

# Financial Survey - 2013

BUSINESS PRACTICE COMMITTEE  
2012-2013 ANNUAL FINANCIAL PERFORMANCE SURVEY

Note: Please use data from your most recent fiscal year-end to answer the following 13 questions.

Where appropriate, the 2011-2012 median response for firms of all sizes has been provided in brackets [].

When entering data, enter numbers only. Do not enter any non-numeric characters, such as \$, %, #, commas, etc.

## 1. Total Staff (worldwide)

Technical

Non-technical

## 2. Fee Income from geoprofessional services performed by your firm's staff (exclude all income from subcontractors, subconsultants, and expense reimbursements, including any markup fees)

\$

## 3. Pre-Distribution Profit (PDP) expressed as a % of Fee Income (PDP = Profit before bonuses, profit-sharing, taxes)

[2011-2012: 9.0%]

## 4. Pre-Distribution Overhead (P-DOH), expressed as a % of direct labor (P-DOH = Total Overhead Cost less bonus and profit-sharing distributions / Total Direct Labor Charged to Projects)

[2011-2012: 181.9%]

## 5. Net Multiplier

(Fee Income / Total Direct Labor Charged to Projects)

[2011-2012: 3.05]

## 6. Utilization Ratio, expressed as a % (Direct Labor Payroll / Total Payroll)

[2011-2012: 57.8%]

## 7. Marketing Costs, expressed as a % of Fee Income (include business development, advertising, and proposal labor and expenses)

[2011-2012: 4.0%]

## Financial Survey - 2013

**8. Discretionary Profit Distribution, expressed as a % of Fee Income (include bonuses and profit-sharing and/or SEP, 401k, or other type of tax-deferred contribution)**

**[2011-2012: 4.5%]**

**9. Vacation, Holiday, Sick Leave, expressed as a % of Total Payroll**

**[2011-2012: 8.9%]**

**10. Group Insurance, expressed as a % of Total Payroll**

**[2011-2012: 8.3%]**

**11. Cost of Space, expressed as a % of Total Payroll**

**[2011-2012: 9.7%]**

**12. Average Collection Period, in days**

**a) Work in Progress (unbilled accounts receivable)**

**[value of unbilled accounts receivable / (total revenue / 365)]**

**[2011-2012: 16 days]**

**b) Billed Accounts Receivable**

**[value of billed accounts receivable / (total revenue / 365)]**

**[2011-2012: 69 days]**

a)

b)

**13. Fee Backlog, in weeks**

**[Value of Contracted Fee Backlog / (Fees Billed / 52)]**

**[2011-2012: 22 weeks]**

Thank you for completing this survey! Click "Done" below to submit your survey; if successful, you will see a confirmation. If you prefer to submit this by paper, just fax (301/589-2017), mail (see address below), or e-mail ([info@asfe.org](mailto:info@asfe.org)) your responses to ASFE.

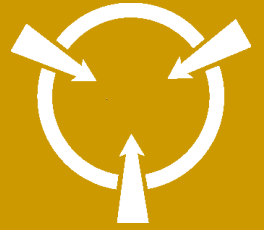
ASFE

Attn: 2013 Fin Survey

8811 Colesville Rd., Suite G106

Silver Spring, MD 20910

# Financial/Operations Survey



Why Should I Participate?



## **Business Practices Committee**

Chairman: Dr. Alex Sy, P.Eng.

