



Waste Elimination – You’re Bleeding and You Don’t Even Know It!

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Group Exercise

My List

- Underbidding Jobs**
- Unpredictable Weather**
- Not paying attention to rising costs**
- Labor inefficiencies**
- Lack of/poor documentation**
- Poor Client fit**
- Poor Contract structure**
- Overdue invoicing/incorrect billing**
- Misusing credit**
- Competition/Market saturation**
- Failure to monitor cash flow**

- Equipment Downtime**
- Poor route planning**
- Crews wasting time**
- Utilizing technology**
- Poor site engineering**



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A SMART PERSON
LEARNS FROM THEIR MISTAKES.

A WISE PERSON
LEARNS FROM OTHER'S MISTAKES.
#NEVERSTOPTRAINING

Lack of Documentation

Liability

- It's a hidden risk until an accident happens, then it becomes a margin killer
 - No time logs or photos = No defense in court

Billing Disputes

- Need to provide proof of service and sometimes that isn't even enough
 - Dot the "i's" and cross the "t's" with contract verbage

Missed Extra Revenue

- Without documentation, you may forget to bill for:
 - Return visits
 - Events outside of contract scope
 - Additional services, such as hauling

Crew Mismanagement

- How long are crews at each site?
- Did crews follow the assigned, pre-planned route?
- Was there efficient use of equipment and materials?

Contract Compliance Issues

- Do clients require contractor to provide detailed service and weather information?
 - Is contractor breaching contract terms if not providing this information?
 - AGAIN.....Dot the "i's" and cross the "t's" with contract verbiage

Poor Contract Structure

(I am not an attorney)



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But..... I played one on the 1980's Hit TV Series "LA Law"

Unclear Scope of Work

Who can define the term “Scope Creep”?

Scope Creep

- The uncontrolled growth of the scope of work without adjusting budget, time and resources.

No Weather Thresholds or Triggers

- Leaves you on the hook for nuisance snow, flurries or black ice thereby burning labor and salt on low value visits.
 - Is stating “service begins at 2” of accumulation” enough?

No Weather Thresholds or Triggers

- Add “Ice management triggered at temps below 32 degrees Fahrenheit and precipitation expected.

No Provisions for Equipment or Material Escalations

- Costs spike midseason = vanishing margins
- If you don't think this will happen, then you haven't been paying attention to the one word that is dominating today's news cycle



TARIFFS

Uncapped Visits in Seasonal Contracts

- No caps = Massive cost overruns during heavy snow years
- SIMA Foundation Economic Survey
 - Original survey done in 2022 and updated this year
 - FREE to all SIMA members
 - One question that was asked concerned caps on seasonal contracts.
 - What percentage of respondents replied that they had no caps?

No Time-Based Service Expectations

- Client assumption will always = Immediate response
- Set fixed response windows in your contract and CHARGE for those wanting immediate response times

Improper Risk Transfer or Liability

- Unclear contract = Legal fees, lost time and skyrocketing insurance rates
- Include strong liability clauses and hold harmless language



Increasing Revenue per Employee Hour

Route Optimization

- More jobs per event = More revenue per hour worked

Tiered or Value Based Pricing

- Flat pricing undervalues larger/more complex jobs
- Charge more for high risk or priority sites
- Offer premium SLA's (Service Level Agreements) for faster service

Pre-Season and Multi-Year Contracts

- Secures revenue, protects revenue and improves scheduling

Proper Equipment Paired with Workers Who Are the Best Fit to Each Machine

Train for Speed and Safety

- Reward teams for hitting time and quality goals

Upsell and Cross Sell Services

- Anti and de-icing services, sidewalk services, 24/7 site monitoring
- Bundle services into premium packages

Automate Billing and Payment

- Use automated invoicing and credit card payments (NOTE – charge for the additional fees that come with using credit card payment services).

Track Performance Metrics

- Who said, “What gets measured, gets managed”?
- Identify and reward high performers.

Job Velocity
Or put another way.....

Operational Efficiency

Job Velocity Defined:

- Sites cleared per hour/day
 - Number of properties cleared per shift
 - Square footage cleared per hour
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- Higher velocity means more jobs are completed in less time.
 - Lower per job cost = more competitive pricing and higher margins.

Why Does Job Velocity Matter?

- Scheduling – Results in better route planning and team allocation.
- Tracking Metrics – Improves both equipment and crew efficiency.
- Profitability – More work completed = Higher Revenue. More work completed efficiently = Higher Margins
- Improved Customer Satisfaction

Velocity = Flexibility = Growth

- Flexibility to reallocate crews and equipment.
- Resilience in back-to-back or long duration storms.
- Scalability to grow revenue linearly without sacrificing quality or control.



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