2019
OPERATIONS SURVEY

Company Name: _____

I. COMPANY

A) Geographic location - Main office
1) City: _____ State: _____ Approx. population: _____
Geographic location - Divisions
2) City: _____ State: _____ Approx. population: _____
3) City: _____ State: _____ Approx. population: _____

B) Describe your **PRIMARY** type of residential construction:
1) Custom homes _____ %
2) Production homes (single family and multi-family for sale) _____ %
3) Multi-family for rental _____ %

C) 2019 Gross Revenue - Homes for sale only $ _____

D) Projected percentage of sales revenue growth for 2020 _____ %

E) Number of ready to build finished lots in inventory at year end (2019) _____
This represents a supply of: _____ Months

F) Number of years supply of land owned, under contract or option? _____ Years

G) Provide the following production information for 2019:
1) Number of active communities _____
2) Number of units closed _____

H) Do you build in:
1) Scattered lots _____ %
2) Communities _____ %

I) Please describe your company's type of ownership:
1) Privately owned _____ 2) Publicly owned _____

J) How many W-2 employees do you currently employ?
1) Full time (excluding sales agents) _____
2) Part time _____
3) On-site sales agents _____

K) Do you offer flex time? Yes _____ No _____

L) Do you have an on-going drug testing program? Yes _____ No _____

M) Do you have: (check those that apply)
1) Written employee manual _____
2) Written job descriptions _____
3) Formal organization chart _____
4) Formal orientation/training program for new employees _____
5) Continued training program for employees _____

II. HUMAN RESOURCES

A) Do you have a full time HR Manager? Yes _____ No _____

B) The HR Manager reports directly to the:
1) CEO _____ 3) VP Finance/Accounting _____
2) President _____ 4) Other _____

C) Training your HR Manager has received includes:
1) College degree in HR _____ 2) HR seminars and classes _____

D) Are you viewed by your employees as the Employer of Choice? Yes _____ No _____

E) What is your current employee turnover rate? _____ %

F) Do you link HR Management (staffing) to your strategic plan? Yes _____ No _____

III. PRODUCTION

A) Does your company use (check all that apply)

_____	Trade contractor agreements	_____	Master central schedules
_____	Supplier agreements	_____	Safety programs
_____	Scopes of work	_____	Even-flow starts (slots)
_____	Purchase orders	_____	Quality checklists (job ready/complete)
_____	Variance purchase orders	_____	Trade contractor evaluations
_____	Start packages	_____	Tablets/smart phones

B) Do you have a production/superintendent manual? Yes _____ No _____

C) What are the average **CALENDAR** days from:
1) Contract to start (dig date) _____ days
2) From start to closing for homes of less than 1800 s.f. _____ days
3) From start to closing for homes 1,800 to 2500 s.f. _____ days
4) From start to closing for homes 2,500 to 4,000 s.f. _____ days
5) From start to closing for homes 4,000 to 6,000 s.f. _____ days
6) From start to closing for homes over 6,000 s.f. _____ days

D) Do you allow structural changes? Yes _____ No _____
Do you allow structural changes after start? Yes _____ No _____

E) Do you allow non-structural custom options? Yes _____ No _____
Do you allow non-structural custom options after start? Yes _____ No _____

F) Do you have a quality assurance program Yes _____ No _____
How do you manage the program? Internal _____ 3rd Party _____

G) How many inspections do you conduct? (**Check all that apply**)

_____	Foundation	_____	Frame
_____	Drywall	_____	Paint
_____	Prior to customer orientation		

H) Average number of homes closed, per superintendent, in 2019:
1) Entry level (less than 2 years residential experience) _____ houses
2) Experienced (more than 2 years residential experience) _____ houses

I) What is your optimum production capacity in # of units?What _____ houses
% of capacity are you currently operating on? _____ %

IV. WARRANTY

A) Warranty work is managed by:
_____ Superintendent _____ Third Party
_____ Warranty Department _____ Both

B) Average number of punch list items at:
1) Internal walk (pre-orientation) _____ items
2) Orientation walk with buyer _____ items
3) Closing walk with buyer _____ items

C) Average $ amount of first year warranty cost per house $ _____
(Include cost of warranty department staff allocated to each unit)

