

Don't Be Dead Weight-Contribute More Than You Take

By Harrison Barnes

One of the most important things you can do for any employer is produce value far in excess of what you receive as compensation. When you look at a highly compensated salesperson, for example, the chances are very good that he or she is producing a lot more value than he or she is paid for.

A salesperson who makes \$100,000 a year is probably producing at least \$500,000 in revenue for the company he or she works for. It is like this with every profession. Lawyers who bill clients \$700,000 a year for their services inside a law firm are unlikely to be paid more than a couple of hundred thousand dollars a year. If they bring in \$3 million, then they may make \$1 million a year. Everything is tied to how much you produce. Law firms, like other organizations, let go those who are producing the least amount of value. This means it is very easy to predict whether or not you are going to get laid off or lose your job in most organizations: If you are not contributing far greater value than what you are paid, then you are probably in danger of losing your job.

People who make a good living are always producing "excess value" above and beyond what they are compensated. Here are some factors that explain this:

- The salesperson who is making \$100,000 a year is using the facilities of the business such as phones, buildings, showrooms, photocopiers, conferences, demonstration models, databases, and so forth, which the business must pay for.
- The business needs to pay managers to manage the salesperson, people to answer the phones, and more.
- The business needs to pay someone to do accounting and payroll and needs to pay others to offer support services for the salesperson.
- The business needs to advertise, make contributions to health insurance, and do other tasks that every business is involved in

This is why any job that you do for an organization requires that you make a far greater contribution than the value of the money that you are paid. You must contribute more than you take for the organization to survive and thrive. Being able to do this will greatly aid in your job security. Furthermore, to increase your odds of long-term employment, it is also vital that you become part of a group or company wherein all employees are expected to contribute more than they take from the group.

I have run some very successful companies in my career and every time a company starts to become successful, job seekers start appearing out of the woodwork. There are numerous people out there who sniff out successful companies, who show up like leaches and try to make as much money as they can, as fast as they can. These people are usually brilliant interviewers and incredibly impressive people. The danger these people pose to growing companies, though, is that they will often *take* far more than they *contribute*. This is an extremely hazardous sort of hire for any organization.

I interviewed a guy recently who is currently unemployed, but in his previous job, he made \$500,000 a year. I was interviewing him for a job paying \$100,000 a year. He had a very good record, with an excellent legal and sales background. Every single company that this guy had ever worked for over the past decade had gone out of business. He may have made a lot of money in each of his previous jobs, but for one reason or another, none of the companies were able to stay afloat. I am almost certain the reason all of these companies ended up going out of business was that, while they may have been successful at one point, they ended up getting choked by a massive payroll, which included many people who were not adding sufficient value to the operations of the company. As I spoke with this man, I could see he probably would want various secretaries helping him out. He would be taking long lunches and going on unnecessary meetings.

As more and more money goes toward salaries, benefits, and so forth, a company stops investing in its product; a culture of waste and inefficiency sets in, and the company or organization soon thereafter dies. In the case of a smaller company, this can happen quickly. In the case of a larger company, the process could take decades. Think of the massive bureaucracy that exists in many organizations and how unnecessary much of this is.

A man like the guy who used to make \$500,000 a year spends his time looking for an employer who is willing to compensate him more than he is worth. This sort of strategy can work for a time, but it is not a path toward security. It probably does not work in a bad economy either. If you are seeking to really excel in the world and in your career, you need to be always perceived and known as a person who contributes far more than you take.

One of the most interesting things I have seen about the most successful people in any organization is that they make sure they are contributing more value, contribute as much as they possibly can, and leave it at that. People who fail inside of organizations are often doing everything they can to measure and quantify how much value they are adding, and then they demand a raise at every turn. Of course, they will not come to management with a request for a raise when their productivity is down, but they do so when it is up. This is a dangerous strategy if you want to be viable for your organization in the long run. People who act this way show that they are out for themselves, not the group. If you want to be considered a productive member of a group, the smartest thing you can do is to keep your head down and contribute everything you have. The cream always rises to the top and, with the right amount of effort, so will you. Your coworkers will respect you for your efforts; your supervisors will respect you; their supervisors will respect you; the market will respect you.

