




THE PROFIT MAXIMISER™ CHECKLIST

|  PRICING |  PRODUCTIVITY |  UTILISE YOUR ASSETS |
|---|--|---|
| <ul style="list-style-type: none"> <input type="checkbox"/> Set and review your target margin for each type of work (e.g. maintenance 55% plus, new homes 35-40%). <input type="checkbox"/> Price for Gross Profit Margin, rather than Mark-up. <input type="checkbox"/> Charge a service fee for attending a job (e.g. \$165 for turning up, including first 30 mins of labour, no materials). <input type="checkbox"/> Charge for all variations. <input type="checkbox"/> Exclude variations from contract retentions. <input type="checkbox"/> Include a specified number of trips to site & charge for extra trips. Stop contractors messing you around. <input type="checkbox"/> Create set prices for regular maintenance /servicing jobs. Make set prices higher than time & materials invoices. <input type="checkbox"/> Increase your mark-up on materials and / or sub-contractors. <input type="checkbox"/> Increase your hourly charge out rate. Aim to be in the top 25% of charge out rates. Companies charging the average rate seldom make good profit. <input type="checkbox"/> Increase the charge out rate for apprentices. Charge tradesmen rates when doing tradesmen work. <input type="checkbox"/> Limit the amount of charge out rates. Different rates for different clients generally means you are discounting more than you should. <input type="checkbox"/> Charge more for specialist work (e.g. gas fitting, heavy industrial, advanced electronics and programming etc). <input type="checkbox"/> Increase your travel charge. Create a "Travel Zone" with increasing charges the further the zone is from the workshop. <input type="checkbox"/> Increase your consumables charge. <input type="checkbox"/> Stop working for free (e.g. site inspection fee for quotes). <input type="checkbox"/> Stop discounting. | <ul style="list-style-type: none"> <input type="checkbox"/> Back cost every job to determine profit and hours used. <input type="checkbox"/> Review the margin on every charge up invoice prior to sending to ensure you are hitting your gross profit margin targets. <input type="checkbox"/> Institute a replace rather than repair policy. <input type="checkbox"/> Negotiate better price and terms with suppliers. <input type="checkbox"/> Create pre-job checklists to ensure jobs are well organised. <input type="checkbox"/> Create quality assurance checklists to ensure jobs are completed right the first time. <input type="checkbox"/> Ensure you have the best tools and equipment so that jobs are completed quickly and efficiently. <input type="checkbox"/> Manage your team combinations so the best mix of skills are on the right jobs. <input type="checkbox"/> Use apprentice and semi-skilled labour for less complex jobs (e.g. group or high-volume builders). <input type="checkbox"/> Build a high performing team culture that values hard work, accountability and self-motivation (i.e. Core Values, Rules of the Game, Performance Appraisals, Incentives, Team Meetings etc). <input type="checkbox"/> Create a van stock template to ensure trips to the merchant are minimised. <input type="checkbox"/> Create a material ordering process to ensure materials are on site, on time. | <ul style="list-style-type: none"> <input type="checkbox"/> Reduce or eliminate labour-only work as you are unable to sell materials with labour. <input type="checkbox"/> Ensure the team only takes their appropriate breaks for smoko and lunch. <input type="checkbox"/> Charge clients for trips to suppliers that result from completing their job. <input type="checkbox"/> Have tradespeople travel directly to site rather than coming to the workshop each morning. <input type="checkbox"/> Install GPS units in all trucks / vans to track vehicles, keep team members accountable and provide information when clients query invoices. <input type="checkbox"/> Improve your job scheduling process by training a dedicated person (people) and having a back stop of non-urgent jobs. <input type="checkbox"/> Market locally to reduce travel times and improve scheduling efficiency. <input type="checkbox"/> Grow your sales to maximise the fixed costs on your business. <input type="checkbox"/> Choose profitable market niches rather than price competitive jobs. <input type="checkbox"/> Proactively market your business to increase your choice around clients and jobs. Work with the higher profit clients and sack the low profit clients. |