

# RATE INSTALLATIONS TO MAXIMIZE REVENUE IN THE PAYOFF SEASON

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Most retailers in our industry struggle to intentionally manage their installation schedules. As a result, they book themselves into oblivion, burn out their team, and leave all kinds of money on the table. All of this usually happens because jobs are prioritized and scheduled based on product availability rather than the value of that job to the business.


That's why, after the first cold snap every fall, companies balloon from two weeks to 12 weeks out on their installation schedule and are left scrambling through the rest of the "busy season," trying to remember and fulfill every promise they made three months earlier.

That isn't good for anyone.

It's not good for your customers—because no one wants to wait six to eight weeks for an installation.

It's not good for your business—because customer expectations skyrocket as more time passes from initial deposit to project completion.

It's not good for your installers—because they're scheduled up to their eyeballs with no margin for error and no end in sight.



**"The truth is that most companies say "no" to many of the best in-season jobs because they've already said "yes" to everyone else's jobs—whether they're good or not."**

But you can break free from this cycle of chaos by creating a rating system for your installations, ranking your installers against it, and building your schedule around it.

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By taking control of your installation schedule—and molding it based on what your company does best—you'll find that jobs go smoother, customers are happier, and revenue is maximized.

Here's how you do it.

## Step 1: Rate Your Installations Based on Difficulty and Attractiveness

The first thing to do to maximize your installation revenue is to list out each kind of job your company does and rate it based on attractiveness. I like to use the same system as a school grade—A, B, C, D, and F—and here's how I'd define each of these levels:

- 😊 **A-Level Jobs:** You wish your company could do nothing but these jobs.
- 😐 **B-Level Jobs:** These are good jobs that you generally like.
- 😐 **C-Level Jobs:** These jobs are okay.
- 😞 **D-Level Jobs:** You don't like these jobs, but your company is still obliged to do them.
- 🚫 **F-Level Jobs:** Your company doesn't do this kind of work.

Now, your definition of attractiveness may be different than mine, but I'd suggest thinking about it based on a combination of time, risk, ease, and profit. For example, a single-story wood-burning insert might be A-level because the time and risk are low, while ease and profit are high. At the same time, a custom four-sided commercial gas fireplace might also be A-level because, while the time, risk, and ease are high, the profit is also exponentially high.

Here's an example of what the rating could look like after going through this exercise:

### Inserts

- Gas Inserts: A
- Wood Inserts: A
- Pellet Inserts: B
- Electric Inserts: A

### Stoves

- Gas Stoves: B
- Wood Stoves: B
- Pellet Stoves: C
- Electric Stoves: A

### Zero-Clearance Fireplaces

- Gas Zero-Clearance Fireplaces (Vented): A
- Gas Zero-Clearance Fireplaces (Vent-Free): F
- Wood Zero-Clearance Fireplaces (Heat Efficient): C
- Wood Zero-Clearance Fireplaces (Open): D
- Pellet Zero-Clearance Fireplaces: C
- Electric Zero-Clearance Fireplaces: B

The point isn't that your rating system looks like the example above. The point is that you think intentionally about the work you do and rate it based on what is most attractive to your company—and that you start saying "no" to F-level work immediately. You may also need to expand the simple categories I've listed above, and I'd highly encourage that.

Next, get together with your lead installer and further subdivide this list based on common installation variables—stories, gas line runs, demo work, new construction, etc.—and rate each job type on a scale of 1 to 10 based on the job's difficulty. As an example, a gas zero-clearance fireplace with a horizontal vent might be a 4, but a gas zero-clearance fireplace with a three-story vertical vent might be a 10.

Here's an example of what this may look like for gas zero-clearance fireplaces when you're finished:

### Existing Home With Existing Fireplace Removal

- Gas Zero-Clearance Fireplaces: Horizontal Vent (6)
- Gas Zero-Clearance Fireplaces: One-Story Vent (7)
- Gas Zero-Clearance Fireplaces: Two-Story Vent (9)
- Gas Zero-Clearance Fireplaces: Three-Story Vent (10)

### New Construction

- Gas Zero-Clearance Fireplaces: Horizontal Vent (3)
- Gas Zero-Clearance Fireplaces: One-Story Vent (6)
- Gas Zero-Clearance Fireplaces: Two-Story Vent (7)
- Gas Zero-Clearance Fireplaces: Three-Story Vent (8)

At the end of this exercise, each job type will have a rating that includes a letter and a number. An A5 is an incredibly attractive job with moderate difficulty, whereas a D3 is easier but not the kind of work your company would ideally want.

You'll find this rating system will become the foundation of everything going forward, and

**“You’ll find this rating system will become the foundation of everything going forward, and it’s the gateway to taking control of your schedule and maximizing revenue.”**

it’s the gateway to taking control of your schedule and maximizing revenue. To do that, we now have to apply the abilities of each installer in your company.

### **Step 2: Rank Your Installers Based on Expertise and Ability**

Now that you have a rating system for every kind of installation your company offers, put them all in rank order from most difficult to least difficult. Be aware that this list will be long, and you may find that as you rank all of your work this way, you may want to modify the ratings of some of the jobs—that’s perfectly okay.

As strange as it may sound, simply going through this exercise will show you all kinds of things about your company. As I’ve worked with businesses around the country, it’s incredible what’s revealed when owners and managers sit down with their lead installers to talk through the attractiveness and difficulty of the work they offer.

Now that your work is ranked from 1 to 10, create dividing lines between each difficulty rating so you can easily see where one stops and another starts.

From there, write down the name of one of your installers and determine the highest difficulty rating that person would currently be able to handle as the lead installer—and also in every difficulty rating below. Note that the installer needs to be able to do all of the work at that difficulty rating in order to be ranked there. Do the same with your remaining installers and helpers until every installer has been placed on the difficulty list.

