What’s the ROI for Efficiency Training?

By Dave Hessong

A: The return on investment for efficiency training obviously depends on the efficiency of your operation. As a rule, there’s always room for improvement. So many times we tend to do things a certain way, but if we were asked why we do something this way, the answer would be something like, “Because we’ve always done it that way.”

The definition of efficiency is acting or producing effectively with a minimum of waste, expense or unnecessary effort, or exhibiting a high ratio of output to input. It means doing the same work faster. The key is doing the same work and having the same results. If you sacrifice quality to gain speed, it’s not being more efficient, it’s only being faster.

There’s certainly room for improvement in how we do a job, but what about how we prepare for and travel to and from a job? There could be the most room for improvement here. How much time do your workers spend loading up at the shop in the morning? Do you pay workers to sit in a truck for 10 minutes while the driver stops for fuel—or longer if the crew stops for materials on the way to a job? Consider these operational aspects.

Here’s a hypothetical situation: A supervisor fails to consider the best place to position the trailer when arriving at a job so his guys can unload materials most efficiently. Anytime you do a repetitive task, even for a few seconds, it adds up to a significant amount of time. Don’t believe me? Let’s do the math.

Take three workers moving 300 pavers to the back of a house inaccessible by mechanical means for a patio job. If each carries five at a time, it’s 20 trips each. Multiply that times the three workers, and you have 60 trips. If the trailer is parked on the street instead of backed in the

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driveway and it takes an extra 10 seconds to walk the additional distance, that’s 600 seconds. Once each worker makes a round trip, covering the additional 10 seconds walking back, double that to 1,200 seconds or 20 minutes. If you’re paying them $15 an hour, you pay them $5 each or one man-hour unnecessarily. But that’s not really what it costs. If your billing rate for each man is $50 an hour, that 20 minutes cost $16.60 per man or $50. If this is repeated at each job once a week for 26 weeks, that’s $1,300 dollars down the drain. Now let’s say you have five crews operating the same way. That’s $6,500 dollars. That seemingly insignificant 10 seconds looks pretty significant now, doesn’t it?

How far into this story were you before you asked, “Why are they carrying five at a time instead of putting 20 in a wheelbarrow?” That would be an alternative to carrying them, but how many times have you seen it done the hard way because that’s the way it’s always been done? Or maybe it was because of a lack of preparation—they didn’t have a wheelbarrow or they had one but the tire was flat. This is an example of just one small task among many that make up your daily operations. When you see how the numbers add up and consider how many other aspects of your daily operation may be done inefficiently day after day, training becomes imperative, not optional.

Fortunately, the investment doesn’t need to be as much as you may think. You’ll want to show your crew leaders best practices for some specific tasks, but you’ll never cover every situation in your operations. It has to be a mindset. Your crew leaders need to watch each situation and ask if there’s a better way to do something. It’s the work-smart—not-hard mentality. Best practices will set precedents, and your crew will see processes differently. Inefficiency isn’t difficult to spot if you’re looking for it.

To that end, the ROI for efficiency training may be more significant than you think.

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