AFSA45
OPERATIONS EXCELLENCE: OWN IT, TRANSFORM IT, ACHIEVE IT
Randy Mongiovi, CET, CWBSP
SAN ANTONIO, TX
AFSA
American Fire Sprinkler Association

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Randy Mongiovi, CET, CWBSP
Mongiovi & Son Fire Protection Services
Randy Mongiovi, CET, CWBSP is the Senior Vice President of Mongiovi & Son Fire Protection Services. He is a NICET Level III Certified Water-Based Systems Layout Technician and an NFPA Certified Water-Based Systems Professional (CWBSP).
Randy is a Licensed Fire Protection System Designer in the State of Ohio, a Licensed Fire Protection Contractor in the Cities of Pittsburgh and Philadelphia, and a Licensed Sprinkler Fitter in the States of Ohio and West Virginia. He holds Fire Protection Contractor licenses in six states, including company licenses in Pennsylvania, Indiana, North Carolina, Ohio, and West Virginia, and is also licensed as a Fire Protection Contractor I in the State of Florida. With more than 15 years of experience in project management, estimating, operations, and fire protection system design, Randy has managed and delivered a wide range of commercial, residential, educational, and high-rise fire protection projects.
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AFSA45
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HOUSEKEEPING ITEMS
TO RECEIVE CREDIT FOR THIS SEMINAR, YOU MUST:
1) scan badge upon entry,
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3) submit evaluation within 14 days
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National Fire Protection Association
The authority on fire, electrical, and building safety
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Enhancing Construction Business Practices
Brief Overview
This presentation provides insights and tips on how to improve operations, costs, and efficiency in the construction industry. From pricing strategies to cash flow management, we'll cover important practices that can help you grow and sustain your business.
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The Danger of Low Bids
The lowest bid isn't always the best approach.
Focus on quality work with reasonable pricing that ensures profit.
Ask yourself – Do You Need the Work?
Ego Vs Profit
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Track Rising Material Costs
Stay connected with suppliers for rising material prices (e.g., 5% increase per year).
Account for increases to avoid underbidding and undercharging.
Set an expiration date on your proposals!
MATERIAL COSTS ARE UP
5%+
PER YEAR
(OR MORE)
Don't let rising costs eat your margins.
TRACK. PLAN. PROTECT.
THIS PROPOSAL IS VALID FOR 7 DAYS FROM THE PROPOSAL DATE. Raw material prices and availability, as well as costs from our suppliers and manufacturers, are often subject to rapid fluctuation or escalation. If this Proposal is not accepted by the Customer in 7 days, Mongiovi has the right to modify or cancel this Proposal after considering any changed circumstances, including, without limitation, material and labor costs, any reissued plans, drawings and specifications, the Project schedule, and other relevant considerations.
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Contracts

- Who is reading your contracts?
- Who is reading the scope of work?
- Understand profit rates and overhead in contracts; they may not always be 5% each.
- Explore opportunities to increase margins by reviewing and negotiating terms.

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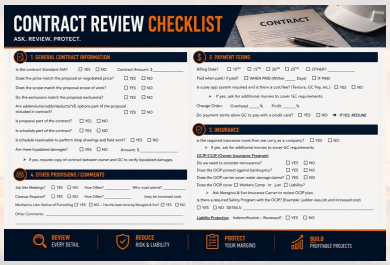
Contracts

- Create a contract review form. Keeps you inline.



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Breaking Down Your Costs

- Include labor rates, insurance, healthcare, truck costs, fuel, and repair/maintenance in cost estimates.
- Set annual budgets based on your desired profit margin (e.g., 15%, 20%, 25%).
- Are you Job costing your projects?

LABOR BURDEN COST
FULLY LOADED HOURLY COST

DESCRIPTION	COST PER HOUR
Hourly Wage	$ 35.00
Foreman Rate	$ 3.50
SS/Med	$ 2.18
FICA	$ 2.95
SUTA	$ 3.07
FUTA	$ 2.95
Insurance	$ 5.38
Workers Comp	$ 1.58
Vehicle	$ 3.17
Vehicle Insurance	$ 0.89
Fuel	$ 2.13
Maintenance	$ 1.01
Cell Phone	$ 0.15
Ipad	$ 0.15
Holiday	$ 0.25
Safety	$ 0.50
Drug Testing	$ 0.03
AFSA VIP Training	$ 1.19
Hand Tools	$ 0.72
Timetracking	$ 0.31
GPS	$ 0.28
PM Software	$ 0.80
Payroll Processing	$ 0.07
Uniforms / Clothing	$ 0.25
TOTAL COST	$ 68.50 Per Hour

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The Hidden Cost Of Insurance

- Insurance is the third highest cost after labor and materials.
- Did you know? Your owner must pay for their insurance cost upfront. If they don't have the cash, the insurance company will finance you at an 8% interest rate.
- Insurance companies audit every year to ensure they're getting every penny.
- Your insurance audit is based off revenue or payroll.
- Don't forget to add an insurance line item for each change order.

