

PRACDEV KEY

INDICATOR REPORTS

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AUCHINLEA PTY LTD

This publication is proudly sponsored by **TARI for Business™**, a software tool sold by Focus Based Management Pty Ltd to target and track business performance. Case studies are provided with this publication to give examples of TARI™ in action. Additional case studies, referring a wide selection of business ranging from manufacturing, retail, contracting and the professions, can be found at <http://www.fbm.com.au>.

INTRODUCTION TO VOLUME X

Pracdev Key Indicator Reports (PKIR) are drawn from data supplied by practising accountants throughout Australia, and are intended to provide a tool in the advisory kit of the accountant, bank manager, finance officer, government business adviser and so forth.

Volume IX embraces 221 industry sectors. Each sector presents key indicators in the form of percentages to the sales of one full time equivalent employee, (FTE - see definition of terms on the next page). An adviser wishing to compare the business of a client with the Reports, should in the first instance, divide the Sales or Gross Fees (net of GST) of the client's business by the number of full time equivalent employees.

There is a sound reason behind this change of approach in that the adviser is required to identify the full time equivalent staff of the client's business as a first step. This in turn represents a vital piece of input to our management advisory software tool, from which important comparative analysis can be performed, and in the case of more specific identification of employee roles, (production, sales, admin. etc), pinpointing additional indicators to the well-being or otherwise of the business.

The likely debate over this approach concerning sales per FTE differing according to the size of the business (economics of scale) unless otherwise stated, is not as relevant or sustainable in the light of actual results as may at first be assumed. Theoretically, the argument for economics of scale is rational; practically, given the absence of clear, precise and penetrative management capable of discerning the woods from the trees, it remains the happy hunting ground of the theorist.

It is important to note that the data presented is indicative only and should be treated as such.

Sample sizes vary considerably from sector to sector, and even when the sample size is large and into the thousands as with the Australian Bureau of Statistics data, the readout is only as good as the input, which does not always balance the inaccurate with the accurate.

Our thanks go to the hundreds of Businesses who have supplied the raw data used to compile these reports. The authors and publisher accept no responsibility for the use that readers make of the data and information presented in this book. This generalised information is indicative only and requires further professional advice to meet the needs of a specific business.

Readers and users wishing to learn more about the reports or the software and the videos that are referred to in the contents, should contact:

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Definition of Terms

FTE stands for **Full Time Equivalent** (Employees) and is best calculated by dividing the total hours worked of all employees, including the proprietors by 1687 hours. For example, six part-timers working a total of 5061 hours would equate to three full timers, referred to as full time equivalent or FTE.

The **Highs & Lows** columns indicate the range from the sample. Thus a high sales per FTE may shown in the Highs column may not be the same business with a high Gross Profit % in the same report. Similarly with the Lows column. Highs and Lows are shown as a guide to the advisor and may not be present for all indicators.

Sales/Gross Revenue/Fees per FTE is calculated using working FTE proprietors with Sales etc. net of sales tax.

Gross Profit or Gross Margin Percentage is based on Sales (net of GST) less cost of materials used, unless otherwise stated.

Expense Account Percentages are relate to the Sales or Gross Fees.

Wages calculated per FTE and include total wages and salaries paid to full time, part time, and casual staff including superannuation, long service leave etc.. Proprietors are included on the basis of an imputed rate of \$50,000 per working FTE proprietor. This approach has been adopted in every sector contained in these Reports, inclusive of the professions.

Occupancy relates to rentals, associated outgoings as per normal leasing contract and identifiable property ownership expenses such as interest, rates and taxes etc.

Charged hours to Available. This percentage is a measure of the level of activity (productivity), comparing actual output with potential output. Less than 10% of businesses know their productivity, which without targets, slips to human comfort level of well under four hours a day per person employed, tending to push prices up to maintain survival.

Average Gross Profit hourly charge rate. In certain sectors, an indicative hourly GP charge rate is identified and includes the profit on the materials or parts used. Such profit invariably boosts what is commonly referred to as the “hourly charge rate” to what is in fact an **Hourly G.P. Charge Rate**.

Volume and \$Rate. There are many indicators measuring performance, but none more vital than the **volume** of output coupled with the **\$G.P. rate** per unit of output (a unit can be a sale or an hour of time etc). Any industry sector, be it retail or manufacturing, wishing to boost performance must come to terms with the need to target a certain level activity at a target \$G.P.rate per unit of that activity. These are the two vital keys which require identification in the first instance as a basis for targeting improved performance, the achievement of which involves frequent and regular monitoring. (See **www.fbm.com.au** for more details)

Use of Reports. These Reports can be most effectively used by:-

- (1) Stapling a copy of the page relevant to the client's business at the back of the client's file and filling in the percentages extracted from yearly profit and loss statements;
- (2) Conveying the results to the client, preferably in an interview situation or
- (3) Completing a Key Indicator Analysis report for the client by use of Lok-On software which is installed in hundreds of accounting practices.

Any one or all of these steps will give perceived added value to the services of an adviser. (See Video/DVD 702, Interviewing Clients)

Videos/DVDs. Throughout the Reports, reference is made to Videos/DVDs. These are a series of 8 specially produced for the profession and its clients. Please refer to our web site **www.fbm.com.au** for more information.

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Pracdev Key Indicator Report**Abattoir****Code:** ABATW**Activity:** Wholesale**Units:** No. of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$110,000			
		Gross Profit	84 %			
		Wages and Salaries	35 %			
		Total Expenses	80 %			
		Net Profit	4 %			

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	Sales			Gross Profit		
	No.	\$	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

One off profile indicators typical sales / gross profit per FTE.

Targeting and monitoring gross profit per kilogram on throughput is essential to survival.

Key Monitoring Indicators

Sales/gross profit by product and weight (kg).

Sales/gross profit per \$1 wage.

Sales/gross profit per production hour weekly and accumulatively

Output (kg) as a % of capacity weekly and accumulatively

Accounts receivable weekly.

Cash Flow monthly

Accounting Practice

Pracdev Key Indicator Report

Code: ACCOP

Activity: Professional

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
204	85	Fees per FTE Person	\$112,000			
48	38	Wages and Salaries	43 %			
10	4	Occupancy	7 %			
4	2	Computer Costs	3 %			
		Total Expenses	80 %			
31	11	Net Profit	20 %			
87	46	Charged hours to available	69 %			
150	75	Average Fee per hour	\$100			

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	No of Hours Charged	Average Rate \$	Total Charged	Billings	Work In Progress	Receipts
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Practices failing to focus on an average hourly charge rate coupled with charged hours and tracked weekly are likely to fall behind the eightball. The range of average rates operating in practices only a few suburbs apart indicates that rate setting is very much an "instinctive" process whereas it should be based on total expenses and target net profit divided by target charged hours and monitored weekly. (See Video 501)

Key Monitoring Indicators

Hours charged x average rate, overall and by each producer weekly and accumulatively.

(Hours charged to be net of write offs).

Write offs weekly and accumulatively.

Cash Flow monthly.

A TARI for Business™ Case File

by Professor Keith Cleland

An Accounting Practice Gets the Message

When the partners of Jones & Associates CPA's reflected on the CPA advertising logo "Not Your Average Accountant", they considered their practice to be well above and not below the average.

They practiced in an up-market office, ensured the latest magazines were available in the foyer complete with chic receptionist to deal with phone and desk inquiries, offered regular seminars on matters related to client concerns, including taxation, superannuation, financial planning, computerisation, management advice and general consulting. Actively involved with community clubs, church groups and other organisations, they prided themselves on their marketing outreach.

The only matter that causes them a nagging concern was their profitability at the end of the year when time came to split the profit four ways. The individual share was only half of what partners of the other practice in town took home. They knew this because of information passed on by the software consultant servicing both practices.

Their hourly charge rates were worked out in the traditional manner by a multiplying salaries by a factor of 2.75 and as the resulting rates were higher than the other practice, in their view they could not be increased.

They reviewed their productivity, which at an overall 64% of available hours seemed to be in the ball park for practices of their size.

Then they asked for assistance.

"What are your total expenses?" I asked.

"\$1,000,000"

"What net profit would you like to see to split between four of you?"

"\$600,000"

"How many chargeable hours are you targeting for the year ahead?"

"We hope to get at least 64% of paid hours, say 16,000 hours".

"Then you are looking for \$1,600,000 gross fees at an average of \$100 an hour. Based on a 50 week year the average weekly target works out at 320 billed hours at an average of \$100 an hour. Or on a five day week, 64 billed hours a day.

"But our hourly charge rates range from \$35 for the junior to \$150 for a partner depending on the base salary.

"That will be no problem. Ideally, you will target the time to complete a job so that

the fee averages out close to the \$100 per hour involved. At the billing stage, the software should give you the number of hours spent by various staff members along with the average rate achieved. If it is under \$100 you may want to review the time taken. If it is over \$100, so much the better".

"We do review the summaries of this sort of information each month" they responded.

"You need to review it weekly. By noon each Thursday, the hours and rates to be billed by Friday at 5pm are compared with the average weekly target of 320 hours at \$100 and the difference written up on the whiteboard for all staff to see. If you look like being under target, the staff will know what to do, particularly if they are placed on a bonus for every hour billed over target".

"But that means letting the staff know details of practice billings."

"What they don't know already they make up. Fear of their full participation would hold back the potential of the practice. The aim should be to harness their undivided input and energy. That is achieved by team work. The whole practice focusing on the target and cooperating to that end".

"But we only bill at the end of each month, and our software system only gives monthly reports."

"You must start billing weekly. Apart from improving your cashflow, you can maintain a firm grip on hours and rate if they are monitored week by week."

"What about work in progress. We may have well over the target hours for the week that can't be billed because the jobs are not completed?"

"We are talking about billings only. If you use work in progress hours you will have discrepancies when it comes to finalising the account. At present you write off some of those hours if you feel the client may react adversely. Work in progress hours will tend to even themselves out via the billings. You will find write offs will gradually fade away altogether as your team becomes focused on targeting what a job should take before it is started."

Note: The practice increased its billing by 20% over the previous year in the subsequent six months and went onto out-do the targeted net profit per partner. The nine to five syndrome faded as staff began to enjoy the incentive of one third of their individual charge out rate for every hour billed beyond their personal target. A system where hours over were credited and hours under debited, on a three monthly cycle.

Once the partners got the message they talked about the concepts with their business clients, some of whom adopted a similar approach. The news soon went around the town that Jones and Associates offered a lot more than just compliance work. Banks started making referrals and word of mouth did the rest.

Pracdev Key Indicator Report

Advertising

Code: ADVES

Activity: Service

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
165	81	Gross Contribution per FTE	\$113,000			
		Wages and Salaries	49 %			
14	5	Occupancy	7 %			
		Total Expenses	91 %			
24	6	Net Profit	9 %			
72	50	Charged hours to available	64 %			
		Average \$ G.P. per hour	\$98			

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	Media			Production			Art			Print			Other			Total			
	\$	GP	Hrs	\$	GP	Hrs	\$	GP	Hrs	\$	GP	Hrs	\$	GP	Hrs	\$	GP	GP%	Hrs
This Week																			
Total to Date																			
Total																			
Target																			
Variance																			

Comment:

Some agencies carry out all services in-house, (with the exception of printing and developing). Other agencies sub contract to varying degrees. As a result, revenue has been shown as gross contribution or gross profit, after payment for subcontract work as well as payment for media placement. Agencies normally earn 10% commission on media placement and from 7.5% to 30% on work sublet out depending on the input required inhouse.