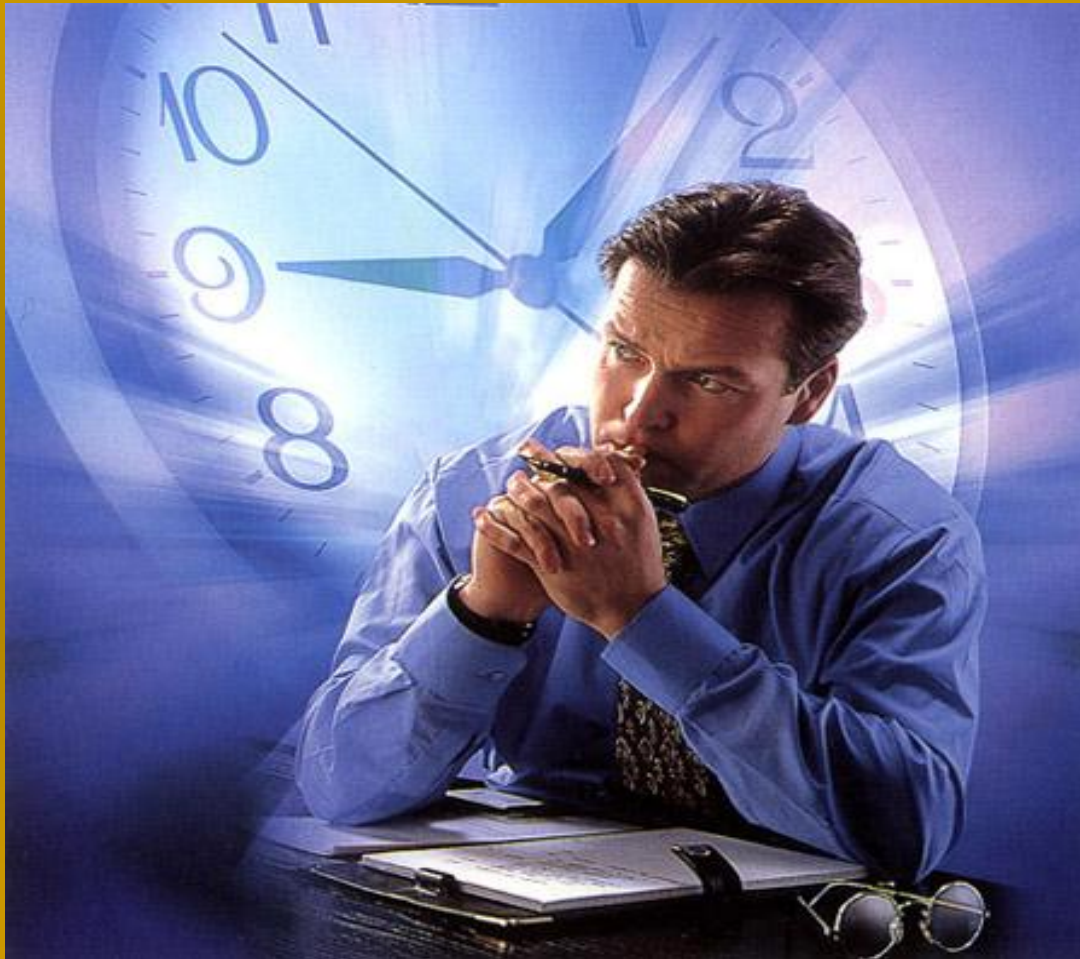
Presented by: Lee James, CPA, CMC, CBI



# Financial/Operations Survey



What's in it for me?



# Financial/Operational Results



Business of Engineering

- Balancing Act
  - Technical Quality
  - Business Performance

***How Balanced are YOU?***



# **Financial/Operational Results**



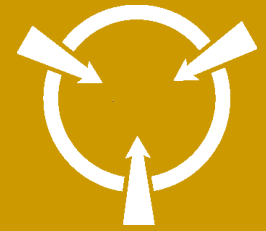
Measures **BALANCE** of your Business:

