



CASE STUDY

Dry Wall Contractor, Minnesota

Problem: No job costing. No overhead allocation. No budget. Poor business information.

Solution: The client had 2 divisions. One was traditional drywall installation. The second was spray on texture.

The consultant examined the processes by which the company bid jobs. He determined that the overhead was being ignored even though it was a critical item for the texture division where depreciation on the capital equipment approached \$200,000 annually. By implementing proper job costing, the client knew that true profitability of each job and made better pricing decisions.

The consultant created a balanced scorecard report so that the owner now had solid information to manage his business and judge the performance of his staff.

The consultant also worked one on one with the owner and his key management staff providing executive coaching to improve individual and team effectiveness.

Profit Impact: \$80,000 per year (2.9% of sales)

Client Billing: < \$25,000