

The mere ability to experiment with different courses of action without actually committing resources encourages the participants in the process to stretch their creative skills in a safe environment.

I hesitate to even use the word “model” for fear of turning someone off who may have read this far with interest. However, models of real world situations really do give us an opportunity to test different scenarios and their possible consequences.

While no one can predict the future one hundred percent, the probability of certain events having a predictable cause and effect relationship is pretty good. The more we know about our business, our marketplace and our competition, the greater is the likelihood that we can simulate quite accurately the outcome of certain of our moves. Add this to the fact that the more we plan the better planners we become, and you should begin to see that you may be able to learn a lot more about the outcome of your decisions in advance than you now do and that’s a formidable tool and a competitive edge.

Corporate planning allows top management to accurately predict new opportunities with greater lead time. With more notice and a predetermined course of action, exploiting new opportunities prior to the competition is much more likely. Another side to this coin equally important is that being better able to look ahead may reveal threats to the business than if they arrive unexpectedly.

The days of assuming your business is helpless in the face of market forces are long gone. Contractors in great numbers today are realizing that their businesses need not react only to marketplace-created booms and busts that have plagued the industry for so long. They are embracing an approach that suggests they can determine their future direction with proper planning. They can be assured that their established objectives are met or they will at least know the exact reasons why not.

Sample Business Plan Document (Back to [Table of Contents](#))

Introduction

There is no hard and fast rule about how a planning document should be presented. The plan and the plan document should reflect the size and stage of development of the construction company preparing it. A small organization might spend only 10 or 15 hours planning which may be present able to be presented in a few pages or just bullet points about what is expected of key people and what is intended to be accomplished. A very large organization may have a much larger document broken down into divisions and departments. Mid-size companies should have as much detail as the planner feel necessary to capture what they intend to do and who has to accomplish what by when. The importance thing is the plan should reflect the planner's decisions and be able to be understood by everyone in the organization. The plan is what counts. The plan document simply reflects that.

The following is a sample of what light be included in a written business plan. It is fairly inclusive for teaching purposes so the reader may use any parts they feel apply to their circumstance. The style of the writing is not important and the sample is simply one way to of doing it. Just using bullet points that the planners understand is also a reasonable approach, but may not be as easily understood by outsiders such as banks or bonding companies.

(Sample) Business Plan

OK Construction Business plan year ____ to ____ (typically Three Years)

Table of Contents

Introduction

- I. Executive Summary
 1. The Company and its Environment
 2. Goals - Non-financial and Financial
 3. Strategies
- II. Marketing Plan
 1. Marketing Philosophy
 2. Sales and Revenue Objectives
 3. Product Line Strategies
 - A. Target Projects
 - B. Marketing Analysis
 - C. Bid Strategy
 4. Marketing Activities
 - A. Newsletter
 - B. Equipment and Job Signage
 - C. Press Releases
 5. Current Year Marketing Strategies
 - A. Recording Contacts
 - B. Repeat Business
 - C. New Industrial Clients
 - D. Client Maintenance
 - E. Target Projects

- III. Organization and Management Plan
 - 1. General Philosophy
 - 2. Organization Structure
 - 3. Policies and Objectives
 - 4. Training and Development
 - 5. Compensation
- IV. Operations/Production Plan
 - 1. Production Scheduling
 - 2. Production Standards and Costs
 - 3. Operating Policies
 - A. Purchasing and Subcontracting
 - B. Equipment Maintenance
 - C. Equipment Management
 - D. Facilities
 - 4. Estimating
 - A. Price Catalog
 - B. Estimating Department
 - C. Quantity Takeoffs
 - D. Pricing Reviews
 - E. Back-up for Employee b
 - 5. Productivity Strategies
 - (A) Superintendent's Field Time
 - (B) Safety
 - (C) Crew Size Analysis
 - (D) Crew Communication and Goals
 - (E) Record Keeping
 - (F) Sub-Contractor Management
 - (G) Project Manager Field Time
 - (H) Pre-planning
 - (I) Focus on Field
- V. Financial Plan
 - 1. Accounting Policies and Controls
 - 2. Pro-forma Statements - One Year
 - 3. Performance - Second and Third Years
 - 4. Current Year Activities
 - (A) Quarterly Reports
 - (B) Systems Integration
 - (C) Outside Accounting Costs
 - (D) Subsidiary company Charges

