Running Out of Time

by Geoffrey Lamdin

How to find out where the hours go and use them more effectively

It's after 6 a.m. and six framers are sitting around waiting for the lumber delivery so they can get started. The job supervisor can't find the boss to ask if the crew should go to another job. Each hour's delay is costing more than $100.

This is a time-management problem. And time can shake our businesses and our personal lives by the tail if we don't learn how to use it.

Raymond Lowery, owner of Lowery Builders in Wilder, Vt., puts it this way: "How can I keep up with my work—never mind making the business grow—spend more time with my wife and son, *and* keep up with new products and building technology?"

Another contractor, we'll call him "George," has problems common to many builders. Almost every project George does gets behind schedule. He doesn't know how to divide his crew among jobs until the jobs are under way. Subcontractors are late, and there always seem to be materials mix-ups. Add to this the inevitable bad-weather delays and a seemingly endless mound of paperwork, and you can understand George's "nervous stomach." There is never enough time—for anything.

George is a scrap-paper, back-pocket organizer—if he remembers which pants he had on the day before. Luckily, George's customers appreciate the quality of his work, and thus tolerate his unreliable schedule. George knows, though, that not only is he in danger of losing clients to better-organized builders, but his disorganization is wasting time. The combination represents a real and potential loss of dollars—and health.

George's problem is shared by the smallest to the largest building companies. It is a matter of time *management* and *control*. Time doesn't have to control us—it's possible to learn how to manage time and use it more effectively. Several tools and techniques can help.

Time-management problems and their solutions fall into two categories: 1) systems management, and 2) people management.

Diagnosing the Problem

Systems management covers all the techniques you use to organize and keep track of information. This includes business functions, such as accounting and billing, and operational functions, such as scheduling and ordering. It includes preparing estimates, job-cost and other reports, and correspondence. Systems management also includes administrative tasks such as appointment calendars and returning phone calls.

Systems problems are due to poor management of information. You should spend time and money *using* information, not *finding* it. If you have systems-based problems, your job logis-

tics are out of control. There are mounds of paperwork, and estimates are not getting done. Job-cost records and work schedules are nonexistent, and employees' work assignments are spur of the moment. Delays are rampant due to late or inaccurate materials and subcontractor problems.

Systems problems are relatively easy to grasp, and will lead to better-organized time. Real time savings, though, comes from the more difficult task of effectively managing people.

If you have people-management problems, you spend excessive time making sure things are done right. You chase subcontractors constantly. You spend too much time trying to do a task, but keep getting sidetracked. You feel like you're doing everything, but you aren't sure what to do next. You have no backup plans.

People-based problems are solved by developing capable staff and delegating responsibility.

These two areas—information management and people management—are intertwined and need to be approached together.

Take an Inventory

To gain control *of* your time, you first must find out how it is being spent. Step one is to complete a detailed inventory of what you and your staff do throughout the day. Have each employee record each day's activities in detail. (I do this in my consulting practice.) In the first two weeks, patterns of time use—productive time versus wasted time—will become evident. As you begin to recognize problem areas, you can fix them and free up time for productive, money-making work. Later on, you can use your time inventory as a planning tool.

Record not only *when* something is done and *how long* it takes, but ask a series of questions:
- Where does my time go? Why?
- Where do I need/want to spend more time?
- When am I most/least productive? How?
- When are my employees most/least productive? How?
- What systems always seem to bog down?
- When do I have subcontracting problems?
- What other factors cause delays?

The process can be done orally with a skilled manager, but it works best when written down. This kind of assessment has been helping Raymond Lowery to focus on specific time-eaters in his business. The culprits were manual estimating, change orders, running around to check on employees, and poor job-costing information (e.g., stuffing receipts in pockets).

The inventory process will reveal

your company's "story" and show how its people and systems use time. Each individual or company has a unique set of problems, but they most likely lean toward either systems problems or people problems.

