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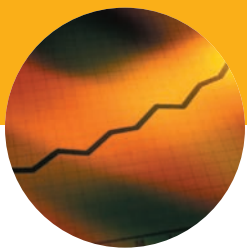
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By Les Cunningham

What You and Your Company Need to Know on Every Job

The following three steps should be performed on each and every job a company undertakes:

- Step 1) Be sure the project is well documented.
- Step 2) Be sure to perform job costing on at least a weekly basis.
- Step 3) Be sure to know who is accountable for the what, when and whys of each project aspect.

Step 1 – Documentation: Insurance programs have been instrumental in setting requirements and specifications as to when and how jobs will be handled. This makes companies more accountable than in the past, providing the opportunity for a company to handle each project according to the program requirements.

To make it a little bit cumbersome, there is electronic audit tracking that provides those concerned with updates on the current status of the job. In addition, it can check the details over the Internet at any given time. This program allows you and your company know what is expected and provides the ability to do the job in the agreed upon timeframe. Restoration firms also learned how to set up their own company requirements and specifications. This is important because a smart company makes sure that their program meets or exceeds any insurance program requirements. This allows a company to have only one program to work with higher standards, instead of multiple programs. A company may be early on different parts of some of the programs, but it will not be late. This allows all

members of a company to use one plan to complete all of the different jobs in the same order.

Step 2 – Job Costing: Company owners and employees can make smart decisions, as long as there is good data to provide background information. Lacking current information, decisions will be made using bad data and result in poor outcomes. Companies need to be constantly generating correct, up-to-date information as to what is going on with each job in real time. In order to get correct job costing in a timely basis, regularly compare an estimated job estimate with an actual job estimate. Keep in mind you need to ensure the following:

- a) Time cards are turned in daily and are coded with the job costs by line item from the estimate. You then need to have the time card times posted at least weekly to the job costs.
- b) Post estimated material costs against actual material costs at least weekly.
- c) Post current completed sub costs against estimated sub costs at least weekly.
- d) Post any other current completed job costs against estimated job costs at least weekly.

Step 3 – Accountability: Accountability must be present throughout the company. One way to do this is to set up a system that clearly identifies who is responsible for what and when. As an example, business is brought into the company as a result of a company business development person. The estimated costs of a job are generated by a company estimator. The job is produced by field people according to the estimated job

costs. The company procedures are handled by the administrative personnel within the company.

In order for all of this accountability to happen, the owner must invent or copy a system that all people in the company can work within. This process is commonly called “the company paper trail.” It starts with how an initial request for service is handled to the expiration of the job warranty.

I suggest taking a look at a few of the industry software websites that I’ve listed below to help with each of the previous steps.

Step 1 — Documentation

- a) www.assuredsoftware.com
- b) www.clientrunner.com
- c) www.restorationmanager.net

Step 2 — Job Costing

- a) www.xactware.com
- b) www.a-systems.net
- c) www.provensolutions.ca

Step 3 — Accountability

- a) Manual company paper trail
- b) Electronic company paper trail that can be embedded inside of the software mentioned in steps 1 & 2 above.

Wishing you good profits! ■

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