Introduction

The owners of OK Construction decided to initiate formal long range planning as a method of managing their business. Owner 1 is President of the company and it's Chief Executive Officer. Owner 2 is responsible for Marketing and equipment management and also manages projects. Owner 3 will be assuming greater responsibilities for construction operations and will be totally responsible for field operations by the end of the third plan year. A planning group of key

individuals representing all functional areas of the company was selected and the planning process began. A three year plan was developed with a one year plan in greater detail. The plan covered marketing, organization, production and finance with short and long term goals and objectives established in each area. Strategies were formulated and specific actions scheduled to accomplish the goals and objectives. The planning group met quarterly to monitor progress and adjust the strategies to current situations.

The owners and the planning group are extremely pleased with the results of the planning process after one year. While volume goals were not met the percentage of gross profit exceeded the planned amount. The planning process helped focus the attention of the entire company on the bottom line. Overall corporate performance was excellent and the current Marketing looks favorable for continued growth and success.

A second three year plan has been developed by the same planning group; one year in detail and two years with less detail. A number of activities or objectives that were planned but not accomplished were restated for action this year and new objectives and strategies were added. The new one year plan, while similar to the previous one, is unique to this plan year and based on a careful evaluation of last year's performance and results. The plan was developed in a shorter time span than the previous one because the group has planning experience and an existing plan to work with.

The planning group elected a new member expanding the field representation to three with the addition of Employee a. Significant additions from last year's plan include:

Owner 3 will work with Employee b and by the end of the third plan year will become responsible for field operations.

The accounting systems will be integrated by the beginning of the next fiscal year so that monthly financial statements can be computer generated.

Establishing a better system of dealing with the billings for co-owned equipment from Subsidiary company and evaluation of both company's performance.

Putting in an equipment management system to schedule replacement as needed for growth or obsolescence and scheduling future financial needs.

I. Executive Summary

1. The Company and Its Environment

OK Construction is a building construction company working in three states with their home office and shop facilities centrally located in State. The company owns and operates its own heavy equipment including cranes and excavating equipment. Health care facilities, industrial projects, commercial buildings and school construction are the primary markets. Jobs range in size from \$1 million to \$20 million with smaller work taken closer to Company location.

The company is owned and managed by Owner 1, Owner 2 and Owner 3. Annual volume has been steady for two years in excess of \$30 million with profits at industry standards. With the current organization and equipment the company can produce \$45 million annual volume with little or no increase in overhead.

The client base is made up of large industrial clients, private, commercial and institutional owners and public bodies such as school boards. Heavy industrial and complicated institutional and commercial projects are the primary target utilizing the cranes and equipment which the company owns and operates. Work of that type, while competitive, appears to be available for the plan period.

Goals

The owners intend to operate aggressively in owner 1 selecting, purchasing and production to maximize profits and minimize exposure in the challenging years to come. They control their business future by structuring and managing a highly efficient organization that fully employs the existing resources and is flexible enough to respond quickly to changes in the market place. Overhead is structured and controlled to minimize the effect of unforeseen downturns in the economy.

A growth to \$39 million in annual volume in three years is intended with profitability over 3.5% after taxes, and a 10% annual increase in corporate net worth. Replacement of equipment as needed to remain competitive is planned with little increase in the number of machines during the plan period.

Strategies

A service mix of 40% health care facilities, 40% industrial work and 10% each of commercial and institutional projects is planned by the third year.

Work will continue to be obtained through negotiations and the competitive bidding process on select jobs with approximately 50% of each but with greater emphasis put on President selecting new industrial clients. Maintenance of existing clients will continue with VP Marketing coordinating the efforts. Selecting projects and clients and targeted President selecting efforts are intended to strengthen competitive advantage.

