

CASE STUDY 2

Built to Last: Finding the Margin

Establishing Job-Level Profitability Across Eight Locations



Revenue Without Visibility

An eight-location, construction-related company in the Phoenix market was generating strong top-line revenue but lacked clear visibility into profitability. Management could not confidently identify which jobs, customers, or locations were actually producing margin.

The challenge was not data availability; it was data structure. Critical cost drivers such as labor, fleet utilization, and logistics were not aligned to individual jobs, leaving profitability obscured.

Connecting Operations to Financial Reality

We designed a framework that directly linked operational activity to financial outcomes. By integrating truck GPS data, we quantified actual time on job sites, travel duration, and routing efficiency. This operational data was then combined with materials, labor, fuel, depreciation, and allocated overhead to build a true job-level margin model.

The result was a dynamic system that allowed management to evaluate performance across multiple dimensions, including job, customer, location, sales representative, and geography.

Clarity That Changed Behavior

With clear visibility into margin, decision-making shifted quickly. Pricing strategies became more disciplined, routing improved, and sales efforts focused on higher-margin opportunities. Underperforming work was identified and addressed with precision.

Seeing Margin Clearly Changes Everything

When profitability is measured accurately, behavior follows. In this case, the transformation was not driven by new tools alone, but by finally having a clear, objective view of where value was being created and where it was not.

Before Strategic Support

- Revenue visibility, but no margin clarity
- Labor and logistics tracked globally, not by job
- Pricing based on assumptions vs. actual cost

After Implementation

- Job-level profitability by location, customer, and crew
- Fully loaded cost per job (labor, fuel, depreciation, overhead)
- Data-driven pricing and bid decisions