

## A Simple Step to Get More from Your Day

By Dan Richards\*

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Many advisors struggle to get everything done that needs doing.

If you're in that category, consider following the example of one successful advisor I talked to recently ... and put a dollar value on every hour of your time.

Use that hourly value to drive decisions on all the time wasters, distractions and low priority activity that can chew up your day.

### **Put a dollar value on your time**

"I had an experience a few years ago that changed my thinking on how I spend my time," he said.

"There are lots of things that I need to do or like to do," this advisor told me, "and I do as many of them as ever.

"And there are things that fall into the category of grunt work that I do together with my assistant – I think the fact that I'm prepared to roll up my sleeves to help her out sends an important message."

He continued the story: "But in the middle of one especially busy day, I had to drop off my daughter's flute at a music store to be fixed. I did it over a lunch hour – the return trip took me about an hour.

"As I was on the subway back to my office, I realized that a courier would have cost me about \$12. By doing it myself, that's the value I had just put on my time.

"Ever since then I have used \$60 as my hourly rate.



“Whenever I’m considering doing something that I can hire someone else to do and where there are no other benefits, I use that \$60 an hour to decide whether to do it myself or to delegate it.”

### **An hourly rate in action**

This advisor uses that \$60 metric in other ways as well.

If he has a choice of paying \$20 to park close to a meeting or \$10 two blocks away, he uses that rule of thumb to make his decision – using \$1 a minute as a guideline, if the two extra blocks will take him ten minutes, he chooses that option. Otherwise he parks close to the meeting.

He also uses that \$60 an hour to decide whether to bring in a temp or hire someone to get things off his plate.

And it’s not just his time that has value – he and his assistant have put a value of \$25 an hour on her time.

Using this approach, he hired a co-op student from a community college to come in two afternoons a week to do filing and other administrative work that was bogging his assistant down.

### **The right hourly rate for you**

There are as many different hourly rates as there are advisors – the key is to find the rate that’s right for you and then to apply it in your daily routine.

The \$60 an hour this advisor uses may be way too low for you – or could be too high. Note that \$60 an hour equates to about \$100,000 year.

The key is to pick the right hourly rate and use that to guide your decisions on discretionary activity.

It may take some thought at first – but just as with any new habit, in short order you’ll be applying this rate to minimize the time spent on all but the highest impact uses of your time.

*\* Dan Richards conducts programs to help advisors gain and retain clients and is an award winning faculty member in the MBA program at the University of Toronto. To see more of his written and video commentaries and to reach him, go to [www.clientinsights.ca](http://www.clientinsights.ca).*



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