You can talk your way into a high-paying job, but you will never stay there long unless you are contributing far more than you are taking

Whenever you encounter a situation in which there are several unproductive members in a group, many problems can occur. If you are part of a company where you see a lot of unproductive people, and if this continues for some time, my recommendation to you is to find another job. An organization cannot and will not survive if it has many unproductive

members working in it. How could it? If, however, there are some extremely productive members and others who are not, this means that the productive members are supporting the unproductive ones. If you are a producer surrounded by nonproductive people, you should know that you are supporting those nonproductive people, and an organization that tolerates this over the long term is not a strong one. The non-producers will drag down your income and potential to advance in your job.

Similarly, people who bad-mouth an organization that you are part of will absorb the potential you have in your job. You need to make sure that the people inside your organization are supporting it and not causing it problems. This type of behavior hurts your performance and makes the products of your effort less effective.

One summer several years ago my asphalt business grew to be very large. I generally had more than one crew doing asphalt work in various locations around Detroit in any given day, and each crew consisted of many people. At the time, I thought it was a good thing to have so many people working for me. I was basically hiring as many people as I could to help me get jobs done, because there was so much work coming in. But this is a fallacy.

Some things people have always asked me about every company I have ever run are questions like: "How many people do you have working for you?" or "What is the company's revenue?"

People seem to believe that the number of people working in a company, or the size of its overall revenues, are indicative of its success. Back in my days in the asphalt business, when I had multiple crews operating and more people than I knew working most days, I thought that *bigger was better* as well.

There are problems with a big crew, though, that are not present with a small crew:

- With a larger crew there are more people to watch, to make sure the work is going on properly.
- With a larger crew you need to make sure that everyone is consistently being productive and adding to the final product.
- With a larger crew there are more people to disagree and slow the final product down.
- With a larger crew there are more people who can get injured.
- With a larger crew each project costs more money because there are more people doing it.
- With a larger crew, if a piece of important equipment breaks, you have 20 people standing around doing nothing and getting paid, instead of just one person.
- With a larger crew it takes more time to get everyone on the job after a lunch break.
- With a larger crew the workers typically socialize and goof off more than with a smaller crew.

My largest summer in the asphalt business in Michigan in terms of the number of people I had working for me was (by far) my least successful summer. The reason was due to all of the variables I just listed above. With so many variables, there were just too many things that could (and often did) go wrong, and all of these things going wrong made the entire business much less profitable.

In subsequent summers, I avoided having so many people working for the business. There was a certain degree of pride in having a large workforce; however, I was smart enough to realize that having more people was actually slowing everything down and making the jobs too expensive for the company. The fewer people I had on the job, the better work we did and the more money the asphalt company was able to make.

The more revenue a company brings in, the more problems it often has as well:

- With higher revenues, a company will often hire more people to do the same amount of work.
- With higher revenues, a company will often pay people more than they are worth.
- With higher revenues, more people will create problems for the company through lawsuits and so forth.
- With higher revenues, a company will try and provide more benefits for its employees.
- With higher revenues, a company will have a higher cost structure.
- With higher revenues, a company will generally try to maintain its revenues and productivity, rather than innovate and grow.
- · With higher revenues, a company will pay less attention to various expenses and is likely to become wasteful.

None of this is to say that high revenues are a bad thing: Of course they are not. However, at the same time, the more revenue a company earns, the more problems come into play. When expenses, employee performances, and so forth are not watched very carefully, a recipe for disaster very quickly is created because there is likely to be excess waste in the system; that is, there are likely to be lots of people who are not carrying their weight and adding high value. The more people there are who are not adding high value, the more an organization or business is likely to be in trouble. When value (money) is paid to people who are not producing and adding high value, a company or organization is set up for severe problems.

When groups or organizations demand benefits, increased wages, and so forth from an employer, without creating higher value, they are setting themselves up for a whole host of problems, and possibly the employer's demise. When every individual in an organization efficiently produces quality goods and services, the organization is likely to thrive. Success in your career demands that you contribute more than you take and that the people you are working with do the same.

THE LESSON

One of the most important things you can do in your career is generate value for your employer far in excess of what you receive back. You can talk your way into a high-paying job, but you will not remain there unless you provide more than you take. Organizations thrive when all of their members produce goods and services efficiently. Your career depends on providing more than you take, and surrounding yourself with people who do the same.