Key Monitoring Indicators

Although agencies seldom think in terms of hourly rate, their performance will be much improved if hours per job are monitored accumulatively, week by week, and compared with a target average rate per hour.

Financials summarised monthly.

Cash Flow monthly.

Air Conditioning

Pracdev Key Indicator Report

Code: AIRCT

Activity: Service

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
265	140	Sales per FTE person	\$220,000			
35	29	Gross Profit	32 %			
21	15	Wages and Salaries	18 %			
3	1	Occupancy	2 %			
4	1	Advertising	2 %			
		Total Expenses	29 %			
10	1	Net Profit	3 %			
		Charged hours to available	68 %			
68	45	Average \$ G.P. per hour	\$57			

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	Installation			Service			Total			
	Sales \$	G.P.\$	Hours	Sales \$	G.P.\$	Hours	Sales \$	G.P.\$	Hours	Ave per Hour
This Week										
Total to Date										
Total										
Target										
Variance										

Comment:

The mix of sales revenue from installation and service varies from business to business. The more the servicing the greater the overall gross profit which on installation tends to be less than 20% due to competition. Clients should be encouraged to track hours in both installation (including design work, planning and supervising) and servicing. (See Video 401)

Key Monitoring Indicators

Charged hours x average rate by type of work weekly and accumulatively.

Cash Flow monthly.

Stock levels monthly.

Pracdev Key Indicator Report

Antique Dealer

Code: ANTIR**Activity:** Retail**Units:** No of sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
209	105	Sales per FTE person	\$187,000			
53	41	Gross Profit	48 %			
		Wages and Salaries	21 %			
13	4	Occupancy	8 %			
		Total Expenses	44 %			
12	1	Net Profit	4 %			
4	1.5	Stockturn	2.5			

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	Sales			Gross Profit		Workshop		
	\$	Number	Average	\$	%	Hours Charged	\$	Average per Hour
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Gross profit margins reflect the wide variety of antique dealers with stock ranging from up-market to that bordering on the 'second hand'. Tracking workshop hours to items purchased is an important but neglected process. Antiques are sold wholesale averaging 15% G.P., trade (30% G.P.) and retail (45% +). Very low stock turnover indicates need for improved merchandising. (See Video 301)

Key Monitoring Indicators

Sales by number, average and gross profit margin weekly, and accumulatively.

Workshop hours charged x average rate weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Architect

Pracdev Key Indicator Report

Code: ARCHP

Activity: Professional

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
120	85	Fees per FTE Person	\$100,000			
		Wages and Salaries	44 %			
9	3	Occupancy	5 %			
		Leasing	3 %			
		Total Expenses	86 %			
25	6	Net Profit	14 %			
74	50	Charged hours to available	68 %			
150	85	Average Fee per hour	\$110			

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	Billings	Receipts	WIP	Hours Charged	% Charged/ Available
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

An average hourly rate for the office should be calculated and the number of hours targeted and tracked weekly. (See Video 501) Once the hours for each job are estimated, the actual hours spent should be tracked against the job and reviewed weekly.

Key Monitoring Indicators

Charged hours x average rate weekly and accumulatively.

WIP and Job Reviews weekly.

Cash Flow monthly.

Pracdev Key Indicator Report

Art Supplies

Code: ARTSR**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
192	102	Sales per FTE person	\$176,000			
44	35	Gross Profit	40 %			
		Wages and Salaries	20 %			
8	4	Occupancy	6 %			
		Total Expenses	36 %			
10	1	Net Profit	4 %			
6	3	Stockturn	5			

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	Sales			Gross Profit	
	Number	\$	Average	\$	%
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Variety of mark ups on different lines indicate a need for tracking gross profit day by day and comparing with target, weekly and accumulatively. Tendency to overstock requires corrective action through monthly stock takes, based on one quarter of stock lines each week. (See video 301).

Key Monitoring Indicators

Number, value of sales/gross margin per sale, per category and overall, weekly, accumulatively.

Stock levels monthly.

Cash Flow monthly.

Audio Visual Centre

Pracdev Key Indicator Report

Code: AUDIS

Activity: Hire
Retail

Units: No of Hires
No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$300,000			
		Gross Profit	34 %			
		Wages and Salaries	13 %			
		Occupancy	2 %			
		Depreciation	2 %			
		Motor Vehicles Expenses	2 %			
		Total Expenses	24 %			
		Net Profit	10 %			

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	Sales			Gross Profit		Hirings			Equipment			
	No.	\$	Ave.	\$	Ave.	No.	\$	Ave.	A \$	B \$	C \$	D \$
This Week												
Total to Date												
Total												
Target												
Variance												

Comment:

One off profile to give an indication of sales per FTE, Gross Profit and 4 expenses. Needs dissection between sales and hirings to establish sources of profitable transactions.

Key Monitoring Indicators

Sales/Gross Profit per sale per category and overall weekly, monthly and accumulatively.
No of Hirings overall and by category and average revenue per fire weekly, monthly and accumulatively.

Expenses Monthly.

Cashflow monthly (Debtors and Creditors)

Stock Levels monthly.

Pracdev Key Indicator Report

Auto Accessories

Code: AUACR**Activity:** Retail
Trade**Units:** No of Sales
No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
260	138	Sales per FTE person	\$235,000			
40	29	Gross Profit	33 %			
		Wages and Salaries	17 %			
9	3	Occupancy	5 %			
		Total Expenses	30 %			
9	1	Net Profit	3 %			
6	3	Stockturn	4			

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	Sales No.	Sales \$	Gross Profit \$	Gross Profit %	Average Sale
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Need to dissect retail sales from trade and if relevant, internal sales and then monitor average and gross profit per sale accordingly. The proportion of retail sales to trade, (retail G.P 32-41%, trade G.P 20-25%) will impact bottom line as well as cash flow if not carefully monitored.

Key Monitoring Indicators

Sales/gross profit and average sale per sale and by category weekly and accumulatively.
Stock levels monthly.
Cash Flow monthly.

Auto Brakes

Reconditioning

Pracdev Key Indicator Report

Code: AUTBR

Activity: Retail
Trade

Units: No of Sales
No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
134	85	Sales per FTE person	\$115,000			
73	59	Gross Profit	70 %			
		Wages and Salaries	35 %			
8	2	Occupancy	5 %			
		Total Expenses	60 %			
12	4	Net Profit	10 %			
75	50	Average \$ G.P. per hour	\$70			
70	55	Charged hours to available	65 %			

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	Sales No.			Sales \$			Gross Profit \$			Gross Profit %			Average Sale
	Direct	Trade	Total	Direct	Trade	Total	Direct	Trade	Total	Direct	Trade	Total	
This Week													
Total to Date													
Total													
Target													
Variance													

Comment:

High average G.P rate per hour includes up to 100% markup on parts used and/or sold. Need to dissect direct sales from trade sales and monitor average and gross profit per sale accordingly.

Key Monitoring Indicators

Sales/gross profit and average sale per sale and by category weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Auto Dealer

Pracdev Key Indicator Report

Used Cars

Code: AUTOR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
478	313	Sales per FTE person	\$444,000			
23	15	Gross Profit	19 %			
		Wages and Salaries	10 %			
5	1	Occupancy	2 %			
3	1.5	Advertising	2 %			
		Total Expenses	17 %			
10	1	Net Profit	2 %			
6	3	Stockturn	4			

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	Sales			Gross Profit	
	Number	\$	Average	\$	%
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Sales per FTE (higher than new/used dealership due to absence of parts, workshop and clerical support) varies from dealer to dealer depending on target price range. Warranty for used vehicles creates greater pressure on Used than New Car dealers.

Key Monitoring Indicators

Sales/ gross margin per car and overall, weekly, accumulatively.

Floor plan costs weekly and accumulatively.

Cash Flow monthly.

Pracdev Key Indicator Report

Auto Detailer

Code: AUTDT**Activity:** Trade**Units:** Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
80	55	Sales per FTE person	\$72,000			
89	80	Gross Profit	86 %			
		Wages and Salaries	56 %			
		Occupancy	3 %			
		Advertising	2 %			
		Total Expenses	80 %			
7	1	Net Profit	6 %			
55	40	Average \$ G.P. per hour	\$50			
77	58	Charged hours to available	73 %			

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	Sales		Gross Profit		Hours Charged	Average		
	\$	No	\$	%	No	GP\$ / Hr	\$Sale / Job	\$GP / Job
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Tracking average contribution per hour and per job will greatly assist management in improving bottom line.

Comparatively low hourly charge rate reflects competitive nature of industry and pressure on costs for such work. Tendency to underquote to get the work coupled with acceptance of low rates to maintain work flow with motor dealers, requires regular review of contribution per hour charged.

Key Monitoring Indicators

Sales/margins/hours charged per invoice, weekly and accumulatively.

Stock levels monthly.

Expenses and Cash Flow monthly.

Auto Electric Repairs

Pracdev Key Indicator Report

Code: AUTOT

Activity: Trade

Units: No of Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
140	88	Sales per FTE person	\$127,000			
66	54	Gross Profit	60 %			
		Wages and Salaries	32 %			
7	2	Occupancy	5 %			
		Total Expenses	55 %			
12	2	Net Profit	5 %			
70	52	Charged hours to available	65 %			
74	50	Average \$ G.P. per hour	\$68			

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	Invoiced Sales \$	No. Sales	Gross Profit \$	Gross Profit %	Hours Charged	Average Rate
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Primarily dependent on workshop sales in which materials are marked up 25-50% on average. Productivity could be improved with focus on hours actually billed from day to day.

Key Monitoring Indicators

Invoiced sales/ gross profit, hours charged and average rate per job and overall, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Records of quotes given and accepted.

Pracdev Key Indicator Report

Auto Exhaust

Code: AUTET**Activity:** Trade**Units:** No of Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
142	108	Sales per FTE person	\$130,000			
75	65	Gross Profit	68 %			
		Wages and Salaries	29 %			
9	3	Occupancy	6 %			
3	1	Advertising	2 %			
		Total Expenses	65 %			
9	1	Net Profit	3 %			
		Charged hours to available	70 %			
75	55	Average \$ G.P. per hour	\$70			

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	Invoiced Sales \$	No. Sales	Gross Profit \$	Gross Profit %	Hours Charged	Average Rate
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Focus on hours per job and average gross profit per hour inclusive of mark up plus charge rate and comparison with a target benchmark will materially assist management decision making.

Key Monitoring Indicators

Invoiced sales/gross profit, hours charged and average rate per job and overall, weekly and accumulatively.

Stock levels monthly.

Cash flow monthly.

Record of quotes given and accepted.

Auto Reconditioning

Pracdev Key Indicator Report

Code: AUTRR

Activity: Retail
Trade

Units: No of Sales
No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
145	93	Sales per FTE person	\$128,000			
61	44	Gross Profit	56 %			
		Wages and Salaries	31 %			
6	1	Occupancy	3 %			
		Total Expenses	50 %			
12	2	Net Profit	6 %			
70	54	Charged hours to available	68 %			
70	55	Average \$ G.P. per hour	\$62			

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	Sales No.			Sales \$			Gross Profit \$			Gross Profit %			Average Sale
	Direct	Trade	Total	Direct	Trade	Total	Direct	Trade	Total	Direct	Trade	Total	
This Week													
Total to Date													
Total													
Target													
Variance													

Comment:

Need to dissect direct sales from trade and then monitor average gross profit per sale accordingly. Average Gross Profit per hour includes hourly charge rate plus mark up on parts.

