WEBINAR

Estimating Like a Boss!

WITH BOB CUSUMANO

WHAT MAKES A GOOD ESTIMATING SYSTEM?

Reduces Errors: *Catch them ahead of time*

Precise Pricing: *Don't bid on the average*

Becomes your budget for the job

Accumulates a consistent profit

TYPES OF ESTIMATING METHODS

1   **MARKET PRICING** *(not a good one)*

2   **FLOOR AREA** *(not valid)*

3   **LABOR PRICING** *(valid, but only works on small jobs & repaint jobs where you see the work)*

4   **UNIT COSTING** *(valid, but dated method)*

5   **DEVELOPED AREA METHOD PCA APPROVED**

DEVELOPED AREA METHOD STEPS:

1 **DETERMINING THE FULL SCOPE OF WORK** - identifying all items and surfaces to be protected, prepared, or finished

- New job - studying drawing specifications and becoming familiar with blueprints
- Informal or formal
- Repaint job - seeing what is already been done and asking for scope

2 **QUANTITY TAKEOFF -** measuring all surfaces or counting all items to be finished

- Calculating the amount of labor and materials
- 9 Rules of surface measurement (found in PCA handbook)
- Perform adhesion, moisture and Ph testing

3 **LABOR CALCULATIONS -** making use of the experience you have daily on the field

- Use production rates

4 **MATERIAL -** calculating the cost of materials to perform the job

5 **ADDITIONAL JOB COSTS -** identifying and calculating non-labor or material items

6 **OVERHEAD COSTS** *MOST IMPORTANT STEP - reason why new contractors fail within the first years of operation

7 **PROFIT -** adding the desired gain from the job (this is the strategic portion of estimating)

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