

## **Case Study – Revenue Visibility Diagnostic in an Field-Service Business (Oct–Dec 2025)**

### **Digital Archaeology | Working-Capital Visibility | Evidence-First Reconciliation**

#### **Executive Summary**

I analyzed a real, profitable field-service contractor operating in hurricane-rated environments with strong operational execution but limited data discipline. The company delivers high-end services—precision installation of impact-resistant window and door systems, technical repair and restoration, and certified water pressure testing—for high-value residential and commercial clients. Despite consistent field performance and repeat work, the business experiences recurring cash stress and reporting uncertainty because operational events (work performed, labor paid, approvals granted) are not consistently linked to financial artifacts (invoices, deposits, and A/R status).

This engagement was intentionally diagnostic, not a growth or optimization exercise. The objective was to reconstruct reality from incomplete, inconsistent datasets and produce conservative, defensible insights appropriate for leadership decisions. The analysis focused on a defined three-month window (October–December 2025), using November as a baseline deep dive. Key constraints included messy identifiers, partial reconciliation, manual invoice statuses, and deposit bundling. I treated payroll as the highest-confidence “cash truth,” treated email as operational evidence (approvals and confirmations), and treated bank deposits as revenue evidence only when linkable without inference.

**The core conclusion was structural:** the business is not underperforming operationally; it is under-instrumented financially. Labor costs are immediate, visible, and provable through payroll. Revenue is real but delayed, fragmented, and often not system-verifiable without manual reconstruction. This creates working-capital uncertainty, dependency on memory and email archaeology, and avoidable leadership stress—especially because labor is frequently paid before payment certainty exists.

#### **Business Context (Ground Truth)**

This is a small-to-mid sized high-end technical field-service contractor. Work performed includes precision installation of hurricane-rated impact systems, technical repairs and restoration (hardware overhauls, rollers, locks, seals), and water pressure testing and performance certification (diagnostics and reports). Operations take place in quality-sensitive environments where failure creates liability. The company’s execution is strong, but systems do not preserve a clean record of how work translates into invoice and cash.

Client structure is concentrated. Leadership estimates that a dominant client, Energía Solar (ES), accounts for roughly 60% of job volume. ES work originates primarily via email and is handled through direct conversations with project managers; approvals are often communicated through free-text messages and later paid in batches. Private clients are handled more directly

and tend to pay faster. Leadership's primary recurring stressor is "payments," specifically the inability to predict what cash is coming in next week relative to payroll.

### **Engagement Objective (Non-Negotiable)**

The objective was diagnostic visibility, not optimization, forecasting, or system redesign. The work focused on reconstructing how revenue is evidenced and reconciled across systems, quantifying labor outflow exposure relative to delayed cash inflows, identifying where cash risk and dependency exist, and exposing structural gaps that create stress even when operations are strong. The analysis was explicitly bounded to Oct–Dec 2025 with no external benchmarks, no invented metrics, and no inference-based matching.

### **Data Sources and Reliability Assessment**

The data environment lacked a clean system of record. QuickBooks Online contained invoices, deposits, and bank feeds, but invoices were often bare, sometimes duplicated, and frequently missing identifiers that link them to work performed. Invoice statuses were manually maintained and could not be treated as payment proof. Deposits frequently bundled multiple invoices, limiting direct matching. The bank feed was available from November onward; October deposits were not fully captured in the feed and required manual statement support for a complete cash picture.

Payroll exports were the highest-confidence dataset, containing employee-level day-level labor records, hours (often rounded), job/location labels, and actual pay amounts. Payroll was treated as a confirmed cash outflow and confirmed labor deployment. A key mapping was confirmed: "Sarasota extra" payroll entries correspond to ES work.

Emails functioned as the operational system of record for quotes, approvals, payment confirmations, and deposit reports. Approval signals were real but scattered and often free-text, making them hard to index and reuse systematically. Human clarification was used sparingly to validate process reality and definitions, not to infer numbers or invent linkage.

### **Analytical Method (Conservative and Defensible)**

Because identifiers were missing and reconciliation was partial, the method prioritized defensibility over completeness. Payroll was treated as the anchor truth for labor and cash outflow. Bank deposits were treated as cash inflow evidence when available. Email confirmations were treated as operational signals that could elevate confidence. QuickBooks invoice status was treated as an administrative state rather than proof of payment.

Matching rules were strict. Deposits were matched to invoices only when invoice numbers were explicitly referenced in deposit memos or payment confirmation emails. No inferred matching was allowed by amount similarity, timing proximity, address similarity, or memory. Where direct linkage was missing, ambiguity was documented rather than resolved artificially.

## **How the Company Actually Operates (Observed)**

Operationally, the business runs through leadership-driven pricing and negotiation, relationship-based approvals via email, rapid deployment, consistent payroll execution, and post-hoc reconciliation of invoices and deposits through manual effort. There is no structured job management system. A job exists as a call/email thread, an informal scope agreement, labor deployment, an invoice created after acceptance, and later a payment that may arrive bundled with other work. This model functions operationally, but it breaks financial visibility at the invoice level—especially with an enterprise client paying on approval and in batches.