Solving Systems Problems

The key to systems problems is the orderly management of information. Let's look at George again. George is a seat-of-the pants organizer. He tries to keep track of everything in his head or on scraps of paper. It isn't working. George has broken the first rule of effective time management: *Don't clutter your mind with information that can be stored elsewhere.*

So where are you going to store it? Whatever system you use, *write information down* in an orderly fashion. Written estimates, for example, save time, confusion, and expensive misunderstandings. An appointment book will help you organize your day: tasks to be done, people to meet, and notes for tomorrow.

A further measure of control can come from the wise use of personal computers. Once you know what information you need, computers can reduce paperwork. Even the smallest companies can benefit from a modest system for estimating and job costing, and perhaps word processing. Larger firms can make use of integrated accounting systems.

Jeff Forward and Steve Libby, partners in Scantic Design in Burlington, Vt., purchased a computer for their design/build firm less than a year

ago. Scantic initially used the computer for estimating and now uses it also for scheduling, job costing, and word processing. Forward plans to expand the system to incorporate bookkeeping and accounting functions.

Forward says that it took time to learn to use the computer, but it has paid off in a greater control of information. "I use the information to stay on top of our jobs and subcontractors," he says.

Many builders have problems with scheduling. One builder told me, "Why bother to write it down? It is always changing, always wrong." Why indeed? Because writing it down gives everyone—from company president to client—a greater understanding of what is happening, what to expect, and what is expected of them. A schedule can be as simple as a flow chart of the job phases, with notes indicating materials, ordering, staffing, and subcontractor requirements.

At Scantic Design, Jeff Forward draws up a written agreement (the standard text is stored in his computer) with each subcontractor. The agreement has a schedule of what is expected of them and when. Forward calls the subs regularly to discuss progress and schedule changes. "It makes for good communication, reducing errors and delays," he says, "and subs appreciate knowing what is going on."

Solving People Problems

The key to solving people problems is developing staff and delegating responsibility. This starts with manag-

ing your own time, and includes the way you handle everyone—from employees and subcontractors, to customers and clerks at the lumberyard.

An effective people manager builds a team. He knows that, as the owner of a company, he must be teacher, coach, cheerleader, and occasionally disciplinarian.

Managers must let go of some responsibilities and delegate them to the staff. The manager controls this by clearly defining each person's responsibilities—preferably in writing. This illustrates the effective time manager's second rule: *Don't do yourself what others can do.*

Managers should keep for themselves those tasks at which they can make the most valuable contribution. This will vary with the individual and the company, but typically the owner should make policy decisions, select jobs, and choose key personnel. Good managers find people who complement their talents. If you are a terrible organizer, maybe you should hire a business manager.

Consider again the opening story about the six framers. Here's a different version:

The company secretary called the lumberyard for a delivery update the afternoon before. She determined that the truck would most likely be late, and advised the company owner. The owner delegated responsibility to the crew supervisor to handle the situation. The supervisor called the crew and sent all but one to another job site. The remaining crew member was sent to the original site to check on tools or materials

> ## George broke the first rule of effective time management: *Don't clutter your mind with information that can be stored elsewhere.*

that might be needed once the lumber was delivered.

In this example, effective people management was being employed. This company understood that delays can happen. Information about the late delivery was noted and a backup plan was implemented. As a result, time was not wasted and productivity was not lost. The company owner delegated responsibility, and employees were used effectively.

Sometimes, business expansion can take care of a source of problems or delays. Raymond Lowery found that no matter how he tried or who he subcontracted to, excavating was a constant source of delays. The solution? Lowery Builders expanded to include excavating. Lowery purchased equipment and hired someone to run and manage it. He no longer has delays due to excavating, and can put the equipment to work on other projects when not needed for sitework. The equipment is paying for itself.

Effective time management is critical for success. Tools—computers, office help, or simple datebooks—plus techniques—delegating, scheduling, and writing things down—lead to efficiency, better time control, and less waste. That translates into improved morale, savings, and profitability.

And when they have reached that point, contractors can rest a spell—but somewhere besides the counter at the local lumberyard. ∎

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