How much is your time really worth?

By Bob 'Idea Man' Hooey

Have you ever taken a moment and thought about what your time is really worth? Have you calculated your earning capacity on an hourly basis? It can be a great exercise in determining your worth, relative value and earning contribution. It can also tell you how much each hour you allow to be wasted is really costing you.

Let's figure it out together. Assuming (52), 5-day work weeks in a year. We will deduct (2), 5-day work weeks for normal vacation time. This leaves us 250 days. Then, let's deduct the holidays. In BC, we have 10 per year. Some locations have less or more. This will leave us with only 240 work days in which to earn our money. Assuming an average 8-hour work day this gives us 1820 potential work hours in a year.

On the surface we'd simply take our Gross Pay and divide by the hours, e.g. $30,000/year would give us an average hourly rate of $16.48 per hour. So in this instance each 15-minute block of recaptured or wasted time would be costing you $4.12

Let's take this a bit further, shall we? In all honesty, would you say that you are able to get 8 productive hours in each 8-hour day? If you are in sales how much of your time is spent selling, or servicing your clients? **How much is each meeting you sit through worth to you?**

My contention, based on feedback from quite a few of our North American audience members is the 'true number' is somewhere closer **to 60% effectiveness on any given day**. If that is true, then we really have only 1092 work hours in which to make our money. In the example above, each hour would now be worth $27.47 and each 15-minute block costing us $6.86.

I'll give you some rough comparisons in our table for different dollar levels.

Annual Rate	Base Rate	Effective Rate (60%)	15 minute block
20,000/year	**10.98**	**18.32**	**4.58**
30,000/year	**16.48**	**27.47**	**6.86**
35,000/year	**19.23**	**32.05**	**8.01**
40,000/year	**21.97**	**36.63**	**9.16**
45,000/year	**24.72**	**41.21**	**10.30**
50,000/year	**27.47**	**45.78**	**11.45**
100,000/year	**54.94**	**91.56**	**22.90**

Very interesting figures aren't they? If you are aware of what your time is 'really' worth it will help you keep an eye on the time wasters that creep into your life. Not that I put a monetary price on everything in my life; but it is good to know what my 'investment' is worth.

After my dad died in 1999, I spent quite a lot of time with my mom until she passed away 6 months later. It was probably the best return for my investment I've ever made - priceless! **I'd do it again in a heartbeat if I could. When I pass on I won't regret not spending more time in useless meetings. How about you?** Meetings can be effective tools to leverage accomplishment and resources. Make them pay!

 Bob is one of only 65 Accredited Professional Speakers. His articles have appeared in local and North American trade journals and consumer publications. He is a facilitator, business coach and the author of 30plus business, leadership and career success books. His free online e'zine, Ideas@work can be subscribed to, by visiting his site http://www.ideaman.net