**employees**

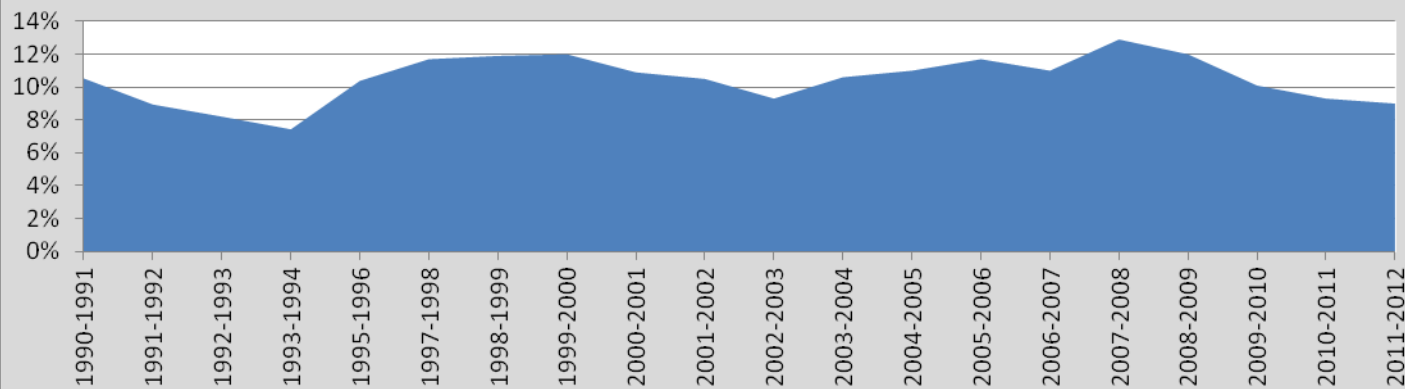
**clients**

**profits**

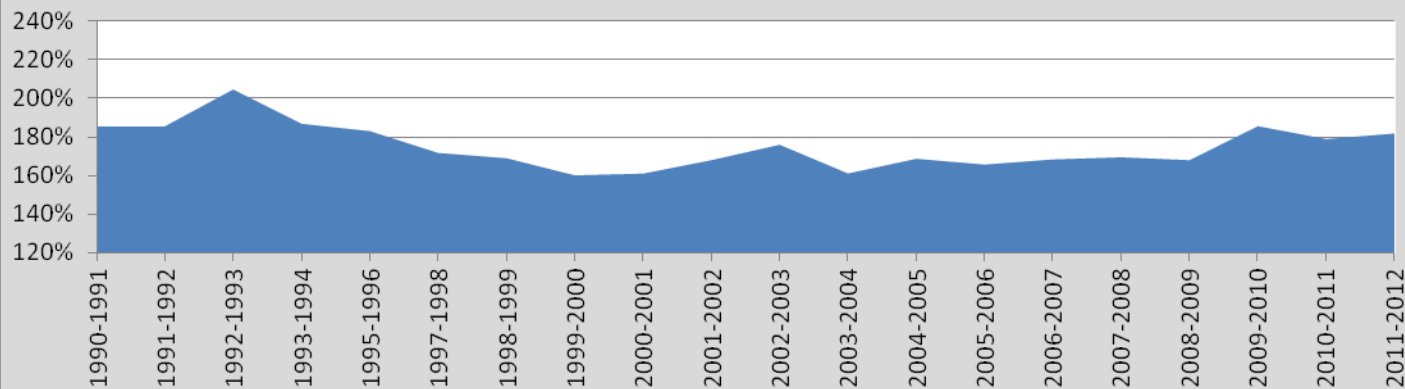
# Financial/Operational Results



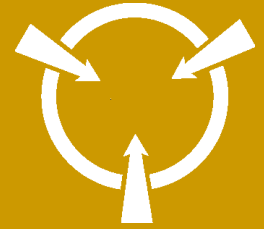
## Profit Before Bonuses, Profit Sharing & Taxes



