



How to Grow Your Business

Tips for small to medium sized construction businesses.

PROCORE

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If you've ever tried to grow your business (or keep it afloat), you know it's harder than it looks.

Your teams are juggling work on limited bandwidth, struggling to stay organized and on task, and communicate efficiently enough to avoid rework. All of these setbacks are cutting into your ability to deliver projects on time, and under budget.

Maybe you're looking for ways to streamline workflows, cut overhead, take on more work, and boost your profit margins. Or you're already running a successful firm that is ready to grow but you're not sure how to get started. Either way, this eBook can show you how to spark growth and equip your teams with the tools necessary to handle it.

What you learn will help you grow your company, make it easier to run, and help you squeeze in a few extra hours of free time each day. In the end, you and your company will gain a competitive advantage due to your enhanced capabilities without adding expensive overhead.



I. Building Relationships (and Keeping the Ones You've Got)

Doing great work goes without saying. But when you're trying to win more business, here's where to start.

Getting the Word Out

BUILD YOUR WEB PRESENCE

If you don't have a website, make one. If you do, make it better. Squarespace, Jimdo, or Wix are just a few examples of popular website builders for businesses of any size. Use a platform like this to create a clean, legible, and user-friendly web presence that reflects your company culture. Do this by putting yourself in your owner's shoes. They'll want to know your company history, see who your team is, and how you operate. Use your website as a portfolio to showcase your specialties, pictures of past jobs, and testimonials from past clients.

GET IN FRONT OF THE RIGHT PEOPLE

Take your best people and send them to join your local Chamber of Commerce, Small Business Association, or state's Associated General Contractors chapter. They'll help you stay informed with newsletters and can report back with a calendar of networking events to attend. Take a step further and travel with your team to tradeshow that best fit your niche and region. Set up a booth, bring marketing materials, or find out how to be a speaker. Showcasing your expertise at these functions will help you find good talent and catch wind of brewing opportunities.

Maintaining a Good Reputation

STAY AHEAD OF THE GAME

With over 25,000 small to medium sized businesses in construction, you'll need to set yourself apart from your competitors. Potential owners should associate your company with innovation, vision, and continuous improvement. You can do this by embracing new technologies that improve their user experience. Utilize your software solutions to give owners visibility into your project—the more open you are about where the project stands, what you are doing to drive it forwards, and how you are proactively approaching any risks can give them confidence in you and your business. Share any insight you can provide to show that you are an asset to their long-term strategies.

BE AVAILABLE

Owners and partners will remember and appreciate a good working relationship. The sooner owners get answers, the happier they are. That means being available and responsive all day, everyday. Or better yet, give them full access to the information they need so that you have more time to focus on the project.

CULTIVATE CHAMPIONS

Capitalize on relationships with existing and past owners by asking them to provide a testimonial or case study. Clients want to feel confident in your expertise before they accept your bid—case studies are an effective (and free) way to demonstrate your abilities and allow them to picture themselves working with you. Make sure to display them on your website and include them in any marketing materials.

Likewise, if you have good relationships with subcontractors, ask them to refer your company in future projects and offer to do the same. Bonus points for sending gift baskets, holiday cards, and dinner invites throughout the year. Nurture your relationships and keep your company on their radar all year long.



II. Nailing Your Numbers

Knowing how your business is currently performing can help you identify areas with growth potential. Here are some Key Performance Indicators (KPIs) you should be managing:

1. CASH FLOW

Cash flow is the lifeblood of your business. You need it to meet payroll, pay for materials and supplies, and reimburse subcontractors. You should have the ability to evaluate organizational liquidity and then be able to drill down and see which projects are providing cash flow and which are draining liquidity.

2. SCHEDULE VARIANCE INDICATOR

Construction project owners are demanding faster construction, cutting the typical project duration dramatically. The goal of scheduling is to create a tool that can be used to drive the project and build credibility with all the participants, particularly your owner.

3. WORK-IN-PROCESS (WIP) REPORTING

Project execution is the heart of every construction business. Measuring and monitoring WIP ensures timely corrective actions and confirms project execution according to plans. Together, the status of gross margin, cash flow, change orders, and project buyout execution indicators gives you and your owner a global project performance perspective.

4. BACKLOG INDICATOR

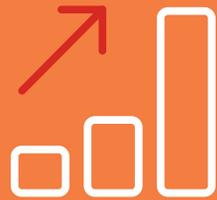
If you can manage your backlog well, you'll have an easier time selecting those business opportunities that will ultimately provide the most margin.

