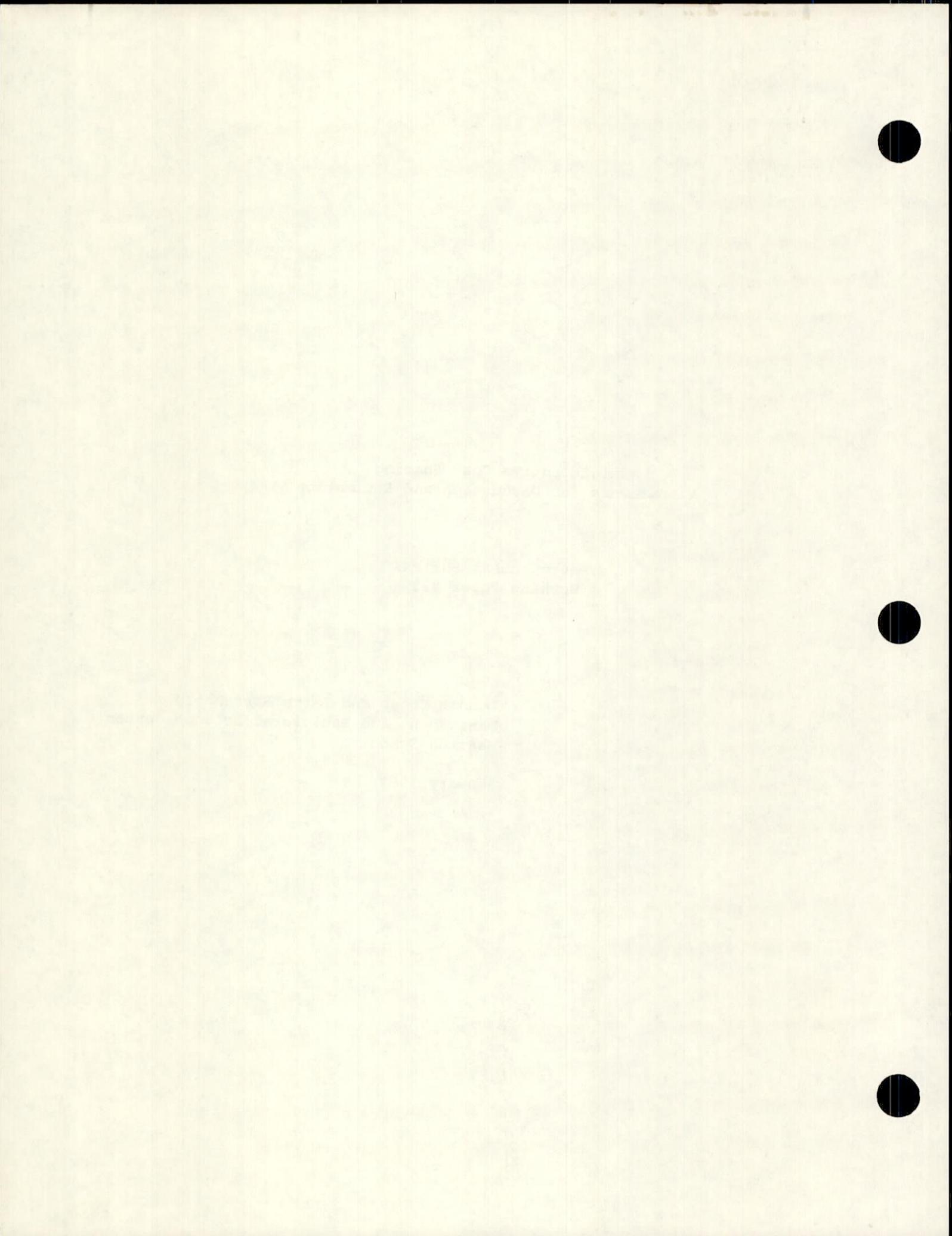


Administrative Cost Sharing:  
A Framework for Discussion and Estimation

Retrenchment Series  
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Introduction

Small legal service programs (under \$500,000) face difficult decisions under conditions of retrenchment. Cutbacks might eliminate necessary administrative and legal functions. Under these conditions programs have wondered if they might not share some administrative costs with other programs, small and large, within a particular area. The merits of such sharing are both costs saving and the development of a network which may increase the political strength of each program.