Key Monitoring Indicators

Sales/gross profit and average sale per sale and by category weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report

Auto Repairs

Code: AUTRT**Activity:** Trade**Units:** No of Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
136	90	Sales per FTE person	\$119,000			
65	48	Gross Profit	60 %			
		Wages and Salaries	31 %			
10	3	Occupancy	5 %			
		Total Expenses	50 %			
15	4	Net Profit	10 %			
		Charged hours to available	65 %			
70	50	Average \$ G.P. per hour	\$65			

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	Invoiced Sales \$	No. Sales	Gross Profit \$	Gross Profit %	Hours Charged	Average Rate
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Primarily dependent on workshop sales in which materials are marked up 20-30% on average. Productivity tends to be low in the smaller workshops due to constant interruptions, coupled with lack of focus on hours actually billed from day to day.

Key Monitoring Indicators

Invoiced sales/gross profit, hours charged and average rate per job and overall, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Record of quotes given and accepted.

Auto Trimmer

Pracdev Key Indicator Report

Code: AUTTR

Activity: Trade

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
110	70	Sales per FTE person	\$92,000			
75	65	Gross Profit	73 %			
		Wages and Salaries	38 %			
8	4	Occupancy	6 %			
		Total Expenses	65 %			
10	3	Net Profit	8 %			
60	45	Average \$ G.P. per hour	\$55			
75	60	Charged hours to available	70 %			
12	5	Stockturn	7			

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	Sales		Gross Profit		Hours Charged	Average		
	\$	No.	\$	%	No.	\$/Hr	\$/Sale	\$/G.P.
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Comparatively low hourly charge rate reflects competitive nature of industry and pressure on costs for such work. Tendency to underquote to get the work coupled with acceptance of low rates to maintain work flow with motor dealers, requires regular review of contribution per hour charged.

Key Monitoring Indicators

Sales/margins/hours charged per invoice, weekly and accumulatively.

Stock levels monthly.

Expenses and Cash Flow monthly.

Pracdev Key Indicator Report

Auto Wheel Alignment

Code: AUWAR**Activity:** Retail
Trade**Units:** No of Sales
No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
130	90	Sales per FTE person	\$115,000			
75	64	Gross Profit	70 %			
		Wages and Salaries	33 %			
8	2	Occupancy	6 %			
		Total Expenses	59 %			
15	3	Net Profit	11 %			
		Charged hours to available	65 %			
70	50	Average \$ G.P. per hour	\$65			

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	Sales No.			Sales \$			Gross Profit \$			Gross Profit %			Average Sale
	Direct	Trade	Total	Direct	Trade	Total	Direct	Trade	Total	Direct	Trade	Total	
This Week													
Total to Date													
Total													
Target													
Variance													

Comment:

Need to dissect direct sales from trade and then monitor average sale and gross profit per sale accordingly. Low productivity reflects typical small business syndrome of continued interruptions, not least the need to drive test, pick-up and deliver cars.

Key Monitoring Indicators

Sales/gross profit and average sale per sale and by category weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Baby Wear

Retail

Pracdev Key Indicator Report

Code: BABYR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
148	96	Sales per FTE person	\$125,000			
47	40	Gross Profit	44 %			
		Wages and Salaries	28 %			
15	4	Occupancy	7 %			
		Total Expenses	41 %			
7	1	Net Profit	3 %			
6	3	Stockturn	4			

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	Sales			Gross Profit	
	Number	\$	Average	\$	%
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

High occupancy expense in shopping centres versus shopping strips.

Variety of mark ups on different lines indicate a need for tracking gross profit day by day and comparing with target, weekly and accumulatively. Tendency to overstock requires corrective action through monthly stock takes, based on one quarter of stock lines each week. (See Video 301).

Key Monitoring Indicators

Number, value of sales/ gross margin per sale, per category and overall, weekly, accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report**Barrister****Code:** BARRP**Activity:** Profession**Units:** Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
600	100	Fees per FTE Person	\$220,000			
		Wages and Salaries	26 %			
		Occupancy	14 %			
		Total Expenses	60 %			
		Net Profit	40 %			
550	120	Average hourly charge rate	\$250			

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	Number of Charged Hours	\$	Total \$
This Week			
Total to Date			
Total			
Target			
Variance			

Comment:

Fees of barristers vary in hourly rates as well as per day ranging from \$750 a day to \$8,000 and more, based on demand. High cost of rooms or "chambers" which cater for secretarial facilities and other personnel are the major expense items.

Key Monitoring Indicators

Charged hours and % average rate per hour weekly and accumulatively.

Gross fees weekly and accumulatively.

Cash Flow monthly.

Bathroom Supplies

Pracdev Key Indicator Report

Code: BATHR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
385	230	Sales per FTE person	\$340,000			
28	23	Gross Profit	27 %			
		Wages and Salaries	12 %			
12	3	Occupancy	5 %			
3	1	Advertising	2 %			
		Total Expenses	24 %			
8	1	Net Profit	3 %			
6	2.5	Stockturn	4			

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	Sales	Gross Profit\$	G.P.%	No of Sales	Average Sale
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Sales to building/plumbing trades lowers gross profit which varies from 33% on accessories, 23% tap ware, 20% spa bath to 15% on chinaware. Performance can be improved by targeting an average sales value and tracking results weekly and accumulatively for all staff to see. Product knowledge can also be improved by means of regular staff meetings. (See Video 301)

Key Monitoring Indicators

Sales/gross margin, per sale, per customer, per category and overall, weekly and accumulatively.

Number of sales, average sale/gross profit, per sale, per customer, per category and overall, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report**Bedding/Manchester****Code:** BEDMR**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
284	193	Sales per FTE person	\$268,000			
38	33	Gross Profit	36 %			
		Wages and Salaries	15 %			
12	5	Occupancy	6 %			
		Total Expenses	33 %			
10	1	Net Profit	3 %			
6	3	Stockturn	4			

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	Sales		Gross Profit		Average	
	No.	\$	No.	\$	Sale	G.P.\$
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Tracking sales is essential to identify those products contributing to gross profit based on G.P%, G.P\$, and stockturn. Differentiation of bedding from manchester would be a first step.

Key Monitoring Indicators

Sales/gross margin per sale, weekly and accumulatively, overall and by category.
Stock levels and Cash Flow monthly.

Bicycle

Importing Parts

Pracdev Key Indicator Report

Code: BICIW

Activity: Wholesale

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$335,000			
		Gross Profit	28 %			
		Wages and Salaries	12 %			
		Occupancy	3 %			
		Advertising	1 %			
		Total Expenses	24 %			
		Net Profit	4 %			
		Stockturn	3			

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	Sales			Gross Profit		
	Number	\$	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Need to monitor each invoice to ensure target gross profit is achieved. Liquidity will fade if stock levels are not reduced by more careful tracking.

Key Monitoring Indicators

Sales/ gross margin, per sale, per customer, per category and overall, weekly and accumulatively.

Number of sales, average sale/ gross profit, per sale, per customer, per category and overall, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report**Bicycle**
Retail**Code:** BICRR**Activity:** Retail
Service**Units:** No of Sales
No of Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
225	147	Sales per FTE person	\$190,000			
45	36	Gross Profit	40 %			
		Wages and Salaries	21 %			
12	3	Occupancy	4 %			
		Total Expenses	37 %			
10	2	Net Profit	3 %			
4	3	Stockturn	4			

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	Bicycles				Parts			Workshop			Total		
	No.	\$	G.P.\$	G.P.%	\$	G.P.\$	G.P.%	Hours	\$	G.P.\$	\$	G.P.\$	G.P.%
This Week													
Total to Date													
Total													
Target													
Variance													

Comment:

Dissection between sale of bicycles, parts and workshop is blurred reflecting typical sole proprietor plus assistant. Profile does not indicate proportion of sales between bicycles (20-25% G.P) accessories (50%+) and workshop (\$45+ per hour). Need to dissect sales into at least these 2 categories in order to gain insight on activities and focus on areas where profitability can be improved such as stock levels etc.

Key Monitoring Indicators

Number and value of sales/ gross margin per sale and overall, and by category, weekly, accumulatively.

Charged hours x average G.P rate per hour.

Stock levels monthly.

Cash Flow monthly.

Blinds & Awnings

Pracdev Key Indicator Report

Code: BLINR

Activity: Retail
Service

Units: No of Sales
Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
230	122	Sales per FTE person	\$177,000			
54	44	Gross Profit	48 %			
		Wages and Salaries	21 %			
6	2	Occupancy	3 %			
2	0.5	Advertising	1 %			
		Total Expenses	41 %			
12	2	Net Profit	7 %			
7	4	Stockturn	6			

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	No. Invoices	\$	G.P.\$	G.P.%	Hours Charged	Ave. per Hour \$	No. Quotes
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

Mixture of sales of bought-in product and made up product. Workshop involvement in making up blinds (including measuring, quoting, making and installing) points to the need for a simplified tracking of charged hours compared with available hours. Marketing of product has been shown to be dramatically improved by advertising wares in busy customer traffic locations.

Key Monitoring Indicators

Number and value of sales/ gross margin weekly and accumulatively.

Number of charged hours as % of available and average G.P per hour.

Stock levels monthly.

Cash Flow monthly.

Bob Cat Operator

Pracdev Key Indicator Report

Code: BOBCS

Activity: Service

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$104,000			
		Wages and Salaries	35 %			
		Repairs & Maintenance	15 %			
		Fuel and Oil	12 %			
		Leasing	10 %			
		Total Expenses	87 %			
		Net Profit	13 %			
		Average hourly charge rate	\$80			
		Charged hours to available	75 %			

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	Sales		Gross Profit			Productivity
	\$	Hours	\$	%	Average per Hour	
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Daily tracking of hours in operation per machine to enable comparison with quote (if any) will be invaluable.

Key Monitoring Indicators

Sales weekly, monthly and accumulatively.

Hours and \$'s charged per machine weekly, monthly and accumulatively.

Direct expenses per machine weekly, monthly and accumulatively.

Quote and Acceptance book.

Code: BOOKR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
391	228	Sales per FTE person	\$364,000			
42	35	Gross Profit	38 %			
		Wages and Salaries	10 %			
8	4	Occupancy	5 %			
		Total Expenses	33 %			
9	2	Net Profit	5 %			
5	3	Stockturn	4.5			

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	Sales		Gross Profit		Average Sale
	Number	\$	\$	%	\$
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Need to track stock levels of at least one section weekly, as well as monitor the effect of discounts on overall gross profit target. Grouping of sales into 10-12 sections based on subject matter, will assist in identifying the public demand and therefore allocation of shelf space.

Key Monitoring Indicators

Sales/ gross margin per sale and overall, weekly and accumulatively.

Stock levels and Cash Flow monthly.

Bread/Cakes

Pracdev Key Indicator Report

Retail

Code: BRERR

Activity: Retail

Units: No of Units

Bakery

No of Units

Highs	Lows	Key Indicator	Profile	Client Comparison		
103	76	Sales per FTE person	\$97,000			
70	65	Gross Profit	68 %			
		Wages and Salaries	37 %			
12	5	Occupancy	9 %			
3	1	Electricity, Gas and Power	2 %			
		Total Expenses	63 %			
10	3	Net Profit	5 %			

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	Sales		Gross Profit		Average Sale
	Number	\$	\$	%	
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Profile is based on baking in-house and selling through retail outlet direct to consumers, ie hot bread and cake shop. Contribution per unit of product varies considerably, and for best results should be identified. See videos 101/201 for insight into how.

