GROWTH

WHERE PROFITABLE GROWTH COMES FROM

Most owners reach for more leads. The numbers point somewhere closer to home.

THE DEFAULT ANSWER IS EXPENSIVE

When a month runs soft, the usual reaction is to buy more leads. A recent Contracting Business column made the point that this is often the wrong first move, and that operating profit may be hiding in how the business already runs.

In the Federal Reserve's latest small business survey, reaching customers and growing sales was the most commonly reported operating challenge, with hiring and keeping qualified staff next. Both pressures point in the same direction: get more from the demand and the people you already have.

LEAK ONE: THE PHONE

You've paid for the call. Then it rings out. A column in Contractor magazine reported that about 27% of calls to service businesses go unanswered, and that nearly half of those are genuine leads. A consumer survey it cited found that only 42% of people will leave a voicemail, and 82% say they'll just call a competitor.

That author offers a quick formula: last month's missed calls × 0.47 × 0.29 × your average gross profit × 12. Run it with the missed-call calculator, or use your own close rates.

The usual cause isn't laziness. Calls arrive in clumps. At a few moments each day, more calls come in than you have people to answer them. Solutions include better scheduling of your staff, overflow coverage and after-hours coverage. A Contracting Business profile made a balanced point: outside help is one option, and the first step is to assess what you actually need.

LEAK TWO: THE CUSTOMERS YOU ALREADY HAVE

An ACHR News column estimates customer attrition at 17% to 21% a year, so about a fifth of revenue has to be replaced annually just to stay flat. It also says that 65% to 70% of a customer's lifetime value tends to be realized in the first 18 months, which is why early follow-up matters so much.

Your database holds the cheapest growth available. Trade press keeps returning to the same list of people to contact:

- Systems 10, 12 and 15 years old or more
- Customers with several repairs in the last two years
- Skipped maintenance visits and lapsed agreements
- Open estimates and declined recommendations

One column reported a contractor booking $135,000 of work in five days from just 250 contacts, without ad spending. Treat a figure like that as a best case. The principle holds, though: those people already know you.

LEAK THREE: UNWORKED ESTIMATES

A Contracting Business article described an HVAC company that added automated reminders on open estimates and saw closed sales rise 15% within three months. Follow-up costs little. See estimate follow-up.

BUILD RECURRING REVENUE

Maintenance agreements smooth out the seasons, keep technicians busy and bring you into the home twice a year. ACHR News cites an industry target of 500 agreements per service technician. That's ambitious for most shops, so treat it as a direction. Recurring revenue also tends to raise what a buyer will pay. See getting ready to sell.

USE THE TECHNICIANS YOU HAVE

Four levers appear again and again in trade columns: flat-rate pricing, better dispatching, technician productivity and maintenance agreements. None of these requires another truck. See productive hours and price for profit.

THEN BUY GROWTH, DELIBERATELY

Once the leaks are smaller, every marketing dollar goes further. Compare sources by cost per booked job, and be careful of adding demand you can't serve. In peak season, protect your capacity for the best work. In the shoulder months, build your pipeline.

THE ORDER MATTERS

1. Answer the phone.
2. Work the customers you already have.
3. Follow up on open estimates.
4. Build agreements.
5. Get more from each truck.
6. Add marketing.
7. Add trucks.

Most owners run that list from the bottom up. The cost of doing so is the money you never see leaving.

Sources: Contracting Business, four levers; Federal Reserve Banks, 2026 Report on Employer Firms; Contractor, the missed call math; Contracting Business, inbound calls; ACHR News, seasonal marketing; ACHR News, shoulder season plan; ACHR News, Stop the Revenue Yo-Yo; Contracting Business, reactivating customers.

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BEST PRACTICES: THE OWNER IS THE BOTTLENECK

MAKE IT A HABIT

What good looks like

> The business runs for 30 days without you.

> Each key job has a written process and a person who owns it.

> You spend more time on the business than in it.

The habits

1. Write down the jobs only you do today, and hand off one a month.
2. Put processes in writing: booking, dispatch, sales follow-up and billing.
3. Give people numbers to own, and review them weekly.
4. Hire or outsource the work that ties you to the phone.
5. Keep clean books and records a buyer or lender can trust.
6. Plan your exit years ahead, even if you never sell.

Signs it's time to get help

- You answer customer calls at night and on weekends.
- Nothing gets decided when you are away.
- Your best people wait for you to make every call.

How one shop did it: Rogers Heating, Cooling, Electrical (Lynchburg and South Boston, Virginia). Spent a year hiring, training and building processes, and put a trusted leader over the call center. The company's vice president took a July 4th weekend off in peak season and the calls were handled without her. She notes it took more than one false start with hiring to get there. Contracting Business, August 17, 2026

Where we fit: Service ProCall takes the phones and the follow-up calls off your plate, and ProCall Field puts the processes in one system.

More on the owner is the bottleneck