



Maximum PIE - Winning in Business



***Happily Maximizing Profit in a Small or
Medium-Sized Company***



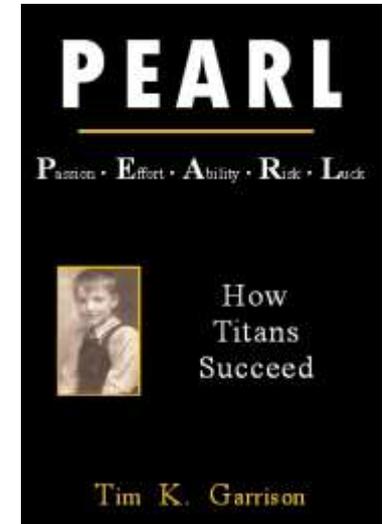
Copyright, 2017, Tim K. Garrison
www.TimKGarrison.com
timg@TimKGarrison.com
360-708-1865



Sources

The source material for this presentation comes from:

- * My 5th book, P.E.A.R.L., which includes a bibliography of 60+ books on success.
- * Success consulting with 30+ companies, including national and international work with True North Development, a Detroit-based global lean consultant.
- * Battle grime from starting up and running successful construction, consulting, and software companies.
- * Images are by the author or from the internet in accordance with Title 17, U.S. Code, U.S. Copyright Law, 1976.



Maximum PIE - Winning in Business.
Happily Maximizing Profit in a Small or Medium-Sized Company
 Copyright 2017, Tim K. Garrison. All rights reserved

Chapter	Slide	Topic
Front Cover	1	Maximum PIE - Winning in Business
	2	Sources
	3	Table of contents
1	4	Defining the Problem
	5	Winning and losing
	10	Profit
	15	Probability theory, Success Quotient "SQ"
	21	Get help, Deming
	23	A company's report card
	25	Management's ugly baby
2	26	Leadership
	27	Excellent leadership defined
	32	Example - Seattle Mariners
	34	Leaders / followers - roles
	36	Bad leader
	37	Everyone required - constancy of purpose
	41	People first - morale
	42	Money as a motivator
	43	Bonuses and profit sharing
	45	Non-monetary morale boosters
	46	2 for 1 attaboy rule
	47	Effective communication
3	52	The Right People
	53	Who's in charge - Org Chart
	55	Right people on the bus
	58	True colors
	60	Be coachable
	61	Disposition - be happy
	62	Teaching, mentoring - teach, teach, teach
4.0	68	Culture
	69	Culture defined
	73	Core Values
	75	TQI Culture defined
	76	Core Values to Culture
	78	Habits

Chapter	Slide	Topic
4.1	81	TQI Culture - Team
	82	Team First
	86	Bad Teammate
	89	Team Compatibility
	93	Likeability
	95	Team Management
4.2	96	TQI Culture - Quality
	97	Quality - Deming
	99	Mediocre vs. Great
	100	Consistency
	105	Mistakes
	107	Know your systems
	111	Avoid mistakes
	112	A+ Quality
4.3	115	Integrity
	116	Integrity defined
	118	Integrity vs. happiness
	119	Corruption
	121	Trust
	122	Marketing integrity
5	124	Maximize Income
	125	Maximum PIE defined
	126	A thousand little cracks
	129	Opportunity cost
	130	Mind the beans
	134	Maximize vs. minimize
	135	Price point
	139	Getting paid
	143	Being fast
	147	Templates
6	149	Minimize Expense
	150	Lean
	155	Wasted trips
	158	Minimize dumpsters
	160	Human efficiency

Chapter	Slide	Topic
7	162	Marketing
	163	Marketing defined
	166	Getting found
	168	Purchasing decision
	169	Trust in brand
	170	Trust - relationships
	174	Marketing cost
	175	Give it away
	177	Memorable?
	178	Be likeable
	179	Communicate
	180	Exceed expectations
	181	Solve problems don't make them
	182	Quality and integrity
	183	Marketing, who?
	184	Brand defined
	187	Brand destruction
	189	Brand importance
	191	Our marketing?
8	192	Change
	193	Making Changes
	195	Change roadblocks
	196	Change is a mindset
	197	Find your motivation
	198	Company vs individual motivation
	199	Failure is necessary
	200	Sh*tty First Drafts
	201	Evaluate and adjust
	204	It's not so simple
	206	It's not so quick
	208	Making it stick
	210	Who's the champion?
Back Cover	211	Closing - Thank you!

Part 6



Minimize Expense

Copy

How Do We Minimize Expenses?

The second part of optimizing $P=I-E$ is minimizing expenses.

There is bigtime opportunity for **ANY** company here.

How can I be so confident in saying “ANY” company? Surely we are already doing everything possible to minimize expenses – right?



Copyright TimKGarrison.com

Competition is the keen cutting
edge of business, always shaving
away at costs.

Henry Ford

What is “Lean”?

Minimize Expenses - Lean

Lean means eliminating waste. Waste is defined as anything a customer won't willingly pay for.

