



RESULTS NOT REPORTS

AMERICAN MANAGEMENT SERVICES

CONTRACTOR CASE HISTORY #5205

Client Profile

A \$2.1 million designer and installer of fire protection systems with 24 employees. American Management was brought in to resolve issues of flat revenues, lack of plan and direction, poor cash flow, major debt to a material supplier, and lack of an organization structure to provide accountability or systems for measurement of performance.

Programs Implemented

Implemented

- Suggested expanded use of existing computer system and established cash management procedures
- Implemented Predetermined Profit Plan
- Confronted minimal verbal communication between minority and majority owner
- Addressed issue of family member's roles in company
- Identified acquisitions to upgrade equipment
- Established Field Superintendent position

Results Achieved

Achieved

- Automated accounts receivables, enhanced accuracy, collection, and cash flow with union/major suppliers
- Owner now able to focus on new business development
- Employee accountability; measurement of job and performance
- Completed stock repurchase from minority owner
- Career path for sons was defined
- Arranged financing; improvement in shop productivity
- Improved communications and coordination between departments with weekly management meetings

CHALLENGES

BEFORE

AFTER

BILLING

Not Timely

Improved

MANAGEMENT ISSUES

Low Productivity

Improved

PROFIT

-2%

6%

RESULTS

SAVINGS

\$40,000

SAVINGS

\$60,000

UP

\$166,000

3-YEAR CLIENT RETURN ON INVESTMENT

724%