July 1, 2008

The Efficient Practice

Business Efficiency: Time and Motion Studies

Certainly, one of the hallmarks of practice efficiency is the achievement of greater productivity from employees within the same time period. To understand this, one must conduct a time and motion study. A time and motion study (or time-motion study) is a business efficiency technique combining the Time Study work of Frederick Winslow Taylor with the Motion Study work of Frank and Lillian Gilbreth (best known through the biographical 1950 film and book *Cheaper by the Dozen*). It is a major part of Scientific management (Taylorism).

A time and motion study would be used to reduce the number of motions in performing a task in order to increase productivity. The best known experiment involved bricklaying. Through carefully scrutinizing a bricklayer's job, Frank Gilbreth reduced the number of motions in laying a brick from 18 to about 5. Hence the bricklayer both increased productivity and decreased fatigue.

Of course, financial practices are loath to compare themselves with bricklaying. But, for repetitive processes, the concept is essentially the same. The key is to set specific standards for task completion that have acceptable time standards before embarking on intrusive time and motion studies with your staff. To set the standards, you must have a clear understanding of all the steps involved in the task to be studied. So, to begin, it is important to write out those steps and to also flowchart the steps using any decision points that might be encountered during the task accomplishment. ()

Is Multi-tasking More Efficient?

New scientific studies reveal the hidden costs of multitasking, key findings as technology increasingly tempts people to do more than one thing (and increasingly, more than one complicated thing) at a time. Joshua Rubinstein, Ph.D., of the Federal Aviation Administration, and David Meyer, Ph.D., and Jeffrey Evans, Ph.D., University of Michigan, describe their research in the August issue of the ***Journal of Experimental Psychology: Human Perception and Performance,*** published by the American Psychological Association (APA). The research revealed that for all types of tasks, subjects lost time when they had to switch from one task to another, and time costs increased with the complexity of the tasks, so it took significantly longer to switch between more complex tasks. Time costs also were greater when subjects switched to tasks that were relatively unfamiliar. They got "up to speed" faster when they switched to tasks they knew better, an observation that may lead to interfaces designed to help overcome people's innate cognitive limitations. The researchers say their results suggest that executive control involves two distinct, complementary stages: goal shifting ("I want to do this now instead of that") and rule activation ("I'm turning off the rules for that and turning on the rules for this"). Both stages help people unconsciously switch between tasks. **Conclusion:** Multi-tasking could actually be slower than doing focused tasks one at a time.

Adobe Reader Puts on a New Face: A Look at Version 8

Adobe Reader, the **free** version of Adobe's Acrobat line of software products, has added some significant functionality. The new user interface is simpler, more organized with customizable toolbars and a combined search/find function.

New Viewing options include a reading mode, pan & zoom, loupe tools, hide pag gaps and more. There are new markup tools for use in PDF packages. There is new functions for collaboration, including the ability to start a meeting with Acrobat Connect as well as an RSS (Really Simple Syndication) review tracker. There is also increased security features and enhanced performance and accessibility.

Long absent from Reader has been the ability to create an Adobe PDF document. Version 8 now permits this using a web-based service, interfacing with Adobe Acrobat or through the use of Adobe LiveCycle products. To initiate, you use the Create PDF Online web-based service to convert most common formats, such as Office documents, graphic files and web pages, to Adobe PDF format. You can now:

- Create and publish reports, spreadsheets, and resumes for distribution to anyone who has Adobe Reader.
- Distribute schedules, maps and calendars as PDF files
- Archive web sites for easy reference and research

Create Adobe PDF online is subscriber based at $9.99/month or $99.99/ year.

Long absent from Reader has been the ability to create an Adobe PDF document. Version 8 now permits this...

