I just hate it when someone calls me an “efficiency expert.” I get visions of someone walking around with a stop-watch and a clipboard.

As a business advisor, I work collaboratively with owners to figure out what works best for them and their unique company.

However, given that, I do have a few thoughts on how you can improve your efficiency.

First, look to yourself. Following your own rules may be the hardest things for an owner/manager to do. Do any of these things remind you of yourself?

• You start a project without a signed contract, because the client is your best friend’s brother, father-in-law or (fill in the blank).
• You don’t follow the procedure for change orders, because it seemed to be such a small change, or (fill in the blank).
• You don’t make the weekly project review meeting, because you already know all about it, or (fill in the blank).
• The worst offender for following the rules is usually the owner. If you don’t want people to efficiently follow the rules, then subscribe to the “Do what I say, not what I do” leadership style.

But then don’t blame anyone but yourself for the chaos that ensues. You have to walk the talk first.

In short, efficiency starts at the top. If you want an efficient organization, it takes leadership in several forms.

For example, the owner must provide the vision and a plan so that everyone is pulling in the same direction, going after the same goals, and seeking the same rewards.

Lack of clarity in this area makes it very hard for people to make efficient decisions.

The owner also has to be sure to clarify everyone’s roles.

Your people shouldn’t be tripping over each other while trying to do the same job; or missing critical functions, because they think someone else is doing them.

Now, given that you have set a fine example, you can identify and create needed systems. You can create a system by combining any series of procedures and processes that you use frequently. With a little thought, it becomes a relatively easy process.

Start by identifying procedures you do repeatedly, such as estimating, scheduling, change orders, invoicing, purchasing, hiring, training, customer service, etc.

Prioritize the list in terms of frequency of occurrence, level of frustration, money lost, or time wasted. In order of priority, pull together the people involved with the operation and have them diagram the current system. Have them establish current baseline data by determining how long something takes, the frequency and type of mistakes, the amount of waste, how often the schedule gets out of whack, etc.

Here are some examples of baseline data you can measure:

• Inefficiency in sales — measure projects sold versus sales goal.
• Inefficiency in material availability — measure how often material is ready when the job is ready to start.
• Inefficiency in installation — measure bid time versus actual time.
• Inefficiency in billing — measure number of days from job completion to invoice issued.
• Inefficiency in collections — measure number of days from billing to collections.

With your baseline data in mind, adapt or create a new system that works, keeping it as simple as possible. Think in terms of what you need to know, what you need to have, what you need to do, who’s going to do it, the time frames for completion, and how you will know when it’s done.

Use the new system for a predetermined period of time. During that time frame, analyze the new system by comparing it to your original baseline data to make sure you get the results you expect.

Once you have lived with the system for awhile, modify and tweak it as needed, and then formally adopt it.

If at any time your new, or old system, does not produce the results you want, change it or eliminate it.

The last thing you need is a bunch of outdated or poorly created systems driving everyone nuts.

Finally, keep in mind that improving your efficiency goes right to your bottom line — which is your ultimate measure of success.

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