V. SALES AND MARKETING

A) What is your sales conversion rate? _____ %
(Total contracts divided by traffic units)

B) Cancellations:
1. Cancellation rate (cancellations divided by total contracts) _____ %
2. How many days after contract (Should total 100%):

0 to 30 days	_____ %	60 to 90 days	_____ %
30 to 60 days	_____ %	Over 90 days	_____ %

3. Reasons given for cancellations:

Financing	_____ %	Relocation	_____ %
Contingency	_____ %	Dissatisfaction	_____ %

C) Average price concessions given to buyers $ _____
Percentage of sales price _____ %

D) Do you have a sales training manual? Yes _____ No _____

E) Number of active plans offered for sale _____ plans

F) Average number of options offered for sale _____ options

G) Average number of change orders processed per contract _____ change orders

H) Average # of change orders per contract processed after start _____ change orders

I) How are your sales agents compensated?
1) Salary only _____
2) Commission only _____
3) Salary plus commission _____

J) Do you have a Design Center? Yes _____ No _____

K) Who oversees the Design Center?

_____ Sales _____ Operations

_____ Purchasing _____ Third Party

L) % of advertising and marketing expenses used in electronic media such as website, social media, google ads, etc. _____ %

VI. FINANCING

A) Average interest percentage paid on construction loans _____ %

1) Rate based on

Prime + _____%

Libor + _____%

Fixed rate _____%

2) Up-front points paid on construction loans? _____ %

3) Personal signature required? Yes _____ No _____

4) Discount points paid for buyers? Yes _____ No _____

How many? _____ %

VII. CUSTOMER SERVICE

A) Do you have a homeowner's manual? Yes _____ No _____

B) Formal meetings held with the buyer: (check all that apply)

_____ Color selection / décor _____ Pre-construction

_____ Frame / pre drywall _____ Orientation

_____ After move-in _____ Other _____

C) Buyer orientation meeting is conducted by:

_____ Superintendent _____ Warranty Department

_____ Both _____ Other _____

D) Do you survey: (check all that apply)

_____ Target market _____ Community traffic

_____ Buyer prior to closing _____ Buyer after closing

E) How do you conduct surveys (check all that apply)

_____ In-house

_____ Third party

_____ Both

F) If you survey, what is your "willingess to refer" rating? _____ %

VIII. TECHNOLOGY

A) Are computers being used by: (check those that apply)

_____ Sales agents _____ Superintendents

_____ Warranty technicians _____ Design center

B) Are tablets and other mobile devices being use by:

_____ Sales agents _____ Superintendents

_____ Warranty technicians _____ Design center

C) Do you have a "customer" oriented website? (check all that apply)

_____ None
_____ Documentation
_____ Customer service
_____ Information updates
_____ Selections

D) Do you have a "vendor" oriented web site? (check all that apply)

_____ None
_____ Bidding
_____ Schedules
_____ Information and documents
_____ Purchasing
_____ Payment documentation

E) Are you currently using any cloud based services/systems in your business?

Yes _____ No _____

F) Which of the following systems are currently computerized or planned to be computerized in 2018

Current	2020	
_____	_____	Accounting
_____	_____	Design (CAD)
_____	_____	Estimating
_____	_____	Purchasing / PO's
_____	_____	Schedules / project management
_____	_____	Marketing / sales / lead-tracking
_____	_____	Website – customer oriented
_____	_____	Website – vendor oriented
_____	_____	Payment approval (paperless)
_____	_____	Payment releases (Direct Deposit/ACH)

IX. INSURANCE AND LITIGATION

A) What were your 2019 annual premiums for the following:

1) $ _____ Workers comp
2) $ _____ General liability
3) $ _____ Umbrella: Amount of coverage **$ _____**
4) $ _____ Mold
5) $ _____ Group medical

B) What types of coverage's are excluded? (check all that apply):

1) _____ Mold
2) _____ Soils
3) _____ OSB
4) _____ Other (describe): _____

C) Are you currently in litigation for mold related issues? Yes _____ No _____

D) Are you currently in litigation for product defects issues? Yes _____ No _____

E) How are you documenting construction processes to support future litigation? (check all that apply)

1) _____ Photos
2) _____ Third party inspections (other than building department)
3) _____ Internal checklists
4) _____ Trade checklists
5) _____ Buyer sign-offs