Favorable banking and bonding relationships exist and should continue through the period particularly with the planned growth in net worth.

The owners have solidified their organization and increased profits by carefully managing their work. Continued improvements in marketing and bidding strategies, equipment and purchasing management and production controls will allow them to continue to operate with security and less risk. Careful planning has positioned the company for future growth if the Marketing expands and allows for safe retraction if the Marketing declines. The owners believe that careful planning prepares them to operate profitably if the Marketing increases or decreases.

II. Marketing Plan

(1) Marketing philosophy: OK Construction has been serving their marketing for four generations and enjoys an excellent reputation for quality construction on schedule. The company has earned the respect of architects, engineers and owners by providing their services in a highly professional manner and is client centered in their delivery of the work.

(2) Sales and revenue objectives: The owners believe the Marketing will develop favorably over the next three years. Sales goals are \$34 million for the first plan year (April 1, 1990 to March 31, 1991) after adjusting for the impact of the large management job which will cause actual volume to be \$48 million, \$37 million in the second year and \$39 million in the third year. Profit objectives are 9% plus before general and administrative expenses.

(3) Product line strategies: With an increase in competition in the commercial and institutional markets anticipated, a change in service mix of the company is warranted; 40% industrial, 30% health care projects and 30% commercial and institutional buildings will be sought. The company's primary geographic area includes the surrounding states which will not change during the plan period.

(A) Target projects: Projects to be pursued will be categorized by type of work rather than by client. Continuing emphasis will be placed on selecting projects to fully utilize company owned equipment. Additional local industrial work will be sought within a 40 mile radius of Company location because of the profit potential from these jobs and the fact that they can be easily managed from home office. Projects over \$5 million will be targeted with consideration given to the availability of superintendents qualified for the particular type of work.

(B) Market analysis: Study of available work will continue so that projects which are of particular interest to the company can be targeted and a focused Marketing approach can be developed to capture them. VP Marketing will continue to prospect for projects in the planning stage and pursue targeted industrial clients within a 40 mile radius. This will enable management to know with greater lead time what projects will be available to bid on and to make selections in accordance with desired service mix and available superintendents. It will also be used to identify project opportunities for negotiations which may otherwise have been put out for bids.

(C) Bid strategy: A more formal method of identifying primary and secondary competitors and tracing their work loads and need for work will be developed in the first year and refined in the second and third years. Evaluating the competition's need for work at a given point in time helps measure competitive pressure on projects being bid and can improve success ratio and narrow bid spreads. Data collection will begin immediately for use in an organized manner next winter. President and VP Marketing, and Employee b will be involved in the selection of projects to be bid and will work with the estimators on pricing. Final pricing will be based on current need for work of a particular type, the amount of similar projects available, and an appraisal of the other bidders' perceived need for the job. Project selection and pricing will be driven by company needs and requirements to the extent that choices are available.

(4) Marketing activities: The marketing department conducts a number of activities to keep the company in the minds of prospective clients in a positive way.

(A) The company newsletter is sent to clients and prospects three times a year. The mailing list is managed by the Marketing Department and all key employees are encouraged to submit names that they think are appropriate.

(B) Equipment and job site signs are considered an integral part of the company's image. All trucks, office trailers and larger company owned equipment that is exposed to the public view will be similarly lettered with the OK Construction and kept reasonably clean and neat. Signs on all projects where permitted and appropriate will be displayed with the OK Construction.

(C) Press releases are prepared and distributed to appropriate publications on all items considered newsworthy that place the company or its key personnel in a positive light. To maximize these efforts suggestions from key employees are sought.

(5) Current year marketing strategies: To capture the number and size projects within the pre-determined service mix management targets specific projects, and the broader categories of work and potential customers. VP Marketing is responsible for getting the work. The President will spend a minimum of 20% of his time in marketing and VP Marketing will spend 100% of his time.

(A) A system of recording all marketing contacts by phone, mail or personal has been developed. Information about the potential client's needs, his or her likes and dislikes, significant comments and what the prospect was told and given in writing will be captured to coordinate the repeat calls on a client which in some cases will be made by different people and even at different levels within the organization.

