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*Always Dollarize Yourself*

**D**ollarizing is calculating, in dollars and cents, what you are worth to your customer, the hiring organization. If you can increase sales by \$600,000, you are worth some of the profit on the \$600,000. If you can reduce scrap and waste by \$95,000, you are worth some of the \$95,000. If you can reduce bank loan interest by 0.5 percent, you are worth some of that interest savings. The more dollarized value the hiring company sees in you, the higher the probability you will be hired.

Jobs exist to create value. The purpose of a job is to directly or indirectly get and keep customers. This is true for profit and nonprofit organizations. Value is created by increasing revenues, reducing costs, and innovating new products and services. If the job does not create value it will ultimately disappear. If the cost for the job exceeds the economic value the job creates, the job will either be eliminated or replaced with a less expensive alternative. If the job is known to create value but the person in the job is inadequate, then—of the job and the person—only the job will survive. The cost of a job includes recruitment, compensation, benefits, training, office space, tools, samples, mistakes, and supervision. You must create more value than your cost.

Most organizations have a sense of what a job costs; that means they generally know what they have to pay and understand the actual costs—which include benefits, training, and such—are considerably higher than the base compensation. Some organizations have a general idea of the economic value they expect from their investment in the job, but are never sure they will get that return. Consequently, the hiring people are always trying to

evaluate each job candidate's potential to create value. To help the hiring people choose you, you must dollarize yourself. You must quantify for the organization the economic value you can potentially deliver.

Because the purpose of every job is to create value, you must, in pre-interview homework, determine how the job in question creates value for your target organization. For example, a salesperson creates value by generating sales revenue. A purchasing agent creates value by acquiring quality components at true net lower costs. A construction project manager creates value by ensuring that the building is finished on time, avoiding cost overruns. A maintenance person creates value by keeping the machinery running, eliminating costly downtime. The hotel housekeeper creates value by making the hotel room so comfortable that the customer returns. In these examples, the sales candidate's value is some function of the \$2,000,000 in revenues she claims she will deliver. The prospective purchasing agent will show how he can save the company \$1,000,000 by buying gaskets that reduce warranty claims. The project manager will demonstrate to his future employer that his computer-based scheduling skills will save \$5,000,000 in possible penalties. The maintenance person will show that every hour of downtime avoided is worth \$87,000 to the hiring company. And the hotel housekeeper will show that superbly cleaned hotel rooms create a loyal customer who will return three more nights at \$150 a night.

Every job can be dollarized. Every job has value. You must carefully consider how the job you want creates value. In your interviews ask questions and answer questions in such a way that your dollarized value becomes evident.

To illustrate ...

**CANDIDATE FOR CHIEF TECHNOLOGY OFFICER:** What financial problems are your present systems causing you?

**INTERVIEWER:** It appears that we have problems with on-time deliveries and ensuring adequate inventories.

**CANDIDATE:** How much customer dissatisfaction and lost sales is the lack of proper inventory costing you?

**INTERVIEWER:** We're not sure, but it is significant.

**CANDIDATE:** Would it be reasonable to assume that properly designed and managed systems could save the company several million dollars over the next twenty-four months?

**INTERVIEWER:** Yes.

**CANDIDATE:** Based on experience, an initiative to tie your systems together will eliminate the problem and recapture five million dollars in lost sales. I can make this happen for you. Would you like to give it a try?

The CTO candidate dollarized his value, and asked for the order. You must do the same.