Now you’re cooking with gas.

This rating system opens up a world of possibilities for your crews. Now you know exactly which installer can do what kind of job—and you can offer incentives as installers increase their ability to take on more difficult work.

Here’s an example of what this might look like if a company has two installers and two helpers: Steve, Matt, Joe, and Bobby.

- **Level 10 Jobs:** Steve
- **Level 9 Jobs:** Steve
- **Level 8 Jobs:** Steve
- **Level 7 Jobs:** Steve
- **Level 6 Jobs:** Steve and Matt
- **Level 5 Jobs:** Steve and Matt
- **Level 4 Jobs:** Steve and Matt
- **Level 3 Jobs:** Steve and Matt
- **Level 2 Jobs:** Steve, Matt, Joe, and Bobby
- **Level 1 Jobs:** Steve, Matt, Joe, and Bobby

As a side note, consider using this rating system during quarterly performance reviews and set goals for installers to grow in their abilities in the coming months. You’ll find this opens up all kinds of possibilities for training and gives tactile markers for team members to go after.

From here, give this list to your scheduling team so they know exactly which installers to assign to what type of jobs. This in and of itself will dramatically reduce the chances of on-site problems and return trips because the wrong installer is never booked, opening up incredible possibilities with your schedule.



### Step 3: Build Your Schedule Around the Best Work

When companies schedule jobs based on product availability rather than job attractiveness and installer ability, they're essentially playing a big game of Russian Roulette. On any given day, a job could be terrible, or an install team may be scheduled for something beyond their ability—and you never know when it could blow up.

This is why installers get tired and cynical, and return trips start piling up.

While these variables can never be completely avoided, there are protections you can put into your schedule to significantly reduce their frequency—and this starts with dedicating certain days of the schedule to certain kinds of work.

For starters, I'd suggest dedicating Mondays and Fridays to only A- and B-level work. Generally speaking, this means that every week will start well and end well—and this is huge for the morale of your installers. It also means that you

can often fit more jobs into these days, which significantly helps profit during the busiest times of the year.

Next, only schedule C-level work on Tuesdays and Wednesdays—along with any overflow A- and B-level work you have remaining. This allows your installation team to work their way into jobs that aren't as fun to install.

Finally, set Thursdays aside as the only day of the week that your company takes on D-level work. By doing this, your installers can ramp up to the least attractive work, and because they know that Friday is an easier day, there's something to look forward to. Also, by only having one day each week open for D-level work, they can prepare for it and get through it in a way they never could when jobs are randomly dropped in the schedule like depth charges.

A few things happen when you build your schedule



# THIS PUTS YOU IN THE DRIVERS SEAT



this way. First, your lead time completely changes. With two days of the week dedicated exclusively to A- and B-level work and two other days for overflow, your lead time on the best jobs will be significantly less than jobs that are worse for your company. Second, only having one day per week available for D-level work will naturally push your lead time out for the jobs you don't want—and this will discourage people from buying these kinds of jobs. Third, the focus given to A- and B-level work in the schedule will result in fewer callbacks, higher profits, and improved morale within the team.

Your lead times will still flex up and down over the course of the year, but you'll always have more capacity for the best work because of how the installation schedule prioritizes it. And even in the heart of the season, your schedule timelines could look something like this:

- **A-Level Jobs:** 2 Weeks Out
- **B-Level Jobs:** 2 Weeks Out
- **C-Level Jobs:** 4 Weeks Out
- **D-Level Jobs:** 14 Weeks Out

Lead times like this will be a major advantage as you get close to key moments like Thanksgiving and Christmas. While everyone else is out 10 weeks, you can install a wood insert next Friday if the clients place their order today.

As bonus points, consider opening up Saturday as a premium installation day during the busiest times of the year under two conditions—the job must be an A1, A2, A3, or A4, and the product must be in stock. You'll find that many customers will happily pay extra to have their products installed on Saturday so they don't have to deal with the hassle of taking work off, and you can use some of the extra money coming in to offer a bonus to your installers who work that day. Win, win, win—right?

Building your schedule around the kind of work that's best for your business—rather than simply product availability—puts you in the driver's seat to set your team up for success and deliver the best installation possible.



TO SET YOUR TEAM  
UP FOR SUCCESS.



## Conclusion: The Payoff Season

In a seasonal industry like ours, there will always be peaks and valleys. But by planning ahead, we can set ourselves and our teams up for success rather than failure. Creating and implementing an installation rating system isn't easy—and that's why most companies don't do it. But what's the alternative? Continue to schedule everything haphazardly as it comes in and push your lead time out so far that customers go elsewhere? That's not what we want.

By looking at the schedule proactively and being transparent with your customers about how far out you are for the kind of project they're looking at, you'll find that your company becomes the perfect fit for people with the work that you want to do—and the others are given the freedom to buy elsewhere.

As Seth Godin said in a recent blog post, "We

thrive when we do things when we have the most leverage, not when everyone else does. Waiting for trouble means that you're going to spend your days dealing with trouble."

Everyone else is waiting until the last minute to schedule—which is exactly when they have the least amount of leverage. I never would have guessed there were so many great jobs out there before I started tracking them and prioritizing A-level work.

Because it's out there if you make space for it.

By taking control of your schedule early, you can use that leverage to maximize revenue and turn your company's "busy" season into the "payoff" season.

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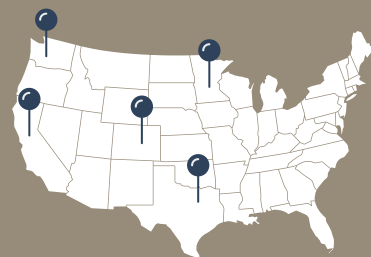
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