Key Monitoring Indicators

Number of units and contribution per unit and average contribution overall.

Sales/ gross profit per sale by source (customer category) and by product grouping, weekly and accumulatively.

Stock levels weekly.

Cash Flow monthly.

Pracdev Key Indicator Report**Bricklayer**
(Bricks Supplied)**Code:** BRICT**Activity:** Trade**Units:** No of Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$88,000			
		Gross Profit	94 %			
		Wages and Salaries	45 %			
		Motor Vehicles Expenses	7 %			
		Total Expenses	67 %			
		Net Profit	27 %			
		Charged hours to available	84 %			
		Average \$ G.P. per hour	\$55			

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	Invoiced Sales	No. Bricks Laid	Total Hours on Job/s	Per 1000 Bricks	
				Hours	\$
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Bricklaying normally quoted on the basis of \$x per 1000 bricks laid. Tracking the number of bricks laid and type of job together with revenue received will prove helpful for quoting and management purposes.

Key Monitoring Indicators

Sales and gross margin by category weekly and accumulatively.

Invoiced Gross Profit, Hours charged and average rate weekly and accumulatively.

Cash Flow monthly.

Record of quotes given and accepted.

Builder

Multi Home

Pracdev Key Indicator Report

Code: BUIAT

Activity: Sales

Units: No and/or Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
2,200	1,100	Sales per FTE person	\$1,400,000			
15	9	Gross Profit	14 %			
		Wages and Salaries	3.5 %			
1.5	0.5	Advertising	1 %			
		Total Expenses	11 %			
5	1	Net Profit	3 %			
250	130	Average \$ G.P. per hour	\$170			

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	Sales		Gross Profit		Charged Hours	Average rate per Hour
	Number	\$	\$	%		
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Work carried out by subcontractors, supervised by small administrative staff. This accounts for apparently low G.P% and high sales per F.T.E. person. Contracts to be negotiated, plans approved, estimates matched with actual, construction scheduled in conjunction with cash flow, supervision of sub contractors to be effected continually. There is a limit to the number of houses per supervisor and per estimator and per sales rep. It is possible to work out the gross profit rate per hour of those involved in estimating and construction, and to monitor accordingly. (See Video 401)

Key Monitoring Indicators

Average G.P rate per hour and number charged hours weekly and accumulatively.

Summary schedule of all jobs weekly and accumulatively.

Sales/ gross profit per house and overall weekly and accumulatively.

Cash Flow monthly.

Code: BUILT

Activity: Trade

Units: Number of Houses

Highs	Lows	Key Indicator	Profile	Client Comparison		
480	320	Sales per FTE person	\$540,000			
20	16	Gross Profit	19 %			
		Wages and Salaries	8 %			
		Total Expenses	14 %			
8	3	Net Profit	5 %			
		Average \$ G.P. per hour	\$87			

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	Sales		Gross Profit		Charaged Hours	Average rate per Hour
	Number	\$	\$	%		
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Profile based on builders employing on average two FTE staff with gross profit based on materials and subcontractors and minimal labour input by builder. Builders completing a house or commercial project use up time, approximating 100hrs per house, in quoting, tendering, purchasing, supervising construction and finances. This time can be allocated to each project, tracked on a week by week basis and compared with a target average hourly rate. In time this rate can be the basis used in estimating and tendering to beat the competition who operate solely on percentage mark up on cost. (See Video 401)

Key Monitoring Indicators

Job schedule weekly and accumulatively.

Number charged hours per project and overall, weekly and accumulatively.

Sales/ gross profit per project overall, weekly and accumulatively.

Cash Flow monthly.

Building Supplies

Pracdev Key Indicator Report

Code: BUISS

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
486	237	Sales per FTE person	\$383,000			
24	16	Gross Profit	21 %			
		Wages and Salaries	10 %			
		Occupancy	2 %			
		Total Expenses	17 %			
7	2	Net Profit	4 %			
6	4	Stockturn	5			

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	Sales		Gross Profit		Ave. Sale	Ave. G.P.\$ per Sale
	No	\$	\$	%	\$	\$
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Tight margins in a competitive environment requires tracking retail versus trade sales and frequent checks on gross profit percentage product groupings, accounts receivable and stock levels.

Key Monitoring Indicators

Number and value of sales/margins by product groupings weekly and accumulatively.

Stock levels monthly, (a quarter each month).

Accounts receivable weekly.

Cash Flow daily.

Pracdev Key Indicator Report**Bus/Coach Service****Code:** BUSCS**Activity:** Transport**Units:** Seat/Km

Highs	Lows	Key Indicator	Profile	Client Comparison		
119	85	Sales per FTE person	\$108,000			
		Wages and Salaries	37 %			
37	29	Motor Vehicles Expenses	33 %			
		Total Expenses	97 %			
6	1	Net Profit	3 %			

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	Sales			Per Bus and Total				Ave. \$ per/Km bus run	Ave. per seat/km charter
	No.	Kms	\$	Fuel/Oil	Rep & Mtce	Leasing	Total D. Exp		
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Profile of charter plus bus runs for schools and local fare paying passenger when returns per kilometre are lower but surer. Typical costs per kilometre should be identified for fuel, tyres, registration and overall costs (See Video 402)

Key Monitoring Indicators

Number of seats sold, kilometres run per bus run/ charter and overall weekly and accumulatively.

Direct expenses per bus weekly and accumulatively.

Cash Flow monthly.

Butcher

Retail

Pracdev Key Indicator Report

Code: BUTCR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
227	135	Sales per FTE person	\$192,000			
40	28	Gross Profit	36 %			
		Wages and Salaries	21 %			
9	2	Occupancy	4 %			
		Total Expenses	31 %			
8	2	Net Profit	5 %			

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	Sales					Gross Profit	
	Number	Kgs	\$	Average per Kg	Average per Sale	\$	%
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

Mixture of wholesale and retail sales to hospitals, clubs, restaurants, etc increases, gross margin decreases, and sales per FTE increase. Need to track average sale by value and weight as well as by product type and customer outlet (wholesale or retail).

Key Monitoring Indicators

Sales and gross margin per sale, per kilo, per category and overall weekly and accumulatively. Cash Flow monthly.

Code: CABIT

Activity: Manufacturing

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
140	92	Sales per FTE person	\$128,000			
70	55	Gross Profit	67 %			
		Wages and Salaries	31 %			
6	2	Occupancy	4 %			
		Total Expenses	59 %			
9	3	Net Profit	8 %			
12	6	Stockturn	9			
		Charged hours to available	67 %			
75	55	Average \$ G.P. per hour	\$70			

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	Sales		Gross Profit		Hours Charged	Average per hour
	\$	Number	\$	%		
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

High quality work associated with traditional cabinet making is increasingly blurred with work more related to joinery. Gross profit in cabinet work is higher than joinery due to additional labour input compared with cost of materials used (See Joinery). Control of charged hours (hours which can be invoiced) is the key to this sector which is walking a fine balance between artistry of the trade with its perfectionist attributes, and the need for survival and if possible some profit in difficult times. (See Videos 101/201)

Key Monitoring Indicators

Sales/ gross profit per job and overall weekly and accumulatively.

Hours charged and average gross profit rate per hour weekly and accumulatively.

Stock levels quarterly.

Cash Flow monthly.

Camping Equipment

Retail

Pracdev Key Indicator Report

Code: CAMPR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
207	154	Sales per FTE person	\$195,000			
44	39	Gross Profit	42 %			
		Wages and Salaries	20 %			
10	5	Occupancy	5 %			
		Total Expenses	37 %			
8	1	Net Profit	5 %			
6	4	Stockturn	5			

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	Sales		Gross Profit		Average Sale
	Number	\$	\$	%	%
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Stockturn can be very low on certain high priced lines such as barbecues and requires regular stocktaking to avoid build up of stock and to anticipate likely seasonal demand by reference to historical analysis. Target of an average sales across the shop will assist in staff motivation and improved performance.

Key Monitoring Indicators

Number and value of sales/gross profit per sale by product grouping and overall, weekly and accumulatively.

Stock levels monthly, one section per week.

Cash Flow monthly.

Pracdev Key Indicator Report**Caravan Park****Code:** CARVS**Activity:** Retail
Service
Service**Units:** No of Sales

Caravans in Transit

Caravans Permanent

Highs	Lows	Key Indicator	Profile	Client Comparison		
224	98	Sales per FTE person	\$165,000			
95	67	Gross Profit	73 %			
		Wages and Salaries	20 %			
		Cleaning	4 %			
		Leasing	5 %			
		Repairs & Maintenance	6 %			
		Total Expenses	67 %			
15	4	Net Profit	6 %			

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	Permanent Caravans		Transit Caravans		Retail					
	No	\$	No	\$	Sales			Gross Profit		
					No	\$	Ave	%	\$	Ave
This Week										
Total to Date										
Total										
Target										
Variance										

Comment:

Gross profit varies according to the level of retailing offered on site. Retailing includes accessories, sandwiches, meals, fuel and oil.

Key Monitoring Indicators

Caravans (permanent and transit) let weekly, monthly, accumulatively.

Sales / gross profit on accessories, meals weekly, accumulatively.

Average sale / gross profit on accessories, meals weekly, accumulatively.

Cashflow monthly.

Stock levels monthly.

Caravan Sale & Repair

Pracdev Key Indicator Report

Code: CARAS

Activity: Retail - New

Units: No of Sales

Retail - Used

No of Sales

Retail - Accessories

No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
370	188	Sales per FTE person	\$262,000			
37	22	Gross Profit	30 %			
		Wages and Salaries	15 %			
6	2	Occupancy	4 %			
		Total Expenses	26 %			
8	2	Net Profit	4 %			
5	2	Stockturn	3			

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	Repairs & Reconditioning					Accessories				Used				New				Total		
	Sale\$	Com	GP\$	Hrs	Ave per Hr	No	\$	GP\$	GP%	No	\$	GP\$	GP%	No	\$	GP\$	GP%	\$	GP\$	GP%
This Week																				
Total to Date																				
Total																				
Target																				
Variance																				

Comment:

Sample includes a wide range of sales per FTE and gross profit percentage; the differences can be traced to the amount of workshop activity taking place; eg. low gross profit percentage and high sales per FTE indicates a predominance of sales versus workshop; a high GP% and low sales per FTE, indicate workshop predominance and low sales of new, used and accessories.

Key Monitoring Indicators

Sales and gross profit by number and value and average percentage, weekly and accumulatively.

Sales and gross profit by category and percentage, weekly and accumulatively.

Stock levels monthly.

Expenses and Cash Flow monthly.

Code: CARPR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
252	145	Sales per FTE person	\$217,000			
37	29	Gross Profit	34 %			
		Wages and Salaries	18 %			
6		Occupancy	3 %			
		Total Expenses	31 %			
10	2	Net Profit	3 %			
6	3	Stockturn	4			

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	Sales			Gross Profit		Ave per m2	
	\$	No	m2	\$	%	\$ Sale	G.P.\$
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

Wages and Salaries include laying which is often contracted out in some stores and dealt with in accounts as a cost of sale. Due to wide variation of treatment, profile assumes cost of sales includes cost of materials (plus inward freight where identified).

Key Monitoring Indicators

Sales/ Gross Margin, overall and by product category.

