

Good morning, everybody. Dennis Engelbrecht, Digging Deeper.

For the last couple of weeks, we've been talking about our theme, which is the labor shortage, with several causes, but it's a macro problem, and we're trying to deal with it in our own companies and figure out how to get along without it. So, what I want to talk about today is getting more from the organization in terms of productivity and by driving out waste. I think it's just amazing how much waste there is in almost every organization. And we oftentimes don't see it or don't realize it because it's day after day, same old sort of things, and its processes and job descriptions that built over time, and sometimes our conglomeration of things that either don't fit, don't fit the person or have some redundancy or other things built into it.

So, think about driving out waste in your organization. The first step is to be an observer, see what's actually going on, listen. Go out and observe your office and how it works for a while. Go out to a job site and just observe for the day how everybody's working. Try to see where the inefficiencies are. I think when a fresh set of eyes looking for waste will see plenty of it almost anywhere you go. So, be an observer and be a critic. And if you see things aren't working, sometimes you have to chart out the process to really even understand how it's working.

Number two, eliminate the process and people that don't add value. So, I'm thinking of several examples that I've seen in a company. One was a form in order to do a form. All right. What do you mean? Well, I had a project manager, was filling out billing instructions for the billing clerk in order to do the billing in the software that they did. So, they created a form. So, the project manager has to type and fill out the form, and then they hand it over to a person who takes it and puts it in the software off of the form. Oh, and by the way, they make mistakes, because they're taking from one form to another. So, you actually get more mistakes than if the project manager just put it in, or the billing clerk understood the information from the project manager well enough that they could do it, but basically had one person doing it, versus two people doing it. So that's fairly, very simple. That's redundant. That's a form in order to do a form. Don't do that. Get those out of your company.

Another example, we had a company that had three people in payroll. And asking their peers around the table, they found, well, everyone else had one person doing payroll. So why did they have three people doing payroll? Well, this probably oversimplifies it, but they had one person checking the person in front of them, who was the person in front of them to make sure that the payroll was accurate. Guess what happens? If the first person who's doing the payroll on the front line is not responsible for the accuracy, there's somebody behind them fixing their work, they're going to be less accurate. They don't have to be as accurate.

There's somebody there. Heck if I do it right, they won't have a job. Right? Well, they shouldn't have a job, is the point of this, but believe it or not, you probably have some of that going on in your company where you have people checking on the person in front of them who's checking on the person in front of them. And the checking does not add value in most cases. Put the responsibility for getting it right on the frontline person and put that expectation there. And the few mistakes that flow out will get corrected and fixed as you go along. But what you don't want to do is have checkers checking, checkers checking the activity. Eliminate that kind of redundancy in your business.

Next issue to drive out waste is to look at your meetings, and very simply, think about long, unproductive meetings with people involved in the meetings that don't either have direct input or derive direct benefit from a good portion of the meeting. Hopefully, you don't have any or many of those but there are a lot of those going on. And when you have a lot

of meetings or your meetings are too long, it isn't even just the meeting, but there's the 10 minutes before the meeting, the 10 minutes after the meeting where people are getting ready for the meeting. Some people show up five minutes early and maybe the meeting starts five minutes late. Well, that's 10 minutes times 10 people, that's an hour and 40 minutes right there, if you just think of management time, if you just had people arriving five minutes early and started five minutes late. The same thing, if you're not concise with your meetings and they're running 15 minutes longer. Well, 15 minutes times 10 people, again, you're already up to two and a half hours of wasted time. So, look at your meetings, make sure they're productive, make sure they got good purpose and make sure they're running very efficiently and very tightly. I've had a lot of companies that have accomplished a lot by blowing up their whole meeting regimen and starting over again and rebuilding them with the right people, the right purposes and getting a lot more.

Next item, unnecessary travel. And this is an interesting one because travel is necessary in construction. You got to get to the job sites. Management has to get to the job sites. And if management goes to the job sites less, well that's probably some bad outcomes there. A lot of cases, most times management needs to get to the job sites more. But what I'm talking about is unnecessary travel.

Again, I'll talk about a situation. We had a contractor where on Friday all of these superintendents in the company, some 20 of them would drive to the office to deliver their weekly payroll. Now, hopefully, there isn't anybody in the world that does this anymore with the online payroll systems and all of this, but there are lots of those things that happen. There are plenty of trips going out to job site, delivering onesies and twosies that could have been planned the day before. There are trips to Lowe's or Home Depot that don't need to occur that are happening all the time.

They're just, you think about meetings and today's world has taught us a lot about several things. One of them is the way to run a good meeting online. And perhaps there are some meetings that should be run online, so that people don't have to travel. So, and you can have more meetings. You can have a superintendent check in now for half an hour on a Friday morning, and you can get a lot accomplished instead of getting your superintendents together every three months where they get to the same place, and they travel from all over the region, and you sacrifice a day or two of work around that to get certain things accomplished.

So, you can use your zoom meetings or Team meetings, whatever software you're using to be much more productive. Even one-on-one; one-on-one with your customers. Zoom and Teams, again, are very valuable tools. It's not perfect and it's not being in person, and it's hard to establish relationships over a meeting like that versus being in person. So, the in person is still required, but updates and check-ins and things like that, you can get a lot more of them by using that tool. And it is a lot more effective than email or a phone call. Just getting there face to face and seeing a person's expression just adds another layer. It's not the layer of being in person, but it's getting closer to it, and it is more effective. So, you can use that tool to save time.

Finally, the internet. Unfortunately, we have a lot of distractable people, and I'm a distractable person too. And it's so easy to just get caught. And in the olden days of consulting, 15, 20 years ago, I used to marvel almost every business I'd walk into. I'd walk by offices, and I'd see somebody playing solitaire. And now of course, there's a million games that are probably more engaging than solitaire. But it used to be solitaire. You'd easily find people in the office playing solitaire during their workday. And so, all of those distractions are there. They're on the computer, they're on our phone, or phones are probably the biggest distraction. And to a certain extent, it is good to have certain software that maybe restricts where people can go on the internet during the day.

It's also good to have policies and procedures in place and not allow those kinds of behaviors. And yes, people still need to be able to do what they want to do on their breaks, and sometimes it's much more efficient for people to check in on their childcare, things like that. You have to figure out what you can allow and what you can't allow. But don't allow your people to be distracted all the time. Set some standards, set some policies and implement them well. Not to the extent that you create a negative workplace or a big brother thing, but people need help. It's easy to get distracted and it's nice to have somebody some time to get you back online and get you more productive.

And then finally, as a leader, one of the other things where there's waste is by decision making; not making decisions that could provide resources for folks, so that they can do their jobs and stay productive. So, try not to let your decision-making bog down, try not to have people in your company that are waiting on things, whether it's decisions, resources, people, et cetera. So, again, to be more productive, to solve our labor shortage, one of the areas you can make a move is to drive out waste in your organization.

Dennis Engelbrecht, Digging Deeper.