

ARE YOU PRICING THIS RIGHT? TEXAS BLACK

SAME FOR ALL THREE

Price / CY \$275 Rock / CY \$150 Avg wage / hr \$23 Burden × 1.35

⇒ **Burdened rate / hr** $\text{wage} \times \text{burden}$ \$31 Nothing below this line changes if the price or the crew's pay doesn't.

Rock as a share of the sell price
 $\text{rock} \div \text{price}$

54.5%

Max GP available at zero labor
 $(\text{price} - \text{rock}) \div \text{price}$

45.5%

PICK YOUR MARGIN — THEN LIVE WITH THE CLOCK

	OPTION A	OPTION B	OPTION C
Target GP %	<u>30%</u>	<u>35%</u>	<u>40%</u>
Target GP \$ $\text{price} \times \text{GP}\%$	<u>\$82.50</u>	<u>\$96.25</u>	<u>\$110.00</u>
⇒ Allowable cost $\text{price} - \text{GP \$}$	<u>\$192.50</u>	<u>\$178.75</u>	<u>\$165.00</u>
⇒ Left for labor $\text{allowable} - \text{material}$	<u>\$42.50</u>	<u>\$28.75</u>	<u>\$15.00</u>
MAN-HOURS PER CY	<u>1.37</u>	<u>0.93</u>	<u>0.48</u>

* Excludes pickup, travel, hard access and long carry

* Everyone queues at one pile — the 5th man adds least

* GP is not profit — overhead comes out first

* Fabric, restraint, base prep and over-order are separate

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REALITY CHECK — RUN IT BACKWARDS

Forget what you want to make. Enter what actually happens on the job, then read across.

Actual man-hr / CY	Labor \$ × rate	Total cost + rock	⇒ Actual GP \$ / %	Price to hit target 35%
1.75	\$54.25	\$204.25	<u>\$70.75 / 25.7%</u>	<u>\$314</u>

CREW SIZE — CUBIC YARDS PER 8-HOUR DAY, AT THE REAL PACE

	2 GUYS	3 GUYS	4 GUYS	5 GUYS *
CREW	9.1	13.7	18.3	22.9

Units per day = 8 hours × crew ÷ actual man-hours per cubic yard. Per worker, not per crew.

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PRICE VS PRODUCTION – WHAT THE GRID ACTUALLY PAYS

Each cell is gross margin at that price and that pace. \$150 rock and a \$31 burdened rate throughout. Write the gross-profit dollars under the cells you circle.

hr / CY	\$225	\$250	\$275	\$300	\$325
1.40	14%	23%	30%	36%	40%
1.58	12%	20%	28% \$76.17	34%	39%
1.75	9%	18%	26% \$70.75	32% \$95.75	37%
1.93	7%	16%	24%	30%	35%
2.10	4%	14%	22%	28%	34%

+\$5.42
9% faster

9% more
+\$25

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