

7 Point Check List for Contractors

Sales and Marketing:

- Do you have a new business Strategy?
- Do you do sales planning and activity monitoring?
- Customer identification and follow up?

Administration and Management:

- Is management authority and responsibility clear?
- Do you have well defined operating procedures?
- Are you able to delegate with predictability?
- Are you too involved in the day to day activities to manage?

Estimating and Job Costing:

- Do you use the proper labor burden and overhead allocation?
- Can you measure work in process so that you can catch mistakes?
- Can you get an accurate job cost?
- Do you have a good handoff procedure for the field?

Financial Planning and Management:

- Are you satisfied with your profit margins?
- Are you leaving too much money on the table?
- Do you know your breakeven point?
- Do you have a flexible budget to operate with?
- Can you predict your cash flow at least 6 weeks out?
- Do you have good credit and collection procedures?

Job Cost Control:

- Do you have a good job cost system?
- Do you have a purchasing control system?
- Do you have a material monitoring and control system?
- Is there continuity from estimate to completion with feedback?
- Do you have good accountability?

Performance Management:

- Do you have clearly written job descriptions and duties?
- Do you have policy manual and written procedures?
- Do you have good communication between the field and office?
- Do you have job progress and completion meetings?
- Do you do employee performance reviews and evaluations on a regular basis?

Tool and Equipment Maintenance and Repair:

- **Is there accountability for tools and equipment?**
- **Are there well defined procedures for handling these?**

What are the 3 biggest problems you're currently dealing with?