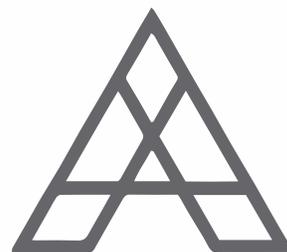


eBook

8

**SUCCESS HABITS
THAT UNSUCCESSFUL
CONTRACTORS DON'T
PRACTICE**





INTRODUCTION

The Apparatus team has deep roots in the contracting and building industry. We know firsthand the dedication it takes to turn a professional dream – like running your own contracting business – into reality.

We also know how rewarding all that hard work is, and how important it is to stay focused and informed along the way. We strive to provide contractors like you, whether you're established or just starting out, the information that will help you start, grow and scale your business to its highest potential.

Our goal is to help you achieve your goals and inspire you to run your best business.

We hope this ebook offers you the insight you were expecting and causes you to investigate the areas of your business you'd like to improve.

We'd love to discuss how the full support of Apparatus can power your back office and elevate your business.

We're standing by, whenever you're ready.

The Apparatus Team



Start. Grow. Scale. Apparatus powers your back office™.



ONE

SUCCESSFUL CONTRACTORS HAVE A CLEAR VISION FOR THEIR COMPANY

Successful contractors begin their journey with a clear vision and a strong desire to own and run a smart, respected, sustainable, and profitable contracting business.

You must clearly understand your definition of success, believe that success is attainable, and have specific, written goals for achieving it.

There is an old saying that applies here....

The world belongs to the conscious goal setters.

If you have a clear vision of success and written goals to achieve it, you'll be willing to put in the effort, sweat and tears, knowing it won't always be easy, but also knowing that the rewards will be worth all of what you sacrifice to achieve them.

With a clear vision of your own success, you'll be able to go to work each day with intention and you won't allow setbacks to overshadow or cloud the big picture.

You'll have a mental image of what your business represents and the reputation it will have in the community and you'll do everything in your power to create it.

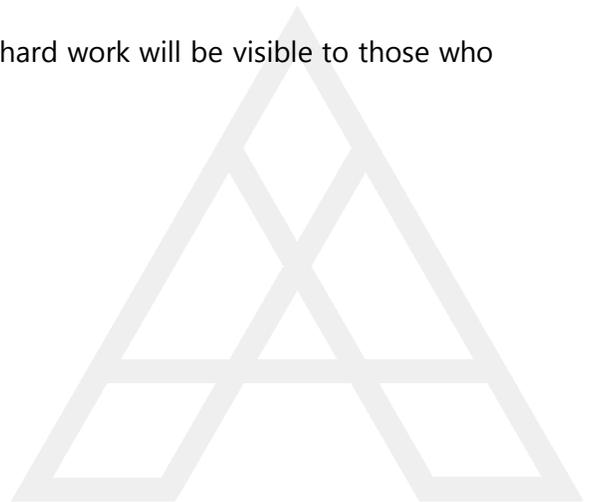
Animated and led by clear goals, your behavior and your hard work will be visible to those who interact with your business or seek services from it.

Successful contractors...

Believe they are capable of growth and success

Have clear written goals to achieve success

Take great pride in their work



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TWO

SUCCESSFUL CONTRACTORS PROTECT THEIR ASSETS

Successful contractors don't let risk or unforeseen events jeopardize their business or their goals for its success.

You should go out of your way to make sure your business assets are protected from potential liability coming at you from any direction.

You need to put the time and effort into maintaining your license and bond, ensuring you have proper insurance coverages, and setting up and running payroll systems because you understand that one small oversight could mean a major blow to your company down the line.

You need to protect your revenue stream by following the lien laws of your state carefully. This is essential to protect yourself from customers who may not pay as agreed.

By keeping your assets safe and secure, you'll have the peace of mind that allows you to focus on more on the day-to-day logistics of running a successful contracting business.

Your employees will feel secure and protected working for you because you have worker's comp and other insurance in place for them. The health of your company is tied to the performance of your team and you want to be sure they're protected.

Successful contractors...

Take insurance seriously

Value their employees and protect them

Won't risk their revenue or assets by being unprepared



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THREE

SUCCESSFUL CONTRACTORS MAKE DISCIPLINED USE OF CONTRACTS, NOTICES AND INVOICES

Successful contractors use simple documentation to head off disputes and to create clear paper trails behind them to protect their business, the projects they're working on and their team.

You simply must operate your business legally and transparently. You know that unnecessary risks are rarely worth the reward and so you must refuse to let laziness dictate your approach when dealing with customers, bidding for new work, tracking your costs, or bringing on new employees.

The simplest way to keep your business in the clear of disputes, confusion, and frustration is to write things down and get it signed.

Have access to a simple library of forms and templates, and use them to put things in writing. Keep your emails organized. Don't use text messaging because it is too informal and too hard to archive.

Your customers will respect your professionalism, and they'll appreciate the timely and accurate bids, invoices, updates and receipts you provide them. Your vendors will know they are in good hands with a customer who does not let conversations become confused. Your subcontractors will respect your desire to protect yourself, them, and your customers from confusion and crossed wires. Your employees will know that you are running a smart business, and they'll want to be part of it and help it grow.