Adobe LiveCycle PDF Generator software enables organizations to centrally manage and control the creation of Adobe PDF documents across the enterprise. A server based solution, Adobe Live-Cycle PDF generator offers flexible deployment options, granular control over document properties, and a range of functionality designed to meet the document conversion needs of every organization.
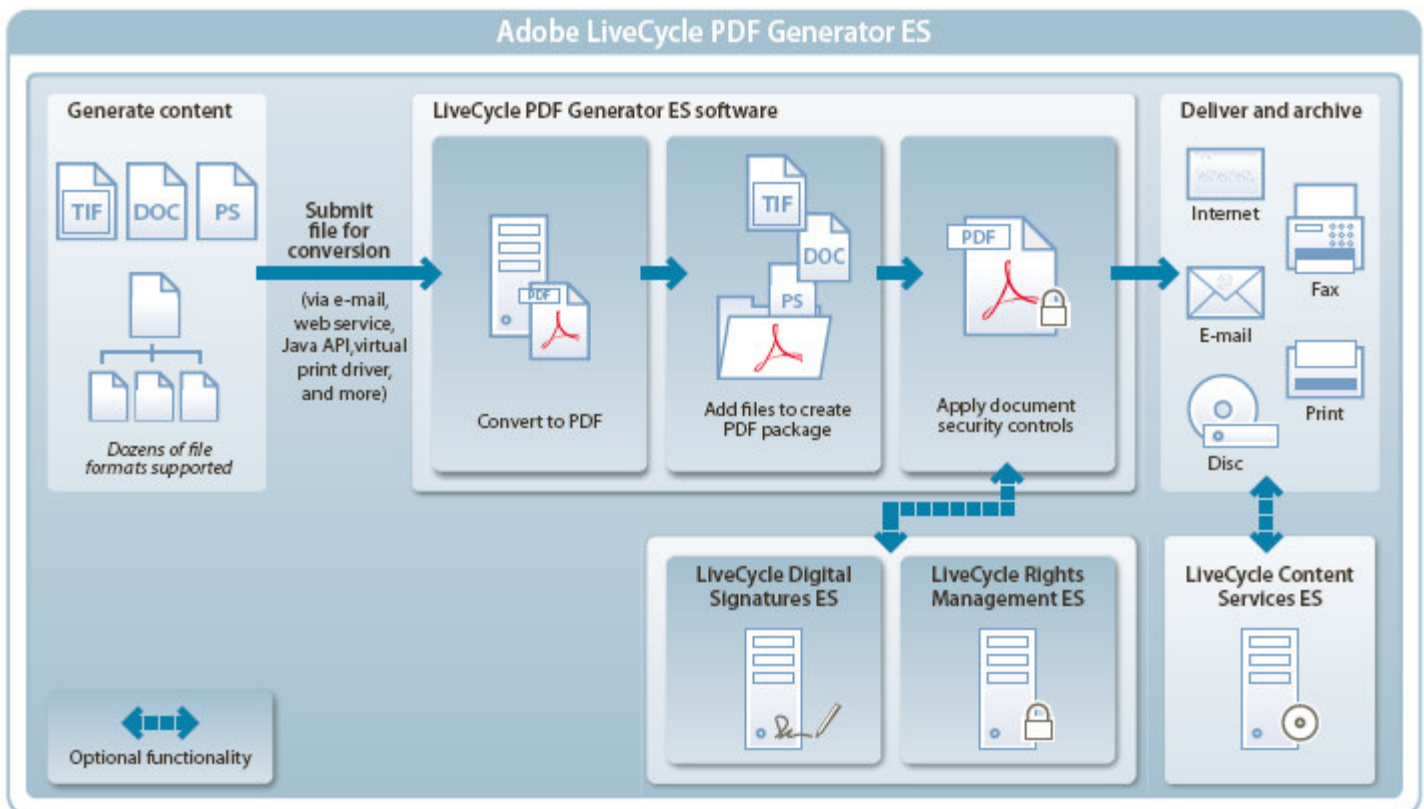

For larger firms looking for a comprehensive document handling operation, this might be worth a look. For more details, visit: **http://www.adobe.com/products/livecycle/pdfgenerator/** .

Collaboration could well be the most valuable added function of Version 8. With it, you can review and mark up PDF files when collaborating on a project. Special markup tools such as electronic sticky notes and highlighters are used within Adobe Reader to non-destructively add comments and provide feedback to the document author. This is perfect for email reviews. You can even track reviews inside Reader with status updates for each review currently in progress. As Reader is free, it is worth taking the time to check out these new functions.

