



# EGCA MAGAZINE

VOLUME 8, NUMBER 6

DECEMBER 1997

## Prepare your business for the coming good times

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When our economy went in the tank, we heard all of the experts advise us on how to "survive the hard times". Now that things are getting better, this is the time to plan/fine tune your business to take maximum advantage of the improving construction economy—kind of a "check-up" for your business.

As President Kennedy said, "The time to fix the roof is when the sun is still shining". By taking a little time to think and plan for the following, you will minimize your frustrations and move that much closer to the achievement of your goals.

### Goals

- What are the basic goals for your company? How big do you want to be (job size, work program, annual volume)?
- Do you have the proper pieces in place to reach these goals? Are your current internal (administrative, computer, accounting, and estimating) functions able to take you where you want to go?

Do you have sufficient qualified field personnel and supervision?

- When planning for growth, don't forget to consider "THE BOTTOM LINE" and how much you want to retain. Contractors take *ALL OF THE RISK* and too often do not receive a commensurate reward.

### Action plan

Nobody can address the above goals/questions better than the contractor himself. However, there are some specific business relationships that can prove to be essential to the success of a construction company. To facilitate your growth, banking and bonding relationships are two key ingredients.

- Is your "BANKING" relationship a strong one? Communicate your plans/goals to the banker and determine if your existing line of credit will satisfy your needs. Will your banker increase

this line if your backlog suddenly increases? Will they work with you???

- Is your "BONDING" relationship a strong one? The bonding process in many ways parallels that of banking. Your plans should be communicated and the same basic questions asked of your bonding agent.

Planning and communication are key ingredients to your success. These business "partners" need to be informed of your plan and supportive of your needs.

This basic "check-up" for your business can yield significant results and will be less painful than a prostate exam.

At Maloney & Associates, we look to assist contractors as much as possible and welcome any questions/phone calls.

*(John Maloney is an active participant in EGCA events. His firm, Escondido-based Maloney & Associates, offers insurance services and bonding for contractors.)*