

How to Hold Employees Accountable to Increase Profitability

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IMAGINE A WORLD WHERE



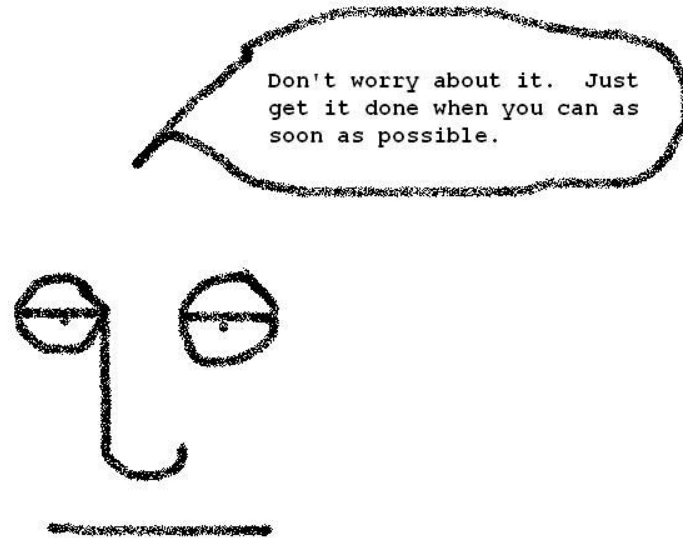
There is NO Drama!



Employees understand the relationship between the value they bring to the firm and their paycheck



You never had to deal with poor results or passive aggressive behavior



Employees follow all of your policies and processes



Every employee is a top performer...

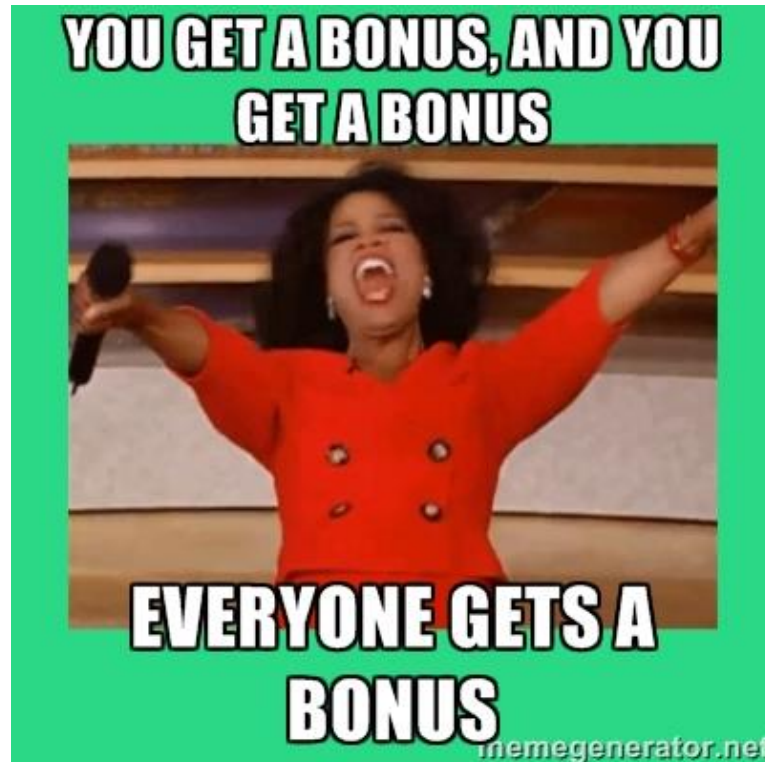




#1 – Our performance management process consists of an annual review



#2 – Everyone is given a raise and / or bonus even if they didn't perform



#3 – All of our offices do things their own way – from proposals & estimating to project budgeting & billing



"I'M A STRONG BELIEVER IN CAD STANDARDS - THAT'S WHY I USE THIS EXCELLENT SET OF MY OWN"