5. SCORECARD INDICATOR

Scorecard indicators help to evaluate the soft skills lacking in your organization. Problems can be identified earlier, preventing the escalation of a "paper war" with owners, subcontractors, and other project stakeholders.

Result

With an eye on these metrics, you'll have the information you need to reduce overhead costs and operating expenses. Meaning greater profit for the same amount of time and resources, as well as actionable metrics for your next build.



III. Scaling Responsibly

As your business grows, you may find you cannot do everything yourself. You'll need a plan to recruit, train, and retain qualified workers.

Hiring Talent

Sparking interest in college students is a great way to expose your business to qualified talent. Connect with them by posting your open positions on professional networking sites like LinkedIn or find out if the school has their own career center where you can hang fliers and drive people to your website. Make sure you're attending local campus job fairs in order to give prospects the chance to meet you in person, get a feel for your company culture, and ask any questions they may have. You can also create apprenticeship programs with construction management universities. Besides college students, you can also forge partnerships with untapped job pools like veterans associations or women and minority AEC organizations.

Training Employees

We know that the teams you are working with are often your family members and close friends but you still need to make an effort to create a good working environment and that starts with proper training. Subsidizing enrollment to certification courses, continuing education credits, and How-To books are a great way to motivate their self-improvement. Make sure your employees are well-trained for the job at hand and that they know all safety procedures. In addition to productive employees, you'll want to keep them safe. Implementing a good Safety Program can decrease the likelihood of injury by 50%, as well as your risk for a lawsuit. OSHA's website has a great selection of free training, outreach, and presentation materials to download.

Retaining Talent

CREATE A GOOD COMPANY CULTURE

If you want to grow and innovate, you need to communicate with employees constantly—giving them regular learning opportunities, and encouraging them to have fun.

KEEP YOUR TEAM HAPPY

Appreciate, respect, and give credit to the people in the background of your business. Your team's satisfaction with their work is critical.

LISTEN TO IDEAS

Encourage employees to come up with creative ideas for improving and growing your business, and be receptive to them when they do. One disapproving glance and your employees won't want to come to you again.

ENCOURAGE YOUR EMPLOYEES

Acknowledge what employees do well—it will strengthen safe behaviors and foster engagement. You can also encourage your employees to pursue Continuing Education which will help your company remain competitive by fostering an environment in which employees are more productive, loyal, and content.



IV. Using the Right Tools

A project management tool can help your team do what it does best, even better, and with larger margins—freeing you up to focus on growth. Using the right project management solution allows you to:

HAVE FULL VISIBILITY INTO PROJECT HEALTH

One screen with a series of dashboards tracking key metrics can keep you clued into how your company is achieving its goals—without wasting time micromanaging your teams.

TAKE ON MORE WORK WITH SMALLER TEAMS

Using project management software can raise the efficiency of your teams and help alleviate the need for hiring to meet demand.

INCREASE CASH FLOW BY STOPPING FEE EROSION

By automating documentation, the risk of unbilled transactions is reduced—giving you the freedom to be creative with budgets.

STAY UP TO DATE WITH CONSTANT COMMUNICATION

Email threads quickly become inefficient. With project management software, all conversations are automatically tracked for easy reference, mitigating the risk of rework, delays, and cost overruns.

INCREASE MOBILITY

Construction doesn't happen in the trailer. A mobile platform with offline capabilities can save the need for traveling back and forth to collect and relay information.

CONNECT THE FIELD AND OFFICE

Cloud-based platforms reduce the disconnect between office and field teams. Ensuring that you never have to wait for the most up-to-date information.

REDUCE LITIGATION HASSLES

Notes on paper, spreadsheets, and any other disconnected systems for storing information will only slow your business down during litigation, and make it easy for valuable data to get lost.

CONNECT SYSTEMS & REDUCE DOUBLE ENTRY

Integrated systems allow you to continue using your favorite tools without leaving the system. That means less double entry and more free time.

Conclusion

If you're trying to grow your company without growing your overhead, the secret is to make your resources go as far as possible. And those two biggest resources are your time and money. Using your time and money as effectively as possible means choosing the right tools to help you build efficiently.



**V. Is it time to grow
your company?**

- Do you have a strong team of employees?** Yes No
- Do you have more work than you can handle?** Yes No
- Has your bottom line reached a plateau?** Yes No
- Do you have a loyal client base?** Yes No
- Is your market growing with opportunities?** Yes No

If you've answered yes to any of these questions, it could be time to grow your business!

For more information or to schedule a free demo visit www.procore.com or call 866.477.6267. For more resources like this visit: www.procore.com/ebooks

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