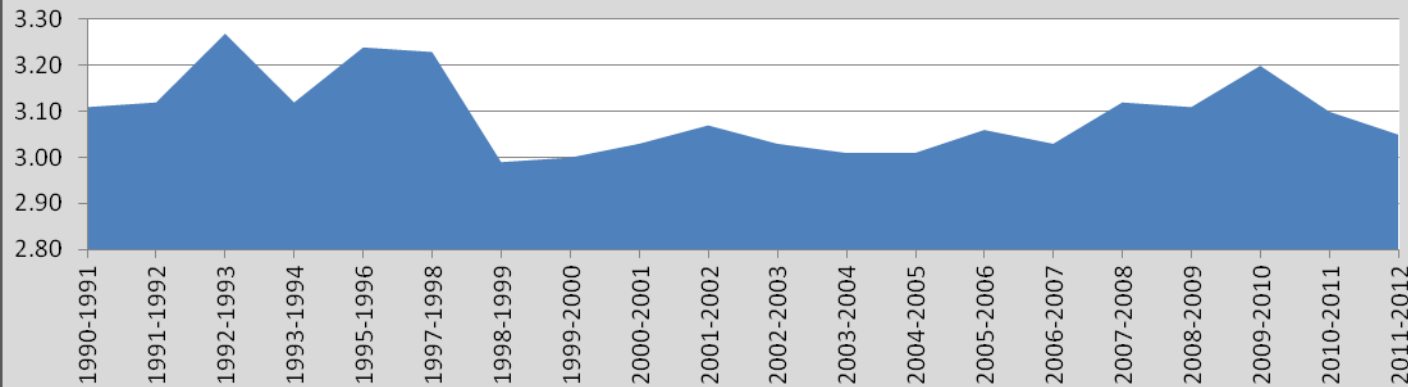
## Predistribution Overhead



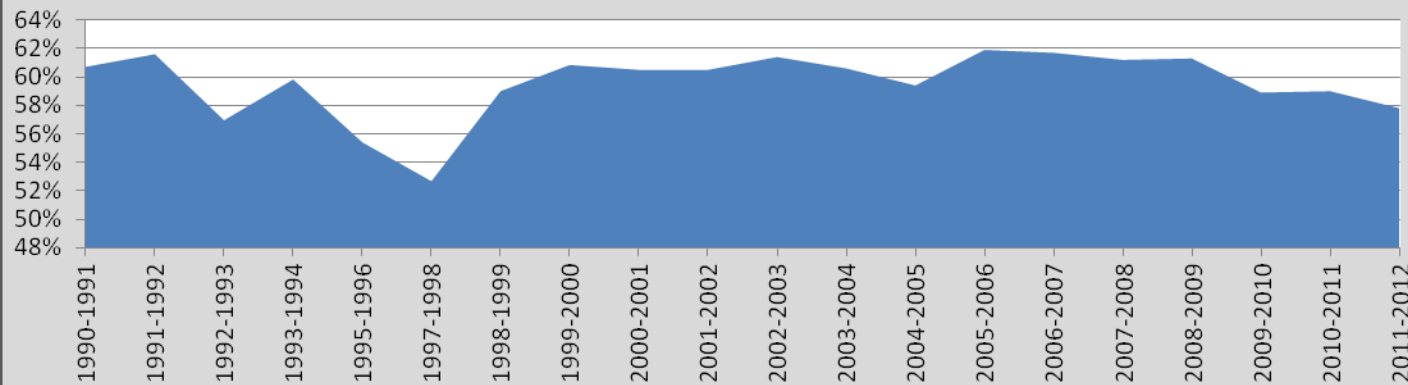
# Financial/Operational Results



## Net Multiplier

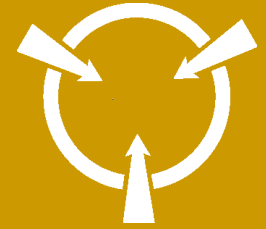


## Utilization Ratio

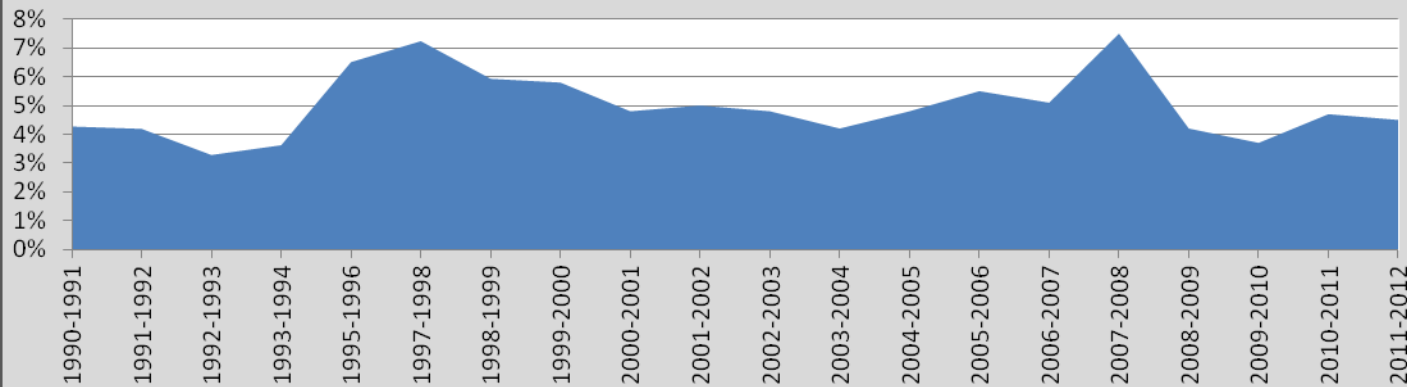