In the following paper, brief "models" of cost sharing are described. While they are based on analyses of actual program structures and budgets, they are too general to be applied directly without modification to a particular situation. They should be used to stimulate and guide discussion within and between programs interested in cost sharing arrangements.

As the following table suggests it is useful to think of four types of cost sharing arrangements.

	Administrative cost sharing (ACS)	ACS plus investments in computer capabilities
Arms length relationship	Purchase of services from large program, purchase of services from accounting firm (1)	Purchase of program computer for program use <u>and</u> purchase of computing services (3)
Network relationship	Joint sharing of services-- "circuit rider," joint pur- chase of administrative services (2)	Administrative "circuit rider" with computer capability (4)

Small programs can enter into either arms length or network relationships with other organizations. Arms length relationships are maintained on the basis

An accountant spends one to one and a half days a week in a program office. His or her major duties include work on the general ledger, reconciling bank statements and accounts, and supervising and constructing management reports. Another employee of the firm spends about twelve hours a week on bookkeeping statistics and other administrative duties. The charge per month would range from \$1,000 to \$1,500 per month or \$12,000 to \$18,000 per year. Savings for the program would be the elimination of an administrator and one half an administrative secretary. The other half would be used to handle those functions which must be dealt with on a day-to-day basis in the office.

An analysis of projected savings follows:

Savings

Eliminate administrator	\$17,000 - 22,000
Eliminate ½ administrative secretary	<u>6,000 - 7,500</u>
Projected savings	23,000 - 29,500
Cost of outside contract	<u>18,000 - 12,000</u>
Projected net savings	5,000 - 17,500

Larger program as a contractor. If there is a larger legal services program in your area the chances are good that after they cut back they will be left with slack administrative resources that they would be willing to sell to you on a contract basis. Possible areas to explore are:

- word processing: They could use their word processing equipment to produce your "boiler-plate" material that does not need an immediate turnaround.
- accounting: They could provide accounting services on their computer as described in the modified micro system.
- Basically, a larger program may be interested in contracting out for a full line of administrative services for small programs in their area.

In the following example we show how program staff from small and large programs might estimate if the sale of services from one to the other is cost-effective.

Examine the following case: A \$1,000,000 legal service program organized on a "federated" basis operates with an administrative budget of about \$90,000. This includes the salary of a bookkeeper, a financial officer, and administrator, and a director. The salaries are:

Bookkeeper	\$15,000
Finance Officer	23,000
Administrator	18,000
Director	<u>34,000</u>
Total	\$90,000

The director administers three programs, his core program, call it PC, and two others, P1 and P2. He estimates that the marginal cost of operating PC alone is about \$62,000. P1 is quite complex to administer--it functions as a back-up program to several others in the state, but P2, with about a \$200,000 budget, is relatively simple to manage. He estimates that administrative staff spend the following proportion of their time administering P2:

	Time (%)	Salary	Time x Salary
Bookkeeper	15	\$15,000	\$2,250
Finance Officer	15	23,000	3,450
Administrator	5	18,000	900
Director	7.5*	34,000	<u>2,550</u>
Total			\$9,150

\*excludes board liason time which adds another 7.5%

Now the director thought he could take on another P2-like program without adding to administrative staff. This suggests that he could exploit meaningful economies of scale by increasing the number of programs he administers.

With this information let us construct the following model:

The core program has a staff that produces \$90,000 of administrative activity. The marginal cost of administering the core program is \$62,000. The marginal cost of administering an additional P2 program is \$9,150. Let us then assume that the marginal cost of administering an additional P2 program will be less since staff will exploit economies of scale in administering a program similar in structure to the first P2. If we assume that the bookkeeper must spend only 10% more of his or her time to administer P2 and assume proportionate reductions in the time of the other administrative staff, the marginal cost of adding another P2 will be:

	Time (%)	Salary	Time x Salary
Bookkeeper	10	\$15,000	\$1,500
Finance Officer	10	23,000	2,300
Administrator	3.3	18,000	600
Director	5	34,000	<u>1,700</u>
Total			\$6,100