No of m2 sold and average sales/G.P per m2.

Cash flow monthly.

Stock levels monthly.

Catering

External

Pracdev Key Indicator Report

Code: CATES

Activity: Service

Units: No of Meals

Highs	Lows	Key Indicator	Profile	Client Comparison		
138	87	Sales per FTE person	\$126,000			
71	58	Gross Profit	69 %			
		Wages and Salaries	28 %			
5	2	Occupancy	3 %			
		Motor Vehicles Expenses	8 %			
		Total Expenses	62 %			
15	5	Net Profit	7 %			

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	Sales			Gross Profit			No. Meals	Ave. per Meal
	No.	\$	Average	\$	%	Average		
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Range of Sales and margin per FTE reflect market pitch of caterers - some more upmarket than others. Profile of catering supplying office and home events with complete facilities including utensils, barbecues as well as food. Cost of goods sold includes plastic and paper ware as well as food.

Key Monitoring Indicators

Sales/ gross margin per sale and overall, weekly and accumulatively.

Number of sales, number of meals, average per sale/meal, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Code: CHEMM **Activity:** Manufacturer **Units:** Litre

Highs	Lows	Key Indicator	Profile	Client Comparison		
221	115	Sales per FTE person	\$173,000			
65	50	Gross Profit	58 %			
		Wages and Salaries	23 %			
5	1	Occupancy	2 %			
		Total Expenses	50 %			
15	3	Net Profit	8 %			
25	14	Stockturn	17			

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	Sales		Gross Profit	
	No. Litres	\$	\$	%
This Week				
Total to Date				
Total				
Target				
Variance				

Comment:

Cleaning and allied chemicals with a wide range of performances per person employed and in gross margins, the latter due more to poor productivity (output of litres compared with potential output for a given production capacity). This in turn is as much due to pricing of product as to marketing methods and competition. Need to identify contribution (GP) per litre, according to size of batch in order to give clear direction to marketing. (See Video 101/201)

Key Monitoring Indicators

Number and value sales/ gross profit per litre and per product grouping, weekly and accumulatively.

Customer analysis by value and product monthly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Child Care Centre

Pracdev Key Indicator Report

Code: CHILS

Activity: Service

Units: No of Children

Highs	Lows	Key Indicator	Profile	Client Comparison		
75	48	Sales per FTE person	\$60,000			
		Wages and Salaries	65 %			
12	7	Occupancy	5 %			
		Food and Resource Materials	6 %			
		Repairs & Maintenance	3 %			
		Total Expenses	93 %			
10	3	Net Profit	7 %			

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	Revenue			Wages/Salaries per Child	Wages/Salaries per \$ Revenue
	\$	No Children	Ave \$ per Child	\$	\$
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Regulatory requirements for supervision of children specify minimum staffing levels. Key to profitable performance is close monitoring of staffing costs per child and per \$ revenue.

Key Monitoring Indicators

No of children and gross fees per child and overall, weekly, monthly and accumulatively.

Wages per child and overall, weekly, monthly and accumulatively.

Expenses less wages per child and overall, weekly, monthly and accumulatively.

Cashflow monthly.

Code: CHINR

Activity: Retail

Units: Number of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
264	190	Sales per FTE person	\$243,000			
45	38	Gross Profit	42 %			
		Wages and Salaries	15 %			
12	5	Occupancy	6 %			
		Total Expenses	37 %			
12	2	Net Profit	5 %			
6	3	Stockturn	4			

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	Sales			Gross Profit		
	\$	Number	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

An average sale target, maintained daily, will materially improve bottom line. Closer oversight of stock movements by weekly recording of a quarter of stock lines will improve performance in this business which is prone to overstocking. Need to monitor average sales and gross margin through the cash register daily to check on achievement.

Key Monitoring Indicators

Sales/gross margin per sale, per grouping and overall, weekly and accumulatively.

Number of sales, average sale/gross margin, daily, weekly and accumulatively.

Stock levels (one quarter) weekly.

Cash flow monthly.

Chiropractor

Pracdev Key Indicator Report

Code: CHIRP

Activity: Professional

Units: Hours/Visits

Highs	Lows	Key Indicator	Profile	Client Comparison		
125	89	Fees per FTE Person	\$119,000			
		Wages and Salaries	30 %			
12	4	Occupancy	6 %			
		Total Expenses	75 %			
		Net Profit	25 %			
60	45	Average fee per visit	\$50			

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	Gross Fee			Average	
	Number	\$	Hours	Per Visit	Per Hour
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Average fee per visit and average rate achieved per hour of principal's input require tracking daily and accumulatively, providing a basis for scheduling future performance, cash flow and appropriate strategies for maintaining and improving fee growth.

Key Monitoring Indicators

Number and fee per patient, weekly and accumulatively.

Gross fees and average rate per hour weekly and accumulatively.

Cash Flow monthly.

Categorisation of treatment.

Pracdev Key Indicator Report

Church

Code: CHURS

Activity: Revenue

Units: Seats/Members

Highs	Lows	Key Indicator	Profile	Client Comparison		
77	38	Revenue per FTE person	\$60,000			
		Wages and Salaries	58 %			
		Motor Vehicles Expenses	10 %			
		Total Expenses	98 %			
20	5	Ave Weekly giving per family attending	\$13			
7	0.5	Tithing Indicator	2 %			
80	20	Numbers attending to total seating capacity	43 %			

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	Revenue			Numbers			Average	Pastoral		
	AM	PM	Total	AM	PM	Total	per person	Visits	Interviews	Other
This Week										
Total to Date										
Total										
Target										
Variance										

Comment:

Revenue includes special donations for capital improvements such as building extension, and also includes special donations for missionary support, although in many churches such activity represents a tithe of revenue as a normal 'expense'. Tithing indicator is calculated as the percentage total revenue represents of the estimated total income of members and/or those attending on a regular basis. Seating capacity is calculated as number of seats x 52 services.

Key Monitoring Indicators

Revenue per service, per person and overall, weekly and accumulatively.

Number of persons attending weekly and accumulatively.

Pastoral activity in calls, visits, interviews etc. weekly and accumulatively.

Cash Flow monthly.

Cinemas

Pracdev Key Indicator Report

Code: CINES

Activity: Service

Units: No of Tickets

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$141,000			
		Gross Profit	95 %			
		Wages and Salaries	28 %			
		Occupancy	12 %			
		Film Hire	35 %			
		Advertising	4 %			
		Total Expenses	92 %			
		Net Profit	3 %			

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	Sales			Days													
	No.	\$	Ave.	Sun		Mon		Tue		Wed		Thu		Fri		Sat	
				No.	\$	No.	\$	No.	\$	No.	\$	No.	\$	No.	\$	No.	\$
This Week																	
Total to Date																	
Total																	
Target																	
Variance																	

Comment:

Distribution of films of first ranking command up to 50% of ticket sales first week, 33% second week, and 25% thereafter of the 'take' (less projection expenses etc). Sale of confectionery etc. included in overall sales with cost of sales averaging 5% of total G.P 60-70% on foods.

Key Monitoring Indicators

Number of tickets and value sold per day, per category/seating and overall, weekly and accumulatively.

Sales/ gross margin per confectionery, snack food sales, per category, weekly and accumulatively.

Stock levels and Cash Flow quarterly.

Pracdev Key Indicator Report

Cleaning Contractor

Code: CLEAS**Activity:** Service**Units:** Hours/Sq. Metres

Highs	Lows	Key Indicator	Profile	Client Comparison		
60	40	Sales per FTE person	\$55,000			
95	91	Gross Profit	94 %			
		Wages and Salaries	70 %			
		Total Expenses	87 %			
12	3	Net Profit	7 %			
30	22.5	Average contract rate per hour	\$27.5			

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	Revenue				
	\$	Hours	m2	Average per Hr	Average per m2
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Sub-contractors and casuals are equated to full time equivalent by dividing their hours by 1687 hours. Wages including sub-contractors and casuals. Target hours = Total expenses + desired profit (excluding sub-contractors and casuals) divided by the contract hourly rate net of the sub-contract, or casual hourly rate.

Key Monitoring Indicators

Sales overall and per hour and per m2, weekly and accumulatively.

Materials/supplies and wages weekly and accumulatively, overall and per m2 and per hour.

Total hours/m2 achieved weekly and accumulatively.

Client hour/m2 added and lost monthly.

Cash Flow monthly.

Clothing Manufacturer

Pracdev Key Indicator Report

Materials Purchased

Code: CLOPM

Activity: Manufacturing

Units: Minutes

Highs	Lows	Key Indicator	Profile	Client Comparison		
84	65	Sales per FTE person	\$76,000			
70	58	Gross Profit	62 %			
		Wages and Salaries	46 %			
		Occupancy	3 %			
		Total Expenses	58 %			
10	2	Net Profit	4 %			
0.65	0.36	Average \$ G.P. rate per min	\$0.58			
		Stockturn	6			
94	72	Charged minutes to available (inhouse staff)	81 %			

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	Sales			Gross Profit			Productivity
	\$	Minutes	Average Minutes	\$	%	Average Minutes	%
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

Remnants of a fading scene in favour of offshore manufacturing. Sales per FTE includes sub-contractors based on 1687 hrs per FTE. Wages includes payments to sub-contractors as well as in-house employees - some of whom will take work home for after hour activity at sub-contract rates.

Key Monitoring Indicators

Sales/gross profit per minute, per item, per customer and overall, weekly and accumulatively. Number of minutes achieved compared with minutes available for in-house staff as a percentage of productivity.

Subcontract minutes worked by in-house staff as well as outside sub-contractors.

Stock levels monthly.

Cash Flow monthly.

Orders on hand.

Code: CLOSM**Activity:** Manufacturing**Units:** Minutes

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$51,000			
		Gross Profit	97 %			
		Wages and Salaries	70 %			
		Occupancy	3 %			
		Total Expenses	94 %			
		Net Profit	3 %			
		Charged minutes to available	95 %			
		Stockturn	26			

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	Sales			Gross Profit			Productivity %
	\$	No. Mins	\$ Ave. per min.	\$	%	Ave. per min.	
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

Materials supplied cut ready for make up with standard times per garment already determined by supplier along with the price. With wages and on costs close to 33c a minute and subcontractors on 25-30c a minute, competition from Asia manufacturing at 6-7c a minute is flowing increasingly to off-shore manufacture.

Key Monitoring Indicators

Charged minutes achieved daily, weekly and accumulatively.

Sales/gross profit per minute and overall by product and customer, weekly and accumulatively.

Cash Flow monthly.

Backlog of orders and orders on hand scheduled weekly.

Clubs

Licensed

Pracdev Key Indicator Report

Code: CLUBS

Activity: Service
Service
Retail

Units: No of Poker Machines
No of Members
No of Meals

Highs	Lows	Key Indicator	Profile	Client Comparison		
137	90	Sales per FTE person	\$122,000			
68	58	Gross Profit	67 %			
		Wages and Salaries	30 %			
		Electricity, Gas and Power	2 %			
		Repairs & Maintenance	7 %			
		Total Expenses	64 %			
9	1	Net Profit	3 %			
18	12	Stockturn	15			

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	Meals			Bar			Other			Members		Total		
	No.	\$	G.P.	No.	\$	G.P.	No.	\$	G.P.	No.	\$	No.	\$	G.P.
This Week														
Total to Date														
Total														
Target														
Variance														

Comment:

Average wage to sales: Catering - 36%, Bars - 26%, Poker Machines - 5% balance being administration including cleaning etc. Gross profit from catering averages 56%, from bar sales 55% and bottle sales a low 5%-10%.

