
How are you managing your time?

Black, blue and red time, your capacity, and how to run your diary (or have someone run it for you) so your time goes where it matters.

How are you managing your time?

The management of time is one of my favourite topics. Most of us use our time really poorly.

I have personally wasted hours, days and weeks because I made bad decisions about my time (or no decision at all). Now that I think about it, I've wasted months and years on some things.

I'd like to think I now know a bit more, and have learned from my mistakes. I've also learned from others, and I'd particularly like to thank two people whose ideas I have adapted here: Tim Dwyer of the Shirlaws Group, a true master of time management, and Glen Carlson of Key Person of Influence, who has inspired me to be better about my use of time and resources.

Time management is both an art and a science. We are all given the same amount of time each day, regardless of wealth, status or age. In business, "time is money" could not ring more true. This guide sets out practical ways to use your time in the best way possible.

Start with your objective.

We know what the big goals are, but how do we translate them into everyday processes for ourselves and our staff?

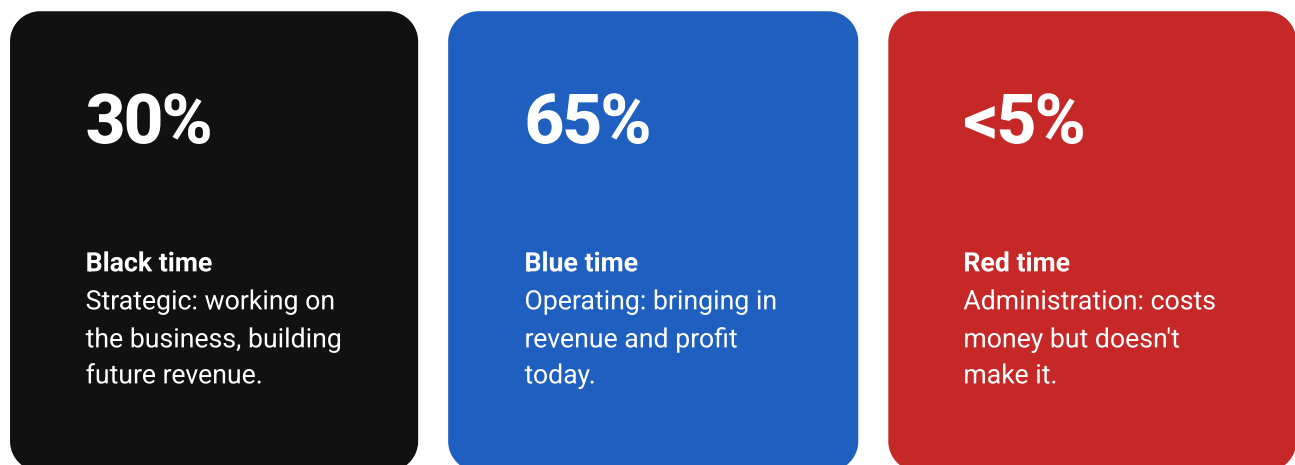
Your objective should be to get the best possible outcome by expending the least amount of time, effort and resources, financial or otherwise.

That's a great objective, but how do you measure the best possible outcome? What does it look like in practice, and how different is it for a small business and a multinational? It all comes down to three factors: **time**, **capacity** and **capability**.

Time: black, blue and red.

Time is the most valuable asset you have. No one can ever get more of it. Yet most business owners don't measure how they spend their time in their business. We get caught up in getting the job done, without looking at whether we are spending that time in the most productive way.

The most effective way I have found to analyse and manage time is to break it into three categories, and give each one a colour in the diary.



Black time: strategic

This is time spent working *on* your business, as opposed to *in* it. Black time is used to develop the strategy and ideas that build the business. Any time that helps generate *future* revenue and profit is black time. It should be about 30% of your time. In my businesses, black time looks like this:

- planning new business ventures
- writing sales copy, brochures and marketing materials
- meeting partners who can help in the future, in any of my activities (a meeting with an important contact for basketball is still black time, because it's about generating future revenue for basketball)
- teaching others and passing on knowledge so they can take on a task or activity.

In general, anything focused on planning, developing or growing future revenue is black. It generally can't be outsourced: it has to be done by you, because it drives the direction and revenue of the business.