The administrative team has  $\$90,000 - \$62,000 = \$28,000$  of administrative services to sell. Assuming no further economies of scale it can therefore profitably administer  $\$28,000 - \$9,150/6,100 = 3$  programs for an average cost per program of  $\$28,000/4 = \$7,000$  per P2 program. These numbers establish some parameters for thinking about transactions between small and large programs. Thus for example:

1. If one small \$200,000 program wants to join the above federated structure which is administering three other programs, then it pays to do so for both parties if the costs to the small program of going it alone is greater than \$7,000. Thus for example, if the cost of one half time administrator is greater than \$7,000 the small program should buy administrative services from the large program.
2. If a program equal in size to two P2 programs with a \$400,000 budget

wants to join the above federated structure which is administering two other programs, then it pays to do so if the cost to the smaller program of going it alone is greater than \$14,000. This for example, if the costs of a three fourths time administrator is greater than \$14,000, then the small program should buy administrative services from the large program.

3. If a program equal in size to three P2 programs with a \$600,000 budget wants to join the above federated structure which is administering one other program, then it pays to do so if the cost to the smaller program of going it alone is greater than \$21,000.

These results are summarized in the following table:

Size of Large Program	Size of Small Program	Break Even Point: cost of administrative services to small program if it goes it alone
\$1,000,000	\$200,000	\$ 7,000
\$1,000,000	\$400,000	\$14,000
\$1,000,000	\$600,000	\$21,000

Program staff may want to construct their own model of administrative service purchasing. As this model indicates, the key assumptions are:

1. The costs to the larger program of administering its own program
2. The marginal costs of adding new programs
3. The estimated economies of scale of adding new programs, e.g. the drop in the marginal cost of adding a new program
4. All the programs added to the core program are similar in structure and functioning. If this is not the case no economies of scale are possible.

Model Two: Joint Purchase of Administrative Services

Several programs may jointly share the services of an administrative team that they jointly hire and supervise. The shared team could "circuit ride" between the programs to provide the appropriate mix of "in the office" and "away from office" service. The team could consist of an administrator and an administrative secretary who traveled from program to program. This team may better be able to handle some office-based functions which an outside contractor could not execute. Thus, we assume that this team will replace a full time administrator and administrative secretary. An analysis of projected costs would simply be the program's share of the costs.

If shared with one other program:

Savings

Administrator	\$17,000 - 22,000	
Administrative secretary	<u>12,000 - 15,000</u>	
		29,000 - 37,000

New Costs

1/2 of savings	14,500 - 18,500	
1/2 travel expenses (\$20-75 per week)	<u>520 - 1,950</u>	
Total new costs		<u>15,020 - 20,450</u>
		\$13,980 - 16,550

If shared with two other programs:

Savings (same as above) \$29,000 - 37,000

New Costs

1/3 of savings	9,667 - 12,333	
1/3 travel expenses (\$30-100 per week)	<u>520 - 1,733</u>	
Total new costs		<u>10,187 - 14,066</u>
		\$18,813 - 22,934

Joint purchase of administrative services from an accounting firm. Several programs may jointly purchase services from the same firm. This has two advantages: a) it creates expertise in specific legal service program management problems within a single accounting firm; b) it may enable the firm to develop new and cost-effective solutions to management control problems; c) it may lead to price reductions in the cost of the service to each program due to economies of scale; and d) it may lead to a long term and stable relationship between the network and the firm.

We know of no example of this arrangement as of yet. Reasons a, b, and d do not necessarily lead to greater cost reduction than in Model One (purchase by a single program of accounting services) but nonetheless provide the gains of quality, stability and possibly new management control techniques. Let us assume just for heuristic purposes that joint purchase does create a 10% discount in the price of services for each program.

If shared with two other programs:

Savings

Administrator	\$17,000 - 22,000	
Administrative secretary	<u>12,000 - 15,000</u>	
		29,000 - 37,000

New Costs

1/3 of savings	8,711 - 11,099	
1/3 travel expenses	<u>520 - 1,733</u>	
Total new costs		<u>9,231 - 12,832</u> \$19,769 - 24,168

Model Three: Purchase a Computer and Link into the Computer of a Larger Program Technology. The use of a computer system will probably not result in short term savings. There is an initial capital outlay which would counterbalance

any short term savings on salary. Furthermore, experience has shown that significant savings of person hours does not occur over the short run with the use of technology. There is an initial period of learning and adjustment of from three to six months which negates any savings in personnel time. On the other hand, over the long run, the use of technology may reduce costs and increase the effectiveness of your program. Cost vs. benefit will depend as much on the method of financing the capital acquisition as on the actual cost. It will be much more difficult to justify a computer system if the cost for that system must come out of next year's operating budget. On the other hand, if the cost of such a system could be financed from fund balances that would otherwise revert back to the corporation, such an acquisition would be more cost-effective.

