

It'sYourBusiness

The Business Of Surveying

People, Product and Profits

>> By Robert L. Young, LS

As Americans grind through the painful realities of an economic recession, valuable lessons are being learned. This article is for anyone running a surveying business, considering running one, or hoping to have more impact as an employee. All of us know someone that started their own business and ended up working at another firm. This is not a failure, it's part of the learning process we go through as adults. If we fail, then what a great learning experience! Millions of words have been written about business, but in my mind they all come down to three concepts: people, product and profits.





The Senior CADD Tech and party chiefs discuss evidence found in field.

People

No matter how low-tech or hi-tech your company, it takes *people* to make surveys happen. Many business owners think they are the only important person in the company. There is no doubt that self-esteem is an asset of great leaders, but don't forget that *everyone* in a business affects the bottom line. The people that affect your business are the employees, clients, external support personnel, peers and networking partners.

Employees include you and everyone that works for your company. If people aren't your most important asset, then you have some real work ahead of you. Your company should be a 'people farm' that encourages self-development and growth. Just having people who show up is not enough. The goal is to have the right people in the right position, trained, equipped, and lined up with work.

How do you get there? Training talented employees is a good first step. Research proves that training the stronger people in your company brings a greater return on investment than trying to convert marginal employees into superstars.

When you think about it, your biggest business mistakes and successes will involve people. And usually the mistakes involve a person who is not a good

match with the job you've assigned. None of us enjoy letting people go, but the reality is that hesitating hurts the person, yourself, and your clients, *and* employees who are high performers. Fix mismatches as soon as you identify them and you'll be doing the employee a favor. It happens in all businesses. Good people tend move around until they find the right atmosphere to grow.

Hiring

What do you look for in a new hire? What is going to make your firm attractive to good people?

This is a challenge because there is always a shortage of good survey technicians. You can do your best to find a superstar, but you may need to train your own. When you hire new people, try to gauge their potential for development. Hire people with common sense and desire. And when you do hire someone with potential, give him or her the environment and opportunity to grow and develop.

When hiring new people, it's a good idea to have a 60-90 day trial period and clearly communicate that this time period is for both parties to make sure it's a good match. Hiring someone to fill a position is costly if you do it over and over. The value of having a trial period helps both parties realize there is

a quick exit available if needed. It also lets the new hire know that their performance matters and will be tracked, evaluated, and communicated. You can use this trial period to create the first pay raise or some type of reward for making it through the trial process and being a contributor to the company.

Training

Training staff is one way to 'sharpen the saw'. Building staff capacity helps you to get more done when times are fat, and keep your business on track when times are lean. Coaching and mentoring should be habits. Remember, as a coach you don't *play* the game, but you can have a real impact on the *outcome* of the game. You will be surprised how a little positive coaching and training can help develop employees into invaluable assets.

Keeping People, & Losing Them

The goal is to create and maintain high performance people and keep them for as long as you can, while realizing that at any time your top producer may leave. It could be an accident, illness, relocation of spouse, personality conflict, and on and on, but the fact that you are going to lose some of your key people is a part of doing business. Nobody said it would be easy.

Here are a few ideas to encourage your people to stick around. Setting up a 401k is not complicated, and it's an opportunity to demonstrate that everyone in your company matters. Health insurance is an expected benefit in most professions, and it can make the difference between a person working for your firm or for another. Health insurance is necessary in order to grow your business. An Employee Stock Ownership Plan (ESOP) is a good way to retain people, and a way to sell your company while you are still running it and not lose majority control. It creates a retirement fund for you and builds more loyalty in your company. Wouldn't it be great to have people that cared as much as you about all aspects of your business? It can become a reality if you form an ESOP.

Clients are just below employees on the asset list of any firm. By encouraging and courting good clients, you'll do more work for them. Bad clients cost you time, money, and cause stress. They are really not worth it. Sometimes it's best to tell someone to take their business elsewhere.