(B) Repeat business is considered a primary source of work and a systematic contacting of clients the company has worked for in the last ten years has been undertaken and will continue.

(C) To increase the company's market share of industrial work in the area a list of 40 potential clients within a 40 mile radius has been developed and a number of contacts made. This list will be refined to 10 or 15 good prospects that will be intensely pursued by VP Marketing and Marketing VP. The initial jobs may be smaller and success may require repeated efforts for a year or more but two to five new industrial clients are anticipated within 18 months.

(D) Specific client maintenance strategies have been developed to maximize repeat business from existing clients. Marketing at more than one level within the client's organization is done where appropriate. Specific activities are agreed upon including who will carry them out, how often and who will coordinate the effort. Client maintenance programs have been developed for large client a, large client b and large client c and others will be added as appropriate.

(E) Target projects are regularly isolated that are of particular interest to the company. A detailed strategy is developed for each outlining exactly what activities will be undertaken by whom, and when to maximize the probability that the company will get the job. Target projects should be added to the list as they develop and all key people within the company should know about them. Anyone hearing anything about a target project should let VP Marketing know

about it.

iii. Organization and Management

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(1) General philosophy: The owners of this closely held company have a high level of concern and respect for their key employees and feel strongly that this group of people and the company will grow together. This nucleus has the potential to manage the \$34 million dollar target volume and more. The group is managed in an atmosphere of mutual respect and informal lines of communication are encouraged. The present comfortable working environment will be maintained but growth and efficiency will require the more formalized reporting chain that has been developed. There is accountability at all levels of the organization.

(2) Organization structure: The organizational structure of the company is shown with reporting chain and lines of authority in Attachment A. The marketing and equipment departments report to VP Marketing. Field Operations and Estimating report to Employee b. Field Superintendents are responsible for labor costs, safety and training and report to the project managers. The project manager is responsible for the profitability and success of the job. On technical issues the superintendents and project managers may receive guidance directly from Employee b who will be spending 20% of his time on operations and production. Owner 3 will assist Employee b full time in production and field operations. He will assume more responsibility during the three year plan period with a target of full field responsibility by the end of the plan period. A specific course of action will be developed by President and Employee b including seminars and equipment demonstrations to be attended and learning activities to accelerate the training process.

(3) Policies and objectives: The owners will continue to encourage the individual initiative of key personnel within their areas of authority and remain open to suggestions and recommendations on all subjects. It is the collective knowledge of construction, bidding and administration of key personnel that make OK Construction the dynamic successful organization that it is. Providing for the continued growth of its personnel in a safe, healthy and stimulating working environment is an important ingredient to the future of the company.

(4) Training and development: All employees are encouraged to improve their skills with on-the-job training and working with others who may know more about particular aspects of the business or possess skill levels greater than their own. Persons who feel they can do more or wish to advance within the company should make it known to the owners. Independent training or education in skills and knowledge directly related to the employee's job or advancement are encouraged and on a case-by-case basis may be paid for by the company. Periodic work related and personal development opportunities will be available. Group learning and social events throughout the year will provide opportunities for employees to exchange ideas and interact with middle and top managers on an informal basis.

The identification and training of potential foremen, field superintendents and project managers is an important aspect of the company's future success. Key employees are encouraged to point out capable employees who could be considered for advancement and try to determine their level

of interest in moving up within the company. After discussions with the appropriate managers the selected candidates will understand that they are being considered and will be assigned to work under key company people who have agreed to teach and train them. Periodic reviews keep the process on track. At those sessions outside reading or specific instruction or training may be recommended. The candidates will be encouraged to understand that the company is willing to invest in them if they are willing to invest in the company. One new project manager will be hired during the first plan year.

(5) Compensation: The Company's union workforce is compensated in accordance with local agreements. Salaried personnel are paid locally competitive wages to maintain the best available people. Management staff are compensated for their knowledge, efforts and loyalty on an individual basis and the owners concern themselves directly with this issue. President will review each key person annually and discuss the subject personally and frankly with them. Increases are based on merit and subject of salaries should be treated confidentially.