Successful contractors...

Think like businessmen/women

Don't perform work without contracts

Feel confident to pursue rights to lien

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FOUR

SUCCESSFUL CONTRACTORS HIRE TOP PEOPLE AND DELEGATE EFFECTIVELY

Successful contractors partner with other professionals to create a solid, smart support network to serve their customers.

To build a successful business, you can't go it alone. You simply must build a network of very reliable vendors, subcontractors, and employees who demonstrate expertise within their specific field.

You shouldn't stop there, though. You should also forge relationships with reliable and expert service providers who can bring you the expertise and knowledge your business wouldn't otherwise have. This external group can consist of attorneys, bankers, CPAs, business coaches, business service companies and more.

You should always work to maintain a high-caliber reputation by working with others who have high-caliber reputations.

You'll find that your business will continue to grow and see success if you surround yourself with other reputable businesses who in turn thrive by helping you succeed.

Successful contractors...

Seek out expertise in others

Employ a network of equally reputable professionals

Develop long-term partnerships and working relationships



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FIVE

SUCCESSFUL CONTRACTORS UNDERSTAND THEIR COSTS AND PRICE FOR PROFIT

Successful contractors track their material, subcontract, and labor costs from job to job and know their profit margin for each completed project.

When it comes to estimates, you can't rely on tables, spreadsheets, and gut feel. You must know your real numbers.

If you are unsure about the actual results of your past and current jobs, you have no hope of improving your margins and learning from your successful projects and from the mistakes you've made in the past.

Don't let gut feel and guesses about past jobs influence the next job. Recognize that each new project is a fresh opportunity to hit your predefined margin goals, but only if you have good information about your real costs from prior projects.

Ensure that your pricing and bidding gets smarter and sharper with each job you complete. If you don't, you'll be stuck inside a cycle where no learning happens, and you'll cut yourself off from the benefits of your own experience.

Have the confidence to know that you are providing a valuable outcome for your clients, and be sure to price it as such. Limit your time to working with clients who are reasonable and who value what you do.

You should hit or beat your profit target on every project.

Successful contractors...

Carefully track their expenses for vendors, materials, and labor

Have a clear profit target – in percentage and dollar minimum terms

Bid each job to ensure that they will make a solid profit

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SIX

SUCCESSFUL CONTRACTORS OUTSOURCE WORK THAT IS NOT PART OF THEIR UNIQUE SKILLSET

Successful contractors do not take on tasks they're not trained to complete with excellence.

You can't be successful if you spend your time trying to specialize in anything other than your true specialty – your *trade*.

Your time should only be spent focused on delivering your unique skill for your clients – and you should outsource, delegate or purchase everything else.

Look for opportunities to outsource projects or tasks your company isn't equipped to deliver with true excellence. You'll find your company will be more focused, easier to manage, and your margins will improve.

Be guided by a true desire to focus. Only hire A-players on to your team, and only hire A-players into your network of service providers.

Spend your time with open and honest communication with your extended network, and you'll get more done at higher margins.

Successful contractors...

Understand their unique skill and hire out the rest

Are willing to focus and charge for their true skill

Recognize that great performers only perform – they don't move pianos!



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SEVEN

SUCCESSFUL CONTRACTORS EMBRACE TECHNOLOGY

Successful contractors know that to be effective they must harness the power of technology.

Smartphones, tablets and other technology play a crucial role in optimizing communication with your clients and employees. Your response time to business matters or inquiries must be quick and it can be with today's easy access to phone, email and internet on the job.

Technology has also become available for other areas of your business, allowing you to streamline otherwise tedious manual processes such as customer support, back office and administrative tasks, or project management.

You'll be more organized and in control when you embrace technology.

Adopt the habit of staying up to date with products or services that could improve the productivity of your team and your business.

Successful contractors...

Employ technology to work smarter

Recognize that technology is another tool – a very important one

Are open to innovations in productivity



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EIGHT

SUCCESSFUL CONTRACTORS MARKET THEMSELVES TO FUTURE CUSTOMERS

Successful contractors know what makes their craft or trade so special and they are skillful in letting others know it, too.

You should be proud of the uniqueness of your business.

Whether it's the style of your approach, your client-friendly team or a one of a kind product or capability, your clients have come to rely on you as a capable and trust-worthy contractor whose finished product is one worth talking about.

Now, be sure you are positioning your company so that your work is visible to those who could benefit from it.

If you want to be a serious contender in your trade and your city, don't hesitate to market your company or your product. Word of mouth can be a huge driver of your business' success, but you need to have a numerous channels of communication about your business operating at one time...web, social media, email, print, referrals...and more.

Success breeds success. Tell your story continuously and through a variety of means and you'll set in motion a positive spiral of more business, more happy customers, and more success.

Successful contractors...

Feel comfortable asking for referrals

Believe marketing is an absolute necessity

Value their work enough to promote it in as many ways as possible



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