Keep track of your clients and if you lose one, call to find out why. As the owner of a business, your call means more to the client than a call from someone else at your firm. The fact that you are taking the time and effort to contact them and find out what happened can teach you a great deal, and may help you get them back. And don't forget to ask clients for referrals.

External support personnel include your accountants, bankers, attorneys, computer and website support technicians, and perhaps others. Many small firms do their own accounting and banking, and do not see the need for an attorney. But just as we are experts in *our* field, other professionals know more than us about *their* fields, and can save us time and money. Realizing that it is not added cost, but added value to involve other professionals can make you a better business person.

Peers are your fellow surveyors with whom you can share information or other assets. There are relatively few surveyors, so it makes sense to help each other out.

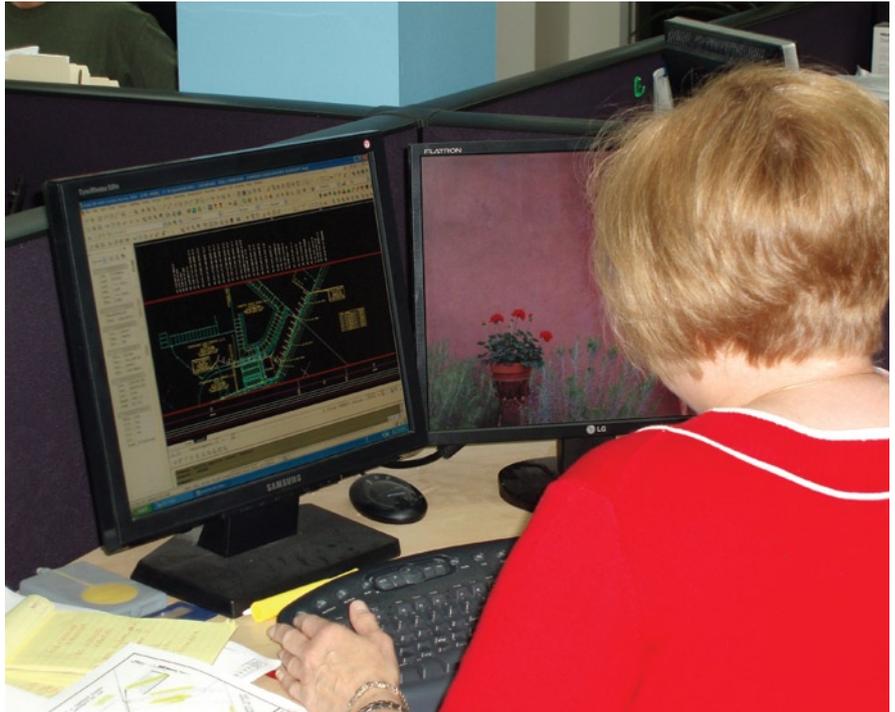
Networking partners provide a valuable forum for discussing the trends and politics that affect your market. And, you'll be meeting with the kinds of people who order surveys.

Products

Clients judge *you* by the contacts they have with your firm. Think about the impression you make: is your telephone answered by a machine, or by a person who *sounds* like a machine? What about crew appearance, vehicles, equipment, plats, invoices, etc.? When your business gets bigger, you may not meet all your clients personally, so clients will judge you by other things. When you deliver the finished drawing and/or plat to the client, is there any way you can deliver more than they asked for? An example of this is to plot their survey onto a DOQQ or USGS QUAD sheet to give them an overview. Any way that you can add value and usability to the finished product will help your firm keep existing clients and gain new ones.

Diversification

What happens when there is not a big demand for the types of work you do? The best defense is a good offense. Always be aware of the needs of your



A CADD Tech reviews the Plan and Profile sheet for a pipeline survey.

market. Learn new skills and find out what's in demand. Hire people who know things you don't.

