



KPI Cheatsheet

<p>Lagging Indicator Definition- Measures focusing on results at the end of a time period, normally characterizing historical performance.</p>	<p>Leading Indicator Definition- Measures that "drive" or lead to the performance of lag measures; normally measuring intermediate processes and activities.</p>
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KPI	Definition	Type
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1. General Management

Resource Utilization - Standard	Billable hours ÷ Standard hours (by department or by individual)	Lagging
Resource Utilization - Adjusted	Billable hours ÷ (Standard hours - vacation & holiday)	Lagging
Resource Utilization - Comprehensive	(Billable hours + Sales support hours) ÷ (Standard hours - Vacation & Holiday)	Lagging
Resource Utilization - Forecast	(Forecast billable hours (based on ETC) + Hours associated with "probable" sales) ÷ Standard hours	Leading
Capacity - Total	Work capacity in hours over 12 week period	Leading
Capacity - Individual	Work capacity in hours over 12 week period, by individual	Leading
Services Efficiency	Invoiced revenue ÷ Possible revenue	Lagging
Revenue Backlog	Portion of booked revenue not completed	Leading
Revenue Forecast	Portion of booked revenue not completed + Revenue from "probable" sales	Leading
Gross Margin Backlog	Gross Margin associated with booked revenue not completed	Leading
Write-offs	Everything that should have been billable but wasn't (overruns, warranty, bad debt, etc.)	Lagging
* ROC Ratios	A variety of rate of change ratios (your revenue, US Industrial Production, etc.) - Alan Beaulieu, Institute for Trend Research	Leading
Profit per Employee	Total profit ÷ Total number of employees	Lagging
Revenue per Employee	Total revenue ÷ Total number of employees	Lagging
Overhead Cost Ratio	Overhead costs ÷ overhead budget	Lagging
Number of Active Projects		Lagging
PMI	Purchasing Managers Index (published economic indicator)	Leading
PICI	Primary Industrial Control Index (NEMA published economic indicator)	Leading
ESI	Electroindustry Stock Index (NEMA published economic indicator)	Leading

2. Human Resources

Employee Turnover Ratio	Number of employees who leave ÷ The average number of employees over the time period	Lagging
Employee Count		Lagging
Billable Employee Count		Lagging
Attrition Count		Lagging
Hired Count		Lagging
Retention Percentage		Lagging
Number of Qualified Resumes	Number of resumes that have reached a defined level of qualification (ie., they made it to the second round)	Leading
Number of Offers		Leading
Acceptance Ratio	Number of accepted offers ÷ Number of offers	Leading
Training Cost to Plan	Training cost (hard costs + cost of labor) by employee compared to established baseline	Leading
Technical Proficiency	Number of employees proficient in key technical areas compared to plan	Leading
Recruitment Efficiency	Total recruiting costs ÷ Number of hires	Lagging
Number of Reviewed Resumes	Number of resumes that make it to a particular stage in the review process	Leading
Employee Satisfaction	As measured by an employee survey (for example, <i>Oregon Business'</i> Best Places to Work Survey)	Leading

3. Marketing, Business Development, Sales Management

Booked Revenue to Plan	Comparison of booked revenue with planned revenue bookings	Lagging
Sales Forecast - Total	Forecast of bookings (total or by department)	Leading
Sales Forecast - Weighted	Weighted forecast of bookings (confidence % times revenue for each opportunity, totaled)	Leading
Rolling Average Bookings	Monthly booking averaged over last 12 months (provides trend information)	Leading
Number of Customer Visits		Leading
Number of Quotes		Leading
Number of Closes		Lagging
Sales Efficiency	Total sales and marketing costs ÷ Total revenue	Lagging
Sales Gross Margin - Quoted	Average GM % for all quotes over a time period	Lagging
Sales Gross Margin - Booked	Average GM % for booked jobs over the same time period	Lagging
Number of New Opportunities		Leading
Quoted Revenue		Leading
Opportunity Pipeline	Categorized sales revenue by Account Manager (Awarded, Lead, Lost, Pending, Proposal, Shortlisted)	Leading
Number of Marketing Leads	Tracked by marketing vehicle (Ad, Trade Show, Website, Direct Mail)	Lagging

