

THE COST OF STICKING TO MANUAL PROCESSES

For commercial
contracting businesses

Executive Summary

For commercial contractors, sticking to pen-and-paper methods and “old-school” tech isn’t just a preference—it's often a deep-seated part of company culture.

But the financial costs of this mindset can be staggering. How staggering? To demonstrate, this report follows "**Premier Contracting Services**," an imaginary mid-sized general contracting firm, and the journeys of three individuals within that company as they transition from old-school to modern solutions.

Company Profile: Premier Contracting Services

Background

Founded in 1998, Premier Contracting Services has been a leading player in the commercial contracting industry, traditionally relying on manual processes for project management and operations.

Key Characters

John Carter, CEO

Seasoned leader in commercial contracting, skeptical about new technologies due to past challenges.

Emily Stone, Operations Manager

Advocate for efficiency and modernization, pushing for the adoption of advanced management tools.

Mark Liu, Project Foreman

Manages field teams and directly experiences the drawbacks of manual coordination.

The Hidden Costs of Traditional Methods

I. Time Consumption and Inefficiencies

Story Spotlight: A Week in Mark's Life

Mark uses whiteboards and paper calendars for scheduling. Miscommunications and scheduling conflicts are frequent, wasting significant time each week.

Weekly Time Wastage

Error Type	Occurrences/Week	Hours Wasted/Incident	Weekly Cost (@ \$50/hr)
Scheduling conflicts	3	2	\$300
Miscommunications	2	2	\$200
Total	5	4	\$500

Real-Life Use Case



“Prior to BuildOps, scheduling was done manually. Journeyman workers and apprentices would clock into the wrong jobs.” — Beth Morris, CFO and Treasurer of JL Minter Inc

Since BuildOps: Slashed billing time 73%, from 30 days to just 8, speeding up cash flow.

II. Operational Risks and Limitations

Story Spotlight: Emily's Expansion Challenge

Emily faces challenges scaling operations due to inefficient manual data entry and project scheduling, which means she needs to hire additional coordinators.

Additional Staff Costs

Requirement	Additional Staff Needed	Annual Cost/Staff Member	Total Annual Cost
Project Coordination	2	\$40,000	\$80,000

Rob Timmerman
RBT Electrical

“By using BuildOps we were able to save an entire office salary.”

III. Financial Implications

Story Spotlight: John's Budget Review

John notices high costs associated with inefficient task management and billing corrections—a direct consequence of outdated processes.

Cost Analysis for Manual Processes

Description	Occurrences/Year	Cost/Incident	Annual Cost
Billing Errors	60	\$150	\$9,000
Task Management Inefficiencies	100	\$75	\$7,500
Total	160	\$175	\$16,500

Real-Life Use Case

CLASSIC ELECTRIC & CONSULTING

“We were using a ton of different software solutions and still doing a lot of stuff on paper, where there’s always a risk of making mistakes.” — Toby Mitchell, President — Classic Electric and Consulting

With BuildOps, Classic Electric grew their consulting work by 300%.

IV. Impact on Customer Satisfaction

Story Spotlight: Customer Feedback

Frequent project delays and communication errors have led to reduced customer satisfaction and retention.

Revenue Loss from Customer Attrition

Factor	Detail	Annual Impact
Customer Attrition	5% of 200 customers	10 lost
Revenue/Client	\$10,000	\$100,000
Total Revenue Loss		\$100,000

The Path Forward: Embracing Modern Solutions

Transition Story: Embracing a New Platform

Emily initiates a pilot project implementing a comprehensive management platform akin to those offered by companies like BuildOps, demonstrating significant operational improvements.

75%

Reduction in time spent
on scheduling and task
management

.05%

What billing error rate was
reduced to.

60%

How much customer
complaints decreased by.

Conclusion

Through the story of Premier Contracting Services, this report illustrates the significant costs of maintaining manual processes in commercial contracting and the transformative benefits of transitioning to a modern, integrated management platform.

The shift not only streamlines operations but also enhances financial performance and customer satisfaction, setting a new standard for operational excellence.

“We used to spend a lot of time looking — looking for jobs, looking for tickets, looking for invoices, looking for paperwork,” says Jonathan Clark, Owner of Omnia Mechanical Group. “BuildOps is infinitely better than any system we’ve used.”

“I don’t even wait for my friends to ask, I tell them, ‘I don’t know what you’re using but you’re wrong if you’re not using BuildOps’” — Art Hubbard, Owner of Hubbard Mechanical.

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