

LET'S THINK ABOUT THIS: AVOIDING WINTER SERVICE FAILURES



“When should the snow contract renewal and award process begin?”

The answer is a resounding NOW! Every year, I observe the same pain caused by late renewals. Contractors and clients equally cause this pain when deciding to put off the renewal process, sometimes until weeks, days and even hours before the first snowstorm.

As soon as the snow stops, we go into spring operations and push all thoughts of snow aside; plus, we often think our clients are not ready to think about next season. While that may be true, others have changed their thinking and are ready right now. They are bidding out work, particularly given recent snowier seasons in many markets and due to financial constraints caused by Covid.

Problem: Clients are experiencing inflated costs and service failures, straining relationships between contractors and clients.

Root Cause: Contractors are forced to scramble to pull together people and resources to service last-minute contract awards.

Solutions:

Step One: Conduct a postseason review with your team and with your client(s). With your client, identify what you both see as the opportunities to improve next year.

Step Two: Provide contract renewals that include gaps in service, capacity, costs, etc., determined during the review. Clearly state why it is in their best interest to re-sign now, such as cost control/savings, guaranteed preparedness and loyalty (yes, loyalty still exists).

Step Three: Establish an end date after which contract awards can no longer be accepted.

“Let’s Think About This” answers questions that the SIMA staff receive. If you have a question you want Phill to “think about,” email him at psexton@witadvisers.com.

