

# Introduction

It was late summer—vacation time for most Americans, but peak business season for many remodelers, including the design-build remodeler we'll call Dan. On this August morning, Dan was not at work. He was heading to the airport for the first leg of a two-week tour of Europe. Dan knew his business would run smoothly without him because of the systems he'd put in place. Thanks to these systems, every aspect of each remodeling project would be handled according to company standards in a well constructed process, even while Dan was away enjoying a vacation.

Dan had learned the hard way the importance of company systems. In the remodeling company he launched prior to his current business, he was responsible for every task, every decision, and every piece of information—a typical scenario for a small remodeler. As the company grew and he added staff, Dan knew he needed to delegate responsibility and decision-making authority. Unfortunately, he couldn't because he had no systems, no standard procedures, and no written company policies. Methods, procedures, and decision-making criteria were all locked in Dan's head.

Drawing on what he learned from these typical start-up business mistakes, when Dan launched a new design-build company, he decided to operate differently. Before opening his doors for business, Dan enlisted staff to help him carefully design the company's process architecture. Together, this team drafted company objectives, policies, and procedures. They charted the flow of work for a job from start to finish. They wrote job descriptions, accounted for every task, and detailed the hand-offs from person to person. They developed checklists to

assure that nothing would be forgotten and that no task would be overlooked. They devised forms to collect and transfer information and to help monitor job progress and profitability.

That was eight years ago. With solid systems in place, Dan's business has flourished. With a foundation of good systems, making minor adjustments has been easy. Dan's experience demonstrates that sound systems are integral to the well-run remodeling company. They are the difference between chaos and control, waste and efficiency, error and accuracy, loss and profit.

Company systems positively impact businesses by standardizing processes and procedures, creating a useful roadmap from point A to point B. They assure consistency—that tasks are handled in a uniform, predictable manner. They also assure that people, materials, and work adhere to prescribed standards, minimizing errors and omissions. With systems in place, everybody who works for the company knows what to do, how to do it, when to do it, and why they are doing it.

Forms animate systems. They are communication tools that trace and monitor information flow within live systems in action. Well-chosen, well-designed forms prompt the use of planned company procedures and make information accessible to everyone in the company who needs it. They also help identify weak spots in the operation so these vulnerabilities can be fixed. The company's systems—its methods, policies, and procedures—are built around this framework. Although most companies have this framework, few document it. Documentation is essential, for with documentation in place a manager can monitor the company and work to improve its processes.

*The Paper Trail: Systems and Forms for a Well-Run Remodeling Company, Second Edition*, is designed to help remodelers develop and implement strong business systems for their companies. The forms and documents in *The Paper Trail* were carefully selected to cover the most important tasks and concerns of remodeling companies. Use them to help you draw a blueprint for building comprehensive business systems. Then select the specific forms needed to animate your systems. Each form appears at the end of the chapter in which it is referenced. In addition, forms are indexed by subject matter and form type at the end of the book to help you locate specific forms.

Certainly, no two remodeling companies are exactly alike. Therefore, each one will format its forms differently and with varying levels of detail. To assist you in customizing the forms, the book includes a companion CD with all of the documents referenced and shown in the text. (Although the content of the forms on the CD is the same as what's in the book, the forms' appearance may be different because the forms on disk are, for the most part, Word and Excel files.) You can modify the forms as necessary to suit your company's particular needs.

By using a "search and replace" command, you can insert your name in place of "Company Name" on the forms. (For forms with headers/footers that appear

to be “grayed out,” just click header or footer on the Insert menu in Word 2007 or View header/footer in earlier versions of Word.) Your company’s operating style, goals, and procedures will dictate the forms that will become part of your paper trail.

*The Paper Trail* focuses on six key systems that will help you run a successful business:

1. Sales and marketing
2. Communication
3. Estimating
4. Production
5. Business management
6. Financial management

*The Paper Trail* also includes a list of Resources at the back of the book to help you improve your business practices and increase your knowledge of construction management.

Keep in mind that systems continually evolve with their companies. Therefore, don’t hesitate to modify forms more than once or abandon those that have outlived their usefulness. Systems change as a business dictates and as remodelers learn new best practices on the job. The ultimate goal of forms is to standardize processes and practices and reinforce continuous improvement, both of which will help good remodeling companies become outstanding ones.