There are two possibilities for computer systems. The first is based on a mini-computer that is being developed by the office of information of the corporation under Andy Lewis. This will be a hardware and software package developed by an outside contractor specifically tailored to the needs of legal services. This means that the accounts, for instance, will be set up to conform to LSC auditing standards. The system will be a two-user system consisting of two terminals and a mainframe computer, as well as on-line storage and a printer. One terminal can be used primarily for word processing while the other may be used for accounting, data management and accessing the Westlaw system. This system could be accessed from the outside through an on-line hook-up and could thus service remote terminals in branch offices. The cost for the basic system will be \$20,000-30,000--rather steep for small programs. Its capacity is greater than needed by most small programs.

An alternative system could be based on microcomputer (i.e., like the Apple II). Such a system would consist of two microcomputer central processing

units hooked into a dual line drive for information storage; there would also be a letter quality printer. Software would include word processing, data base management and accounting packages. Software would have to be modified to fit LSC special needs. Initial estimates of this system would be in the \$10,000-12,000 range. This system should meet the needs of most small programs although it sacrifices the specialized software packages that are being developed by LSC. Programs written for mini-computers do not run will on microcomputers. If they will run at all, they will be very slow and inefficient.

If a program in your area does buy a larger LSC system it may be possible for your program to buy a scaled-down version of the microcomputer system. This would consist of one central processing unit, a dual disc drive and a letter quality printer. Software would be a word processing package only. Accounting and statistics could be entered into the larger system through a phone hook-up and printed out in the office. The initial cost of this system would be \$5,000-7,000. There would also be a user charge for the larger system and phone charges. One disadvantage of this system would be the reduced availability of a terminal for legal research.

What can a computer system do for you? Will it pay for itself by replacing technology for people? The answer is no. The computer probably will not replace people per se. After an initial period of learning and adjustment during which productivity will probably go down, the computer will free staff from mundane time consuming chores, increasing the quality of their work and the complexity of the areas on which they can spend their time. The combination of an accounting, word processing, and data management package may reduce personnel time by one half to one full time equivalent spread over these four areas:

1. The accounting package will cut bookkeeping time, make it easier to monitor cash flow and reconcile accounts. It will not substitute for an experienced administrator to interpret the output and make decisions. This would be an excellent support system for an outside contractor, "circuit rider," or part time administrator.
2. Word processing would be most useful for "boiler-plate" material, i.e., documents and letters which are repeatedly typed in a basic form. It would also be useful for a rushed composition of a document by a professional staff member who must meet a deadline.
3. A data management package would be moderately useful to store your statistics and generate reports.
4. The availability of a terminal to connect to the Westlaw library system may provide a savings on your library budget. According to people from LSC the average cost for Westlaw would 1.5 hours per month per attorney at \$40 per hour. A five attorney program with a \$4,500 library budget would spend \$3,600 for Westlaw and save \$900. A seven attorney program with a present library budget of \$7,000 would spend \$5,040 for Westlaw.

#### Model Four: Circuit Rider and Computer Model

The following model combines some of the elements of Model Two and Three. This model consists of clusters of small programs in close geographic proximity sharing a "circuit riding" administrative team. Each cluster would hire an administrator and administrative secretary to work for the cluster as a whole, traveling from program to program on a regular basis to take care of the administrative tasks. If there is a significant difference in size between programs, then time spent and cost incurred can be worked out on a proportional basis.

These circuit rider administrators would be supported by a micro-computer system in each office. The systems will be capable of phone communication from office to office to allow the administrator to work on any office's task whether he/she is actually in that office, or another office.