Iv. Operation/Production Plan

(1) Production scheduling: Employee b in consultation with others will schedule all construction operations and assign owned and rental equipment to projects. Planned production rates and methods will be discussed with the on-site project supervisor and the project manager agreed upon and measured. Meeting or exceeding planned production rates is what the entire field organization is all about. Every employee, whether moving a piece of equipment or managing the largest project needs to remember that his actions as part of the team effort can make the difference between profit and loss on a phase of the work or an entire project. The company relies exclusively on field operations for all of its cash flow and profits and the efforts of each employee are important even critical to the company's success. This message will be highlighted at all employee meetings and promoted on a continuing basis by all management personnel.

(2) Production standards and costs: OK Construction will maintain its current high standards that foster its reputation for high quality work on schedule. Further the cost of re-work or removal of substandard work makes high quality standards the most efficient and economic approach to produce construction projects at a profit. The current methods of recording and measuring production costs will continue for the first year of the plan but may change in year two as a result of changes being made in the accounting department. All employees should concern themselves with the accurate reporting of requested information on time and field supervisors are relied upon for the accuracy of the data reported. Management must receive accurate project information continuously to effectively control the work and provide the resources necessary to optimize field production.

(3) Operating Policies:

(A) Purchasing and subcontracting: Employee b has overall responsibility for purchasing and subcontracting and project managers will handle all purchasing on their jobs in consultation with him. Field supervisors may purchase minor miscellaneous supplies but should clear major purchases with the office. Common sense is to be used when any purchase is necessary to keep a job moving.

(B) Equipment maintenance: VP Marketing is responsible for equipment maintenance throughout the company. Field maintenance is a project responsibility but will be carried out in accordance with schedules and criteria established by shop management. Schedules for the renewal, overhaul or upgrading of equipment will be prepared for a three year period with most major work done in the winter. Supplies and spare parts inventories will be planned and maintained by shop management to minimize down time exposure particularly at peak periods. The proper operation and maintenance of equipment is an important cost factor and every employee is expected to understand their part. This will be stressed at job site and safety meetings.

(C) Equipment management: During the first year an equipment management plan will be developed for integration with the maintenance procedures in which the useful life of each piece of equipment will be considered. The projection and control of lifetime equipment costs will provide an additional tool in selecting projects most compatible with company equipment and the selection of equipment suitable to changes in future markets. An overall equipment management plan is consistent with the owners' desire to anticipate future financial needs.

(D) Facilities: The Company's home office and shop facilities are capable of accommodating growth well in excess of the plan period. No changes are anticipated.

(4) Estimating: Employee b is responsible for the estimating department and certain activities have been targeted during the plan period to enhance efficiency.

(A) The unit price catalog will be updated.

(B) The possibility of establishing a separate estimating department will be explored during the first plan year.

(C) A target of zero errors in quantity takeoffs is to be strived for and estimators need to be alert to special condition's situations such as areas where a machine or crane cannot reach, or loads too heavy or too far. The constructability of a project should be considered by everyone working on an estimate.

(D) The estimators will attend all pricing review meetings for training and input.

(E) During the plan period a backup person will be sought for Employee b's position. By the end of the plan period a person will be selected and in training to eventually head the department.

(5) Productivity strategies: In order to achieve the overall goals of the company the gross margin or job profit before general and administrative expenses is paramount. A target of 9% has been set by the planning group. To do this a number of practical activities have been planned.

(A) Field superintendents will spend a minimum of three hours of their day outside of the field office directly supervising the work. To the extent paperwork, sub-contractor coordination or other activities interfere with this policy they are to notify management for immediate resolution of the conflict because the planning group is convinced that the profit is made or lost in the field.

(B) The superintendent as the senior full time representative of the company is responsible for safety. The company is dedicated to providing a safe working environment and targeting zero accidents on all projects. The superintendent must be aware of all aspects of the company's safety policies.

