

PRICING BLUEPRINT (HOME SERVICE PROVIDERS)

Audience

- Contractors in their first 1–3 years of business
- Service-based trades (electricians, plumbers, HVAC, etc.)
- Goal: Build confidence in pricing service calls per crew per hour

Lesson Objective

1. Understand the 30/30/30/10 framework for pricing service work.
2. Learn why time is the product in service calls.
3. Practice filling out a worksheet to calculate their own hourly service rate.
4. Recognize that this is a ballpark gauge and should be confirmed with a CPA/financial advisor.

1. Why We Teach This

New contractors are nervous about pricing. Most rely on Google or forums asking “What should I charge?” The answers are inconsistent and don’t fit their business. Tradespeople are rarely taught financial literacy, so they guess. Guessing leads to undercharging and financial struggle. This framework isn’t exact — it’s designed to keep you in the right ballpark so you don’t work for free.

2. The Framework — 30/30/30/10

- 30% Profit — what you keep after all costs.
- 30% Overhead — trucks, insurance, phones, software, uniforms, marketing.
- 30% Taxes — a safe bracket to cover obligations.
- 10% Contingency — buffer for callbacks, mistakes, and no-shows.

Note: This is a teaching tool. Always confirm exact numbers with a CPA in your state.

3. Step-by-Step Worksheet (Fill-In)

Step	What To Do	Your Numbers
1. Wage	What do you pay yourself (or your worker)?	\$ _____/hr
2. Taxes	Add 30% flat. Wage \times 1.30 = _____	\$ _____/hr
3. Overhead	Solo 20%, Crew 25%, Multi 30%	\$ _____/hr
Subtotal	Wage + Taxes + Overhead	\$ _____/hr

4. Profit	Add 30% profit	\$ _____/hr
5. Contingency	Add 10% buffer	\$ _____/hr
Final Rate	This is your ballpark hourly service rate	\$ _____/hr

4. Growth Examples

Solo Contractor Pays himself \$50/hr → Ballpark \$100–110/hr **Contractor + Apprentice**
 Contractor ≈ \$100/hr Apprentice ≈ \$50/hr Crew Rate Together = \$150/hr

Two Crews

Each crew = \$150/hr Two crews = \$300/hr target revenue
 But overhead rises closer to 25–30% with more trucks,
 payroll, and admin.

5. Key Teaching Notes

- Service work = time is the product. Materials are add-ons. • This system is a gauge — not exact science. • Every business will differ (solo vs multi-crew). • Always review numbers with a CPA or advisor. • If your final number is far below these ballpark, you're undercharging.

6. Closing Discussion

- Ask: “How many of you realized you've been undercharging?” • Ask: “Where did your rate land — solo vs crew vs multiple crews?” • Reassure: This is a ballpark. The goal is confidence, not perfection. • Encourage: Work with a CPA for precision.