LEAVING THE FIELD

by R. Craig Lord

ILLUSTRATIONS BY JIM HUNT

Tips for making a smooth transition from site work to office work

There are nine unanswered telephone messages on your desk, you have no idea whether or not you made money on your last three jobs, and your company's work backlog is down to two weeks with nothing promising on the horizon. If this sounds like your company, then it may be time to regroup.

Most small construction company owners do the work of a half-dozen people. They sell the job, estimate the costs, write the contract, schedule the work, line up the subs, supervise the construction, and bang the nails. For a small company doing one or two jobs at a time, juggling all of these responsibilities can be manageable. But if you're successful, at some point the sales volume and number of employees reaches a threshold beyond which it becomes impossible to do all of these jobs effectively. Something has to give, and it usually means you have to spend more time in the office and less time in the field. In this article, I'll describe how I came to realize it was time for me to leave the field and, more important, how I made the transition.

Office Work Survival Guide

The change from field worker to office worker is a watershed event for the owner of a small contracting company. It represents the reaching of a new plateau of company growth. To stay successful at this higher level, you need to make some basic changes, including the way you adapt to your new work routine. Here are some rules of thumb that will help you make a smooth transition to your new desk job.

Cabin fever. I try not to work sitting at my desk for more than two hours at a time. To break the monotony, I schedule sales appointments, site visits, and lunch dates.

Watch the waistline. Until your body's metabolism gets a chance to adjust to less physical activity, lay off the snacks. Unlike the site, my home office is a mere ten steps away from the refrigerator. To avoid taking in a lot of extra calories, I drink water and eat pretzels; otherwise, it's too easy to gain a few extra pounds.

Exercise. To help with the transition from active to sedentary work, I walk for 45 minutes every day before work. I find this a perfect way to start the day, because I use the time to think and plan, and I feel energized when I finally sit down at my desk.

The 50-hour work week. One disadvantage of moving into the office, particularly a home office, is that you're never too far from your work. To avoid spending too much time in the office, limit your work week to 50 hours or less. There are plenty of more important things to do, like spending time with your family. If you're well organized, you may even be able to take Friday afternoons off. If you've delegated responsibilities to competent employees, the company won't collapse without you.

Plan for the future. As the owner of the company, it's important to see the big picture. Where will you be next year? In five years? Use some of your office time to plan, because plans have a way of working out.

Don't forget where you came from. On a hot summer's afternoon, your air conditioner will keep you comfortable, but somewhere your employees are sweating it out. Make sure they have the tools, equipment, and materials they need — including a cooler of ice-cold soft drinks. And don't horde your knowledge of carpentry either. Be sure to share your experience with your crews.

Why Leave the Field?

When faced with a choice between the office and the field, many construction company owners stay on site. If you love the work — and most of us do — and if you work with just a helper or two doing one job at a time, then you may not be a good candidate for the office. Many working contractors can still find time to sell, estimate, and manage their jobs in ten or twelve hours a week. Some divide their time each day, spending mornings at the site and afternoons behind the desk; others dedicate one day a week, typically Friday, to office work, making necessary phone calls during lunch breaks or in the evenings. There is nothing wrong with this scenario, and you can certainly earn a good living this way.

Ironically, the better you are at juggling your responsibilities, the sooner problems start to arise. After a few years of producing quality work and satisfying customers, your company's client base expands. As annual volume increases, you find yourself hiring more workers to meet the demand, then hiring foremen to supervise the growing production crew. Before you know it, you have created a fire-breathing dragon that needs to be fed a regular diet of new jobs. While this is a natural progression for a well-run company, the task of managing this company is no longer a part-time job. Unless you restrict growth or hire someone to do the office work, you'll be forced to spend more time in the office. In my case, after two years with sales over $1 million, I realized my workload was unmanageable. In hindsight, I was off by half: I now believe that when sales reach $500,000, it's probably time to think about hanging up your toolbelt.

Reading the Signs

How do you know when it's time to change your job description? If you know what to look for, it's easy to read the early signs that you are spread too thin. If you can't find time to return phone calls, if you are rushing to complete estimates on time, and if you can't find time to review important records like job costs, you're putting your company at risk and missing opportunities. You won't get the jobs for the calls you failed to return, your estimates won't be as accurate as before, and you'll have no idea whether you're making any money on projects that are underway. Plus, with your increased manpower, you'll be finishing jobs faster, so you'll need a fresh supply of new jobs to avoid running out of work. You'll be tempted to take jobs after doing just a ballpark estimate simply because you need the work. Your supervisors and crews will have bad information at the site and you'll have bad infor-

mation in the office — a recipe for disaster. You'll start moving backwards instead of forwards, and that's no way to run a company.

If any of this sounds familiar, then it's time to head for the office.

Making the Change

Once you make the decision to move into the office, you have two options: Replace yourself in the field, or cut down on the number of jobs you have going at one time. When I left the field, I had two foremen running one job apiece, and I was running a third job. I simply stopped running three jobs and concentrated on running two jobs well. Of course, I had to become more selective about those two jobs, because my salary had just moved from above the line to below the line. The jobs I took had to be profitable enough to support that additional overhead. But by moving into the office full-time, I was in a better position both to evaluate prospective clients and to analyze my records to find the kind of work that was most profitable for my company.

