

# BUSINESS PERFORMANCE METRICS

## FINANCIAL MEASURES

**NOTE:** Select what level of **profit** is being used:  
*Gross, Contribution, Operating, Profit before tax, Profit after tax*

1. Return of Assets = Profit before taxes / return of assets
2. Return of Equity = Profit before taxes / return of equity
3. Current Ratio = Current assets / current liabilities
4. Quick Ratio = Current assets – inventory / current liabilities
5. Return on Sales = Net income / sales
6. Return on Equity = Net income / previous year's equity
7. Return on Assets = Net income / total assets
8. Debt to Equity = Total liabilities / equity
9. Accounts Receivable = Turnover sales / accounts receivable
10. Age of Accounts Receivable = Accounts receivable / sales / 365 days
11. Age of Accounts Payable = Accounts payable / sales / 365 days

## PRODUCTIVITY MEASURES

12. Asset Turnover = Sales / total assets
13. Employee Output = Sales / employees

## BRANDING AND SALES MEASURES

14. Return on Sales = Profit before taxes / fee sales
15. Market Share = Firm sales / total market sales
16. Relative Market Position = Firm measure / market average position  
or = Firm measure / leading-firm measure
17. R & D Intensity = R & D spending / firm sales
18. Advertising Intensity = Advertising spending / firm sales
19. Growth Rate = Current year - past year / past year
20. "80/20" Rule = 80% of sales come from 20% of customers

# BUSINESS PERFORMANCE METRICS

## CONFERENCE METRICS

- # Project Leads
- # Resumes Obtained
- # Contractor Meetings
- # A/E Meetings
- # Clients Entertained
- # People Added to Mailing List

## WEBSITE METRICS

- # Leads from Website
- # Resumes Submitted Online
- # Website Hits (traffic count)
- # Minutes Spent per Website Section / Page

## ADVERTISING METRICS

- Advertising Cost by Market
- Pre & Post Name Recognition Survey
- Response Rate (call to action)
- # of Leads per Ad
- # of Resumes per Ad
- # of RFP's per Ad

## MEDIA RELEASE METRICS

- # of Articles Generated from a Media Release
- Column Inches Printed
- Publication Readership
- # of Inquiries from an Article
- # Leads from an Article
- # of RFP's from an Article
- # of Speaking Engagements from an Article

## DIRECT MAIL METRICS

- Direct Mail Campaign Response Rate
- # Articles Generated from the Campaign
- # Inquiries from the Campaign
- # Leads from the Campaign
- # Awards from the Campaign
- # Cost of Campaign

## VALUE OF CLIENT METRICS

- Profit per Client
- Client Budget Share
- # of Referrals by Client

- # of Jobs from Referrals
- Length of Time of Lead-to-Contract by Client Type

## PROPOSAL METRICS

- Hours to Prepare by Operations
- Hours to Prepare by Market
- Short-List Percentage
- Win-Rate Percentage
- Cost to Prepare:
  - *By Project Type*
  - *By Area of Operations*
  - *By BD Person*

## SALES ACTIVITIES METRICS

- # of Referrals per BD Person
- # of Proposals per BD Person
- Hit Rate per BD Person
- Hit Rate per Market
- # of Proposals per Office
- # of Capture Plans per BD Person
- Fee Sales by Office
- Fee Sales by Market
- Fee Sales by Delivery Method
- Sales Costs by Operation Group

## **Business Development Hours Spent:**

- Sales Training
- Lead Finding
- Lead Qualifying
- Information Gathering
- Client Visits
- Planning, Strategizing
- Proposal Development
- Presentation Development
- Debriefing

## COMPETITIVE POSITION METRICS

### **MARKET SHARE:**

- Percent of State K-12 Education Work
- Competition: Share of Market held by Other Firms

### **CLIENT'S BUDGET SHARE:**

- Percent of Client's Budget
- Share of the Budget held by Other Firms

## CUSTOMER SATISFACTION

- # of Punchlist Completion Days
- Estimated Project Cost vs. Actual Cost
- Estimating Accuracy