#4 – We never fire anyone. We have some
“D” players on our team

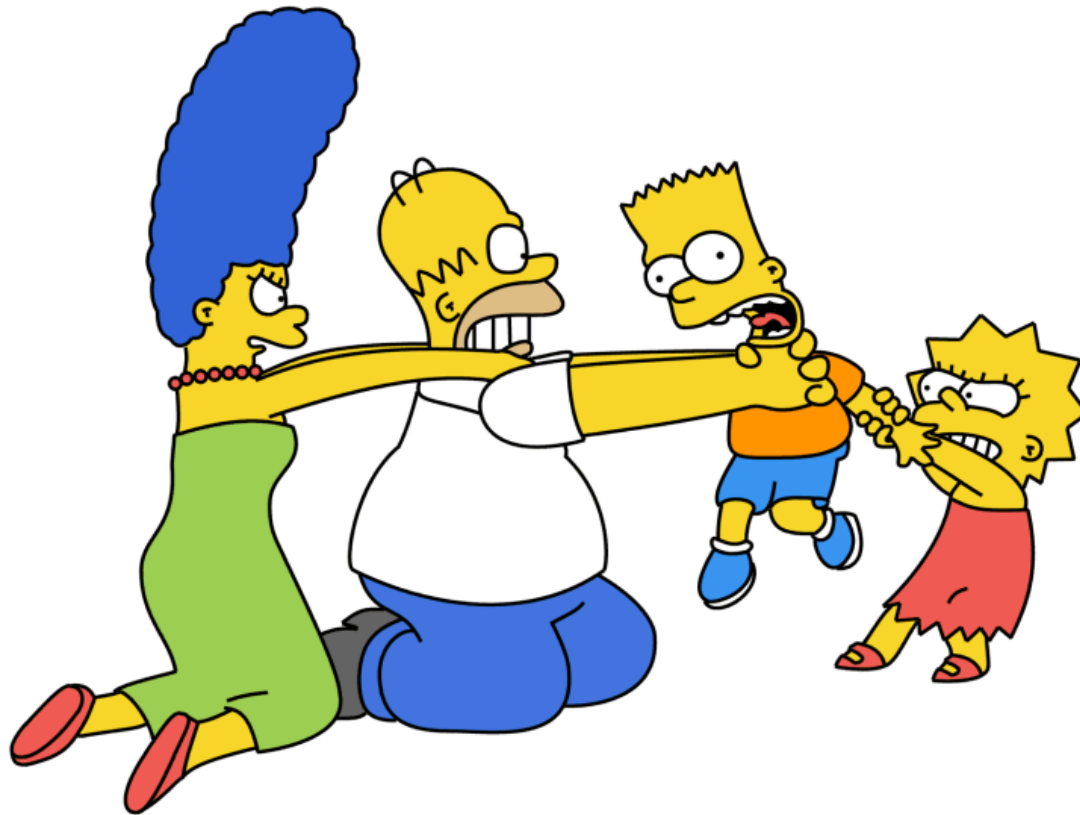


#5 – We do not have metrics to measure our PMs

Key
Performance
Indicator



#6 - We operate like a family run business





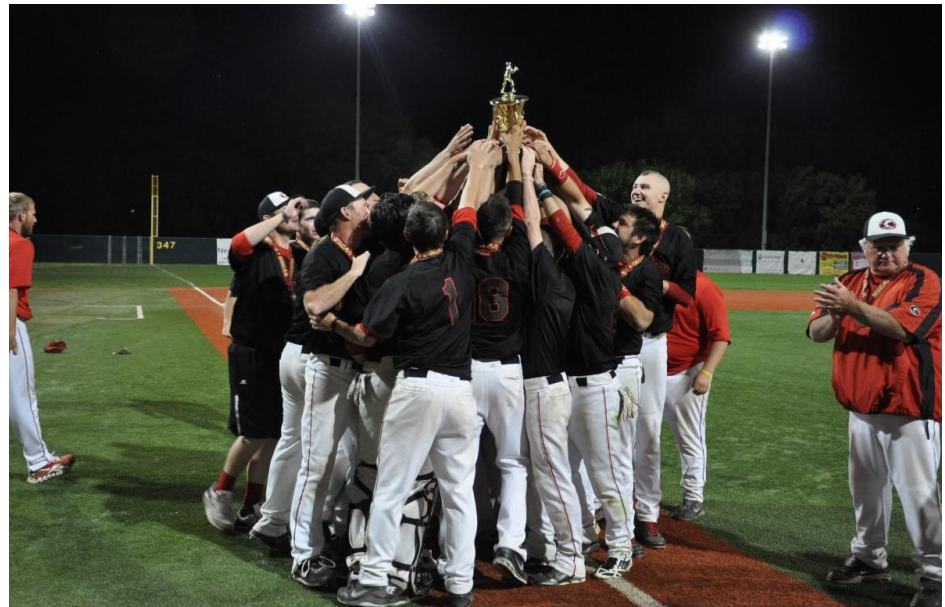
What is the PURPOSE of performance management?