There would be a cost savings based on the above analysis for a circuit rider staff of about \$15,000-20,000 (see Model Two). But unless present fund balances can finance the computer systems, there will probably not be the resources available to purchase them.

Why bother with cost sharing in general? Why not just hire a part time administrator for your own program and avoid the hassle of negotiation and sharing? We see this model as providing a network to help support those programs that can survive these hard times ahead. There is the extra time and money involved for this team to travel from program to program, but there is a tradeoff. They will be working full time in legal services which should accelerate their learning curve. They will act as communication links between programs for the sharing of learning and experience. This should reduce the "reinvention of the wheel" problem for programs. They can also better facilitate joint searches for funds, funding methods and funding sources. This model will help small programs to maintain a network of support to keep alternatives open during the coming cutback period.

#### How to Begin

Program staff will want to take an inventory of its administrative activities as it surveys various administrative cost sharing plans. It would be useful for all staff members to list the range of administrative activities they expect to engage in over the coming year. Some general categories might be: purchasing and capital maintenance, personnel bookkeeping, fiscal management, travel, statistics, board relationships, personnel supervision, community

relations, etc. After each member has created this list, the group should convene together to analyze their lists and answer the following questions:

1. Which tasks must be done in the office and which can be done outside the office?
2. Which tasks must deal with people problems and which with "things" and "numbers"?
3. Which tasks entail the management of political relationships with outside stakeholders and which with the management of commercial relationships?
4. Which tasks must be done frequently and which infrequently?
5. Which tasks entail much discretion in decision making and which little?
6. For every task, how much estimated time (total) is required to complete it once, over an entire year?
7. Who in the staff is best at what tasks?

Where done	People/ Things	Politics/ Commerce	Frequent/ Infrequent	Discretion/ Programmed	Time	Who is best
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Task

This list will enable staff to see which tasks they might easily contract through some administrative cost sharing arrangement. In general, tasks that

a) can be done outside the office; b) entail things, not people; c) are of a commercial as against a political nature; d) are more programmed than discretionary; and e) take a significant amount of time, are most easily contracted out. Clearly, some tasks will share some of these features but not all. We suggest the following ranking criteria for exclusion from cost sharing:

1. If it is essentially a political task
2. If it entails largely people problems
3. If it takes much discretion
4. If it takes little time
5. If it must be done frequently

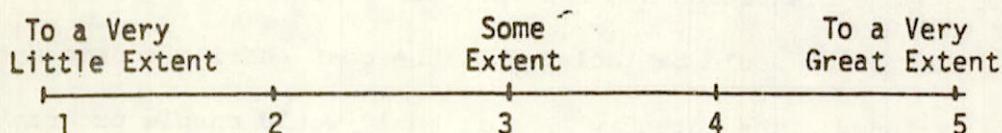
Thus for example, in deciding between two tasks, one which is commercial but entails some discretion and one which is political and entails some discretion, the former would be included in the cost sharing scheme and the latter would be excluded. The category "Who is best" would enable program staff to see if administrative tasks are allocated appropriately among the relevant staff members. With this inventory complete, program staff would be in a good position to not only help develop cost sharing programs but also in general improve its standard operating procedures. If program staff find it difficult to list their tasks, they might track the use of their time for one week. In the appendix to this paper a work sheet and explanation is provided to help people track their time.

I. Some Initial Questions to Ask Yourself

It may be helpful to ask some basic questions about how you spend your time and energy before you have collected actual data on the time sheets. Once the time logs are completed and analyzed, that data can then be compared with your initial perceptions.

Briefly respond to each of the questions below. Then go on to the data gathering task outlined in the instructions.

1. To what extent do you have substantial or significant control over how your time is distributed between your many daily activities (circle a number on the scale below).



2. If your answer is less satisfactory than you would hope, then what are a few of the factors that limit your control?

3. Last week, what were three or more of your most significant activities?

4. Last week, what were three or more of your least significant activities?

5. What are your five biggest time wasters?

6. What specific changes would you like to make in the way you now allocate your time?

7. In your opinion, what percentage of your time do you spend on operational activities?

And, what percentage of your time do you spend on strategic activities?

## II. Instructions for Using the Time Analysis Data Sheets

Select at least three and preferably five days that are typical of your work rhythms. This should not include times immediately preceding or after a vacation when you might be working most efficiently or during a crisis. You want to gather data about the normal climate in which you work.