(C) The superintendents will analyze crew sizes, particularly on major activities, before starting the work and periodically during each activity to maximize output. If the crew size or makeup is changed from the estimated makeup it should be to improve productivity and the results should be reported to Employee b for possible future use. The estimate is based on crew sizes historically proven to produce a known quantity of work at a certain price. To remain successful we must be able to consistently meet or exceed our estimated labor costs and management should be advised immediately when this isn't happening for any reason.

(D) To manage labor and maximize productivity the superintendent should communicate to the field force what the short and long term schedule for the work is and what goals and objectives he is trying to meet. The crews should know what they are trying to accomplish and by when--and how that fits into the overall project. Most people prefer to be involved in a successful project and successful project makes money. Making a fair profit on the work can be discussed with field people as a measure of success. They understand that or at least they should. "Profit's not a dirty word"--it is what keeps their industry going.

(E) The superintendent should understand the need for appropriate record keeping in the field and provide accurate and timely information and reports requested. The non-performance of sub-contractors or suppliers should be noted on daily reports and the project manager advised so action can be taken early on.

(F) Sub-contractor performance can critically impact a project and the management of sub-contractors is primarily the project manager's responsibility. It begins with the selection of the sub and care will be taken by management to get the best available contractors for the work. This isn't always possible in a competitive world and for us to remain competitive a sub-contractor's price is of paramount importance. The project manager should find out as much as he can about a new sub by asking for a list of previous contractors he has worked for and making direct inquiries. Subs we have worked with before successfully and those believed to be good performers will require less attention than any we believe to be questionable. To balance our time we should more carefully monitor the performance of questionable subs until they have proven themselves. Financial information should be gathered on new subs and any that are weak financially will need to be managed carefully to see that they do not get ahead of us on payments. It is appropriate to get a breakdown of second and third tier subs and suppliers from a financially weak sub-contractor in advance of the work. Advise the sub that proof of payment to each of these for the prior month will be required before payment is made and where questions arise you will make direct inquiries regarding payment or may issue joint checks at your discretion.

Performance of all subs and suppliers is to be monitored closely and written notice given to them for any area of nonperformance. As soon as it is believed that a sub or supplier will delay a job or cost us money the project manager will notify senior management. Continued nonperformance will result in a meeting of senior people involved in the project to determine the appropriate action to be taken.

The project manager is responsible for getting the sub to the project and ultimately for the performance of the sub. He should monitor performance through the superintendent and/or directly and failure to report consistent nonperformance to management will not be accepted. The first issue in sub-contractor management is to get the subs to perform and keep them on notice of your needs and their response. The second issue is to get help if you need it. Do not

wait until a sub has done your project harm before advising management. At a more senior level in the company different actions can be taken. We must cultivate an attitude that we will succeed on a project with or in spite of the subs.

(G) Project managers will visit the projects they are responsible for at a minimum of once a week. The time spent in the field may vary with the stage of the project and coordination and paperwork are a critical and important part of managing a project but the work is built in the field. The project manager is responsible for the construction of the work at a profit. As soon as it appears that isn't going to happen on any project senior management is to be notified. Working as a team can bring the right talent to bear on a problem and turn it around before it gets serious but only if we are skilled at spotting little problems early on and reacting as if they were already serious ones. In this business there is no such thing as over reacting. It just seems like it sometimes because the serious problem is prevented from developing.

(H) Preplanning of all projects will take place prior to the start of the work. The project manager and superintendent with the help of Employee b will work out the details and schedule of each project and the project manager and superintendent will present them to management for discussion. The plans need to have some flexibility but a greater level of commitment to the original plan is desired. Too often changes made in haste for short range gains are not advantageous in the long run. The project manager should analyze carefully any departure from the original plan and discuss any major changes before they are made.

(I) Descriptions of the reporting chain and levels of responsibility are intended to clarify who is responsible and accountable for building the work at a profit. Management focuses the company's energy directly on field operations and the production of successful and profitable projects. Recognizing the importance of accounting, Marketing, estimating and administration to the success of the company these functions revolve around and support the primary objective of the enterprise--building for a profit. This concentration on construction operations by everyone in the company can put the excitement back into our work.

