



*High Profit*

**TRADIE**

Technical & Trades Businesses

**Optimise Your Business**

---

**PROFIT  
MAXIMISER**

---

*With* **HUGH BOWMAN**

[www.actioncoachgeelong.com.au](http://www.actioncoachgeelong.com.au)

**actionCOACH**  
GEE LONG

# My Main Goal

## TURNING TRADES & TECHNICAL EXPERTS INTO PROFITABLE BUSINESS OWNERS

Optimising your business will help make you more profitable. Whether its training staff to be more effective and efficient or pricing work correctly or checking over the little things.

There is always an opportunity to look into your business and see where you can improve. These improvements, in most cases, will affect your bottom line so its a great idea to use this download as a check list.

Go through everything and Ill bet you'll be surprised at what can be done to maxmise your profits.

Good hunting.

Hugh Bowman - Business Coach



# #1

## PRICING

- Have a target margin for each type of work (e.g. Maintenance 55% plus, New Homes 35-40%).
- Price for Gross Profit Margin, rather than Mark-up.
- Charge a call out fee for attending a service job (e.g. \$165 for turning up, including first 30 mins of labour, no materials).
- Charge for all variations.
- Include a specified number of trips to site & charge for extra trips. Stop Contractors messing you around.
- Create set prices for regular maintenance /servicing jobs. Make set prices higher than time & materials invoices.
- Increase your mark-up on materials
- Manage your teams to make the most productive combinations.
- Negotiate better price and terms with suppliers.
- For emergency or outside normal hours work use overtime rates with a minimum hours.



#1

# PRICING

- 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.
- Increase the charge out rate for apprentices. Charge tradesmen rates when doing tradesmen work.
- Limit the amount of different charge out rates. Different rates for different clients generally means you are discounting more than you should.
- Charge more for specialist work (e.g. gas fitting, heavy industrial, advanced electronics and programming etc).
- Increase your travel charge. Create a “Travel Zone” with increasing charges the further the zone is from the workshop.
- For service/maintenance work include a consumables charge.
- Stop working for free (e.g. Site Inspection fee for quotes)
- Minimum charges policy
- Reduce or limit Miscellaneous charges invoice policy
- Hrs Rounding Policy
- Reduce or eliminate labour-only work as you are unable to sell materials with labour.



## #2

# PRODUCTIVITY

- Back cost every job to determine profit and hours used.
- Consider a replace rather than a repair policy to reduce call back risk.
- Create Pre-Job checklists to ensure jobs are well organised.
- Create Quality Assurance checklists to ensure jobs are completed right the first time.
- Ensure you have the best tools and equipment so that jobs are completed quickly and efficiently.
- Manage your team combinations so the best mix of skills are on the right jobs.
- Use apprentice and semi-skilled labour for less complex jobs (e.g. group or high-volume builders).
- Ensure the team only takes their appropriate breaks for tea and lunch.
- Have trades people travel directly to site rather than coming to the workshop each morning.
- Improve your job scheduling process by training a dedicated person (people) and having a back stop of non-urgent jobs.



## #2

# PRODUCTIVITY

- 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).
- Create a Van Stock template to ensure trips to the merchant are minimised
- Create a material ordering process to ensure materials are on site, on time.
- Implement cloud based job management system.
- Regularly discuss and set time targets with guys on the job.
- Set A & B activities for apprentices. “B” are default activities in lieu of “A”, primary activities.
- Ask guys to record all necessary job information whilst still onsite. (so that you don't have to pay an admin person to guess what should be in the invoice!).



#3

## FOCUS ON YOUR SPECIALITY

- Market locally to reduce travel times and improve scheduling efficiency.
- Choose profitable market niches rather than price competitive jobs.
- Proactively market your business to increase your choice around clients and jobs. Work with the higher profit clients and sack the low profit clients.
- Choose jobs that utilise your machinery assets
- Purchase scissor lifts and other equipment if hiring regularly.



# Great Clients

## DA BERETTA PLUMBING



Hugh has been with us for 2 years and our profits have grown by 50%

We needed to better manage our scheduling, quoting and job management and get our five staff members up to

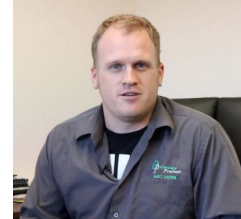
speed on this side of the business.

After much evaluation we selected a cloud base solution specific to the trades that includes customisation for individual clients covering job site information, OH&S and job reporting, scheduling and future quotes

Hugh guided us through the implementation and staff training so my work load decreased in this area dramatically and our operations have become considerably more streamlined. This led to five more additional staff members being employed.