If you don't cut back on the amount of work, it's essential to find someone to take your place in the field. Without a replacement, you'll constantly be drawn back toward the field and your energies will forever be divided. It doesn't matter whether you hire someone new or promote someone from within, but you can't simply do nothing.

The key to making a successful transition is to delegate your former field responsibilities and stick to it. Resist the impulse to use your tools. You will soon find that a good day in the office will make or save you more money than you could ever make in the field. Though the results are less tangible, more accurate estimating and better management adds real money to the bottom line.

But delegating responsibilities and managing jobs from the office are the two most difficult changes to make, and there are several traps you have to avoid. The first trap springs from the tendency to meddle. It's a natural enough impulse, considering that you built your company by making every decision, from deciding when materials should be delivered and which subs to hire, to planning the sequence of work each day and working out all the framing details. Once you're in the office, however, you have to let the people you have picked to replace you on site do their jobs. Tell them what you expect them to do, then leave them alone. This is harder to do than it sounds. You may honestly believe that there is no single "right" way to run a job, but for years you did everything your way. Now you must let your employees get from point A to point B on their own.

You can still monitor quality and offer advice, but you have to do it without stepping on anyone's toes. One technique is to stop giving orders and start asking questions. You may worry, for example, that the plumber hasn't been scheduled yet. Instead of baldly reminding your foreman about it, ask "When is the plumber scheduled to start? I need to see him about an estimate." I can guarantee that if that plumber is not already scheduled, he will be shortly. You'll get the result you want, but by prompting your foreman to make the call without actually telling him to do so, you'll build his confidence and reinforce his sense of responsibility.

Another effective way to communicate is to ask your foremen for their opinions. This brings them further into the planning and decision-making process and keeps them focused on the tasks ahead. If you have good people, as I do, the advice you receive will be invaluable, and your employees will be further empowered. Remember, your goal is to get into the office and stay there. If you continue to solve every problem on your sites, you might as well grab a hammer and lunch pail and join the crew.

Switching from hands-on to hands-off doesn't mean shutting everything else out — in fact, good communication is more important than ever. I meet with my foremen every morning to go over the day's work, manpower allocations, material pickups, and equipment needs. I also visit every job at least once a day to answer questions and to make sure that the crew has all of the information they need to keep the job running smoothly. We have also purchased radio-telephones for me, each foreman, and the office manager. Not only do the phones make it easy for everyone to keep in touch, they are convenient at the site for calling subs and ordering material.

Getting Used to Office Work

For contractors who are used to working with their hands, office work takes some adjustment. For the most part, however, the same organization skills that made you efficient behind a circular saw will make you efficient behind a desk.

Since you won't be on site all day any more, your first task is to develop a system that allows you to keep track of all of the paperwork for each job. In my office, each job gets a manila file

folder, which is easy to locate when someone calls from the field with a question. I put the customer's name, address, and phone numbers on the outside where they're easy to find, along with other important numbers, like the building permit number and phone numbers for inspectors and the architect, if applicable. Inside the job folder are material and subcontractor estimates, and the specifications. Each job folder gets filed with the plans in a file of all active jobs.

Another important office tool is an appointment calendar. Since you won't be on the site all day, you won't have to limit your appointments to nights and weekends. On the other hand, it takes a while to get used to daytime appointments, and a calendar will help you keep track. I try to schedule appointments for late morning, after I get the jobs organized. When I present the estimate, however, I want to have both of the owners present, so I still make some after-hours appointments. I also use the appointment calendar to track employees' vacations, holidays, scheduled family events, and other important dates.

I also rely on my phone log. I record all incoming and outgoing phone calls in a spiral notebook I keep on my desk. Each day gets a new page, but I never tear a page out. The result is a complete record of who called whom when, and what we talked about — handy information should a problem arise. I also make it a point to return all phone calls received during the day before I leave the office. This alone is a good reason to move from the field into the office: Being prompt and responding quickly are good professional habits. You'll be surprised at how this separates you from the competition.

Financial Keys

Another benefit of spending more time in your office is the ability to gather and analyze more information about your company. Records of past performance are the single most important resource for accurate estimating. These records tell you how much a job cost, how long it took to complete, and how the cost and schedule compared with what you estimated. This information can then be used when estimating jobs similar to ones that you have done in the past. When I worked in the field, I never had enough time to fully research an estimate. With added time to spend on these matters, I now make good use not only of job-costing records, but of profit/loss statements and year-end financials.

Financial analysis starts with estimating, but it should continue after the job starts and follow its progress. The time to correct a job that may be heading south is while it's happening, not after it has gone into the red. Using Master Builder software, I can track my jobs with great accuracy. When I see a job falling behind my projections, I can usually find several ways to improve the bottom line while the job is still in progress. Pinpointing problems, whether it's high material costs or labor overruns, is another way I earn money in the office.

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