



RESULTS NOT REPORTS

AMERICAN MANAGEMENT SERVICES

CONTRACTOR CASE HISTORY #19956

Client Profile

Founded in 1962 by the current owner. Accumulated net losses totaling \$137,000 over the past 20 years. Current sales volume was \$4.5 million. American Management was hired to reverse the losing trend, make the company profitable, train owner's sons to take over the business, and develop a succession program.

Programs Implemented

- Established functional organization
- Developed incentive program for superintendents and upper management
- Instituted operating budgets
- Structured succession plan and documentation

Results Achieved

- Created strong middle management team
- Identified three levels of superintendents
- Set goal of predetermined and penetrated profits
- Structured cost controls
- Reduced owner's workload by 40 hours per week
- Fully-trained sons to control business
- Instituted five-year plan for 100% ownership by sons

CHALLENGES

BEFORE

AFTER

RESULTS

SALES

\$4,500,000

\$9,500,00

UP

\$5,000,000

GROSS MARGIN

\$2,000

\$253,000

UP

\$251,000

NET MARGIN PRE-TAX

0

3%

UP

3%

3-YEAR CLIENT RETURN ON INVESTMENT 753%