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Up Your Design Game

- Designers and Outside Design Services are becoming more expensive; ensure you're pricing appropriately
- Leverage technology; Better software, lasers instead of tape measures, mobile carts, and external batteries to keep laptops charged onsite with no power.

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Pricing Strategies and Change Orders

- Don't be afraid to raise your prices regularly. Don't charge for "Just" Labor and Materials.
- Charge for equipment.
- Charge for fabrication Labor
- Charge for Design (Design is not Cheap, Charge for it)
- Insurance
- Small Tools
- Always include time extensions on your change orders.
- Charge for the time it takes to pick up material and bring it to the jobsite.
- Charge for delivery drivers to pick up the materials
- Review contracts to ensure you're accounting for overhead and profit rates per contract.

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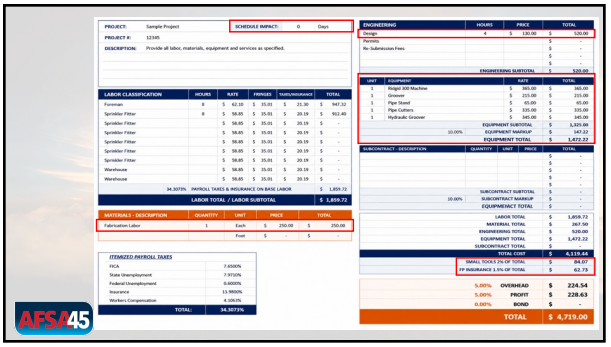

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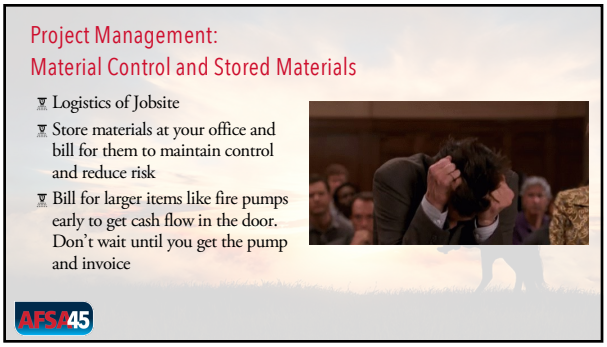

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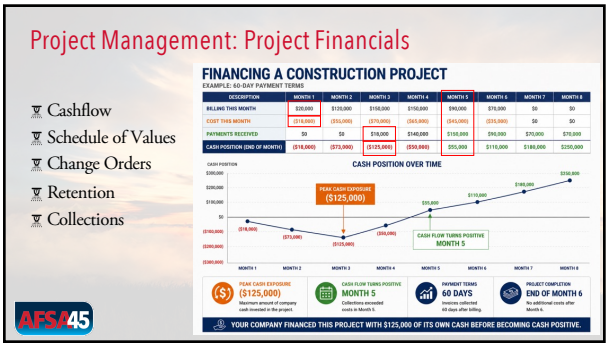

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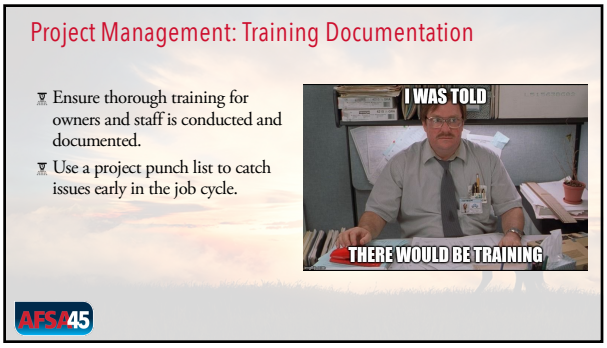

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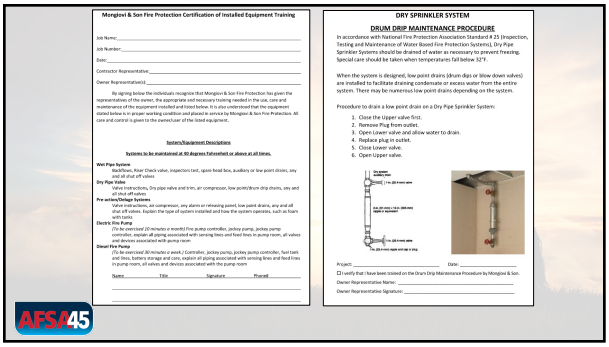