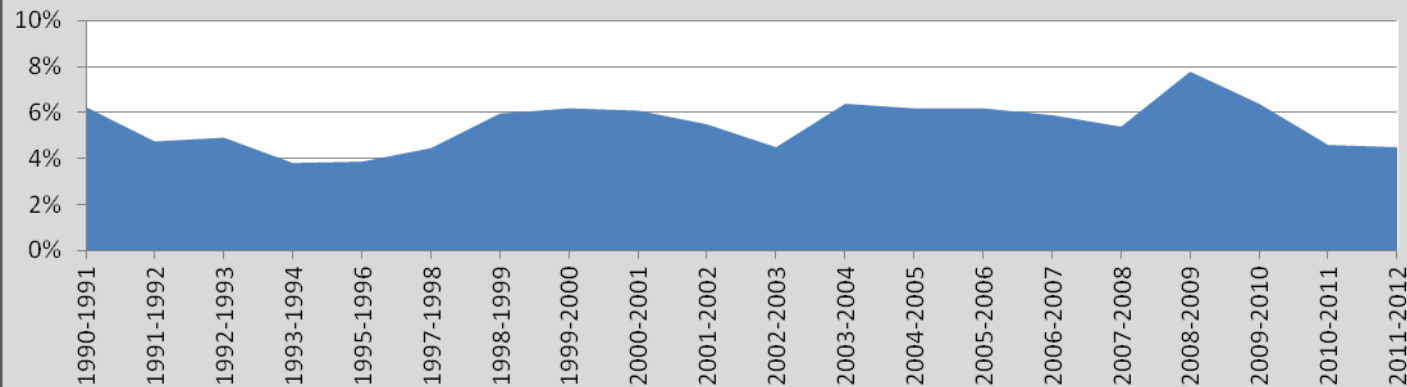
# Financial/Operational Results



## Discretionary Profit Distribution



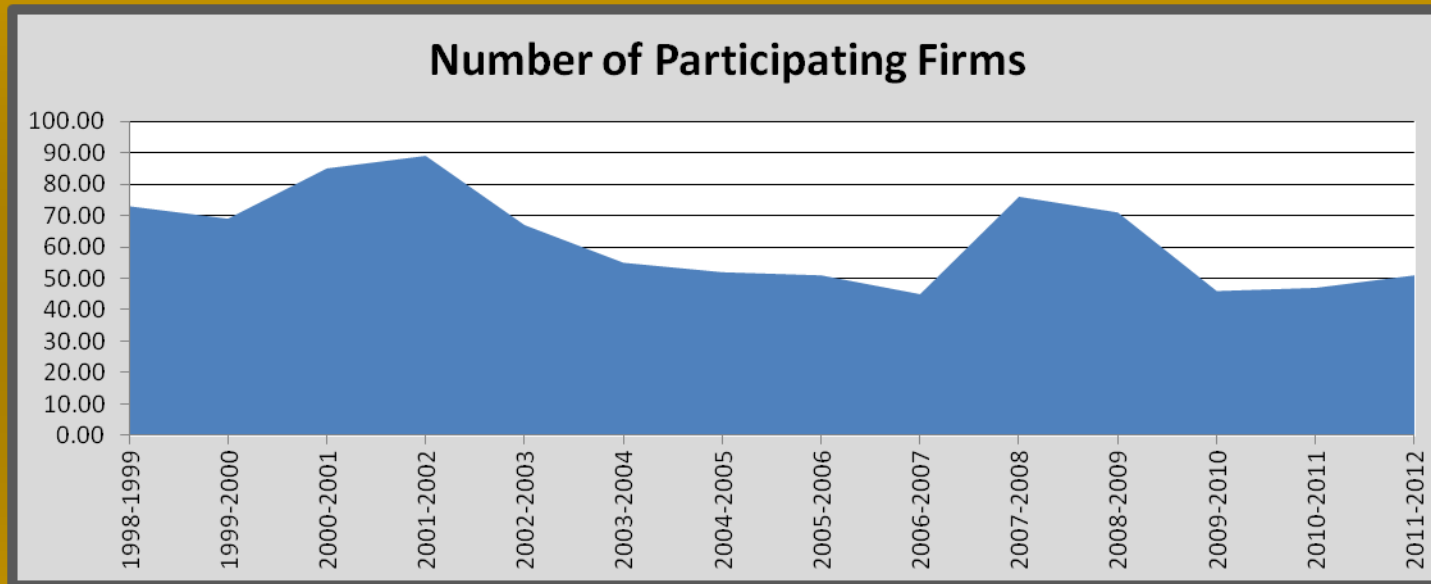
## Profit After Bonus & Profit Sharing (before taxes)



