVE BALANCE

"Our tasks expand to the time we have. Working longer doesn't necessarily mean harder. We become too tired and less motivated," says Brigitte D Lippmann, a Global Talent Consultant with *WorldWide Connect* who has worked with organisations such as Johnson & Johnson, Goldman Sachs and the United Nations across Europe and the US.

Dozens of workplace studies, plus a proliferation of guides such as Timothy Ferriss' *The 4-Hour Workweek*, expound on how longer hours lead to increased health issues, more errors and less efficiency among workers.

"The six weeks' annual leave you receive in Germany keeps Germans fresh and performing at a high level – what is called 'German efficiency'," notes Kai Ostermann, International Director Europe for Tourism and Events Queensland. According to the Expert Market study, Germany has the shortest work week, at a mere 26 hours. "I think Germans have a different »



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## IN DENMARK, WORKERS CLOCK OFF AT 4PM AND OVERTIME IS FROWNED UPON.

definition of work-life balance. Success at work is a successful life, but we also value flexible hours,” continues Ostermann.

Lippmann believes it goes beyond a simple work-life balance. “From my experience, particularly in northern Europe, it’s less about the hours, and more about the ability to be yourself at work. Everyone knows you have a personal life; the equal pay gap is less and there are equal rights for all workers. It’s not so much about a balance as inclusivity, integration and belonging.”

### DON'T JUST BE PRESENT

While it may not be a surprise to find the famously efficient Germany, and Scandinavian countries like Norway and Denmark, topping the list of the world’s most productive countries, there are also some countries notably absent.

The only two Asian countries that made it to the top 25 were Japan, ranked 18th (33 hours a week) and South Korea, which ranked 22nd (41 hours a week). Japan is the third largest economy in the world by nominal GDP – so why do they appear so far down the list?

“Both the South Korean and Japanese governments are trying to crack down on long work hours as they see a correlation with decreasing birth rates and higher divorce rates,” shares Sue Shinomiya, a Cross-cultural Consultant with WorldWide Connect, and co-author of *Business Passport to Japan: Maximizing Your Success in the 21st Century*.

“Japanese workers are obsessed with quality while South Korean workers are focused on speed to market, neither of which increases productivity or reduces working hours,” observes Shinomiya. Alarming, Japan even has a term for ‘death by overwork’ – *karoshi*. It was coined in the 1970s when high numbers of young and healthy workers began committing suicide or suffering heart failure and stroke because of long work hours. The numbers of people who die because of *karoshi* are still high today.

“When I was a consultant in Japan, you would see people stand by the window and making sure the CEO had left before they did. While there is an element of ‘keeping up appearances’, there is also a propensity to respect rank and seniority in most Asian countries, more so than in European countries,” explains Shinomiya.

Patsikas describes this practice as ‘presenteeism’.

“Presenteeism is this idea that if you are seen in the office,

the one always in early and staying late, it gives the impression that you are working really hard. But, of course, you could just be scrolling through social media.”

### PRODUCTIVE LEADERSHIP

“Leading by example is so important. We don’t have a specific flexible working policy, but I believe in work-life harmony. I will go to the gym in the middle of the day, pick up my kids; and my team knows they can too. We’re a global company working across time zones, so after dinner I will often log back in to connect with teams overseas – it’s not about when you put the hours in, but how you use them. Leaders cast a long shadow, and as a leader you have to live what you say,” reports Tony Ward, Country Manager of Dropbox Australia and New Zealand.

But Ward clarifies that productivity is more than just flexible hours and work-life balance. “Leaders should define the ‘true north’ of the company, and communicate the vision and values of the business. People are more productive when there is a purpose to their work, and a joy in how they do it. That is what we are really focused on at Dropbox – designing a more enlightened way of working.”

In fact, a University of Warwick study from 2015 confirmed “happiness led to a 12 per cent spike in productivity, while unhappy workers were 10 per cent less productive”.

With Brexit looming, the UK saw a seven per cent drop in productivity from 2016 to 2017, and it now sits 17th on the list. Patsikas also believes the only way to improve this trend is to look to leadership.

“It definitely comes from the top down. At Expert Market, we encourage work-life balance. We believe success comes from an emphasis on employee wellbeing. Healthy employees make for much more productive workers.” There’s a certain billionaire out there that would agree. ■

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ITS NEGATIVE IMPACT ON  
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