To IMPROVE Performance!




Championship Teams have:

- Alignment – working towards common goals
- Clear Roles
- Teamwork
- Engagement
- Constant feedback
- Consequences
- Accountability!



**What is a lack of
accountability
leading to poor
performance
costing you?**

$$\begin{aligned} &1 \text{ hour a week} \times \$110 \text{ billing rate} \\ &\quad \times \\ &\quad 48 \text{ weeks} \\ &\quad = \\ &\$5280 / \text{employee} \times 50 \text{ employees} \\ &= \end{aligned}$$

 **264,000 / year**

Where
are the
dollars
going?



Hiring the Wrong People



Keeping
poor
performers
too long



“When you
tolerate
mediocrity,
you get
more of it.”

Failure to
maximize
performance

FRANK SONNENBERG

Projects
go over
budget





*Quality
Control
Suffers*

Dis-incentivizing best employees



Inefficiency
+
Inconsistency
+
Failure to use
systems

Microsoft Excel - Project Plan

File Edit View Insert Format Tools Data Window Help

Project Plan									
Project Manager:									
	Task Name	Duration	Start Date	End Date	Start Date	End Date	Start Date	End Date	Start Date
1	XXXXXXXXXXXX	1 Day	January 1, 2000	January 1, 2000	100.00	100.00	0.00	0.00	0.00
2	Project launch site	1 Day	XXXXXXXXXXXX	January 1, 2000	100.00	100.00	0.00	0.00	0.00
3	Project set & up of resources	1 Day	XXXXXXXXXXXX	January 1, 2000	100.00	100.00	0.00	0.00	0.00
4	Resource source cost	1 Day	XXXXXXXXXXXX	January 1, 2000	100.00	100.00	0.00	0.00	0.00
5	Resource value cost	1 Day	XXXXXXXXXXXX	January 1, 2000	100.00	100.00	0.00	0.00	0.00
6	Other value cost	1 Day	XXXXXXXXXXXX	January 1, 2000	100.00	100.00	0.00	0.00	0.00
7	Resource cost & other value cost	1 Day	XXXXXXXXXXXX	January 1, 2000	100.00	100.00	0.00	0.00	0.00
8	XXXXXXXXXXXX	1 Day	XXXXXXXXXXXX	January 1, 2000	0.00	0.00	0.00	0.00	0.00
9	Other value cost	1 Day	XXXXXXXXXXXX	January 1, 2000	0.00	0.00	0.00	0.00	0.00
10	Resource cost & other value cost	1 Day	XXXXXXXXXXXX	January 1, 2000	0.00	0.00	0.00	0.00	0.00
11	Resource cost & other value cost	1 Day	XXXXXXXXXXXX	January 1, 2000	0.00	0.00	0.00	0.00	0.00
12	Resource cost & other value cost	1 Day	XXXXXXXXXXXX	January 1, 2000	0.00	0.00	0.00	0.00	0.00
13	XXXXXXXXXXXX	1 Day	XXXXXXXXXXXX	January 1, 2000	0.00	0.00	0.00	0.00	0.00
14	Other value cost	1 Day	XXXXXXXXXXXX	January 1, 2000	0.00	0.00	0.00	0.00	0.00
15	Resource cost & other value cost	1 Day	XXXXXXXXXXXX	January 1, 2000	0.00	0.00	0.00	0.00	0.00
16	Resource cost & other value cost	1 Day	XXXXXXXXXXXX	January 1, 2000	0.00	0.00	0.00	0.00	0.00
17	Resource cost & other value cost	1 Day	XXXXXXXXXXXX	January 1, 2000	0.00	0.00	0.00	0.00	0.00
18	Resource cost & other value cost	1 Day	XXXXXXXXXXXX	January 1, 2000	0.00	0.00	0.00	0.00	0.00

