

CASH FLOW CONTROLS

EMERGENCY CALL OUT JOBS

A step-by-step guide



CASH FLOW CONTROLS CHEAT SHEET

EMERGENCY CALL OUTS

Use this sheet to identify ways you can implement simple but effective techniques for a range of job types to increase the frequency of payment, make it easier for your clients to pay and keep them well-informed so there are no surprises when you ask them to pay.

An 'emergency' call-out is when you attend an unplanned job on demand to respond to an immediate problem (an emergency). Usually priced on a time + materials basis due to the unknown nature of what you find when you attend the site. You may perform these jobs for one-off clients or for repeat clients such as property or building managers who use you for repairs and emergencies.

#	CASH FLOW CONTROL	HOW IT WORKS	PRO HINTS
FOR ALL CLIENT TYPES			
1	Charge a Call Out Fee	<p>A call-out fee can cover your time to make space in your scheduling to meet your client's needs.</p> <p>An emergency call-out often requires you to reschedule your other jobs, attend out of hours or send a worker from another site to attend. These costs can be recovered in an upfront flat fee.</p>	<p>Build up your call-out fee to reflect the extra work to attend an emergency job that is unplanned.</p> <p>Factor in the following:</p> <ul style="list-style-type: none"> >> Add in the cost of labour for first hour >> Factor in travel >> Include your admin time to arrange and schedule yourself or your workers

		<ul style="list-style-type: none"> >> A call-out fee is a standard technique used for service call-outs >> A call-out fee can cover the time it takes to organise the job >> A call-out fee can be collected over the phone internet to secure the booking 	<p>>> Add on a margin that covers the 'on demand' urgent nature of the call-out. *</p> <p><small>*This could be higher than your usual 'planned work' charge-up rate to avoid repeat clients creating a false urgency safe in the knowledge it costs the same as a booked and planned job.</small></p>
2	Confirm Key Information and your Charges via text and email	<p>A well informed client is your goal.</p> <p>The final cost of an emergency call-out can be unknown so let your client know as much as possible about your charges upfront. Even if the job is for a repeat client, you still need a record that they instructed you to attend the Site and were made aware of the charging arrangements.</p> <ul style="list-style-type: none"> >> An email means that there are no surprises when you ask for payment >> An email means that you have a record that you explained your pricing >> Getting into the habit of emailing means you can use templates to save time >> Issuing an email every time is professional and sends the right signal that you have an accounts receivable process in place 	<p>Always email and text (if you use text) key information every time. Use these handy hints to identify the minimum information to send to your client:</p> <ul style="list-style-type: none"> >> Confirm the Site Address >> Confirm the general nature of the service type >> Advise of minimum Call-out fee >> Explain additional hours + materials are over and above the call out fee >> Confirm payment method: <p>For example:</p> <ul style="list-style-type: none"> > Payment required at time (if applicable) > Payment on monthly invoice (if applicable) > Payment on invoice (if applicable)
3	Charge at the Site for one-off clients	<p>Taking a card payment is a quick and efficient way of collecting your cash.</p> <p>Using a mobile card reader that can be used with</p>	<p>Make sure your workers are trained to use the card reader and have the right tools to collect payment. Follow these handy hints:</p>

		<p>a cellphone/mobile or cellular-enabled eftpos/point of sale card device at the site can save hours of time to invoice plus puts the cash into your bank account a lot sooner.</p> <p>>> This suits a one-off client who you do not have set up with a trade account.</p> <p>>> It also allows your clients to pay with a credit card if this suits them.</p> <p>>> It is easier for your client to pay. No logging into their account to input your business bank account number and pay you manually.</p>	<p>>> Consider if you have an on-call technician or workers who needs a work cell phone to use for the card reader</p> <p>>> Check if they need to be a registered user with your business bank</p> <p>>> Be sure to include any merchant fees (credit card handling fees) to the final payment</p> <p>>> Walk your workers through some test payments at the office or depot to get them comfortable</p> <p>>> Consider offering them a laminated guidance sheet on the steps to follow and what to say to your customer</p>
4	<p>Inform your Workers how to Charge</p>	<p>An effective cash flow control is only as strong as the process that applies it.</p> <p>If you inform your client that you will charge at site for a one-off job or that you will batch invoice for a repeat property manager job, you must have a process in place to enable you to implement this.</p> <p>>> If you have workers and they attend the job, they can easily be overwhelmed if they have to calculate the final price as well as collect payment.</p> <p>>> This means a clear process with some training and an easy-to-follow guidance sheet or job management software tool to help.</p>	<p>Prepare guidance for your or your workers on how to calculate the final price. Make sure your workers have a pricing guide available in their work vehicle or on their device. Include:</p> <p>>>The call-out fee for a working day in working hours</p> <p>>>The call-out fee for out-of hours (weekends and evenings)</p> <p>>>The call-out fee for public holidays</p> <p>>>The hourly rate for time spent over the first hour</p> <p>>>Any set prices for set tasks</p> <p>>>The set prices for items of stock or critical spares kept as inventory in the work vehicle</p> <p>>>Whether they should charge in 'increments' such as each 15-min block or 'round up' to the full hour</p> <p>>>Adding on extra travel if they need to go to a supplier during the job to pick up more materials</p>

		>> A strong cash flow control is to take charge of how your workers represent your trades business via their in-person client communications	>> Adding in the prices for extra materials purchased during the job This could be a printed sheet or a pricing guide added to a job management software if your workers use a device to input job information at the site or in their work vehicle
FOR PROPERTY MANAGER CLIENTS only			
#	CASH FLOW CONTROL	HOW IT WORKS	PRO HINTS
5	Check Key Invoicing Information with Property Managers	<p>Check the Business Rules for your Business Clients</p> <p>Some property managers have a 'maximum maintenance allowance' that the landlord has designated to be retained from the rental. Be sure to ask about this so you can inform early if the emergency repair will exceed this. The property manager will need to ask the landlord for permission to deduce from his/her rental to cover your bill.</p>	<p>Be sure to have an upfront discussion with your repeat client to collect key invoicing information. This includes information such as:</p> <ul style="list-style-type: none"> >> Their cut off dates for invoices to be submitted >> Any maximum spend limits per job (an amount up to which they have permission for pay out without landlord consent) >> What process they need you to follow if the charges will exceed any maximum spend limits >> Any code or reference you need to include to identify their rental or tenant >> Dates you will be paid so you can plan ahead
6	Add charges to a monthly statement for repeat property or building	<p>Batch up the emergency call-outs for your repeat clients.</p> <p>Where your emergency call-out is for a repeat</p>	<p>To reduce administration time, use these hints to keep on top of batched call-out charges:</p> <ul style="list-style-type: none"> >> Use a code in your invoicing software that denotes

	management clients	<p>client such as a property management company or commercial building manager, it can save time and frustration to add the charges for various jobs performed for the same client into a monthly batched invoice.</p> <p>Note that property managers usually only pay once per month in the month <i>following</i> the invoice. This is because they have to wait to collect the rental, they then have to make standard deductions from it, then they pay the landlord's cut and <i>then</i> they calculate how much is left over for ad hoc maintenance costs.</p>	<p>the job type as a 'repeat client call-out'. Your bookkeeper can help you name and set up this code.</p> <p>>> Be sure to assign the correct identifier supplied by the property manager as soon as you create the job. This avoids forgetting which property the job was allocated to if you save the invoicing to a batch at month end.</p> <p>>> Set a reminder to issue on the right cut-off date. These types of payment have a lag time of up to 45 days (often 20th or last day of the following month). A day out and you then face up to a 65 day wait.</p>
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