(6) Supervisory personnel: Identifying and training good foremen, superintendents and project managers is important to the long range growth and success of the company.

(A) Project managers and superintendents should bring to President's attention anyone that they think should be considered for advancement.

(B) A list of people being considered for advancement has been developed and a systematic review of their progress will be undertaken at least once a year.

(C) By the end of the plan year the number of new foremen, superintendents and project managers that will be needed in the next three years will be established and compared to the number in training. Recruitment or new hires will be planned if necessary to keep up with the demand for qualified construction people to run the work.

(D) In the second year of the plan a more formal method of indoctrinating and training foreman, superintendents and project managers will be explored.

V. Financial Plan

(1) Accounting policy and controls: CFO will be responsible for accounting. All record keeping tying into the general ledger will be done in accordance with generally accepted accounting practice in cooperation with the firm's outside independent auditors who will report directly to the owners. Changes are planned for certain new or expanded accounting controls. No additional accounting personnel are anticipated and planned growth should be absorbed by automation.

Existing monthly management reports may be altered next year to be automatically adjusted for over and under billings or a monthly cost control system may be considered that would be independent of the general ledger and tied to the original bid quantities and prices. Selected work items would be tracked and reported by field management, processed by the accounting department and evaluated by management to get quick and accurate measurements of project performances earlier than the complete statement information generated monthly.

(4) Current year activities: The short term activities for improvements in the accounting functions of the company are:

(A) CFO will produce quarterly financial statements for management until systems integration is accomplished.

(B) The accounting systems will be integrated by the beginning of the next fiscal year. A Product name billing system will be purchased and put into use immediately. A Product name payroll system will be evaluated starting in September. If it is not selected the payroll figures will be put into the general ledger by category weekly. Equipment costs will be applied to each job as they are incurred monthly. Over and under billings will be applied monthly.

(C) A reduction of 25% in the cost of outside accounting services used by the company is targeted.

(D) The handling of material, truck, auto and equipment charges between the company and Subsidiary company creates a certain amount of confusion for those not closely involved with the transactions. Clarification of the process or a new procedure will be undertaken by President and CFO with a target for resolution of the situation by the close of the fiscal year. Changing the fiscal year for Subsidiary Equipment Company to match OK Construction will be considered so that combined statements can be produced. This will enable management to better evaluate the cost of equipment ownership and its impact of profitability.

Plan Distribution

Historically secrecy has been popular in the construction industry, however, transparency is a valuable asset in today's business environment. While it may not be preferable to share the plan with your composition the only way to assure that is not is to share it with no one. It may also be asserted that there is very little a competitor could with your plan short of seeing how well managed your company is. To not share the plan with employees is to forgo a huge motivational

opportunity. Employees like to know that the company they are with will be successful into the future and a multi-year business plan suggests the firm is well managed and knows where it is going and how it is going to get there.

To those who do not chose to share their plan widely it is strongly recommend that the plan be shared as broadly as you are comfortable with. Many exclude the financial section of the plan other than to their bank and bonding company. If it is your intention not to share the plan it is highly recommend that you draft a summary of the plan that excludes any areas of concern and then circulate that at least to key employees or better yet to all employees.

Suggested draft of memo to permanent employees - perhaps included with payroll checks.

Date:

To: OK Construction Employees

From: Company President

The success and growth of OK Construction is something that we can all be proud of. To prepare for continued growth and the future challenges in this exciting and ever-changing industry, three owners brought together a number of OK Construction people to do some long range planning. The planning group which is made up of people from different areas of the company consists of list of five employees and three owners. We have scheduled four all-day meetings to discuss long range goals and objectives, marketing strategies and operations issues. All of us are excited about the prospects for the future and I'm confident that the efforts of this group will result in sound strategies and recommendations. We will be working hard in the weeks to come and I look forward to keeping you posted as our efforts progress. Careful planning will enable us to grow with confidence and provide greater opportunities for our most important asset--you.