Blue time: operating

This is time spent generating revenue and profit *today*. Sales calls, face-to-face meetings with clients or prospects, and anything else directly related to bringing money in the door right now is blue time. It should be about 65% of your time. For us, blue time looks like this:

- meeting clients or prospects to sell them something, or to deliver something they have already bought (for example, meeting a new customer on site at our self-storage business to hand over their access card, show them the site and get them started)
- delivering a product or service, such as speaking to a group that has paid to be there
- any type of selling.

Blue time can be outsourced, but only once the activity has been systemised so it can be followed exactly. Meeting a storage customer on site is blue time, but someone else who has been properly trained, and is responsible for delivering specific results, could do it. If they do, it's still blue time: the colour doesn't change because someone else is doing it.

Red time: administration

This is time spent on everything that costs you money but doesn't make you money: bookkeeping, administration, IT, compliance, and in general anything that can be systemised or outsourced. As a business owner, it should be **less than 5%** of your time. It includes:

- any administrative task that supports black or blue tasks
- answering phone calls and emails, making diary and travel bookings, and following up outstanding payments
- the work right after a blue-time customer meeting, such as cleaning or sweeping out a storage unit.

Red activities are still critical for the business, and must be done by the right person. They are *different* activities, not *lesser* activities. The person who does many of your red tasks will still need some black and blue time of their own. For example, developing a system for answering email is black time for them. Their red time is likely to be around 80%, and as the business grows, they will in turn outsource some of their red tasks to others, such as transcribing audio files.

Put the colours in your diary

The main reason to use colours is so you can measure your time and see it at a glance in your diary. Every business activity should have one of the three colours. There are no alternatives. It's fine to use other colours for non-business activities, like family time. I use grey.

The mix of colours will change with the stage your business is at. A mature business that runs well needs very little black time, because it doesn't need much ongoing strategic input, and most of its red tasks will have been outsourced.

Using colours has changed both my thinking and my activity considerably, and led to far better use of my time and better outcomes. It takes time to perfect (I'm still working on it), but persevere. It's worth it.

Know your capacity.

Capacity is the maximum revenue you can generate with your current resources. It's a dollar figure.

Say you work out that the average daily revenue you can generate in your accounting firm is \$2,000. With 40 working weeks in the year, your potential capacity is $5 \text{ days} \times \$2,000 \times 40 \text{ weeks} = \$400,000$ in revenue.

But you can only ever work to about 70% of your potential capacity. Things come up, there's travel time, and you need rest. So your maximum available capacity in this example is $\$400,000 \times 0.7 = \$280,000$.

Think of capacity like a cup of water.

Your cup holds \$280,000 in revenue. Now check the water level. If you are only tracking towards \$180,000, your number one priority is blue time (sales and marketing) to keep filling the cup. If you spend too much time in black (improving strategy and trying to build a bigger cup), you widen the gap between where you are and where you need to be.

This is where a lot of business owners go wrong. They don't know their maximum available capacity, and they don't measure their time against filling it. Fill all of your available capacity before you increase the size of the cup.

Know your capability.

Capability goes to the heart of progress in business and life. It's capability that lets us achieve our goals and get what we want most. Capability is different for every business. The trick is to become aware of yours, and to listen when you don't have enough of it.

Manage your diary.

Once you know how to measure your time, the next challenge is managing your diary. How do you train yourself (or your assistant) to schedule your time so you achieve your objectives? If you can't see how you are spending your time, it's easy to default to the things you find easy, safe or comfortable.

The right mix depends on your stage of growth, from start-up through to a team of 24. For a business that is already established and has the right staff, the formula is:

Black 30%, blue 65%, red 5%. Your diary should reflect these percentages every week.

What if I don't do everything myself?

Whenever I talk to start-up entrepreneurs and owners of well-established businesses, one challenge always comes up: how do I manage my time when someone else is managing it for me? How do I communicate all this to them? How do they know what to schedule when, and what can be outsourced?

If your business can afford support staff and assistants to take the red tasks off you, you must teach them how to manage *your* time. As much as some business owners want to do it all themselves, handing over calendar management and appointment setting is absolutely critical.