Key Monitoring Indicators

Revenue/Gross margin overall and by catering, weekly and accumulatively.

Average sale/gross profit in catering and bars.

Cash Flow expenses monthly.

Stock levels weekly.

Pracdev Key Indicator Report**Coffee Shop / Lounge****Code:** COFFR**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
118	76	Sales per FTE person	\$105,000			
73	63	Gross Profit	67 %			
		Wages and Salaries	33 %			
14	6	Occupancy	8 %			
		Total Expenses	60 %			
15	4	Net Profit	7 %			

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	Sales			Gross Profit	
	No.	\$	Average \$	\$	%
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Some coffee shops rely more on purchases of cooked/prepared food than others who prepare on site. This together with sales of confectionery, tobacco products etc affects the gross profit margin. Customer traffic and average sale should be tracked daily and accumulatively to target improved performance as well as to build realistic statistics as a basis for planning purchases and merchandising in general.

Key Monitoring Indicators

Number and value of sales/gross profit per sale, per session and overall, weekly and accumulatively.

Cash Flow monthly.

Stock levels monthly.

Computer

Hardware

Pracdev Key Indicator Report

Code: COMPW **Activity:** Wholesale/Retail **Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
580	420	Sales per FTE person	\$475,000			
24	14	Gross Profit	22 %			
		Wages and Salaries	8 %			
		Occupancy	2 %			
		Advertising	1 %			
		Total Expenses	20 %			
3	1	Net Profit	2 %			
15	7	Stockturn	12			

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	Sales			Gross Profit			Commission Sales		
	\$	No	Ave	\$	%	Ave	\$ Sale	\$ Comm	%
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Computers, printers, peripherals and some software. Probably one of the most competitive of wholesale/retail businesses as evidenced by the low gross margins.

Daily and accumulative tracking of sales by category, gross margin and sales representatives a must.

Key Monitoring Indicators

Sales/gross margin per sale, per category and overall, weekly and accumulatively.

Number and average sale/gross profit per category and overall weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

A TARI for Business™ Case File

by Professor Keith Cleland

Jane and Ruth Open an Up-Market Cafe.

Jane, a gourmet chef and Ruth a head waitress, combined forces and burned the midnight oil over many months in preparation for the day their new cafe would open its doors. Everything was brand new, from the cafe building itself to the tables, chairs, cutlery, crockery and sparkling kitchen replete with the latest equipment and shining extraction flue over a gleaming white cooking range and oven.

They had prepared the menu very carefully: their cafe was to be smart and casual as befitted the locale; the menu had to fit the image: gourmet but not exclusively so, with prices pitched to match the style of customer they hoped to attract.

In addition to their combined experience, they were particularly fortunate to have a CPA friend who acquainted them with **TARI for Business** and prepared a financial projection of their expectations. Together, they planned for an average of 89 meals a day at an average sale of \$10 and a gross profit or TARI of \$7.

The opening day brought a touch of mayhem. Over 150 customers were served, one part-timer failed to turn up, the health inspector condemned the flue over the stove and the dish-washer overflowed onto the kitchen floor.

As if that wasn't enough, when they checked the takings against the number of ring ups on the cash register, they discovered the average sale worked out at \$8.75. Concluding that this was mainly due to the sale of menu items at the lower end of the scale, they re-wrote the menu there and then before closing up for the night. A process they repeated in the days ahead until they achieved their targeted average sale.

Eighteen months later, enjoying a meal in the cafe, I asked the chef proprietor how things were working out. She told me they now employed six part-timers and she had got the cost of provisions down to 23% of sales by buying directly from the market. They were still comparing the average gross profit and the number of sales daily and accumulatively against TARI, as well as keeping a firm grip on expenses by means of monthly reports.

Code: CONRM

Activity: Manufacturing

Units: Cubic Metres

Highs	Lows	Key Indicator	Profile	Client Comparison		
232	167	Sales per FTE person	\$204,000			
45	40	Gross Profit	43 %			
		Wages and Salaries	20 %			
		Fuel and Oil	6 %			
		Repairs & Maintenance	5 %			
		Total Expenses	40 %			
10	1	Net Profit	3 %			
		Ave. GP per cubic metre sold	\$55			

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	Sales				Gross Profit		
	No m3	\$	Ave per m3	Ave per Sale	Ave per m3	Ave Sale	%
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

Concrete truck of 21 tonnes maximum load with truck of 9 tonnes is limited to 11 tonnes or approx 4.6 m3 concrete. To be competitive and able to win quotes, it is necessary to track sales, gross profit and m3 sold daily and accumulatively, so that its present financial position is always known at time of quoting. (See Video 402)

Key Monitoring Indicators

Number m3 sold per truck and overall weekly and accumulatively.

Sales/and gross profit per truck and overall, weekly and accumulatively.

Direct expenses per truck weekly and accumulatively.

Cash Flow monthly.

Concrete Kerb & Channel Pracdev Key Indicator Report

Code: CONKT

Activity: Contract Area

Units: m3/m2

Trade

Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$115,000			
		Gross Profit	44 %			
		Wages and Salaries	33 %			
		Total Expenses	42 %			
		Net Profit	2 %			
		Average hourly rate charged	\$40			

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	Sales					Gross Profit		
	\$	No m3/m2	Ave per m3/m2	No hours	Ave per hour	Ave m3/m2	Ave per hour	%
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Productivity is dependent upon pre-organisation of work, which in turn is largely dependent on the capacity of the proprietor/s to move away from the hands-on to the quoting, scheduling and supervising. Tabulation of results weekly and accumulatively is vital in maintaining a finger on the pulse.

Key Monitoring Indicators

Charged lows and average gross profit per hour per job.

No of m3 and m2 poured per week and accumulatively.

Sales and gross profit overall and per m3/m2 weekly and accumulatively.

Expenses monthly.

Cash Flow monthly.

Pracdev Key Indicator Report **Concrete Tanks/Troughs**

Code: CONCM **Activity:** Manufacturing **Units:** Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
169	117	Sales per FTE person	\$157,000			
55	49	Gross Profit	54 %			
		Wages and Salaries	24 %			
		Occupancy	2 %			
2	0.5	Advertising	1 %			
		Total Expenses	47 %			
12	3	Net Profit	7 %			

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	Sales			Gross Profit			Hours Charged	Ave per Hour	Prod %
	No	\$	Ave	\$	%	Ave			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Tracking the gross profit per sale, which includes the total standard/estimated/quoted hours for the job plus the mark up on material and comparing the outcome with a target benchmark would greatly assist management decision making.

Key Monitoring Indicators

Sales/gross profit per sale, by category, overall, weekly and accumulatively.

Charged hours x average hourly rate, overall, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Confectionery

Pracdev Key Indicator Report

Manufacturing

Code: CONFM

Activity: Manufacturing

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$67,000			
		Gross Profit	67 %			
		Wages and Salaries	54 %			
		Occupancy	5 %			
		Electricity, Gas and Power	3 %			
		Total Expenses	65 %			
		Net Profit	2 %			

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	Sales			Gross Profit		Hours		Customers		Product-ivity
	No	\$	Ave	\$	%	No	Ave GP \$	No	Ave Sale \$	%
This Week										
Total to Date										
Total										
Target										
Variance										

Comment:

One off profile to give indication of sales per FTE and gross profit. Interesting to note the difference in gross profit between retail (35%), wholesale (17%) and manufacturing (67%)
Tracking average GP per hour into product compared with target overall. Average GP is the key to profitable manufacturing. (see Video/DVD 101)

Key Monitoring Indicators

Sales / gross profit per product category and overall weekly, monthly and accumulatively.

Hours and Average GP per hour charged into product and overall weekly, monthly and accumulatively.

Expenses monthly.

Cashflow monthly (debtors and creditors)

Stock levels monthly.

Code: CONFR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
212	135	Sales per FTE person	\$194,000			
45	32	Gross Profit	35 %			
		Wages and Salaries	21 %			
9	3	Occupancy	4 %			
		Total Expenses	32 %			
		Net Profit	3 %			
14	9	Stockturn	11			

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	Sales		Gross Profit		Average per Sale
	No.	\$	\$	%	\$
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Lower gross margins in franchised outlets are compensated to some degree by promotional and presumably greater sales volume. Profile strikes a balance between the franchised and up market outlet, the latter with gross margins averaging up to 50%.

Key Monitoring Indicators

Number and value of sales/gross profit per sale by category and overall, weekly and accumulatively.

Stockturn and expenses monthly.

Cash Flow monthly.

Confectionery

Pracdev Key Indicator Report

Wholesale

Code: CONFW

Activity: Wholesale

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$620,000			
		Gross Profit	17 %			
		Wages and Salaries	6 %			
		Occupancy	2 %			
		Total Expenses	14 %			
		Net Profit	3 %			
		Stockturn	20			

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	Sales			Gross Profit		Customers	
	No	\$	Ave	\$	Ave	No	Ave Sale \$
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

One off profile to give indication of gross margin, sales per FTE and expenses. Comparing the number of sales and average gross profit per sale with target across categories of product and customers will bring focus. (See Video/DVD 301/601)

Key Monitoring Indicators

Sales/gross margin per sale, per product category and per customer weekly and accumulatively.

Number of sales and average sale and average G.P. weekly and accumulatively.

Stock levels and Cash Flow monthly.

Pracdev Key Indicator Report**Cordial Distribution****Code:** CORDW**Activity:** Wholesale**Units:** No of Litres

Highs	Lows	Key Indicator	Profile	Client Comparison		
223	168	Sales per FTE person	\$210,000			
44	35	Gross Profit	37 %			
		Wages and Salaries	18 %			
		M/V Fuel and Oil	8 %			
		Total Expenses	33 %			
15	2	Net Profit	4 %			
37	26	Stockturn	30			

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	Sales				Gross Profit		
	\$	No Litres	No Sales	Average	\$	%	Ave per Litre
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

Need to track sales per person/van as well as average sale, number of sales and number of litres. In addition to recording repeat sales, it is important to track number of new sales made, and where more than one van, track expenses per van.

Key Monitoring Indicators

Sales and Gross Profit by category and by number of litres, number of sales, daily, weekly and accumulatively.

Number of new customers added daily accumulatively.

Stockturn.

Expenses and cash flow monthly and accumulatively.

Curtains

Pracdev Key Indicator Report

Fabrics & Made to Order

Code: CURTM Activity: Retail
Service

Units: No of Sales
Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
151	89	Sales per FTE person	\$126,000			
55	45	Gross Profit	52 %			
		Wages and Salaries	30 %			
		Occupancy	5 %			
		Total Expenses	47 %			
10	2	Net Profit	5 %			
68	50	Charged hours to available	63 %			

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	No.	\$	G.P.\$	Hours	Average per hour	No. Quotes
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Mix of retailing with workshop activities which may be in-house or sub-contracted. Wages are based on in-house or sub-contract FTE. Monitoring of hours in workshop and gross profit per sale is essential if performance is to achieve target. (See Video 201)

Key Monitoring Indicators

Number category and value of sales/gross margin weekly and accumulatively.

Number of charged hours as a percentage of available and average G.P. per hour.

Stock levels and expenses monthly.

Cash Flow monthly.