In engineering, concealed wood, concrete, and steel that will never see load is waste. *Every single house and commercial building in existence has a lot of this.*

In house construction there are a million ways to be wasteful: odd-sized rooms that don't accommodate full sheets of drywall, carpet, etc.; electrical or mechanical systems located that require long runs; too steep roof pitch; corners and wall offsets; siting the house too low or too high; unwanted trim, windows, doors. etc.

Is Lean a "gaping fissure" or "thousand little cracks" issue?



Lean

Lean is almost always a “thousand little cracks” sort of thing.

No single item will break the bank but add them up and they’re darned significant.



- *Your examples of waste?*
- *How does this happen?*

Lean

Waste happens:

- When people are lazy.
- When people are uninformed.
- When people are arrogant.
- Sometimes by accident.



What are the remedies for each of the above?

Lean

Lazy people either: 1) Do not adhere to our TQI culture; or 2) Are actually not so much lazy as mismanaged.

Misinformed people have not been properly taught, taught, taught.

Arrogant people just don't care. If they're on our team they're probably a low 2 or a 3.

Accidents happen, true enough. However, **many** are avoidable with proper people, planning and preparation, which are *management issues*.

Let's be resourceful, not wasteful.

Resourcefulness

- Resourcefulness vs. Wastefulness

Finding practical uses for that which others would overlook or discard

What do you think is the No. 1 waste issue for construction companies?

Minimize Expense – No Wasted Trips

Wasted trips are the no. 1 inefficiency with builders, trades, and suppliers.

- *Is this a problem with us?*
- *What's our no. 1 inefficiency?*
- *How much does a wasted trip **really** cost?*



Wasted Trips

Research has shown that one wasted trip costs around \$150 - \$350 depending on how many workers are affected, how far the trip, traffic, what else didn't get done, etc.

How many wasted trips do we have per day? Per week? Per year? If we average 2 wasted trips per week, at \$200 each, that's over \$20,000 per year in **profit** that we might as well set a match to.

What is the remedy?



Wasted Trips

The remedy is simple: Plan. Time spent planning is time well-spent. Remember, mistakes cost *at least 5x*.

Failing to plan is planning to fail.

Copyright TimKarrison.com

What's the No. 2 waste with builders?



Minimize Expense – Minimize Dumpsters

The No. 2 inefficiency with builders, trades, and suppliers is what winds up in dumpsters.

List four costs associated with material waste.



Minimize Dumpsters

Material waste is costly on several fronts:

- Material that was paid for did not get used.
- Paying someone to load it up (direct and opportunity costs.)
- Paying someone to haul it away.
- Dump fees.
- Environmental cost.

- *What about human inefficiency? IE wasted time?*
- *How does that happen?*

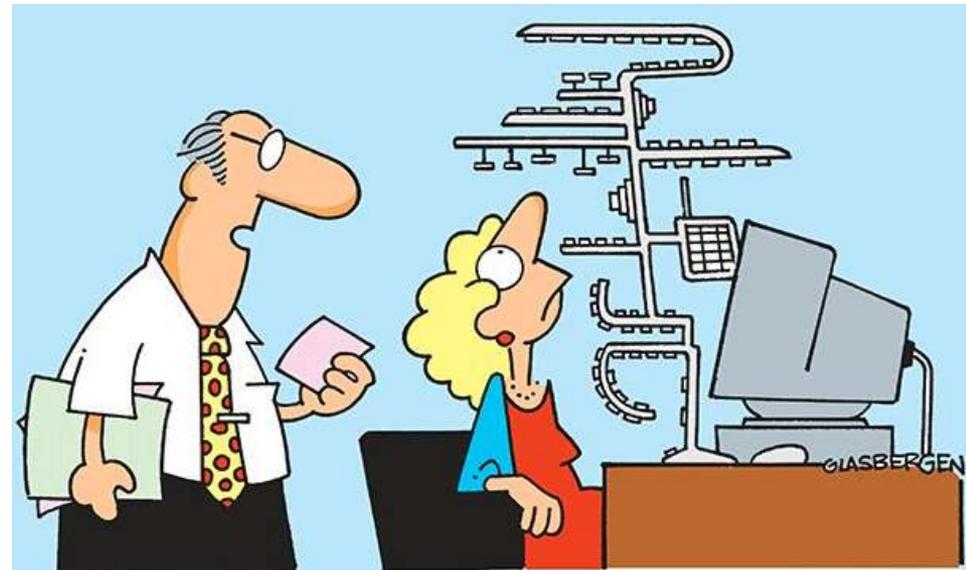


Minimize Expense – Maximize Human Efficiency

Humans become inefficient when:

- They don't have enough to do.
- They don't have a good plan.
- They don't have the right tools, software, equipment.
- They don't have the right knowledge / experience. This can cut both directions (underqualified and overqualified.)
- They don't have the right physical attributes.

- *Specific examples in our company?*
- *Remedy?*



"It's an ergonomic keyboard. Once you learn how to use it, it will increase your speed by six percent!"

Maximize Efficiency

At least 95% of human inefficiency is a *management problem*.

We need to resist the temptation to “blow and go!”
Slow down. Make sure first.

Efficiency demands everything we’ve talked about up to this point.