Project Plan



“Due to the technological advances of the 21st century, with high-speed Internet, cloud-based computing, and other innovations, we live in a world where knowledge doubles every year and skills have a half-life of 2.5 to 5 years. “

Source: Bridging the Leadership Divide: www.TheRenegadeLeader.com





By 2025, 75%
of the
workforce will
be today's
Millennials

Source: Bridging the Leadership Divide:
www.therenegadeleader.com

A Bentley University
survey of
millennials found 66%
of respondents have a
strong desire to start
their own business



Research Shows

"If the job market improves in the next 12 months, I will look for a job with a different organization."

Source: Forbes.com

Only about four in 10 employees (41%) know what their company stands for and what makes its brand different from its competitors'.

Source: Inc.com

54% of millennials want to start their own company and become a multi-millionaire

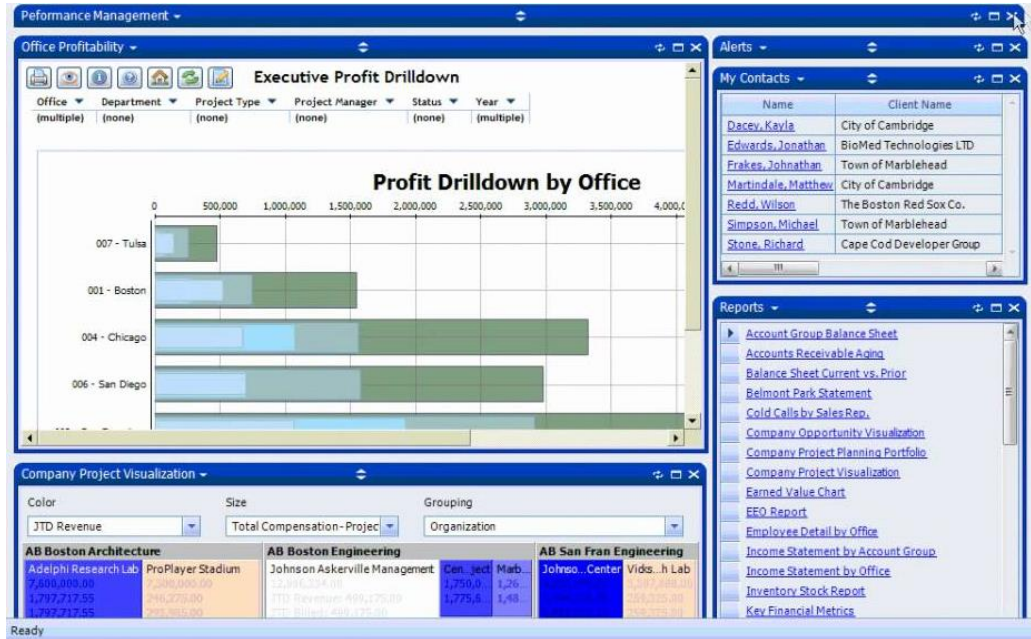
Source: <http://betabait.com/millennials-an-entrepreneurial-generation/>

Only 28 percent of Millennials feel that their current organization is making full use of their skills.

Source: <http://www2.deloitte.com/global/en/pages/about-deloitte/articles/millennialsurvey.html>

6 Steps to Establishing an Effective Performance Management Process





Step 1:
Establish goals
and KPIs in
alignment with
company
mission

Step 2:
Develop clear
process for
giving
responsibility /
assignments
and clear chain
of command



Project Manager Job Description

Position Overview

Reporting the VP Marketing, the Project Manager is responsible for planning, executing, and evaluating projects according to predetermine timelines and budgets. Building and managing project teams, reporting to the Project Sponsor, and ensuring quality control throughout project life cycles are central to this position.

