



Blueprint of Design/Build Business

Design/Build for Remodelers, Custom Builders, and Architects by Linda W. Case (NAHB, Home Builder Press, 15th and M Sts. NW, Washington, D.C. 20005; 1989). 148 pages. Paper. \$24.00.

As the introduction makes clear design/build is an increasingly popular marketing strategy in certain markets because it provides "a seamless, cost-effective ... project from one accountable source" — namely the contractor. This practical manual covers all the elements needed to succeed in this heavily service-oriented approach to building and remodeling.

The book is logically organized, beginning with a detailed discussion of the pros and cons of the design/build concept from the point of view of all involved — remodelers, custom builders, architects, and owners. From there, it works through the design phase to the production and completion of the job.

The main text is accompanied by numerous sidebars, covering a host of tips and tools. These include sample brochures, newspaper ads, lead generation sheets, and other tools of the trade. These are nicely produced, and could be easily adapted as your own sales and marketing tools.

Based on many years experience as a contractor, the author gives an insider's insights on how to make the transition from sales to design and then to production. She touches on many issues, including whether or not to design in-house, how to develop fee schedules, who owns a design, and how to limit liability. All these issues will bear on how you approach prospective clients. The section on contracts includes several sample design and design/build agreements, with checklists and step-by-step tips on how to present and review them with clients.

The discussion of production strategies shows that the author is no stranger to the obstacles faced on a job site. Combining theory and practice, she tackles in-house vs. subcontracted crews, options for handling allowances and markups, and a wide range of everyday details that besiege builders. The last three chapters contain success stories, with interviews of remodelers, custom builders, and architects, which focus on the practical applications of the concepts presented. All in all, the book is a marvelous resource for anyone looking to find an alternative to the competitive bidding wars.

Checklists Offer Little Value

Production Checklist for Builders and Superintendents by John J. Haasl and Peter Kuchinsky II (NAHB, Home Builder Press; 1990). 72 pages. Paperback. \$20.

While the title suggests a series of ready-to-go checklists, this book is more of an outline of the authors' monitoring and inspection procedures in the residential construction business.

Comprehensiveness is not the issue; the five list categories — safety, concrete, rough trades, finish trades, and final — are exhaustive, emphasizing an active approach to quality assurance.

The problem lies in the "checklists" themselves, which are wordy and sometimes poorly organized. Whole sentences are used almost exclusively, when concise phrases would suffice, especially for a harried field superintendent who needs a brief reminder, not a novelette.

The organization of the lists is inconsistent at best. A section on interiors is logically presented by room — entry, living room, dining room, etc. — so as to approximate the order in which they would likely be inspected in a walk-through. But other sections — exteriors, for example — present too many items in too general an order to be efficient.

A sample construction schedule is included, but it is incomplete. For instance, it includes a place to record a start date, but no completion date, a place for estimated productivity but no comparative actual productivity. Probably the most useful list is a sample pay schedule ratios list, which is found on the last two pages. But two pages aren't worth the purchase price. Since most of what is presented here requires wholesale customizing, most builders will be better off compiling their own checklists.

Financial Planning for Large and Small Builders

From Plan to Profit by J. Frank Newton and Charles G. Graham (NAHB, Home Builder Press; 1990). 110 pages. Paperback. \$18.

The authors of this useful volume bring their experience as financial and marketing officers for a large construction firm to bear on a subject too often ignored by builders: strategic financial and organizational planning.

While the scope is introductory, a great deal of technical information is presented in four eminently readable sections organized to coincide with the natural construction company growth time line. Small builders may need to scale down some of the procedures presented, but there's something here for everyone.

A section on short-term financial planning includes an excellent introduction to basic accounting concepts and practices, with an intelligible discussion of balance sheets, operating statements, and financial ratios. The next section emphasizes marketing and improved production practices. The discussion of cost control provides an excellent justification for well-developed estimating, purchase-order, and scheduling systems, areas many builders often take for granted.

Applying these rudiments to Customer-, Company-, and Competition-based long-term strategies (the "three Cs") is the subject of the third section. I found the psychological profiles in a chapter on staffing to be oversimplified, but the final chapter on growth and succession is useful if only because few builders consider what will become of their company after they're no longer active in its daily operations.

The narrative is augmented with useful graphs and charts and several sample forms that can be easily appropriated. While more useful to production housing and tract builders, the overall approach to financial and administrative issues applies equally to large and small builders alike.

— *Sal Alfano*