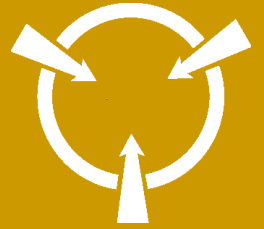
# Financial/Operational Results



We need more participation:



# Reasons to Participate



We need YOUR participation:





# Reasons to Participate



The more that participate, the  
more meaningful the data



*SOLID FOUNDATION*



# Reasons to Participate



Understand how you  
compare to your peers





# Reasons to Participate



Baseline for sharing with others  
and pulling to higher level





# Reasons to Participate



If CHANGE is needed, you have  
data to support.

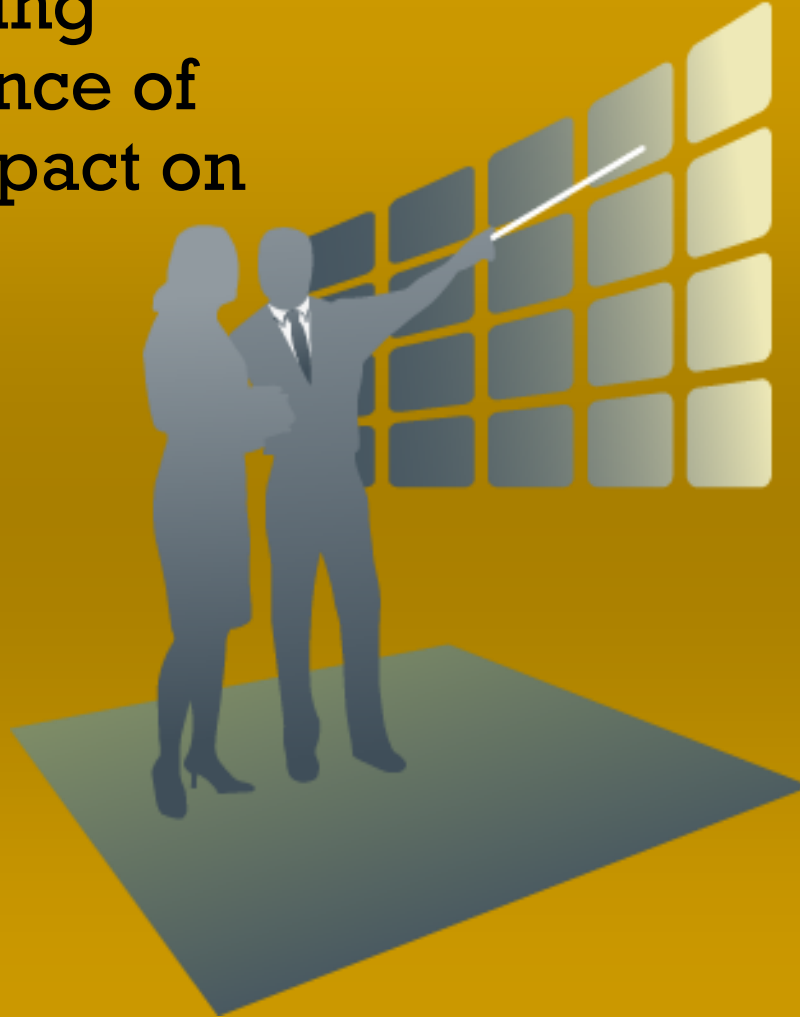
CHANGE



# Reasons to Participate



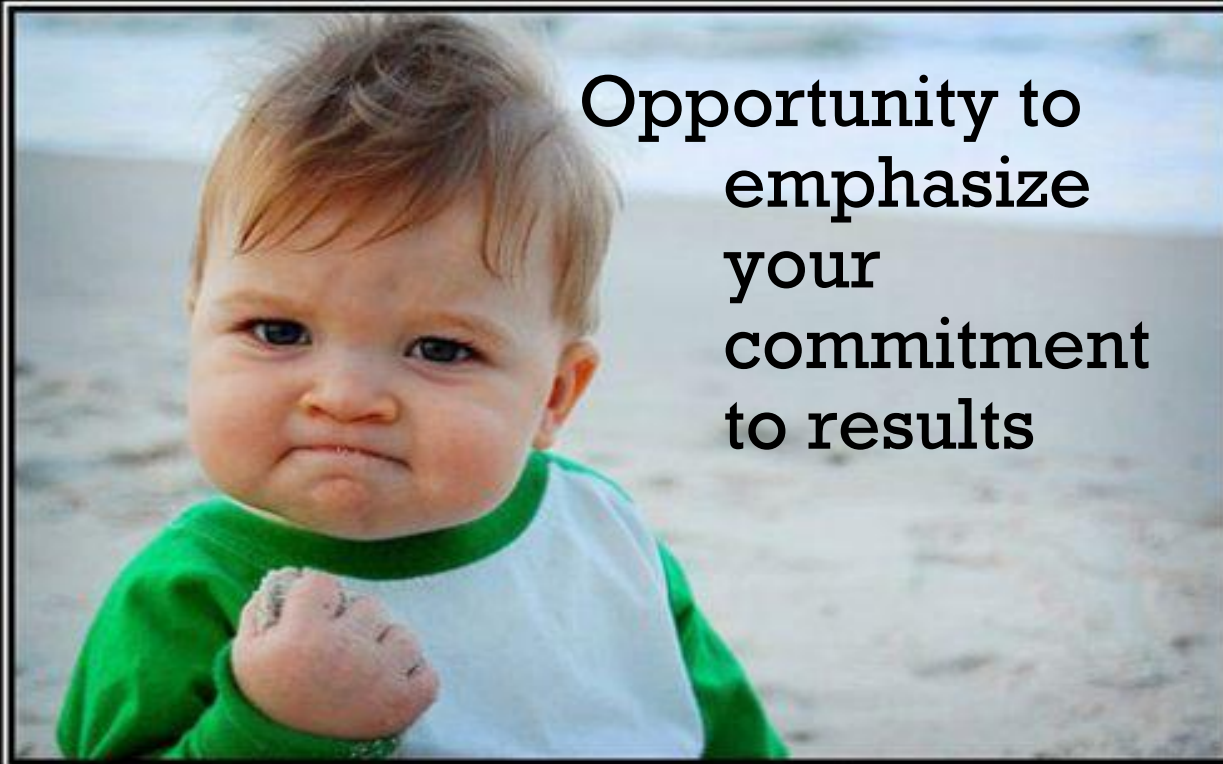
Catalyst for teaching  
others importance of  
metrics and impact on  
Business







# Reasons to Participate



Opportunity to  
emphasize  
your  
commitment  
to results

## EXPLANATION

I demand one



# Reasons to Participate



For historical trend  
comparison – you  
compared to others.





