I guess our business has been pretty successful; actually I know it has. But I say that because my boss hired one of those consultants to come in and give us a checkup, and he only does this when the profits are high.

When I say “consultant,” I am sure you know the type. He has never been in construction. He had no idea what it is like to actually give a bid on something and then be responsible for that bid since he is only works on a time and material basis. Needless to say, I expected the worst. And to a great extent, I got what I expected. The major purpose he was hired for was to improve our teamwork. I was happy that he didn’t find much to improve or even comment on in my estimating department. But I did get one thing that is interesting—and it might even turn out to be a good idea from him.

I had to explain our business to this guy, how it worked, etc. One of the key points he picked up on was our labor-versus-material ratio and how many of our income dollars went to our material suppliers. Are they part of your team?” he asked. “And if not, why not?” Since we spent so much money with them, why would we not have them as an important team member? I have always thought that I worked well with our suppliers, but quite frankly I never really thought of them as a key member of “our team.” In a way I did, but not really. But now, looking at the fact that a very sizeable percent of our dollars are spent with them, it made sense. If our material supplier is a major cost, then why isn’t he also a major contributor to our business. I have to tell you, that makes sense.

This consultant gave me an assignment (as if I needed more work to do). I had to write down ways I can include my supplier as a team member; specifically, I needed to include ways I can include them in our business. I went to my staff and we brainstormed. There were a lot of ideas, but we limited them to only ideas of how the supplier could help us with our estimating and sales. The following are a few examples of the things we came up with.

Now, we had a good brainstorming session, and we came up with more ideas than we could publish on one page, so the first few ideas are included here, and the remaining will be published in next month’s issue.

**New Materials**

Naturally, our supplier is someone who can keep us informed about any new material that comes out. Typically, when we hear about a material, we contact our supplier to find out the cost of the material, whether or not it has been used in our area, and anything else we can learn about it. That is not new. Part of our business plan is to grow with the technology. What if our supplier was to look out for opportunities that fit our plan? Wouldn’t things be better for our company if our supplier actually sought out new materials! What if he asked manufactures what new products are coming out and searched for new ideas that might fit what our company does? Couldn’t we have an advantage on our competition if we found out about new materials before they did?

**Business Development**

What if, after knowing the type of projects we are searching for that would complement our workload, our supplier helped us by giving us leads for new work? Through their contacts with manufacturers, architects and others within the industry, they have to run into projects that would be good for us, especially if it was their “job” to find some for us. What if we had it as a requirement that our supplier bring us a project or two each year? I don’t mean a lead, I mean an actual project that we only had to negotiate—not bid.

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