The attached time sheets are designed to allow you to flexibly and quickly record what amount of time is spent with different activities. The most important information to record as you move through your day is the time and the activity. The rest of the columns can be filled in later if your description is complete enough to remind you of the other items. If you think you won't remember who initiated the event, take time to put a checkmark in the "Who Initiated" column. Fill in these other items at the end of the day; if you let them accumulate they will not get done.

Moving from left to right across the page,

**TIME OF DAY:** Record as precisely as possible when activity occurred.

**WHAT HAPPENED:** Jot down whatever will be sufficient to remind you of the nature of the activity. (Phone call to Ron retraining; Dictating Director's Annual Report; Jenny asking about vacation time.)

**AMOUNT OF TIME:** This is one of the least important columns to record as you move through your day, as long as you are keeping track of the Time of Day column. Whenever you decide to do the actual tabulating, the time spent on that activity should be recorded in tenths of an hour for later addition. For the purpose of quick reference,

6 minutes = .1	36 minutes = .6
12 minutes = .2	42 " = .7
18 " = .3	48 " = .8
24 " = .4	54 " = .9
30 " = .5	60 " = 1.

Obviously, you will be doing some rounding.

**TYPE OF ACTIVITY:** Again, when you decide to tabulate, the appropriate box should be checked. If you find that one of the boxes is never used, and a type of activity you frequently engage in is not indicated, create your own typology and pencil it in.

**WHO INITIATED:** This is a significant section in terms of the issue of who controls your time. The "Who?" column in this section does not refer to who was involved in the activity, but rather to who initiated it. It occurs to allow you to be more discriminating after you have totalled up your uses of time. For example, your totals from the day might indicate that 80% of your time was spent in activities initiated by subordinates. You might be comfortable with that until you noticed that half of the events were initiated by one person.

Try a day, and see how it goes. You may discover that it is easier to write in times of the day before the day begins, and then bracket those times and make your notes on time use. You may find that you remember who initiated activities, and can hold that recording till later. Regardless, the discipline it takes to record the raw data of a real day should pay off in some surprises and insights. Doing it as you go is important. Study after study has shown that our memories and perceptions of how we use our time are very different from the actual facts. The point of this log is to give you some facts.

### Tabulating

Two sides of a sheet are provided for each day. If you go over onto the second side, ignore the tabulation space at the bottom of the first one.

Two kinds of totals are recorded, the number of instances of a type of activity, and the total amount of time that type of activity used. First record the amounts of time in hours in the appropriate boxes. After that is done, and the appropriate checkmarks are in place for type of activity and initiator of activity, the number of times each event occurred is a simple addition of the number of checkmarks in that column. The total amount of time for that column is computed by adding the amount columns which occur to the left of the checks.

### Questions

Refer to the following example for help or ask us on the phone.

### Comments on the Example

From scanning this person's data one can see that on one hand you might say he was in control of his time. In a day, he had six self-initiated tasks averaging half an hour each. On closer inspection, though, you can see that almost two hours were spent with the Director of Public Works. He had only four chances for individual thinking averaging under 10 minutes each. Also he was interrupted by subordinates 25 times for short conversations of under 6 minutes each. This person clearly needs to create some blocks of time for individual work and prioritize his activities to be sure his best time is being spent on the most appropriate activities. Consistent with the norm for corrections executives, he spent more than 8 hours on the job.

### One Final Note:

One participant who has done time management work in the past found that his secretary, who is physically near his office, and aware of his schedule, was able to do the record-keeping with a great deal of accuracy. See what works for you.