# Reasons to Participate



You can use when  
costs and  
pricing is  
questioned





# Reasons to Participate



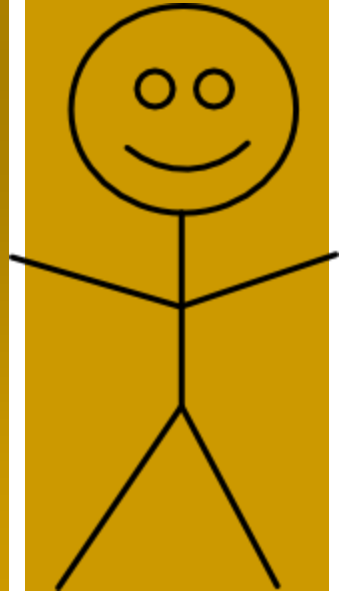
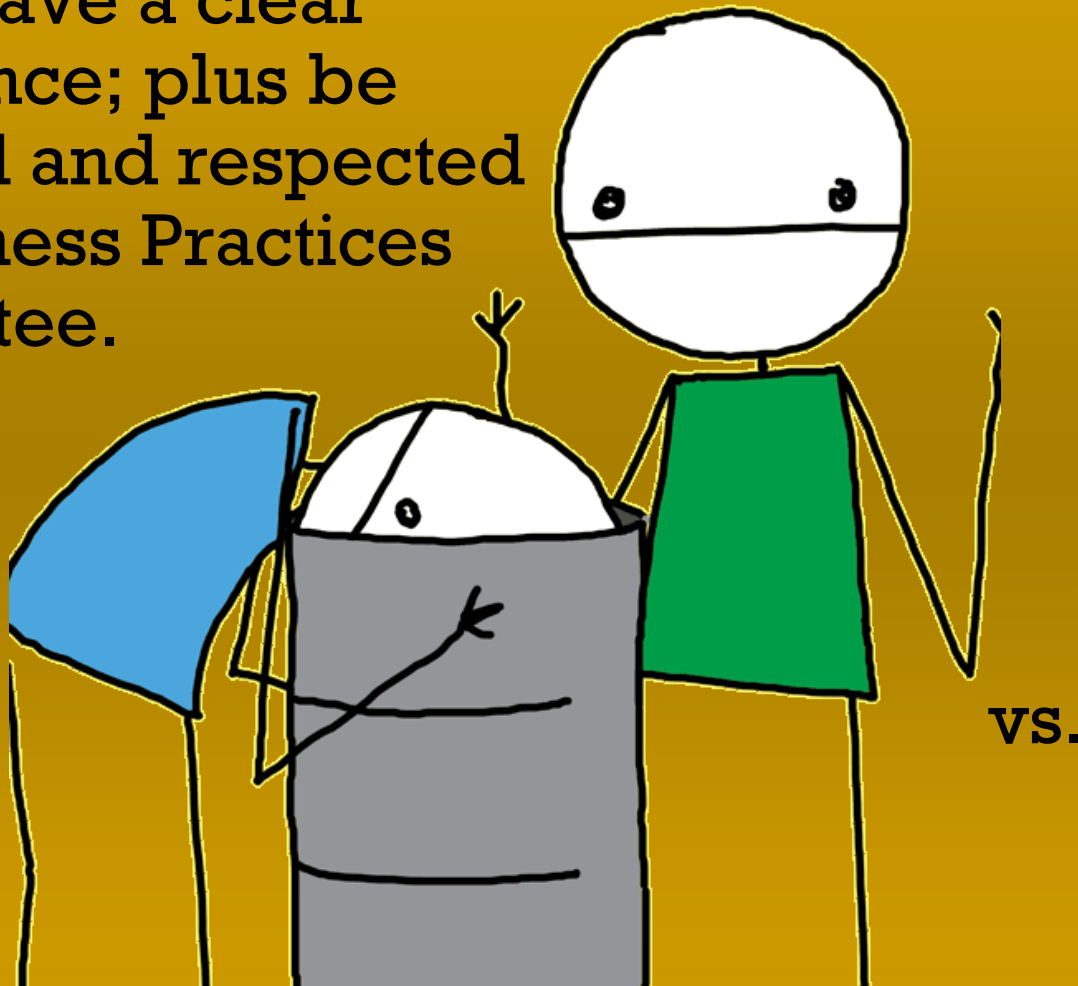
You are supporting the ASFE/GBA  
and it is much appreciated.





# Reasons to Participate

You will have a clear conscience; plus be admired and respected by Business Practices Committee.





# How to Participate



## Multiple Ways to Complete

- Whatever is easiest for you.
  - Internet through ‘Survey Monkey’
    - <http://www.surveymonkey.com/s/xjs2ys5>
  - Fax – 301-589-2017
- For other assistance:
  - Reference ASFE website for webinar
    - “Benchmarking Your Firm’s Financial Performance” at <http://www.asfe.org/index.cfm?pid=11585>
  - Call Lee James @ 303-738-9140
- ***All is strictly confidential***