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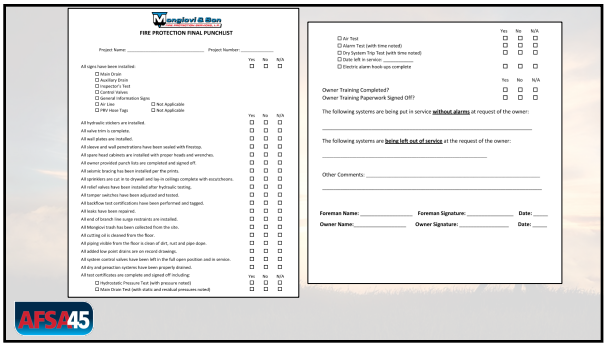

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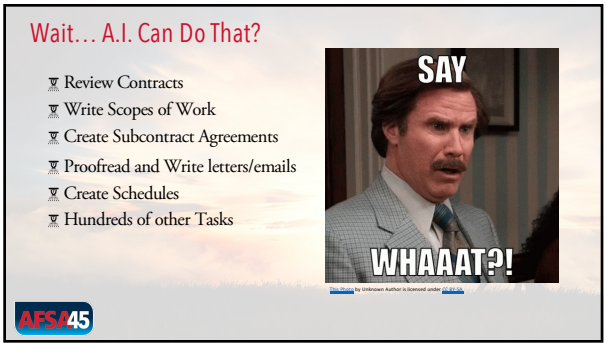

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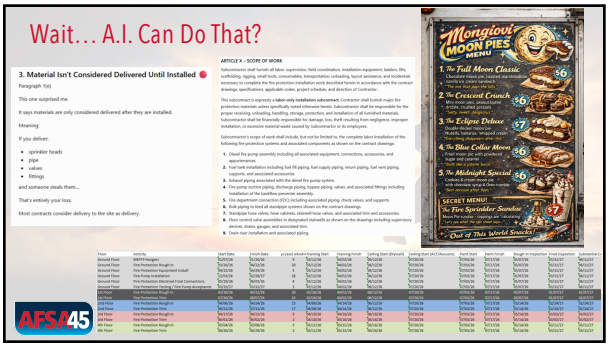

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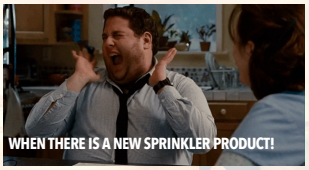
Leverage New Products and Technologies

- Embrace new labor-saving technology.
- Stay ahead of the competition by adopting innovative solutions.



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Keep Up with Changing Codes

- Constantly update your knowledge to stay compliant and ahead of the curve.
- Ensure your team is trained and familiar with the most recent code updates.
- Remember, you're in business of saving lives and protecting property.

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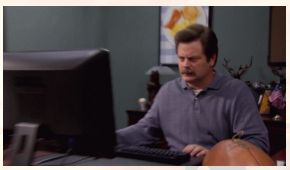
Work-in-Progress (WIP) Meetings & Documentation

- Regular WIP meetings ensure the project stays on track.
- Keep thorough documentation to avoid confusion later.
- Utilize Excel
- Document tracking software ,etc.



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Don't Be Like Barry

- Charge for your design time
- Charge for your labor time
- Charge for Overhead and Profit
- Your entitled to make a profit. Don't be Scared.

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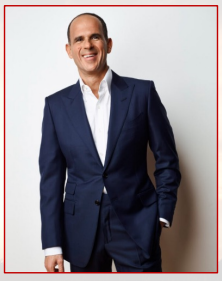
Know Your Numbers

- How many bids are you winning?
- What is your cost per hour?
- What is your cost per head?
- What is your material cost per head?
- What is your Annual Revenue?
- What is your NET profit?



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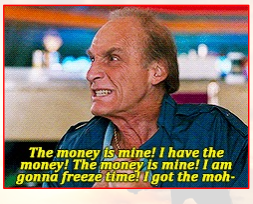
Focus on Margins and Profit

- Know the difference between revenue, gross profit, and net profit.
- Aim for at least 10% net profit margin; 20% if possible.
- Avoid taking on work that results in minimal net profit, especially with high risks.



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Business Owners

- Bulk Buying
- Early payments to vendors for discounts.
- Using the leftover heads and fittings laying in your warehouse right now.

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Reoccurring Revenue

- Schedule quarterly / annual inspections with owner before project competition.
- Up sale a 3-year contract with warranty letter
- Document all inspections to ensure quality and safety.