TIME ANALYSIS DATA SHEET

-450-

SC

Name: \_\_\_\_\_

Date: 9/8/78

Activity Focus Time of Day	State briefly what happened.	Amount of time/10ths of hour	Check if relevant										Who?		
			Type of Activity							Who initiated					
			Individual thinking	Individual discussion	Group session	Telephone	Paper work	Self	Superior	Subordinate	Outsider				
8:00-8:10	Returning call on new gym to Director of Public Works	.2		✓			✓		✓						
8:10-8:20	Requesting conference w/ lawyer re. appeal refusal	.2		✓								✓		Deputy	
8:20-8:30	Time set for gym meeting	.2		✓			✓						✓	Public Works	
8:20-8:30	call to Deputy and Dir of Maintenance			✓						✓					
8:30-8:35	Reading file	.1	✓					✓	✓						
8:35-8:40	Report of inmate incident	.1		✓								✓		DIRECTOR OF CUSTODY	
8:45-9:15	Weekly Staff Meeting w/ staff	.5			✓				✓						
9:15-9:50	Discussed status of law suit w/ Attny General Deputy	.5			✓				✓						
9:50-10:00	Discussed status of LEAA grant	.2		✓								✓		DIRECTOR OF HALLOWAY HOUSE	
10:00-10:30	Established priorities for funding of security system	.5			✓								✓	CRIME COMMISSION	
10:30-12:20	Discussed new gym. Towed site w/ Public Works & Maintenance	1.8			✓				✓						
Evening Activities	Guest on Radio Talk Show	3											✓		
Total	# of times	10	4	20	3	10	5	6	6	18	4				
	Amnt. of Time		1.5	1.3	2.0	1	1.1	3.0	1	2.3	1.1				

### III. Instructions for Analyzing Your Completed Data Sheets and Developing Strategies to Improve Your Use of Time

#### Analysis of Time Sheets

After you have completed your Time Analysis Data Sheets ask yourself again:

1. What are your five biggest time wasters?
2. What factors limit your control over your time use?

To better understand why these factors limit your control, construct a force field of the driving forces which are helping you gain control over your time and the restraining forces which are keeping you from having control over your time. Then, prioritize these in terms of (a) most important, and (b) ones over which you have the greatest control. Finally see if there are any steps you can take to first eliminate a restraining force or second, enhance a driving force.

#### Some Time Saving Suggestions

"Six Ways to Save Time" (Adapted from: Executive Survival Manual, Bonoma and Slevin).

There are two basic ways to save time: you can do less and you can work faster. Here are some strategies.

##### Do Less

1. Delegate: The most effective way to do less is to delegate. Virtually every manager we have worked with has failed to delegate as effectively as possible. An added benefit to delegation is: your subordinates are more motivated, because their jobs have been enriched; you are doing a better job of planning and organizing because delegation forces you to.

When you delegate, make sure that your subordinates fully understand:

- objectives and task requirements (what you want done, and how);
- decision authority (how far they can go in making decisions).

For example a three step system clarifies how far a subordinate can go on his own:

Act - notify routinely.

Act - notify at once.

Recommend, but take no action without prior approval.

There is no magic way to do this other than to clearly communicate with your staff, checking frequently at first to be sure the task is understood. If you have used Responsibility Charting in your organization it could provide a useful framework to clarify reporting relationships. It helps detect errors of omission which frequently occur if delegation is unclear. Also, you will have to learn to give your subordinates some room to move. Don't let early mistakes discourage you, it's part of the learning process.

2. Say No: Next to delegation, the second major way of doing less is to learn how to say no. Some people find this a difficult thing to do. They would like to think that they can be involved in everything. Start by saying no to low priority tasks, possibly delegating the responsibility. (See "Management Time: Who's Got the Monkey?")

### Work Faster

This is a matter of "Work smarter, not faster!"

3. Filter Out Interruptions: Every time you start a project, are interrupted and return to that project you lose valuable set-up time. The worst offender is the telephone! People will let a trivial telephone call interrupt an important meeting when they would never allow a subordinate to walk in and ask a question. Experiment with your secretary filtering calls; develop her discretion in deciding what calls should be let through and which you can return at your leisure.

A second major source of interruptions is people. Don't let an "open door" policy ruin your effectiveness. You can still be open to staff and not let them create your schedule. A protocol system using an Administrative Assistant or Deputy to handle certain types of problems can eliminate some interruptions. There is the story of the company president who had a partition installed to block the view of his desk through his open office door. He discovered that a number of interruptions were caused by his subordinates who, walking past and seeing him, felt compelled to bring some good news about progress that they were making in various areas. Although he still maintains an open-door policy, the door is "open but tended."

4. Set Priorities: Management is a job of priorities. Regardless of any formal objectives-setting program that your firm may have (like MBO), you should implement a plan with priorities for your personal use. Try this:

Annually: Set global objectives. Divide them into: routine, problem solving and personal.