Responsibilities

- Manage project development from initiation to closure.
- Be accountable for project results along with project sponsor.
- Work with project sponsor and stakeholders to complete project charter outlining scope, goals, deliverables, required resources, budget, and timing.
- Complete work breakdown structure to estimate effort required for each task.
- Provide a project schedule to identify when each task will be performed.
- Clearly communicate expectations to team members and stakeholders.
- Act as a mediator between stakeholders and team members.
- Resolve any issues and solve problems throughout project life cycle.
- Effectively manage project scope by ensuring any changes to scope are documented and approved with project change request forms.
- Determine if external consultants or contractors will be required to complete project plan. If required, recruit and manage appropriate staffing resources.
- Track and report on project milestones and provide status reports to sponsor.
- Lead, coach, and motivate project team members on a proactive basis.
- Determine how results will be measured and complete a post-project evaluation to determine how well results were achieved.
- Develop tools and best practices for project management and execution.

**Step 3:
Clearly Define
Responsibilities
and Job
Descriptions
aligned with
company goals**

Step 4:

Exchange regular
feedback **between**
employees and their
managers

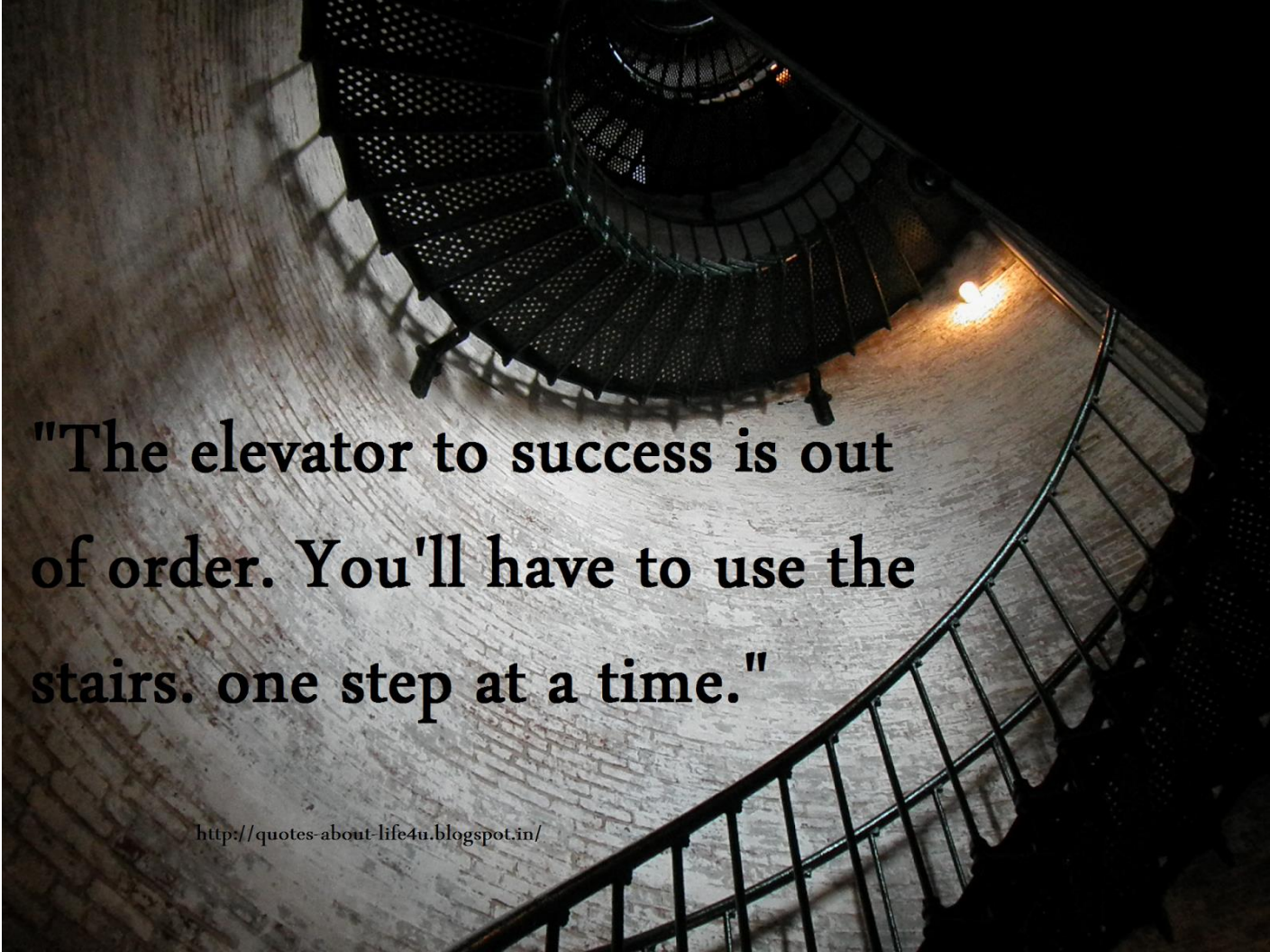




Step 5:
Offer help and
training to
improve
employee skills,
knowledge and
performance

Step 6:
Reward and
incentivize
desired
behavior.





"The elevator to success is out of order. You'll have to use the stairs. one step at a time."

<http://quotes-about-life4u.blogspot.in/>

Summary:

- ✓ Lack of accountability is cultural.
- ✓ Poor performance has a measurable cost associated with it.
- ✓ The traditional “Annual Performance Review and year-end bonus does not work.
- ✓ Employees need measurable goals, regular feedback and coaching to be successful.

Business Management Assessment

Menu