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Let's take a look at an example of a flowchart:
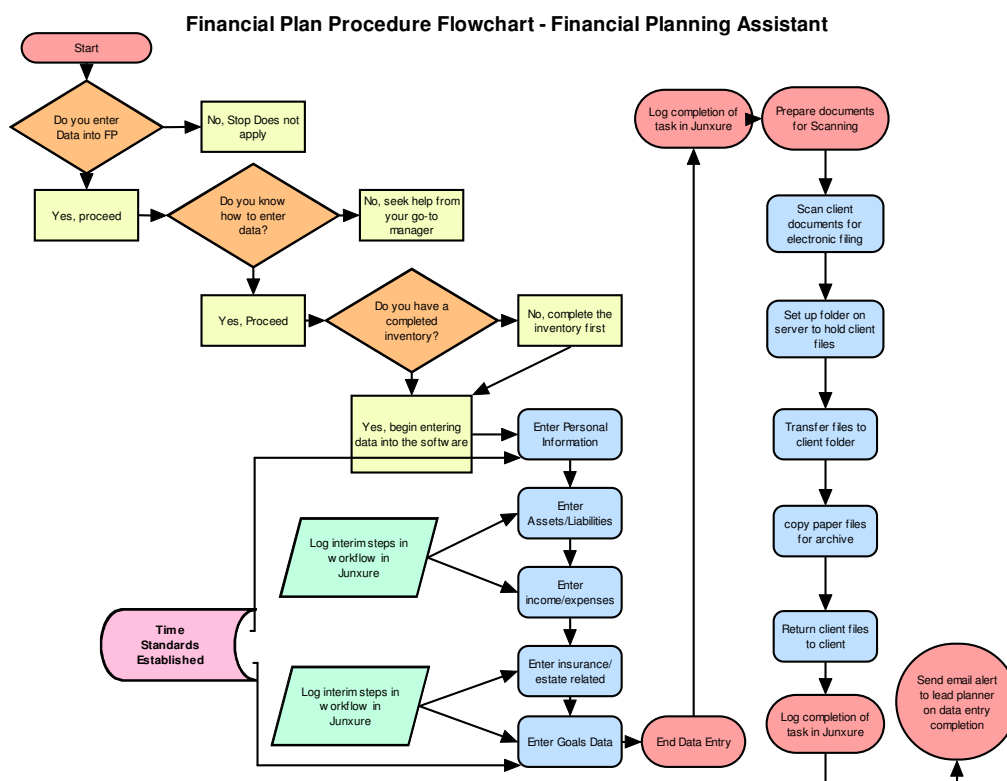
Financial Plan Procedure Flowchart - Financial Planning Assistant

> It is, by the way, important for your employees to not be told the reason for timing them, or to time them without their knowledge.

Using this financial plan procedure, it is easier to visualize all of the steps required in the production of a financial plan. More important, assumptions can be made on the time it takes to accomplish the various tasks associated with this procedure. If your firm has multiple employees who do the same tasks (i.e. paraplanners or planning assistants, etc.), it would be important to document the time it takes each of these employees to accomplish the same set of tasks (procedure) such as above. Once complete, standards can be applied for future use. It is, by the way, important for your employees to not be told the reason for timing them, or to time them without their knowledge. An intelligent employee could quickly figure out that it might be to their advantage to

complete the task slower than they actually could (often referred to as time padding).

This accounts for the time part of the time-motion study. Motion is quite another thing. Motion or action is derived from observation. As an example, if a planning assistant were to type in a client's personal information (i.e. Name, Address, SSN, Birthdate, Etc.) into a CRM software and then type in the same information into a financial planning software, this would be duplicating keystrokes (or motions). Not only would it adversely affect time studies, it would also skew any observation of motion. Eliminating duplicate 'motions' not only saves time, it saves activity of the planning assistant and decreases repetitive (and often mistake-prone) tasks. Increasing the efficiency of motion, proportionately increases the efficiency of time which results in a substantial savings of staff costs to the firm and also results in greater productivity of the planning assistant (in this example). A chart could be created that addresses time and motion studies in your practice that might look like the following:

> Increasing the efficiency of motion, proportionately increases the efficiency of time which results in a substantial savings of staff costs to the firm and also results in greater productivity.
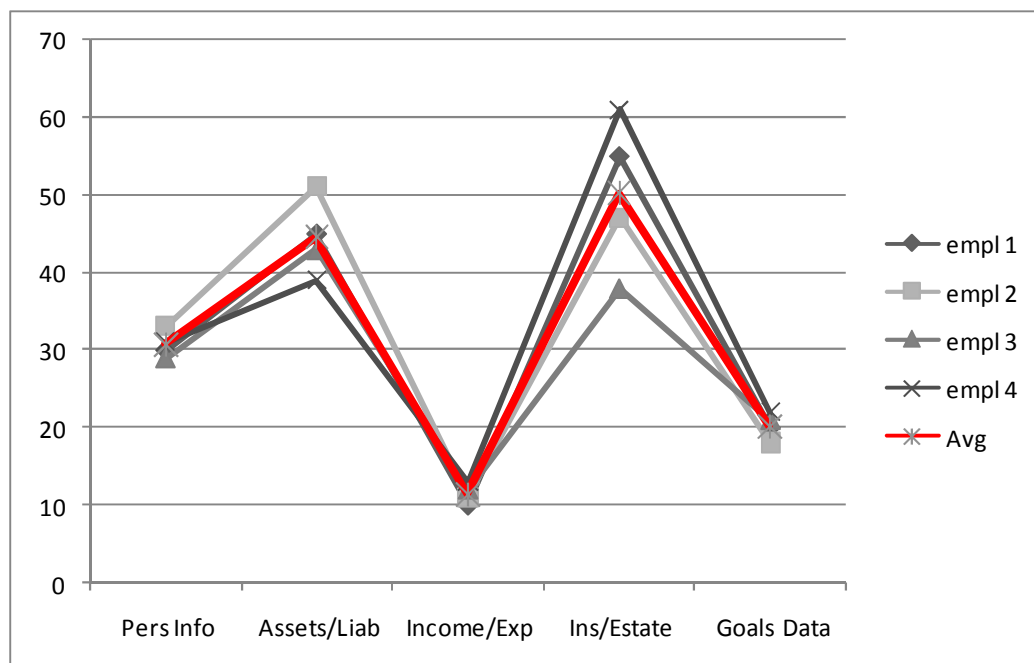
In the above chart, the red line indicates an average of the four employees times to accomplish the five illustrated tasks. The spreadsheet that drives this chart looks like the following (continued on Page 6).

> One of the key factors in leveraging employee productivity can be found in motivational incentives.

> Realistic objectives are able to ensure that timeliness and work quality combine...

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Entry Tasks (min)	empl 1	empl 2	empl 3	empl 4	Avg
Pers Info	30	33	29	31	30.75
Assets/Liab	45	51	43	39	44.5
Income/Exp	10	11	12	13	11.5
Ins/Estate	55	47	38	61	50.25
Goals Data	20	18	21	22	20.25

The goal of such a study is to set standards (in this example, the average) for future management use. Once these standards are in place, it is a tool for management to use to observe an employee's activities in an objective manner.

However, employee productivity itself is rarely influenced by such a tool. It is merely a diagnostic tool for managers. One of the key factors in leveraging employee productivity can be found in motivational incentives. While it might be tempting to assume that salary is the most obvious incentive for increasing employee productivity, this is not always the case. In fact, recent thinking on this subject has concluded that in a large number of cases, salary has less to do with motivation than do other important factors. Many experts has noted that workers, while on the job, do not produce more simply because they are being paid more. After all, it is unlikely that your staff calculates how much they make based on how long it takes them to send out an email or, for that matter, how many emails are sent.

What truly motivates good employees may be as simple as being able to see a project through to completion. Additionally, working in an environment where employees are treated fairly is also important. Another important tool for motivating employees is praise. Recognition of a job well-done is a powerful motivator. Also, recognizing an employee who goes 'above and beyond' the call of duty is a powerful way to motivate that same employee (and, potentially others).

Yet another technique is to establish realizable goals for employees that correspond to the work being done. Realistic objectives are able to ensure that timeliness and work quality combine, and that the employee can still feel ready for the next project once the current one has been completed.

Therefore, it is incumbent upon an employer who wishes to use time and motion studies in their firm to recognize this as a diagnostic tool and to pair with it a systematic approach to employee incentive management that is both fair, reasonable and consistent.   -David L. Lawrence, AIF®

Tools for The Remote Advisor: 2 new Smartphones

Even though there are loads of choices out there, new smartphones are constantly being introduced. In effect, it is a game of one-upmanship with the phone manufacturers, each trying to outdo the other. The most recent offerings reflect this war of technologies.

> The Blackberry Thunder will be ..Blackberry's first Smartphone with a touch screen technology.

Blackberry Thunder is a new offering through Verizon that is rumored for release in August. This phone takes advantage of the newer, faster 3G network and will be Blackberry's first Smartphone with a touch screen technology. No price was available as of this publication date. Visit **www.blackberry.com**.

Another release in July is the **IPhone 3G**. Similar to Blackberry's offering, the IPhone 3G has blazing internet speeds. Download speeds of up to 1.4 Mbps combined with features such as GPS tracking, Push emails, calendar and contacts, the IPhone 3G finally emerges as a worthy addition to the Smartphone lineup. Available from AT&T Wireless. This phone also has IPod capabilities as well as full robust phone features including Bluetooth capabilities. The IPhone has widescreen IPod features on a 3.5 inch display.

You can even email a photo while talking on the phone, surfing the internet or looking up a contact. The IPhone 3G sells for $199.00 for an 8 GB version or $299.00 for the 16GB version. Visit **www.wireless.att.com**.

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