MotionOps

CONTRACTOR SCALER HUB · BUILD A SALES PROCESS YOUR TEAM CAN RUN

Estimate Review Checklist

Goes with the lesson on the construction estimating process. Sections 1 and 2 are the review a second person does before an estimate goes out: five minutes, not a re-estimate. Sections 3 to 5 are the standard the review checks against, set from your own past jobs.

1. Which estimates get a review

You don't need to review every one. Tick your rule and fill in the blanks.

- [ ] Every estimate from an estimator in their first three months
- [ ] Every estimate over $_____
- [ ] Any job type we haven't done much of: _____
- [ ] Anything priced under the margin floor

REVIEWER

BACKUP REVIEWER

2. The review: one per estimate

CUSTOMER AND JOB

ESTIMATOR

REVIEWER

ESTIMATE AMOUNT

DATE

REASON FOR REVIEW

Check	Question	OK	Note
Scope	Does the scope match the visit summary, including the must-haves?		
Quantities	Do the quantities match the measurements and photos?		
Rates	Were the standard production rates and waste factors used? If not, is the reason written down?		
Missing items	Disposal, protection, permits, access, cleanup?		
Margin	At or above the floor? If below, who approved it and why?		

Check	Question	OK	Note
Exclusions	Are the standard exclusions and any job-specific ones listed?		

Check the numbers

Example, made up: a tub-to-shower conversion with 110 sq ft of straight-lay tile, priced with the standard in section 4 (labor at an assumed $45 an hour).

Line	Example, with the standard	This estimate
Tile labor: quantity × production rate × labor cost	0.45 × 110 sq ft = 50 h, $2,250	
Tile with the waste factor	$1,800 + 12% = $2,016	
Disposal (always included)	$650	
Subcontractors, from current quotes	Plumbing $3,200, electrical $900	
Other materials	$5,400	
Other labor	48 h, $2,160	
Total cost	**$16,576**	
Gross margin used	32% (the floor)	
Price: total cost ÷ (1 - margin)	$16,576 ÷ 0.68 = $24,376, priced at **$24,400**	

BELOW THE FLOOR: APPROVED BY

WHY

Before it's sent

- [ ] Every check above is OK, or the reason is written down
- [ ] Proposal sent
- [ ] The estimate's hours and costs saved, to compare with the actuals later

REVIEWED BY

DATE

3. Production rates from your past jobs

A production rate is how long one unit of work takes your crew: hours per square foot of tile, hours per fixture, hours per linear foot of fence. Start with the five or six tasks that drive most of your labor cost.

1. **Pick one task and 6 to 12 recent jobs** where it was done.
2. **Divide the actual hours by the quantity** for each job. You need timesheets that show hours by job and, ideally, by phase.
3. **Take the middle value,** not the best job and not the worst.
4. **Separate jobs that really are different:** patterned vs. straight tile, remodel vs. new construction, occupied homes vs. empty ones.

TASK

UNIT (SQ FT, FIXTURE, LINEAR FT)

KIND OF WORK (E.G. STRAIGHT-LAY, OCCUPIED HOME)

Job	Quantity	Actual hours	Hours per unit: hours ÷ quantity
Example 1	96 sq ft	39	0.41
Example 2	120 sq ft	53	0.44
Example 3	105 sq ft	47	0.45
Example 4	88 sq ft	41	0.47
Example 5	130 sq ft	68	0.52
Example 6 (herringbone floor)	110 sq ft	68	0.62: a different kind of work, its own rate

Middle value: put the rates in order and take the one in the middle. Example, straight-lay tile, jobs 1 to 5: 0.41, 0.44, **0.45**, 0.47, 0.52. Everyone uses 0.45 hours per sq ft until the next review.

OUR RATE FOR THIS TASK

NEXT REVIEW

4. Your estimating standard

One document every estimator uses. **The example values are made up; set yours from your own jobs.** The margin floor comes from your overhead and profit goal.

Standard	Example	Ours
Production rates	Straight-lay tile 0.45 h/sq ft; patterned tile 0.62 h/sq ft; demo of a full bathroom 16 h	
Waste factors	Straight-lay tile 12%; patterned tile 20%; framing lumber 10%	
Labor cost	Burdened hourly cost: $45	
Adjustments	Occupied home: +10% labor; second floor with no direct access: +1 hour per day for carrying	
Price list	Current prices for your common materials, updated monthly	
Margin floor	Minimum gross margin 32%, from your required margin	
Minimum job	No job under $8,000 except service calls	
Always included	Disposal, protection of floors, final clean	
Standard exclusions	Hidden damage, permit fees over a set amount, work by others	

Test it: two estimators, one past job

Have two estimators price the same past job with the standard and compare. Before the standard, the example bathroom was priced $5,240 apart ($27,550 and $22,310). With it, they should land within a few hundred dollars; what's left is judgment about the specific job.

	Estimator: _____	Estimator: _____
Labor hours		
Materials, with waste		
Subs and other costs		
Total cost		
Margin used		
Price		

DIFFERENCE BETWEEN THE TWO PRICES	WHAT CAUSED IT

5. Every quarter: keep the standard honest

Compare estimated and actual hours on the jobs that closed, by task.

Task	Standard rate	Estimated hours	Actual hours	Difference	New rate

- [ ] Production rates that are consistently off updated
- [ ] Waste factors that keep running over updated
- [ ] Price list updated
- [ ] Margin floor still matches our overhead
- [ ] Changes shared with every estimator, with the reason

What to review

What to review	This quarter
The spread between estimators on the same or similar jobs	
Estimated vs. actual hours by task	
Estimates sent below the margin floor, and why	