FIND THE LOST DOLLARS
BUSINESS MANAGEMENT SKILL DEVELOPMENT FOR AEC PROFESSIONALS



Business Management Assessment

Please answer these questions so we can gauge our team's strengths and areas for improvement. Please be candid and honest with your answers and complete all nine areas.

Key: 1 Strongly Disagree 2 Disagree 3 Somewhat Disagree 4 Agree 5 Somewhat Agree 6 Strongly Agree

At completion you will be asked to take a short survey for the developer, it is important that you finish with this step.

The assessment should take 30-40 minutes to complete. You will not be able to start/stop.

Managing Opportunities

- | | |
|---|-----------------|
| 1. We have a good process for finding and managing leads for new business. | N/A 1 2 3 4 5 6 |
| 2. We have an effective Go / No-Go process. | N/A 1 2 3 4 5 6 |
| 3. We have written processes and clear assignments of responsibility for entering, managing, and updating the data about open opportunities. | N/A 1 2 3 4 5 6 |
| 4. We have a clearly documented sales process. | N/A 1 2 3 4 5 6 |
| 5. We are using probabilities to estimate what we will win. | N/A 1 2 3 4 5 6 |
| 6. Our sales process is efficient. We have eliminated bottlenecks that lead to wasted time or ineffective follow up on opportunity deadlines. | N/A 1 2 3 4 5 6 |
| 7. We are tracking key milestones as well as stages of the sales process. | N/A 1 2 3 4 5 6 |
| 8. We have a CRM system that captures lead, opportunity, and proposal deadline data. | N/A 1 2 3 4 5 6 |

Summary:

Section One:
Managing Opportunities

80/96

Section Two:
Proposal Management
and Execution

55/102

Section Three:
Estimating

22/96

Section Four:
Scope Creep and Extra
Services

55/108

Section Five:
Utilization and Resource
Management

57/72

Section Six:
Project Financial
Management

76/138

Section Seven:
Invoice Cycle and Cash
Flow

84/156

Section Eight:
IT Systems and Data
Management

32/114

Section Nine:
Client Relationships and
Retention

60/120

= Better than most!
 = Not bad but needs more work!
 = Needs improvement!
 = Not graded

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