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Exercise that Membership

- Utilize AFSA Education and Training
- Go to local chapter meetings
- AFSA Tech Review

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Final Thoughts

- Keep improving your business practices for better profits, efficiency, and safety
- Always focus on quality, costs, and customer satisfaction to stay ahead in a competitive market.
- Have Fun and Enjoy this Wonderful Trade

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REQUIRED
FOR CEU CREDIT:

- ✓ Badge scanned at start of seminar
- ✓ Attend full seminar
- ✓ Complete survey 1 of 2 ways:
  - ✓ Survey link is emailed to attendees with scanned badges
  - ✓ Event app by EventsAir
    - Login to app
    - Navigate to seminar survey
  - ✓ Surveys close 10/31/26

Thank you!

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Scan QR code to submit questions for **Ask the Experts!**

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2027 Training Schedule

WEBINARS

1/6	Updates to NFPA 20
1/20	Calculating Pressure Reducing Hose Valves
2/3	Consumer Alert: Nitrogen in Sprinkler Systems
2/17	Reviewing Hydraulic Calculations
3/3	Updates to NFPA 13, 2028 Ed.
3/17	Updates to NFPA 13R & 13D, 2028 Eds.
4/7	Topic Coming Soon
4/21	NFPA 25: Roles & Responsibilities
5/5	Standpipe Flow Test Procedures
5/19	Storage 101
6/2	NFPA Technical Meeting - Voting Guide
6/16	Topic Coming Soon
6/30	Topic Coming Soon
7/7	Updates to NFPA 14, 2027 Edition
7/21	Adjacent Hazards & Design Methods
8/4	Acceptance Testing
8/18	Modifications to Existing Systems
9/22	Topic Coming Soon
10/6	Seismic 101
10/20	Proposed Updates to NFPA 25, 2029 Ed.
11/3	Evaluating Fire Pump Flow Tests
11/17	Top 10 Tech Reviews
12/1	Designing Water Storage Tanks
12/15	Pump Room Layout

PROGRAMS

Feb 9 - Mar 5 Apr 20 - May 14 Aug 3 - Aug 27** Oct 26 - Nov 19	Beginning Design School*
Apr 26 - May 7 Nov 1 - 12	Intermediate Design School*
Feb 8 - 10** Apr 12 - 14 Jul 12 - 14 Oct 11 - 13	Sprinkler Hydraulics Calculations Workshop
Apr 19 - 21 Oct 18 - 20	Advanced Hydraulics Calculations Workshop
Feb 11** Apr 30 Jul 23 Sep 24	Introduction to the Fire Sprinkler Industry
Mar 1 - 3 May 17 - 19 Aug 16 - 18 Oct 18 - 20**	NFPA 25 Essentials Workshop
Jun 7 - 10 Sep 20 - 23	Experienced Inspector Skills Lab
Mar 4 - 5 May 20 - 21 Aug 19 - 20 Oct 21 - 22**	NFPA 25 Fire Pump Workshop
Spring Summer Fall	ITM Inspector Development Program* *This program is 20 months.*

** Hybrid course **At General Air Products Lab, Exton, PA*

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September 8-11	Manchester Grand Hyatt San Diego, CA

For More Details Visit:
firesprinkler.org

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Dates subject to change. Programs subject to minimum registrations.

rev 9/14/2026

Virtual Instruction Path (VIP)

for Sprinkler Fitting Apprentices

Level 1 - Begins January 2027

Level 2 - Begins February 2027

Level 3 - Begins January 2027

Level 4 - Begins March 2027

www.firesprinkler.org/VIP

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HANDS-ON WORKSHOPS FOR 2027

FEATURING AFSA'S TRAINING LAB

NFPA 25 Essentials Workshop

Mar | May | Aug | Oct

Description: Understand roles, responsibilities, and NFPA 25 ITM procedures through hands-on testing of wet systems, dry systems, and fire pumps.

NFPA 25 Fire Pump Workshop

Mar | May | Aug | Oct

Description: Develop practical NFPA 25 fire pump ITM skills, including no-flow and full-flow testing, water supply graphing, and performance evaluation.

Introduction to the Fire Sprinkler Industry

Feb | Apr | Jul | Sep

Description: This course is designed for those new to the industry. An introductory, wide-ranging 8-hour course that provides a broad overview of core fire sprinkler industry concepts for those new to the field.

Experienced Inspector Skills Lab NEW

Mar | Sep

Description: Take your ITM expertise beyond the basics. Designed for experienced technicians, this course combines focused classroom instruction with hands-on system lab training to strengthen your application of current NFPA 25 inspection, testing, and maintenance requirements. Refine fire sprinkler testing practices, improve documentation, deliver more consistent service, and help reduce liability while reinforcing knowledge commonly covered on certification exams.

Learn more about AFSA's fire sprinkler lab featuring functional risers, a spray room, fire pumps, and an interactive classroom.

firesprinkler.org/lab