

Are You Worth \$15/per hour? Getting Maximum Value Out of YOUR Time

Focusing on high value priorities, not firefighting, will free you from the mundane, and maximize your value.

One of the things I see quite frequently with small business owners — particularly those that have experienced slow but steady growth — is over-involvement in non-value adding activities — or at least non-value MAXIMIZING activities.

Case in point: I worked with a client where the owner was continuously rushed, working 80+ hours a week, not getting half of what he'd like to get done, aggravating his family because of the amount of hours he was working. While this is true of many business owners, this was an extreme case.

Virtually every time I talked to him, he'd tell me how busy he was, how there was so much going on, how he couldn't get caught up. This had been the case since we were first introduced.

When I was working on-site with this client, I'd see what the owner did all day. It was like being in a pinball machine. Constant interruptions, constant distractions, always jumping from one fire to the next. Never any time to work calmly through an agenda or a schedule, let alone any time to sit and think strategically about the business.

I'm not going to suggest that fire-fighting can be totally eliminated. But there are different sized fires. If a customer calls with an emergency, maybe it warrants your involvement as the owner. However, if an employee's printer stops working, and you, the owner, happen to be a computer engineer, fixing this or similarly mundane problems around the office is not the best use of your time.

I can hear a few of you saying, "Yeah, but I need my employees to be productive." True. But it costs the company more if you're not productive (fixing printers) than if the employee is not productive.

Another owner I know insists on doing payroll himself. I told him, "You know you could hire a clerical person for \$15 an hour and get that off your plate. Along with 29 other things that you insist on doing, just because you did them when your company was much smaller. Is your time only worth \$15/hour??? Because that's effectively what you're paying yourself."

Same issue at another company. Two partners hire our firm to help straighten out their manufacturing cost data and get their reports out faster every month. Turns out one of the issues slowing down the process is that one partner likes to do some of the job cost updates himself. The problem is, he has no time, because he needs to be out on the floor, or in front of customers. So the reporting process grinds to a halt until he has time to get his spreadsheets updated. I told him the same thing: hire a clerical person to get all this updated daily, and not only would the information be ready faster, it would contain fewer errors.

But he likes to do it himself.

As a business owner, it's important to step back and be honest about where you can add the MOST value to the company. If what you're spending time on could be done by a clerical person — or anyone who would free up your time for higher value adding activities — you should hire that person and spend your time doing things that maximize your value to the business. Things like marketing, sales, product development, management, growth — whatever. Not fixing printers, doing payroll, and updating spreadsheets.

As you go through your workday today, ask yourself: "***Am I MAXIMIZING the value of my time right now?***"

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