



THIS MATERIAL REPRESENTS THE CONSIDERED OPINIONS OF THE BUSINESS PRACTICES COMMITTEE AND THE BOARD OF MANAGEMENT OF THE CORPORATION OF BC LAND SURVEYORS REGARDING REASONABLE STANDARDS FOR FINANCIAL COMPENSATION AND CONTRACTING OF PROFESSIONAL SURVEY SERVICES. INDIVIDUAL SURVEYORS SHOULD ALSO CONSIDER ANY UNIQUE ASPECTS OF THEIR INDIVIDUAL PRACTICES IN ORDER TO DEVELOP APPROPRIATE FEE SCHEDULES.

BCLS

Business Practices Committee BULLETIN

Step by step estimating

It is usually not long into the initial client meeting when you will be asked the question, "How much?". Your answer to this simple question will be critical to your business success. Experience has shown that it is easy to tender an estimate, which is later proven to be inadequate. Often this is the result of missing, and therefore not evaluating, elements or tasks, which are essential for completion of the project. Such oversights create expensive burdens for your business, and should be viewed as good examples of how not to tender your services.

A method to minimize inadequate estimates is to utilize a project task profile, which lists job elements in step-by-step order. The following project task profile is offered as an example:

<u>ELEMENTS / TASKS</u>	<u>BY WHOM</u>
• Initial client meeting for general specs	BCLS
• Initial research and estimate calc	ADMN/BCLS
• Contract meeting with client	BCLS
• Instructions to staff	BCLS
• Research property records	TECH/CAD
• ALTOS and BCOonline fees	DISB
• Pre-calculations (if necessary)	TECH/CAD
• Field surveys for retracement	FLD/CREW
• Calculations of boundaries and posting vectors	TECH/CAD
• Field surveys for postings and checks	FLD/CREW

<u>ELEMENTS / TASKS</u>	<u>BY WHOM</u>
• Monuments set	DISB
• Calculations of posting checks	TECH/CAD
• Draughting plan	CAD
• Checking and printing plan	TECH
• Plan printing materials	DISB
• Final plan review and site inspection	BCLS
• Clerical, filing, accounting, mailing	ADMN
• Staff supervision during production	BCLS
• Final client meeting for delivery and payment	BCLS

Can you find any missing elements or tasks? If so, simply add to your list. The next step is to determine appropriate charge-out rates for each category (see previous Bulletins from this Committee), and then to quantify (e.g. FLD/CREW 14hrs @ 130 = 1820). Add it all up and you have an initial estimate. It is wise at this point to consider additional allowances for contingencies and/or special value added.

Now you are ready to present your client with a reasonable and defensible quotation for his consideration. Past experience will guide fine-tuning your project task profiles until you rarely suffer a financial punishment due to under-estimating by oversight.

IF YOU DO NOT ESTIMATE IN THIS MANNER, WHAT ARE THE CONSEQUENCES?