

Navigating Cashflow Rapids in Infrastructure Construction



In the bustling world of Infrastructure Construction, where mammoth projects dance in tandem, cashflow is king. Take our 6-year journey with a company raking in \$60 million annually from 6 simultaneous projects. Here's the twist: cash, the lifeblood, often takes unexpected detours, threatening the project harmony.

Picture this: Labor and materials devour 75% of project revenue. Labor demands upfront payment, and materials, a dance of advance or a 30-60 day waltz. The client, be it the State or Central Government or a private player, showers payments every 30 days, pegged to project completion. Here's the catch – working capital must juggle buying materials, paying labor, and keeping the site afloat till month-end billing.

In the ideal realm, the company strategically allocates its working capital across the 6 projects, a seamless ballet of financial efficiency. Yet, reality throws curveballs – excess materials, stalled work fronts, delayed client payments. Suddenly, one project devours capital but fails to spew cash, disrupting the capital dance.

Enter Halbe, the maestro behind a quarterly Working Capital Allocation plan. Each site gets a fixed upfront working capital chunk, setting the stage for a monthly cashflow and working capital symphony. If a site can't cough up cash, it bears the brunt but doesn't drag down the high-performers.

The result? Fewer instances of projects gasping for cash, thanks to a workforce realizing that diligence and care are the keys to success. The impact? A business booming on the back of efficient working capital usage, revealing the secret sauce to sustainable growth in Infrastructure Construction.

**Expedite business growth
with Halbe**

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