Contracts

Contracts for surveying products and services do not have to be complicated. They can be a tool to clarify the scope of work, the deliverables, and the terms of payment. Contracts protect surveyors and the profession.

Geo-reference

To keep your work valuable over time, geo-reference. The low cost of GPS and the availability of CORS and OPUS and other free products are making it easier.

Profit Rates and Fees

What are you worth? Is there a way for you to compare your rates with other area professionals? Involve your accountant and make your own decisions. Don't copy other firms when setting rates—you may be making the same mistake they're making. Many times I have heard licensed employees say, "Rates are too high here. If I had my own company, I could cut the costs and put this place out of business." This is rarely a true statement, as low costs create low profits, and with low profits, there is little room for growth.

Know Your True Costs

Sit down and account for *all* of the costs related to your surveying business. Once you get a good handle on what it costs to get a survey out the door, you'll feel comfortable defending your rates.

Track Your Expenses

This is easier than ever with credit cards that provide itemized billing each month. When you go this route, you have a large bill once a month, but you can track every dollar that was spent. Tracking cash and receipts also works, it is just labor intensive to track all of the receipts and get them coded to the correct expense. If you do not know where your money is going, then you can't control it.

Outsource Administrivia

There are companies that can take away a lot of your administrative headaches for a fee. For instance, there are companies that can take over your payroll and insurance. You'll only know the best solution for you if you look into your options.

Know Your Accountant

If going to the accountant is a chore, then change accountants. A good one can help you keep more of the cash you earn. There are many legal methods to protect your income, but if you are not a professional accountant on top of current laws, you'll miss opportunities.

Set Budgets and Goals

Budgets not only pertain to your projected expenses, but to your expected revenues. Look at previous years and previous times in the previous years and do your best to set a budget for your expenses and your revenues. Without one, there is no way to track your progress.

Track Your A/R

There are several accounting programs on the market that will help you track financial information. You should know what your Accounts Receivable is each day. This is who owes you, and how much. As long as you have A/R, you potentially have money in the bank. All you have to do is collect it.

Flexibility

Flexibility is an important trait; being able to change with the changing needs of your market and clients is a real plus. The major factor in having this skill is maintaining an open mind. Realize that change is inevitable. Dealing with change in a positive manner is a choice.

Read a Lot

There are lots of good books, and the Internet is almost overloaded. The professional publications that you subscribe to are full of information about our profession and how to deal with the everyday challenges. Set aside some time each day for reading and self-development. If you do not take care of your development, then who will?

Be Accountable

Take responsibility for errors and fix them, and see them as learning experiences. Walk your talk. When you do, you will have followers, not just warm bodies at your company.

Stay Busy

Once you get a business moving, keeping it moving is very important. There are many ways to market your firm, and you should *always* be looking for new clients. It is much better to be busy and turn down work, than to have to decide who you are going to let go in order to keep the doors open.

Business is Life

A business owner will probably spend most of his waking hours at work, and he'll *definitely* spend a lot of time *thinking* about work. So in a very real way, the business becomes his life. Thinking about people, products and profit is one way to keep your business-and life-running well. Does your business run you or do you run your business? Keeping an open mind and striving daily to do better than yesterday is the best strategy to apply, as many of us worry about "competition" when the main competition is our belief systems and values. Why not enjoy your life and your business by learning to delegate and hold yourself and others accountable? 

Robert Young is president and principal surveyor of Young and Associates Surveying and Mapping, and co-owner and Senior Vice President of Digital Mapping Services, LP, a GIS company. He is actively involved in the Texas Society of Professional Land Surveyors and regularly conducts courses for surveying and GIS applications.



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Financing options

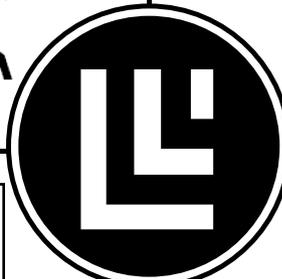


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