



Field Training Services Newsletter

"Improving the bottom line through production training."

Tip of the Month

Let's look at #9 of my 12 things that I think will make a remodeling company successful in production. The ninth key is using job cost reports to make good decisions on site.

Job cost reports are simply a report that tells you phase by phase whether you are on track to meet your cost budget. In many cases managers are using them but often there is no impact on the day to day job site.

Make them available. Whether by paper or by digital make the reports available to the people managing the job. The more people that care about your cost budget the better.

Train them to read and use them. Generally accounting programs are not set up for use by non accounting people. So handing someone that has worked in the field for 20 years a job cost report and expecting them to understand it is pointless. Help them understand the format but also help them understand the issues that need to be taken into account when reading them. Example: Most companies work about a week behind on labor. In other words once a report comes out there is a week's worth of labor already spent that needs to be thought about in determining where the job or phase will end up.

Use them every week. If you don't the budget can quickly get so out of control and you may not recover.

Help them see that if a phase is running over budget there is always something they can do to improve the final outcome. Even if the outcome is to lose a little less we can always change the outcome. What can be done?

1. **Change the people on the job.** Perhaps someone making less can do the same work
2. **Get a sub to handle an area that you would normally do.** It may not save you money but it will fix the cost.
3. **Look and see if a change order is needed or was missed.** If one will be written in the future charge appropriately to cover your overage.
4. **Plan the rest of the work in the phase very carefully.** By using lists and careful scheduling efficiency can be improved. Use the list making as goal setting. This can also help discover issues that will create more inefficiencies if not dealt with before you get to them.
5. **See if another phase will cover the shortfall on this one.** This is very dangerous since we tend to be optimistic about future phases but it can help the job as a whole come in on budget. At the very least we know we have to make the next phase beat the budget for the overall budget to work.

There are more but by being proactive instead of saying "oh well I guess this is another loser" we stand a chance of winning!

Next Month: Change Orders

Personal News

Welcome to July! Ok let's get it out right here. Lobster count is 33! with 6 pulls under my belt the average take per pull is 5.5 lobsters. But here are the details.



After a quick trip to Maine June 3-4 to help open our summer cottage I got home on Saturday evening and was flying out on Monday for a 10 day trip and had to get the traps pulled and re-baited. Rain was called for in the afternoon so I decided to get up early and head out. I had lights put on the boat last fall so I hit the river while the sun was just getting started. I hauled the traps and was back in the driveway by 7:30am in time for church. Brought in 4!

I went on business for 10 days. I say business but some was fun including a day on the Chesapeake bay with John Johnson of Creative Enclosures in Shady Side



John at the helm.

MD. It was a beautiful day with a little breeze and a little chop. (A little rough) We were after stripe bass otherwise know as Rock Fish. Turns out that many other people had the same idea so we had company. We set out trolling lines and lures. There were five to increase our chances. After a while we saw some activity on the surface, fish jumping, small stripers to be exact. We headed over there and ran down through them and bamm! two fish on! we reeled them in and had a 32"



Early on the river

and 31"! We caught sun and fun the rest of the day but no more fish.

I returned home to a 10 night set of my traps. Headed out on that Thursday and found all five traps. My daughter went with me to have a little fun. Brought in 6 on that trip. My brother and family came up from MD for Fathers Day and we had to go out. Brought in 2. Then another 4 last Sat.

The next big news is a flower we have in the sun room. It is called a Night Blooming Cereus. This is a cacti family plant but no stickers. Each bloom last one night. Ours finally bloomed. It is pretty incredible! At 6 in the evening



Night Blooming Cereus

there is a fat bud. At 11PM there is an amazing flower and at 8 the next morning it is withered.



Big fish of the day!

I will be off to Maine for most of July but hope to have some fish stories from there next month.

Product Information

On Site Consulting Opportunities.

For those do not know I offer consulting at your office on production systems and helping the company be more efficient. This involves a two day visit. On the first day I do interviews of employees and the owners to see where the problems are. The afternoon of the first day is spent with the decision makers to discuss what I found and what can be done to correct any issues. The second day is spent doing training for everyone based on the findings of the first day.

Upcoming Speaking Events

On Site Company Consult

Houston, TX Aug 8-9, 2016

College Station, TX Aug 10-11, 2016

Lead Carpenter/Project Manager Training

Master Builder Association of King and Snohomish

Seattle WA Sept 26, 2016

Nov 3, 2016

Remodeling Show

Baltimore MD

Oct 5-7, 2016

Remodelers Advantage Summit

Kansas City, MO

Oct 26, 2016

Company Consult Follow Up

Kansas City MO

Oct 25, 2016

Kansas City NARI

Kansas City, MO

Oct 27, 2016

JLCLive

Portland OR

Nov 30-Dec 2

Remember, investing in the people that spend the money, may be the best investment you ever make!

Sincerely,

Timothy Faller

Field Training Services

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