Monthly: Evaluate your progress on your global objectives and revise them if appropriate.

Daily: Set priorities on a "to do" list - preferably the night before.

5. Develop a Paper Flow System: If there is anything that has had a more adverse effect on management time than the telephone it is the xerox machine. You can get copies of everything - and probably do. We suggest an efficient and straightforward system for handling your paper flow:

Action - immediate. Read and take appropriate immediate action to dispense with the piece of paper.

Action - pending. If you can't take action immediately, you may place the paper in a pending file, but only after you have initiated action on the matter.

Read and distribute or toss. Read for informational purposes. Distribute only those items that you are confident will benefit the individuals to whom you send them (be considerate of their time also).

Remember, handle each piece of paper only once! Have your secretary sort your incoming mail into the following four categories:

Action - immediate.

Action - pending.

Informational.

Garbage.

6. Use Dictation Equipment: Whereas you write at approximately 20 words per minute, you can speak quite easily at 200 words per minute. For the bulk of the correspondence that you do, it is faster to use a dictation device. It takes a small amount of training to get used to dictating, but the pay-off is worth it.

"Forty Ways to Save Time" (From: Effective Time Management: A Practical Workbook, Jim Davidson, Human Sciences Press, New York, 1978.)

1. Write down your ideas. Do not trust your memory however good it might be!
2. Set your priorities first thing in the morning before any work gets underway
3. Have a priority-setting meeting early in the day.
4. Use your high productivity hours for your Ace and King (Jack) projects.
5. Do not overschedule. Leave two hours of the day free from appointments.
6. Tackle time-consuming projects in stages.
7. Delegate to your staff the items that they are capable of doing.
8. Teach your staff how to perform certain tasks so that you can delegate in the future.
9. Concentrate on one item at a time.
10. Institute a quiet period in your office, preferably in the morning.
11. When a day's work is taxing, get out of the office at lunchtime. Plan to have lunch with a friend or do something recreational.
12. Have a light lunch and little or no alcohol at lunchtime. This prevents the usually "sleepy" period between 1:00 P.M. and 2:00 P.M.
13. Use your low productivity hour(s) for easy-to-do projects and casual reading.
14. Work on the appointment system as much as possible.
15. Have the secretary screen phone calls and inform him or her when you do not wish to be disturbed.
16. Have your secretary situated between you and visitors.
17. Close the door when you don't want to be disturbed. Use a high movable partition around you if you don't have a private office.
18. Meet visitors outside your office and talk with them standing if you wish the consultation to be brief.

19. Time limit visits. When someone calls for an appointment ask how long the consultation will be.
20. Carry a 3 X 5 card to jot down ideas when you are away from your desk.
21. Carry reading material with you at all times. Use waiting time to read.
22. Dictate letters and reports. Use the dictaphone.
23. Keep letters brief. Only address the issue. Do not say more than is required.
24. Use travel time to listen to important material contained on tapes.
25. Have a place for everything.
26. Keep your desk free of papers you are not working on that day. This prevents papers being mixed up or lost.
27. Set reasonable deadlines for yourself and others.
28. Make decisions now if possible. If further information is not likely to change the course of the decision, then don't wait any longer.
29. Keep paperwork moving.
30. Mark what you read with pencil. When you have to refer to that document later you will not have to read it all again.
31. If something isn't clear ask for clarification. Do not assume. You might find you have to do it all over again.
32. Use 10 minutes of staff meetings once a month to exchange time-saving ideas.
33. Put meetings and consultations to the afternoon, preferably 1½ hours before quitting time. Put meetings in the morning only if they demand maximum concentration from all the members.
34. Use the agenda system for meetings.
35. Keep meetings to an hour or less.
36. Form an ad hoc committee in meetings for items that need more investigation. Do not take up people's time talking about an item that nobody can adequately address.
37. Have short meetings in a room with no chairs. Keep standing.
38. Close your office, or part of it, for one day to have a time management workshop where all levels participate.
39. Where you work closely with another person, collect items and talk with him or her at certain times. Do not make contact every time you have an item. Encourage others to do the same.
40. Investigate the feasibility of using flexitime.



