# BETTER BUSINESS GUIDE: Tips for Contractors & Construction Companies



Running your own business is fulfilling, but challenging. There are a lot of factors that influence the productivity and profit of a contracting business.

Even the most experienced contractor can improve how they manage their business so that they can focus on growth and customer satisfaction. With careful planning and commitment, you can steer your business towards continued success.

We've put together some guidelines to help you better manage the different aspects of your business—from effective marketing to financial and resource management.

# **Getting and Keeping More Customers**

Businesses grow when they bring on more customers and projects—so getting the word out about your services to potential customers is essential. Effective marketing is a key component for getting those new customers and keeping them on board.

How you present your company or contracting business on the internet is a crucial component of marketing your services. Recent studies show that only 29% of consumers want to talk to a salesperson to learn more about a product or service, while 62% will research online instead.

### Help Clients Find You Online

Make sure potential customers are able to find you online when they search for services that you offer. There are a lot of resources to choose from, but there are a few website builders that we'd recommend over some others, because of their simple, user-friendly approach.





<u>Wix</u> is one of the easiest builders to use, making it simple for any kind of business owner to customize their website (without having to learn code).

<u>Squarespace</u> builds some of the most attractive websites on the internet, and produces sites that are smartphone-friendly, since a lot of your clients will use mobile to search for services they need.

<u>WordPress</u> is considered the most popular website builder, because of its low-cost and how user-friendly it can be.

Setting up a new website can take some time, but including the following pages or sections on your site will help ensure your clients find out everything they need to.

Your website should consist of the following pages or sections:

### Home Page

Your home page is where most clients will land first when they search for your services.

Every website's home page should include the following:

- Headline: Tell your visitors exactly what you offer.
- Supporting Images: Show clients what services you offer.
- Benefits: Explain how using your services will help potential customers.
- **Testimonials:** Use quotes from your clients about their satisfaction with your work.
- Navigation Bar: Make this visible at the top of the page, so clients know where they can click from the home page





### **About About Page**

Tell clients exactly what they want to know about your business. What experience does your team have? What kind of work do you do? This shouldn't be too extensive, because website visitors will spend a brief amount of time reading through your website. Your writing should be concise and to-the-point so readers understand quickly what your business is all about.

### Services Page

This should also be included in the navigation bar. You'll want to tell clients specifically what kind of services you offer, especially if you specialize in a particular kind of project or installation. If roofing work is your niche, let them know!

### **Projects or Portfolio Page**

Include high-quality images from any of your finished projects, to give clients an idea of the type of projects you've done and the quality of work that you provide.

# **GET INSPIRED**









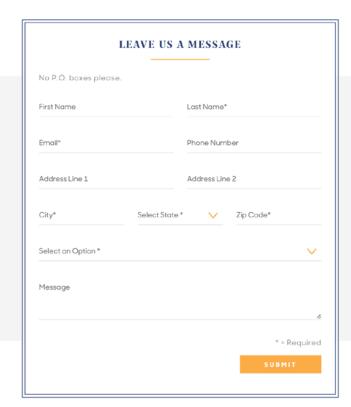


### **Contact Page**

Post your email address and phone number on your site, but include a "contact" button on the homepage so that clients or potential customers can reach you through a contact form the site.

Give visitors clear instructions about getting in touch with you: is every potential project handled by you? When can they expect a response? Collect information from these potential clients so that you can reach out to them again in the future.







### Stay in Touch with Clients through Email and Social Media

Clients who are interested in your services should be able to opt into receiving updates from your website.

And if you've worked on numerous projects, you might have gathered a list of email addresses of people who have shown interest in your business or completed a contact form on your site. You can put that list to good use by engaging in email marketing.

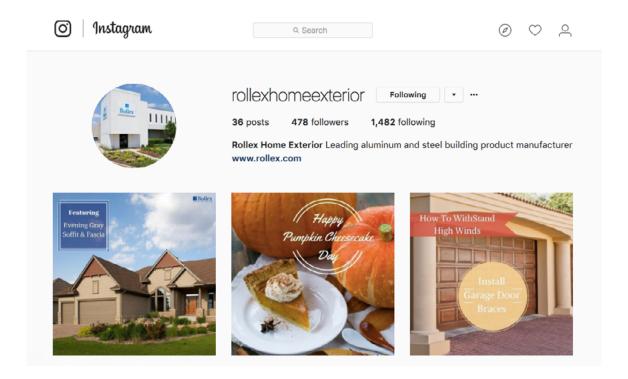
You don't want to spam customers on a daily basis, but you can deliver useful information and offers to their inbox on a regular monthly or weekly basis. Think about the information that will be the most useful for them: tips for DIY projects, ideas for remodeling, maintenance and repair tutorials, promotions, and updates on the services you provide.

Keep seasonality in mind as well. Covering topics that are top-of-mind for your audience will increase open rate and overall engagement with your brand.

### Social Media

Social media is a powerful marketing tool, but it's not one that contractors use frequently. That trend is changing—preliminary research shows a <u>6% increase in Facebook usage</u> by construction professionals this year.





Posting on social media sites like Facebook and Instagram can help to further establish a relationship with your clients and potential customers online.

