



## **Fifty Years Later Bill Blee's Principles Still Work**

By  
Richard Harshaw

### **Short Description of the Presentation:**

Bill Blee was born in 1892 and got involved in the automotive industry after college. During the depression he came up with the idea of automobile dealer financing and developed the accounting system for the auto industry that is still in use today. After retirement he was hired by Carrier Corporation, providing the first business training for contractors in the industry, teaching the nine basic business principles that will be discussed by Rich Harshaw during this presentation.

1. Organization Is The Key For A Successful Business
  - Organizational chart
  - Plan of leadership succession
  - Job descriptions (performance standards)
  - Employee handbook
  - Outside advisors
2. Financial Resources Are Required For Operation And Growth
  - Working capital
  - Forecasting
  - Cash flow
  - Manpower
3. Properly Located Business And Equipment That Is In Good Condition
  - Location, location, location
  - Travel time considerations
  - Trucks clean and logos
4. Consistent Selling Effort Supported By Marketing
  - Advertising and marketing
  - Description of sales people
  - Right pricing strategy and costs
  - Training
5. Departmental Income Statements
  - Proper labor and parts pricing
  - Proper chart of accounts
  - Review statements "monthly"
6. Value Of Service Department
  - What to track

- Cost of non-billable time
- Maintenance Agreements

7. Job Costing

- Performed after every job
- Like miniature P/L

8. Manage Your Labor Carefully

- Measure and manage
- Projecting labor needs well in advance
- Daily time tickets with codes

9. Set Clear Credit Terms and Enforce Them

- Policy must be in writing and clear to customer
- Getting credit approval