Pracdev Key Indicator Report

Customs Agent

Code: CUSTS**Activity:** Service**Units:** Number of Billings

Highs	Lows	Key Indicator	Profile	Client Comparison		
154	91	Sales per FTE person	\$137,000			
		Gross Profit	70 %			
		Wages and Salaries	29 %			
		Occupancy	3 %			
		Total Expenses	62 %			
		Net Profit	8 %			

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	Invoiced Sales \$	Gross Profit \$	No Jobs	No Hours	Average rate \$	
					Per Job	Per Hr
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Gross profit includes commission on freight, duty and fees paid to customs as well as fee per job. A simple tracking system such as indicated above, weekly and accumulatively will achieve a breakthrough for those Agents operating in the dark when it comes to monitoring their financial performance. Tracking the jobs by category - air, land, sea will provide helpful input for planning and targeting ongoing performance.

Key Monitoring Indicators

Invoiced Sales and Gross Profit by category of job, hours charged and average G.P. rate per hour, weekly and accumulatively.

Cash Flow monthly.

Record of quotes given and accepted.

Dentist

Pracdev Key Indicator Report

Code: DENTP

Activity: Profession
Service

Units: No of Patients
Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
158	90	Fees per FTE Person	\$135,000			
		Wages and Salaries	33 %			
8	3	Occupancy	5 %			
11	7	Dental Supplies	9 %			
14	5	Lab. Fees	7 %			
		Total Expenses	70 %			
43	20	Net Profit	30 %			
600	250	Average hourly charge rate	\$360			
80	65	Charged hours to available	75 %			

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	Gross Fees		By type of treatment							
	\$	No.	Check-up		Fillings		Extraction		Other	
			\$	No.	\$	No.	\$	No.	\$	No.
This Week										
Total to Date										
Total										
Target										
Variance										

Comment:

Fee according to category of treatment (check-up, filling, extraction etc) tends to obscure average rate per hour of available time. This hourly rate should be targeted and tracked weekly and accumulatively, based on formula: (total expenses + net profit)/ estimated charged hours. (See Video 501)

Key Monitoring Indicators

Number visits, fee per visit, type of treatment weekly and accumulatively.

Gross fees, billings, receipts weekly and accumulatively.

Cash Flow, expenses and Debtors monthly.

Pracdev Key Indicator Report **Dry Cleaning & Laundry**

Code: DRYMS

Activity: Service

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
95	74	Sales per FTE person	\$84,000			
		Wages and Salaries	42 %			
9	3	Occupancy	6 %			
		Fuel, Power and cleaning materials	17 %			
19	16	Total Expenses	92 %			
11	4	Net Profit	8 %			

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	Dry Cleaning			Laundry			Total		
	Number	\$	Average	Number	\$	Average	Number	\$	Average
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Laundry involves higher percentage of fuel, power and materials than is the case for dry cleaning alone. Labour intensive industry indicates the need to monitor output on a regular basis both in terms of quantity and quality. A careful manager will categorise the items received along with the sale value they represent and tabulate accumulatively.

Key Monitoring Indicators

Average sale.

Sales by category and number overall, weekly, accumulatively.

Cash Flow and expenses monthly.

Earth Moving

Pracdev Key Indicator Report

Code: EARTS

Activity: Service
Service

Units: Machine Hours
Man Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
122	86	Gross Contribution per FTE	\$112,000			
17	10	Repairs & Maintenance	14 %			
		Wages and Salaries	45 %			
		Total Expenses	87 %			
15	6	Net Profit	13 %			
75	60	Charged hours to available	70 %			
150	90	Average hourly charge rate	\$120			

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	Sales		Gross Profit			Productivity
	\$	Hours	\$	%	Average per Hour	
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

To avoid confusion in dealing with those who buy in materials such as aggregate etc, we have based the profile on Gross Profit per FTE. Day by day tracking of each machine to ascertain accumulative hours, average rate per charged hour and direct expenses will maintain a managerial overview capable of making effective decisions re machine repairs and replacement, quoting and tendering and staff control. (See Video 402)

Key Monitoring Indicators

Sales and gross profit by category of work weekly and accumulatively.

Hours charged per unit and overall, weekly and accumulatively.

Dollar rate per unit and overall weekly and accumulatively.

Direct expenses per unit and overall weekly and accumulatively.

Quote and acceptance book.

Pracdev Key Indicator Report**Egg Farmer****Code:** EGGFP**Activity:** Wholesale**Units:** No of Sales

Primary Production

No of Eggs

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$130,000			
		Gross Profit	60 %			
		Wages and Salaries	25 %			
		Occupancy	14 %			
		Insurance	2 %			
		Co-op Fees and Charges	2 %			
		Total Expenses	52 %			
		Net Profit	8 %			

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	Sales			Gross Profit		Quantity and Weight							
	No	\$	Ave	\$	Ave	No	wt	No	wt	No	wt	No	wt
This Week													
Total to Date													
Total													
Target													
Variance													

Comment:

One off profile to give an indication of feed costs in egg farming. Sales - gross profit = feedcosts of 40%. Need to classify eggs by weight and by number as well as track the number of sales and gross profit. Also need to maintain a close check on feed costs per egg.

Key Monitoring Indicators

Sale / gross profit per sale weekly, monthly and accumulatively.

Egg by number and weight and cost monthly and accumulatively.

Expenses monthly (including feed costs)

Cashflow monthly (debtors / creditors)

Stock levels of feed monthly.

Electrical Appliances

Pracdev Key Indicator Report

Retail

Code: ELEAR

Activity: Retail

Units: Number of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
385	245	Sales per FTE person	\$300,000			
27	19	Gross Profit	25 %			
		Wages and Salaries	10 %			
9	2	Occupancy	3 %			
		Total Expenses	22 %			
6	1	Net Profit	3 %			
6	3	Stockturn	4			

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	Sales			Gross Profit		
	No.	\$	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Extremely competitive, reflected in low gross margin; highly dependent on volume throughput to maintain contribution adequate to cover expenses plus profit. Requires very careful monitoring of sales, trade-ins, gross margin and performance per employee on a day by day and accumulative basis.

Key Monitoring Indicators

Sales/gross profit per sale, per product grouping and overall, weekly and accumulatively.

Number of sales and average sale/gross margin weekly and accumulatively.

Stock levels monthly (Quarter per week).

Cash Flow monthly.

Code: ELEBW**Activity:** Wholesale**Units:** No. of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$660,000			
		Gross Profit	15 %			
		Wages and Salaries	6 %			
		Occupancy	2 %			
		Total Expenses	13 %			
		Net Profit	2 %			
		Stockturn	18			

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	Sales			Gross Profit		
	No.	\$	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Targeting and monitoring gross margins on each invoice along with stock levels and accounts receivable is vital to survival.

Key Monitoring Indicators

Sales/gross profit by product, by territory, by representation.

Sales/gross profit by number, key average, product, territory and representation.

Stock levels monthly.

Accounts receivable weekly.

Cash Flow monthly.

Electrical Contractor

Pracdev Key Indicator Report

Code: ELECT

Activity: Trade

Units: No of Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
145	107	Sales per FTE person	\$129,000			
75	56	Gross Profit	65 %			
		Wages and Salaries	32 %			
		Motor Vehicles Expenses	6.5 %			
		Total Expenses	57 %			
14	4	Net Profit	8 %			
75	54	Charged hours to available	68 %			
75	55	Average \$ G.P. per hour	\$70			
17	6	Stockturn	9			

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	Invoiced Sales \$	Gross Profit \$	Hours Charged	Average hourly rate \$
This Week				
Total to Date				
Total				
Target				
Variance				

Comment:

A simple tracking system such as indicated above, weekly and accumulatively will achieve a breakthrough for the majority of contractors often operating in the dark when it comes to monitoring their financial performance. How can productivity be improved if it cannot be identified in the first place? (See Video 401)

Key Monitoring Indicators

Invoiced Sales and Gross Profit by category of job, Hours charged and average G.P. rate per hour, weekly and accumulatively.

Cash Flow monthly.

Record of quotes given and accepted.

Code: ELERR**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
242	180	Sales per FTE person	\$225,000			
34	29	Gross Profit	33 %			
		Wages and Salaries	16 %			
10	2	Occupancy	3 %			
2	0.5	Advertising	1.5 %			
		Total Expenses	29 %			
9	1	Net Profit	4 %			
6	4	Stockturn	5			

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	Sales			Gross Profit			Items per Sale
	No.	\$	Average	\$	%	Average	
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

Increasingly competitive on big ticket items. Tendency to overstock in relation to sales requires regular monitoring of such levels, hopefully computerised.

Key Monitoring Indicators

Sales/gross margin per sale per product grouping and overall, weekly and accumulatively.

Number of sales and average sale/gross margin.

Number of items per sale/gross margin.

Stock levels monthly.

Cash Flow monthly.

Engineering

Light Manufacturing

Pracdev Key Indicator Report

Code: ENGIM

Activity: Manufacturing

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
136	89	Sales per FTE person	\$115,000			
65	50	Gross Profit	57 %			
		Wages and Salaries	32 %			
7	3	Occupancy	4 %			
		Total Expenses	52 %			
14	2	Net Profit	5 %			
20	8	Stockturn	18			
		Charged hours to available	65 %			
70	45	Average \$ G.P. per hour	\$60			

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	Sales			Gross Profit		Hours Charged	Productivity
	No.	\$	Average	\$	%		%
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

Light engineering covers a wide spectrum of activity, and encompasses a wide ranging level of gross profit margins which reflect the degree of labour involved; normally, a high gross profit margin indicates a high labour content and vice versa. Maximising charged hours by increasing productivity is not being carried out in the bustle of day to day activity. As a result, productivity levels tend to fall to human comfort level. (See Video 101)

Key Monitoring Indicators

Sales/gross Profit per sale, per product grouping, and overall, weekly and accumulatively.
Hours charged to product compared with hours available (productivity) weekly and accumulatively.

Cash Flow monthly.

Stock levels monthly.

Code: ENGIP

Activity: Professional

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
135	85	Fees per FTE Person	\$108,000			
		Wages and Salaries	44 %			
10	4	Occupancy	5 %			
		Total Expenses	88 %			
20	8	Net Profit	12 %			
		Charged hours to available	70 %			
160	90	Average Fee per hour	\$125			

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	Billings	Receipts	Work In Progress	Hours Charged	% Charged/ Available
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Average rate per billed hour times the billed number of hours per producer should be tracked daily and accumulatively to maintain focus on overall performance. Target hourly rate is based on the formula: total expenses + net profit / estimated charged hours = \$ average hourly rate.

Key Monitoring Indicators

Billings weekly and accumulatively.

Charged hours x average rate per hour weekly and accumulatively.

Work In Progress and Job Review weekly.

Cash Flow and Debtors monthly.

Fabrication

Steel

Pracdev Key Indicator Report

Code: FABRM

Activity: Manufacturing

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
140	85	Sales per FTE person	\$108,000			
70	54	Gross Profit	65 %			
		Wages and Salaries	35 %			
6	2	Occupancy	3 %			
		Total Expenses	61 %			
10	2	Net Profit	4 %			
		Charged hours to available	60 %			
20	9	Stockturn	15			
100	50	Average \$ G.P. per hour	\$67			

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	Invoiced Sales	Gross Profit \$	Hours Charged	Average \$ per Hour
This Week				
Total to Date				
Total				
Target				
Variance				

Comment:

Sample includes stainless steel as well as ordinary steel. Tracking charged hours times and average G.P. rate per hour is the key to improving performance and gaining an edge over competitors. (See Video 101/201)

Key Monitoring Indicators

Invoiced Sales, Gross Profit, number of hours charged and average rate weekly and accumulatively.