Revenue by Customer / Product / Industry	Use for business development as well as balancing risk (don't put all your eggs in one basket)	Lagging
Profit by Customer / Product / Industry		Lagging
4. Financial Management		
Days of Cash	How many days you can operate with current cash levels, assuming no more cash comes in	Leading
Cash Flow Forecast	12 Month cash flow outlook based on current bookings	Leading
Earned Revenue	Overall or by Profit Center/Department	Lagging
Gross Margin	Overall or by Profit Center/Department	Lagging
Net Margin	Overall or by Profit Center/Department	Lagging
Net Profit	Overall or by Profit Center/Department	Lagging
Debt to Equity Ratio		Lagging
SMG&A to Total Revenue	Selling, Marketing, General, and Administrative Expenses ÷ Total revenue	Lagging
Cash Flow Ratio	Accounts Receivable ÷ Accounts Payable	Lagging
Current Ratio	Current Assets ÷ Current Liabilities (measure of liquidity)	Lagging
Quick Ratio	(Assets - Inventory) ÷ Current Liabilities (measure of liquidity)	Lagging
AP	Accounts Payable	Lagging
AR	Accounts Receivable	Lagging
AR Aging	Average Age of Receivables	Lagging
ROA	Return on Assets Ratio: (Net Income + Interest Expense) ÷ Total Assets	Lagging
Working Capital	Current Assets - Current Liabilities	Lagging
Cash to Target Reserves	Actual Cash-in-hand compared to targeted cash reserves	Lagging
Overtime Ratio	Overtime Cost ÷ Total payroll	Lagging
Change in Forecast Revenue	Month by month comparison of 6-month rolling average revenue forecast	Leading
Change in Forecast Profit	Month by month comparison of 6-month rolling average profit forecast	Leading
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization	Lagging
Line of Credit Usage		Lagging
Interest Expense	Interest of loans and lines of credit	Lagging
Sales to Receivables	Total Sales Revenue ÷ Accounts Receivable	Leading
Burden Rate	Cost per billable hour associated with overhead (non-billable activities)	Lagging
5. Project Management		
Billing Rate	Invoiced amount ÷ Hours worked	Lagging
Invoicing Efficiency	Project or individual billing rate ÷ The company average billing rate	Lagging
Project Gross Margin - Actual	Actual GM by Project	Lagging

Project Gross Margin - Estimated	Current GM expected for a project in process (based on ETC)	Leading
EAC Labor to Plan	Estimated hours at completion compared to project baseline (budget)	Leading
EAC Materials to Plan	Estimated cost of materials at completion compared to project baseline (budget)	Leading
EAC Total to Plan (Work Plan Variance)	Estimated total cost at completion compared to project baseline (budget)	Leading
6. System Development		
* Drawing Revision Cycles	Number of revision cycles for a given drawing package	Leading
* Number of Purchase Requisitions	Number of purchase requisitions submitted by engineering (project by project)	Leading
* Milestone Completion Dates to Plan	Comparison of actual project milestone dates to plan	Leading
* Percentage Warranty / Rework	Hours of post startup follow-up and rework ÷ Total project hours	Leading
7. Supporting Activities		
Inventory Turns	Cost of Goods Sold ÷ Average inventory	Lagging
Total Inventory		Lagging
* Negotiated Cost Reduction Savings	Supply Chain metric: Net cost savings as a direct result of your negotiations with vendors	Leading
* Implemented Cost Reduction Savings	Supply Chain metric: Net cost savings as a result of other efforts (restocking fee reduction, shipping cost reductions, etc.)	Leading
* Procurement ROI	Savings ÷ Operating costs	Lagging
* Major Supplier Ratio	Percent of all suppliers that account for 80% of spending	Lagging
* Supplier Performance	Price, delivery, quality, service, etc.	Lagging
* Transaction Volume	Requisitions, Purchase Orders, Invoices	Lagging
8. Quality Assurance		
Customer Satisfaction	As indicated by standardized customer survey	Leading
Promoter Index	Specific customer survey "would you recommend us to a colleague? 1-10"	Leading
Compliance to Processes, Standards, and Values	Measured by internal quality audits or continuous monitoring	Leading
Performance to Key Focus Area	Measurement of performance to a key area of focus, may change periodically; used to establish habits and align with corporate objectives	Leading