Should an Estimator Be Responsible for Collections?

Collections: *yuck!* I’m an estimator; don’t bother me with collecting the money too. Don’t you feel that way? Don’t you already have enough hats to wear in your company?

After all, I am the marketing arm of the company too. I find out about the projects, and I solicit the opportunity to bid. I meet with the potential clients and tell them all about why they should do business with us.

What I really do is estimate the costs and bid the work. I perform the quantity survey. I identify all the cost factors. I calculate the costs to perform the work. Finally, I prepare and deliver the proposal.

I am the sales staff for our company. After I deliver the proposal, I stay in constant communication with the potential client. I answer questions, promote the company, etc., in order for us to be awarded the work.

Many times, I perform as the attorney for the company. I read and interpret the contracts. When things are not right, I write modifications and then negotiate the changes. During the course of construction, I have to continue the interpretation of the contractual language.

I also am part of the construction staff. I create the schedules and communicate with the clients throughout the construction process.

Now, on top of all that, am I also to assume the role and responsibilities of collections?

Recently, the owner of our company had a meeting with me and stated his intentions for the estimator/project managers to be responsible for collecting payments on their own projects. After listening to his reasons, and as much as I hate to admit it, the reality of the situation is that for all of the above reasons, I should be the one who handles collections, at least on my own projects.

Since I do marketing for the company, I would be able to promote the company and its values. I want a general contractor to know, from the beginning of our relationship, that getting paid for work is our goal; doing the work is only a means to that end.

As the estimator who identified all costs and then prepared the bid, am I not the person who is best suited to identify and include costs associated with the payment terms of the company/project?

As the sales staff I am the one who should be, and in fact is in the position to sell the best terms for the company. For example, if we are doing a large volume of work, and the cash flow of the company is stretched, as the estimator, I can sell terms for prompt payment. As the sales staff I negotiate. I have the skills to negotiate terms that are acceptable to the costs included in the bid.

During the legal review, I can ensure that the terms that were sold are incorporated into the contract.

After the contract is awarded, my sales requirements are not done. I stay in constant contact with our client, and I have the best opportunity to put our company at the top of the list to receive payments. I can make opportunities to talk about payment and keep it timely, or at the least, if there is a problem, I should be able to identify it early and then communicate that to the financial people in our company.

As much as I hate the added responsibility, I am the best one suited to facilitate collecting the money. Don’t you agree?

Comments? Send your e-mails to porinchak@awci.org, or fax to (703) 534-8307.