There is no point having staff or an assistant if you won't get out of the way and let them do their job. They need directions and guidelines, and then the freedom to get on with their work while you get on with yours. I know this from bitter experience: while I thought I was being efficient, I was making things harder for everyone. Fortunately, my assistant was smart enough to show me the error of my ways.

Every business is different, but here is the calendar process I use. We documented it on our intranet so all staff and assistants understand it. Adapt it to suit your own business.

Five types of meeting

1. Meetings requested by others
2. Meetings requested by me
3. Repeat meetings requested by others
4. Regular group meetings
5. Function invitations

1. Meetings requested by others

These are meetings where someone else wants to meet me or involve me. Some meetings genuinely need me there, but these are usually known well in advance and planned. For every other request, apply these filters:

- Is the meeting actually required? Can the issue be resolved without one?
- If so, do I have to be there? A good test: would the outcome be different if I wasn't?
- If so, can it be held by phone or video call?
- If not, can it be held at my office or a nearby café?
- If not, what time, date and place make the best use of my time and resources?

One caveat: understand the strengths and style of the person concerned. Some people are very functional, while others (like me) are driven more by personality and engagement. A legitimate reason to hold a meeting may simply be to use the power of personality and engagement to achieve something that couldn't be done another way.

Anyone requesting a meeting is sent an email like this by my assistant:

Hi (name),

Thank you for requesting a meeting with (your name). I'm (assistant's name), (your name)'s assistant. (Your name) gets a lot of meeting requests, so part of my role is to manage their time effectively to get the best outcome for both of you.

To do this, I've been asked to find out the objective of the meeting and a brief agenda. Are you able to outline your objective and any specific talking points? Once I have them, I'll be able to coordinate accordingly.

(Your name) sets aside time on (two days) between (times) for face-to-face meetings. The diary is usually booked one to two weeks ahead, meetings are generally 25 minutes, and the preferred location is (suburb). If those days don't suit, we can schedule a phone call at another time.

Thanks and regards, (assistant's name)

Never be shy about asking someone for the objective of a meeting. It makes them stop and think about what they want and why, and it tells them you value your time and want to spend it wisely.

2. Meetings requested by me

I generally only start meetings that are critical to my objectives, but not always, so my own requests go through the same filters. Because I've decided it's worth meeting the person, these meetings can be more flexible. My assistant and I agree:

- when and where I would like to meet (my assistant keeps a list of preferred meeting places in different parts of town)
- a lead time of one week, unless I say otherwise
- who is attending, if there's more than one person (my assistant checks the email thread and asks if it's unclear)
- a length of 45 minutes, unless I say otherwise.

My assistant also looks at the whole week before confirming a meeting outside my usual meeting days, allows 30 minutes of travel time either side of any meeting I have to travel to, and accepts the board and committee meetings that are scheduled well in advance.

3. Repeat meetings

People often ask to meet on a regular basis. My assistant adds these requests to a list we discuss each week, to decide whether a meeting or a phone call should happen. Once we agree, my assistant books it for the agreed length on one of my meeting days. Meetings outside those times

are the exception, not the rule. In the meantime, the person gets a short reply: "Thanks for the email. I'll discuss it with (your name) this week and get back to you with the best time and location."

4. Regular group meetings

Some meetings are set well in advance and are important to my objectives: board meetings, committee meetings and annual general meetings, regular management meetings for each business, a regular weekly block for each business that needs one, and one-on-ones with key people. The details still go in the diary, but the rules above don't apply.

5. Function invitations

Each week, my assistant and I go through invitations to breakfasts, lunches, dinners, business events and sporting events. If I agree to attend, the event goes in the diary. Once the RSVP is confirmed with the organiser, my assistant adds "CONFIRMED" to the end of the event title, so we both know it's done (organisers sometimes send more than one invitation). If I can't attend, my assistant sends a formal reply:

Dear (name),

Thank you for the invitation for (your name) to attend (event) on (date). Unfortunately, due to other commitments, (your name) is unable to attend, and has asked me to pass on a formal apology to those attending. (Your name) would appreciate being kept informed about (the event) and your other activities.

Good luck, and please contact me directly if I can be of further help.