You can showcase project updates and post images of your work on these sites, but you don't need a profile on every social media site out there. First consider which social media channels are most relevant for your company—if your customers aren't on Twitter, for instance, you don't need to spend time there, either.

### Communicating with Clients

Communication is essential for any relationship, and we know that clear, timely communication helps to establish more trust with your customers.

As the liaison between clients and distributors, retailers, and subcontractors, you're responsible for keeping everyone on the same page. Efficient problem-solving and on-site response are also key to your relationship with clients. That's where good project management comes in.

# Running a Project Effectively

We know that the best way to guarantee your client will stay with you is by delivering high quality results from the beginning. Project management falls on the contractor, among other responsibilities, and this makes it crucial it to oversee all aspects of a project. Research from the University of Ottawa reports that 33% of projects fail when senior management doesn't get involved.



You can run a successful project at every stage with a few tips and guidelines around project management.

### **Use Project Management Software**

Project management tools like Procore and Genie Belt are specifically designed for contractors to help you manage the different phases of your project. These software systems allow you to keep everything in one place: discussions, documents, calendars, and even invoices. To learn more about a few stand-out programs we like, read our <u>quick tips and tools for busy contractors</u>.

While there are several great project management tools on the market, the key is finding a program or system that you'll use consistently. Tracking your project from start to finish guarantees that the plan you started out with meets your customer's goals and expectations at the end of the project.



### **Delegate**

Delegating administrative tasks like bookkeeping and scheduling lets you focus on direct project-related issues, such as bidding, planning, client communication, and on-site management.

Remember to look for areas of natural talent in your existing workforce. For example, you may not be interested in marketing but one of your formans may be naturally inclined to it. By offloading your marketing tasks to him, you will both be happier focusing on what you're truly passionate about.



### Document everything

Keep track of tasks, deadlines, resources, purchases, and other transactions for future reference and standards. Many project management programs and software include storage options for documents and files that you need to save, so that you don't lose track of receipts or documentation.

### **Touch Base with Meetings**

Have a project kick-off meeting will go a long way with your client, before the project gets underway. Set up regular meetings with your crew to touch base on projects and ensure everyone knows what they are responsible for and when it is due. Give your client an opportunity to provide feedback after the project is complete with a follow up meeting.

### **Set Realistic Deadlines**

When bidding for projects or setting delivery times, it's tempting to set optimistic deadlines to win a project; however, this can be counterproductive. It can cause strain in your relationship with your client—and with your employees if you overwork them—to meet a deadline that wasn't realistic.

Take your time to plan and set realistic deadlines that work for both your company and your client. A job well done is better than one done quickly!

## **Managing Your Resources**

Your crew and the materials you work with are obviously crucial to getting the job done. But how can you better guarantee that you have access to these resources when you need them?

### **Materials and Products**

Material procurement, delivery, and storage are central to project planning. It's essential to consider the availability of the materials that will be needed, as well as delivery times, inventory management, and purchasing.

Review the exact amount of materials you'll need to avoid over-purchasing and keep a precise inventory. Also, consider storage conditions to keep materials from rotting and going to waste, as well as proper handling and storage of equipment.

For all of your projects, getting your building materials to the jobsite on time is crucial. If anything gets missed, the result is a crew with either nothing to do or an unmanageable pile of supplies with no one around to use them.



By developing a relationship with materials suppliers or manufacturers and paying them on time, you'll help to guarantee that your project isn't held up by a short or delayed order.



### **Crew Management and Retention**

Employee engagement is essential for a successful project. There are some ways to make sure your employees engage not only with the project they are working on, but with your company for the long term.

- Competitive pay: Skilled construction workers earn an <u>average wage of</u> \$14.49 per hour, depending on their experience and area of expertise. To keep workers happy, offer an attractive salary and prevent turnover.
- Safe work environment: The fatal injury rate for the construction industry is higher than the national average. Comply with <u>OSHA standards</u> in scaffolding, fall and head protection, and other necessary measures to provide your workers with a safe work environment.
- Skill development and training: Invest in developing your workers' skills with regular training and programs that help them master their trade. This also ties back into our point above about delegation. If you can unload some of your tasks while simultaneously developing your crew, you'll both be more successful.





- **Invite feedback:** Listen to your crew's concerns and address them in a timely manner.
- Benefits and incentives: Listen to your employees to understand what benefits they need. Health insurance and retirement plans are the most popular benefits among construction workers. Other benefits they consider necessary are dental benefits, life insurance, vision care, and disability insurance.

### Cash Flow and Financial Management

When you first start your business, you might do all the accounting yourself to save money; however, as your business grows, hiring an accountant will make running your business much more manageable.

Clients can sometimes fall behind on payments, so bill them on time and offer incentives for timely payment and penalties for delays. Confirm with your clients if they have any special requirements for invoicing to avoid delays in payment.

Ensuring proper billing and payment times allow your business to have positive cash flow which is essential for your business to run smoothly.

Running your own contracting business comes with its own kind of challenges, but the job can be incredibly satisfying. Thoughtful planning and communication make a difference when it comes to working with clients and your crew, and hopefully these tips will help take your projects and business to the next level.