**Chris Berretta** - Owner

## OTWAY PRECAST



We've been with Hugh for the past 6 years and amongst many things have tripled our staff and quadrupled our revenue.

Hugh has also helped us expand our factory (with new offices) and guided us through the purchase land for a new, customised factory in the future..

He has also helped us implement job management, recruitment, quoting and time sheet systems where as before there was utter chaos.

We now have a full management team including me, an estimator, project manager, and operations manager.

**Tim Reinen** - Managing Director



# Great Clients

## BW COMPUTERS



I needed help with growing my business and managing contractors with technical training and customer service.

Hugh has worked with me to expand my business significantly over the past 2 years. We recently purchased another business negotiating favourable repayment terms. This has led to employing four more staff and has seen our sales triple.

We are also in the process of changing the business model to improve service levels and increase profits. This has given me the confidence to move forward and grow the business into the future.

Barry Jason - Owner

## TRICKEY BROS (formerly Lorne Plumbing)



We cover all aspects of commercial and domestic plumbing and also wanted to work up to making excavation 50% of our business.

This required extensive equipment purchases and more financial obligations. Hugh help us work through this and also included restructuring the company and rebranding.

We were able to find and purchase ideal machinery that was immediately put to use and paying for itself. This also opened up new opportunities that we hadn't even predicted. In the first 14 months with Hugh we increased sales by 30%.

Boe & Shane Trickey - Owner

# Great Clients

## GEOTEST CIVIL



I bought this 10 yr old profitable business as an ongoing concern and could see a great future ahead. My main issue was working long hours

and not having clarity to grow the business further.

Over a period of time Hugh helped me set goals, work strategically and create a business plan that we are utilising today.

This included hiring higher qualified staff to take some of the workload, some investment in equipment, and improvement in many business systems.

**Rob Bennett** - Owner

## STAWELL PICKERS MARKET



Hugh helped us focus in on this business as we had neglected it due to other business commitments. The primary goal was to clean up the financial

accounts so we could understand viability, break even, and set budgets. We then looked at reducing costs marketing, building leases, and internal tenancies.

We also analysed the performance of their internal tenancies and found some underperforming so took back control of them.

In the first 3 months we could turn an unknown performing business into one we could predict it as viable, understand its breakeven, have budgets for sales, and pull on many levers to improve profitability.

**Peter & Anthea Perry** - Owner

# Great Clients

## ***NATHAN BENNETT ELECTRICAL***



We have been with Hugh for a few months now and seen productivity massively improve at approx 20% under estimated hours on jobs.

Hugh highlighted that we should focus on productivity. We have changed the format of our toolbox meetings and got everyone engaged in discussions. Topics covered included direction of business, individual goals and accountabilities.

We also implemented an app based job management program and have already identified very significant improvements in purchasing and productivity.

**Nathan Bennett** - Owner

# How Is Your Business Going?

## *Trade and Technical businesses that come to me fall into one of five groups*

#1

Tradies who are just starting out and acknowledge they need help with growing their business, understanding the financial side and need to know how to hire good competent staff.

It's great getting a business coach at this point to avoid some of the major issues I mention below. These guys definitely don't want to make rookie errors.

#2

The next group are working hard (60-80 hrs a week) in their business, AND have ever growing family responsibilities. These guys are a bit brain fried with being so busy and are on the road to burnout. Business owners in this situation can only plan 1 day or week ahead and feel like the business is running them.

#3

The third group are tradies who are excellent at their work and have no problem winning projects. They have built the business up to 10 guys but couldn't manage it that well, they weren't making any more money, and had a whole lot more stress. They end up scaling back down to 1 or 2 guys. Could this be you?



# Where Are You?

#4

This group of business owners have grown their business but have been burnt badly within the first three years by losing a big chunk of money normally between \$50 - \$200K. Usually the losses occur through a customer not paying or the customer going bust, poor quoting, or taking on a much larger job compared to previous work and not knowing how to manage it adequately.

#5

The last group are businesses that are doing well with great staff but want to grow by taking on larger projects or increase their service offering. This could also involve property acquisition for factories/warehousing or large equipment investments as well as expanding staff numbers dramatically. Although successful they lack the confidence and direction to exponentially grow and need guidance every step of the way.

If any of these resonate with you then contact me today for a quick 15 minute phone call to see if I can help you or text and I'll call you back. There's no obligation or commitment of any kind let's just see if I can help with your business success.

Remember there are always answers.

I look forward to hearing from you

Hugh Bowman | Business Coach | Ph: 0409 402 474



*I never worry about  
action, but only inaction.*  
~ Winston Churchill