Guidelines for meeting requests

- No meeting is scheduled until the person has replied to the email above. If they don't reply in a reasonable time, it isn't our job to follow them up.
- Ideally, allow two weeks' lead time for all appointments.
- Schedule face-to-face meetings only on my two meeting days. If people can't make those times, offer a phone call instead. If they can't change their schedule to fit, the meeting isn't a priority for them, and is of little benefit to me.
- Requested meetings are 25 minutes, and that is stated in the first email and the calendar invitation. After discussing it with me, my assistant can extend a meeting to 45 minutes.
- I'm far from perfect, and I sometimes run over. We are always looking for reminders or prompts that help me stick to the 25 minutes.

- If someone wants to meet somewhere other than my preferred location, they need a valid reason and a suggested place. I approve it, or they are offered another time when they can come to me.

What goes in every calendar invitation

I nearly always use the calendar invitation to prepare for a meeting and travel to it, so every invitation includes:

- the agreed agenda, from the email
- the location, linked to a map (extra details like the floor number or restaurant name go in the description, under the heading "Location", so they don't confuse the map)
- the mobile numbers of both people (assume neither has the other's contact details)
- any attachments I may need to see quickly before or during the meeting.

Handing over your email.

Email is one of the hardest things for an assistant to manage, especially for someone like me with a wide range of interests and several email addresses. When I suggested my assistant take over more of it, she sent me her suggestions. It was a slap in the face, insightful and exhilarating all at the same time, and it is the best short guide I know to letting an assistant manage your email:

1 Ask why you check email so often.

Most email is noise that steals focused time, and it can be as addictive as social media. Is it fear of dropping the ball? Wanting to look prompt and on the ball? Fear of being swamped if you don't? Weigh up the pros and cons. High productivity comes from focusing on one task at a time in short bursts, not jumping around as things arrive. And is "it's easier to do it myself" really helping you reach your goals for the year?

2 You teach people how to treat you.

If you always respond to email quickly, people start to expect it, and before you know it, they are dictating your time.

3 Don't use email inside the team.

Avoid emailing each other internally, unless you are sharing files or forwarding information.

4 Leave the personal ones for the owner.

Specific or personal emails stay in the inbox for the owner to deal with.

5 Delete the "thanks" emails.

"Thanks" and "see you then" emails can simply be deleted.

6 Unsubscribe.

Unsubscribe from any marketing email you don't honestly read regularly. Be honest about this.

7 Leave the small stuff to the assistant.

Organising and rescheduling meetings, following up documents and updates, simple questions that don't affect the workflow, and routine personal requests like a phone number. Each one is quick, but together they break your concentration. It's sink or swim for the assistant at first, and that is often the best way to learn.

8 Check once a day, and use a task tool.

Check email at set times only, and reply out of hours only when it's urgent. Schedule emails so people learn not to expect replies outside business hours. Put tasks in a shared task tool (such as Asana) so they are dealt with there.

9 Don't both answer the same email.

When the owner and the assistant reply to the same email at the same time, it confuses people.

10 Meet for ten minutes every day.

A short daily meeting to hand over what needs doing that day and tie up anything left from the day before gets the assistant up to speed quickly. Pick a time that suits you, and save your best hours for creative work.

11 Fail forward.

Mistakes will happen and people will make judgement errors, but errors create steep learning curves and a clearer understanding of the job. Think bigger picture about what you want to achieve this year, and let your assistant handle the details.

The most important question.

Time is the most valuable asset anyone has. It is the only asset that can't be generated or replaced, so it needs to be managed very, very carefully.

Meetings can be an extremely valuable use of time, or a terrible waste. Mostly, they are a terrible waste. They play an important role in achieving objectives, but too often they become objectives in themselves. Meetings are just a tactical tool to achieve an outcome, and in almost every case there are other ways to get there. The assistant's role is to make those choices, and to refine them over time as they learn what works. The question I ask my assistant to ask every time they make a decision about my time (or anyone else's) is this:

Will the decision I am about to make about this person's time move them measurably closer to their stated objectives?

Learn how to spend your time wisely, know your capacity and capability, understand how you are spending your time, and train your staff to help you manage it in the best possible way. What are you waiting for?

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