## **Key Findings (Oct–Dec 2025, November baseline)**

Labor is incurred before revenue is system-verifiable. Payroll records are complete and time-stamped, making cash outflow immediate and visible. Revenue proof lags because payments are approval-driven, may arrive in batches, and are often not tied cleanly to invoices through consistent identifiers. The result is labor-funded receivables: payroll is paid on schedule while cash inflow arrives later and cannot be proven early enough to reduce stress.

There is no single source of truth for revenue status. QuickBooks contains invoices but does not reliably connect those invoices to job-level operational evidence. Deposits are real but bundled and often lack invoice references. Emails contain approvals and payment cues but are scattered and largely free-text, which prevents them from serving as a structured ledger. As a result, revenue truth must be reconstructed across systems, and management cannot consistently answer “what’s outstanding and why” without forensic work.

Month-based reporting is unreliable without manual intervention. Deposits in November included payments for invoices spanning multiple months. October cash activity cannot be fully captured through the bank feed alone. Calendar-month reporting can therefore distort timing and perceived performance unless bank statements and deposit decomposition are used to reconstruct cash reality.

Invoice-level payment proof is sparse under strict evidence rules. Across October–November invoices, only a small subset could be system-proven as paid using explicit invoice-number references. Many invoices required email review, human confirmation, or inference (explicitly avoided). This reflects traceability limitations rather than a lack of revenue activity. The core problem is evidence continuity, not demand.

Client concentration risk exists but is operationally opaque. ES drives a large share of job volume and operates through approval and batch processes. Without job-level identifiers, client-level exposure cannot be separated cleanly from the rest of the book, even when behavior differs materially. This forces management to treat all receivables as equally risky in practice, even though the data indicates that delays are concentrated among specific clients rather than systemic.

The root cause is singular and consistent. Invoices do not contain a job or project identifier linking them to labor already paid. This breaks the labor → invoice → approval → payment chain, creates open “orphan invoices” that cannot be defended internally without manual email archaeology, and increases dependency on ES to produce reconciliation reports that should exist internally.

## **Recommendations – Theory of Change and Practical Pathway**

Implement a job/project identifier spine as the minimum viable control. Require a simple Job/Project ID on every invoice and every payroll line item, and reference that same identifier in the email thread used for quoting and approval. The business already uses informal labels in payroll and email; the change is converting that label into a consistent join key. This creates immediate labor-to-revenue traceability and prevents orphan invoices from forming.

Centralize approval evidence to make email auditable. Approvals are currently scattered and free-text, which makes them real but non-indexable. Use Outlook rules and folder structure to route ES approval emails into a single “ES – Approvals” repository. This converts approvals from “hard to find” into auditable events and enables consistent classification of what is approved, what is pending, and what requires escalation.

Create a weekly “Cash Certainty Board” focused on ES. Payroll stress is a weekly visibility problem more than a monthly reporting problem. Maintain a simple register of invoices with completion date, invoice date, approval evidence link, paid/unpaid status, and a reason status when unpaid (waiting approval, awaiting batch, disputed/needs info, unproven/missing case file). This turns cash uncertainty into an actionable queue and supports disciplined follow-up without relying on memory.

Make QuickBooks complete enough to trust the P&L. If key expenses run outside QuickBooks (Home Depot credit card and owner-paid purchases), profitability may be materially understated or overstated without anyone realizing it. Link or import the Home Depot card transactions and capture owner-paid business expenses consistently using a proper “Due to Owner” approach so the P&L reflects true operating cost. This is not about perfection; it is about removing blind spots that distort decision-making.

Treat financing tools as optional bridges after visibility exists. Factoring and similar tools emerged as a response to timing stress. Financing becomes expensive and risky when invoices cannot be verified cleanly and approval evidence is scattered. Build the payment clock and invoice evidence first; then evaluate whether a bridge is needed and on what terms. This avoids paying external fees to compensate for internal invisibility.

Position the company for credit access and stronger financial options by making records bankable. Once the books are complete, reconciled, and internally defensible—meaning revenue can be supported, expenses are captured, payroll is aligned, and receivables are classified by evidence—the company becomes meaningfully more credible to external capital providers. Clean records open the door to credit lines and better financial instruments because

lenders and banks require reliable financial statements, reconciled cash activity, and clear A/R quality. In the current state, growth and investment options appear “impossible” not necessarily due to economics, but because chaos prevents the business from proving its stability. Creating traceability and bookkeeping integrity turns the business from relationship-driven and cash-reactive into a company that can qualify for formal financing and pursue strategic growth without compounding risk.

## **Conclusion**

The company is operationally strong and produces real revenue. The recurring stress and uncertainty do not come from weak demand or poor field performance. They come from a lack of traceability and evidence continuity across payroll, invoices, approvals, and deposits. Payroll is immediate and provable; revenue is delayed and fragmented; QuickBooks can store invoices but does not preserve job-level proof; email contains approvals but is not centralized or indexable. This combination creates labor-funded receivables, orphan invoices, and dependency on memory or client-provided reconciliation.

This diagnostic demonstrates that a minimal structure—centered on a job/project identifier and centralized approval evidence—creates disproportionate control. With that control, leadership can separate normal timing from true risk, reduce reliance on manual reconstruction, produce trustworthy financial statements, and unlock the ability to pursue credit lines and more sophisticated financial options. In short, the business does not need more work to stabilize. It needs traceability and books that are defensible.