



THE EXPERIENCE

• CONVENTION AND TRADE SHOW •

SEPTEMBER 9 – 11
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The Training Dilemma

Moving from Overhead Expense
to
Project-Funded Asset

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The Zero-Sum Trap

The Industry Mantra

"The cost of taking technicians out of the field to train is just too high."

This mindset views every non-working minute as direct downtime that hurts immediate billable revenue.

The P&L Misconception

Training is conventionally treated as General & Administrative (G&A) overhead—a line-item bleeding red on financial statements.

This creates owner guilt during downtime and emergency pressure on packed schedules.



Reframing the Problem



"You need to look at problems through a different lens."

— Bob DeWeese, Industry Mentor



The Financial Paradigm Shift

Transitioning learning from a general operational expense to a consumable project cost.



Building Training into Estimates

What if training isn't overhead, but a consumable project cost like fuel or chemical supplies?

- **Direct Job Accrual:** Add a 2.5% "Growth & Quality" burden directly into job estimates.
- **Calculated Value:** On a 40 man-hour project, a 2.5% accrual yields 1 fully funded training hour.
- **Client Alignment:** Clients do not just buy a "fix"—they pay for the expertise required to execute it right the first time.



The Training Reservoir



1. Accumulate

As service jobs are completed, "training minutes" automatically build up in a virtual company reservoir.



2. Rotate Out

When the bucket hits capacity (e.g. 8 hours per tech), the technician is rotated into structured training.



3. Neutral Flow

Downtime is pre-funded by previous revenue. Cash flow stays neutral while team capabilities grow.



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The Callback Penalty

“One aw Sh!t, can wipe out a thousand at-a-boys”

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RE-DO TRIP

Rushing work or skipping over “hard to do things”, creates callbacks that destroy profitability. A single re-do trip typically wipes out more revenue than the cost of an entire training session.

Efficiency & Effectiveness: Trained technicians convert a 4-hour job into 3 hours with flawless quality, effectively increasing billable hourly yields.



Technician Retention & Revenue

Industrial Athletes

In a tight labor market, technicians are your primary performance athletes. Owners build the stadium and supply the tools, but technicians navigate unpredictable site variables.

Investing in skill development builds employee confidence and proves long-term commitment, directly reducing costly turnover.



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Dual Value Proposition

Stakeholder	Traditional Mindset (Overhead)	Project-Funded Mindset (Asset)
The Client	Sees low rates, but risks delays and repeat callback visits.	Gets rapid problem resolution from a high-precision specialist.
The Technician	Feels rushed, unsupported, and constantly under pressure.	Gains skill development that enhances personal market value.
The Company	Views learning as lost labor and unbillable red ink.	Builds an accrued training reservoir with neutral cash flow.



Effective Hourly Yield



Key Insight: Incorporating training into job estimates elevates technician precision. This eliminates unbillable re-work and maximizes true net hourly profitability.



Short Term Pain

“While taking a class means a short-term loss of income... this will be made up easily through the value of knowledge you’ve received. You can immediately upgrade your level of workmanship and increase your income”

— Bob Blochinger, Industry Icon
and IICRC Board of Directors



Strategic Takeaways

- ✓ **Reframe Training:** Shift from treating training as a G&A overhead burden to a **direct project cost**.
- 📈 **Bake Accruals into Pricing:** **Add 2.5%** to job estimates to fund a virtual training reservoir seamlessly.
- 🛡️ **Eliminate Callbacks:** Focus on first-time quality to **protect margins** and boost effective billable rates.
- 💎 **Strengthen Retention:** **Empower** field staff with skills that build loyalty and solve client problems faster.



The New Bottom Line

"Stop looking at the classroom as a place where money goes to die. Start looking at it as the laboratory where your profit is engineered."

Transform Training into Your Strongest Competitive Asset