Cash Flow monthly.

Record of quotes given and accepted.

Code: FASHR

Activity: Importing and Wholesaling

No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$420,000			
		Gross Profit	60 %			
		Wages and Salaries	10 %			
		Occupancy	5 %			
		Motor Vehicles Expenses	4 %			
		Total Expenses	40 %			
		Net Profit	20 %			
		Stockturn	6			

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	Sales			Gross Profit			Customer Category		
	No.	\$	Ave.	\$	Ave.	%	A \$	B \$	C \$
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

One off profile to indicate sales and high gross and net profit per FTE in this sector. Helpful to categorise customers by volume and gross profit as well as location.

Key Monitoring Indicators

Sales / gross profit per sale overall, weekly , monthly and accumulatively.

Number of sales and average sale / gross profit overall, weekly , monthly and accumulatively.

Expenses monthly.

Cashflow monthly. (debtors/creditors)

Stockturn monthly.

Fertiliser

Pracdev Key Indicator Report

Manufacturer

Code: FERTM

Activity: Manufacturer

Units: Litre

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$305,000			
		Gross Profit	60 %			
		Wages and Salaries	13 %			
		Occupancy	3 %			
		Leasing	5 %			
		Total Expenses	57 %			
		Net Profit	3 %			
		Stockturn	3			

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	Sales		Gross Profit	
	No. Litres	\$	\$	%
This Week				
Total to Date				
Total				
Target				
Variance				

Comment:

One off profile to give an indication of relevant indices. Cost of sales covers purchases of raw materials (20%), plus freight and commission on sales made (20%).

Key Monitoring Indicators

Number and value sales/gross profit per kg and per product grouping, weekly and accumulatively.

Customer analysis by value and product monthly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report**Fibreglass****Manufacturing****Code:** FIBRM**Activity:** Manufacturing**Units:** Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
140	96	Sales per FTE person	\$125,000			
67	58	Gross Profit	63 %			
		Wages and Salaries	30 %			
6		Occupancy	2 %			
		Advertising	1.5 %			
		Total Expenses	53 %			
15	4	Net Profit	10 %			
35	18	Stockturn	30			
75	55	Average \$ G.P. per hour	\$68			

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	Sales			Gross Profit		Hours Charged	Productivity
	No.	\$	Average	\$	%		%
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

Fibreglass manufacturing covers a wide spectrum of activity, and encompasses a wide ranging level of gross profit margins which reflect the degree of labour involved; normally, a high gross profit margin indicates a high labour content and vice versa. Maximising charged hours by increasing productivity is not being carried out in the bustle of day to day activity. As a result, productivity levels tend to fall to human comfort level. (See Video 101)

Key Monitoring Indicators

Sales/gross profit per sale, per product grouping, and overall, weekly and accumulatively.
Hours charged to product compared with hours available (productivity) weekly and accumulatively.

Cash Flow monthly.

Stock levels monthly.

Finance Broking

Pracdev Key Indicator Report

Code: FINAS

Activity: Service

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Fees per FTE Person	\$165,000			
		Wages and Salaries	27 %			
		Occupancy	3 %			
		Commission Paid	33 %			
		Total Expenses	90 %			
		Net Profit	10 %			
		Charged hours to available	70 %			
		Average hourly charge rate	\$145			

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	No.	Total Finance \$	Fees \$	Ave. \$	Hours Charged	Ave. per Hour	Productivity %
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

Finance Brokers work on the basis of percentage of finance arranged for leasing and also for housing, business and investment. The development of an average hourly rate would assist the tracking of time spent on broking and establish a clarity of focus concerning the most profitable sectors.

Key Monitoring Indicators

Gross finance/fees per deal, per category and overall, weekly and accumulatively.

Number of deals, average per deal and per representative.

Cash Flow monthly.

Code: FIRES

Activity: Service

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$115,000			
		Gross Profit	67 %			
		Wages and Salaries	33 %			
		Design Fees	6 %			
		Motor Vehicles Expenses	3 %			
		Depreciation	2 %			
		Total Expenses	60 %			
		Net Profit	7 %			

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	Sales			Gross Profit		Hours Charged	Average \$ per hour
	No	\$	Ave	\$	Ave		
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

One off profile to demonstrate gross profit margin, sales per FTE and related expenses.
 Installation system dependant on detailed design input. Need to track installation times and costs against quote to stay on target.

Key Monitoring Indicators

Sales/ gross profit overall and per job, weekly, monthly and accumulatively.
 Hours charged and average GP rate per hour weekly, monthly and accumulatively.
 Cashflow monthly
 Quote/Acceptance Book.

Fishing Tackle

Pracdev Key Indicator Report

Retail

Code: FISHR

Activity: Retail

Units: Number of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
196	149	Sales per FTE person	\$180,000			
46	40	Gross Profit	45 %			
		Wages and Salaries	20 %			
7	3	Occupancy	4 %			
		Total Expenses	39 %			
7	2	Net Profit	6 %			
6	4	Stockturn	5			

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	Sales			Gross Profit		
	No.	\$	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Predominantly fishing tackle is sold in conjunction with boat hire and other marine related products. Stockturn and gross margin will improve due to targeting of average sale and more frequent stock counts.

Key Monitoring Indicators

Sales/gross profit per sale, per product grouping and overall, weekly and accumulatively.

Number of sales and average sale and G.P. weekly and accumulatively.

Stock levels monthly in season, bi monthly out of season.

Cash Flow monthly.

Pracdev Key Indicator Report**Florist**
Retail**Code:** FLORR**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
135	88	Sales per FTE person	\$118,000			
50	43	Gross Profit	45 %			
		Wages and Salaries	32 %			
12	3	Occupancy	6 %			
		Total Expenses	42 %			
9	1	Net Profit	3 %			
18	10	Stockturn	15			

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	Sales			Gross Profit		
	No.	\$	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Increased sales of artificial and dried flowers provides additional revenue and reduces level of wastage whilst lowering stockturn. Increased Interflora sales helps boost gross profit. Need to track average sale daily to further improve bottom line.

Key Monitoring Indicators

Sales/gross margin weekly and accumulatively by product type and overall.

Number of sales, average sale and average gross margin.

Stock levels monthly.

Cash Flow monthly.

Flour Mill

(to 10,000 tonne)

Pracdev Key Indicator Report

Code: FLOUM **Activity:** Manufacturing **Units:** Tonnes

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$165,000			
		Gross Profit	46 %			
		Wages and Salaries	21 %			
		Occupancy	3 %			
		Total Expenses	44 %			
		Net Profit	2 %			
		Actual tonnes to total capacity	49 %			
		Stockturn	8			

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	Sales			Gross Profit			No tonnes x hours	\$ Average tonne/hour	Productivity %
	No	\$	Ave	\$	%	Ave			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Profile of a flour mill with mix of flour, pollard and bran working at less than 50% capacity due to competitive market constraints from larger mills able to sustain a fall in price for longer periods.

Daily, weekly and accumulative tracking of production costs and marketing penetration a must for survival.

Key Monitoring Indicators

Sales/gross margin per sale, by product representative/territory and overall weekly and accumulatively.

Number of tonnes/hours x average rate, weekly and accumulatively.

Stock levels and cash flow monthly.

Pracdev Key Indicator Report**Food
Wholesale****Code:** FROZW**Activity:** Wholesale**Units:** Number of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
506	345	Sales per FTE person	\$447,000			
19	15	Gross Profit	18 %			
		Wages and Salaries	8.5 %			
		Occupancy	2 %			
		Total Expenses	16 %			
4	1	Net Profit	2 %			
35	25	Stockturn	30			

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	Sales			Gross Profit			Customers		
	No.	\$	Average	No.	\$	Average	No.	\$	Average
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Finely balanced on such a low gross margin between paying supplies, collecting from customers and maintaining adequate stock levels. Highlights the need for day by day feedback on gross profit margins, accounts receivable and stock levels.

Key Monitoring Indicators

Sales/gross margin per sale, per product category and per customer weekly and accumulatively.

Number of sales and average sale and average G.P. weekly and accumulatively.

Stock levels and Cash Flow monthly.

Forklift Hire And Service Pracdev Key Indicator Report

Code: FORSS

Activity: Hire

Units: Hours

Workshop/Service

Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$110,000			
		Gross Profit	64 %			
		Wages and Salaries	34 %			
		Occupancy	4 %			
		Total Expenses	56 %			
		Net Profit	8 %			
		Charged service hours to available	64 %			
		Average \$ G.P. per hour	\$60			

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	Hire				Service/Workshop				Average per Hour
	\$	Days	Average	%	\$	G.P.\$	Hours Charged	Prod. %	
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Sales requires dissection between servicing, workshop and hire of forklift. Clarity of target in terms of hours required from workshop and days from hire, would assist more competitive pricing of hire rate. (See Videos 402/201)

Key Monitoring Indicators

Sales/gross profit of service and workshop, weekly and accumulatively.

Hire of forklift weekly and accumulatively.

Direct expense per forklift and overall, weekly and accumulatively.

Cash Flow monthly.

Code: FRUIR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
175	111	Sales per FTE person	\$193,000			
37	31	Gross Profit	35 %			
		Wages and Salaries	19 %			
7	2	Occupancy	3 %			
		Total Expenses	32 %			
7		Net Profit	3 %			
30	21	Stockturn	27			

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	Sales			Gross Profit		
	\$	No.	Average	\$	%	Average \$
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Day to day comparison of average with target will make the difference between good and poor performance. A business where a cent or two on to the average sale and average dollar gross profit makes the difference.

Key Monitoring Indicators

Sales/gross margin per sale, per product category and overall, weekly and accumulatively.

Number of sales and average sale.

Stock levels monthly.

Cash Flow monthly.

Fruit & Vegetables

Pracdev Key Indicator Report

Wholesale

Code: FRUIW

Activity: Wholesale

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$356,000			
		Gross Profit	25 %			
		Wages and Salaries	11 %			
		Occupancy	3 %			
		Total Expenses	23 %			
		Net Profit	2 %			

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	Sales			Gross Profit		Customers	
	No	\$	Ave	\$	Ave	No	Ave \$ Sale
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

One off profile to give indication of sales per FTE & gross margin in comparison to Retail.
Tracking number and average GP per sale is the key to sustaining and improving profitable performance.

Key Monitoring Indicators

Sales / gross per sale, per customer weekly, monthly and accumulatively.

Number of sales and average sale weekly, monthly and accumulatively.

Cashflow monthly.

Stock levels weekly.

Pracdev Key Indicator Report **Fruit Juice Manufacturer**

Code: FRUIM **Activity:** Manufacturing **Units:** Litres

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$215,000			
		Gross Profit	44 %			
		Wages and Salaries	17 %			
		Occupancy	2 %			
		Total Expenses	39 %			
		Net Profit	5 %			
		Stockturn	12			
		Litres made to total capacity	66 %			

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	Sales			Gross Profit			% Capacity Usage
	\$	Litres	Average	\$	%	Average per Litre	
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

An industry which can profit from a depressed market by buying cheaply, manufacturing and storing. Profile of manufacturer of fruit juice selling to mobile distributors operating their own territory. Two key aspects, capacity of plant and allocation of overhead could best be covered as follows: sale price per litre = (total expenses + desired profit / estimated litres) + raw materials at cost per litre.

Key Monitoring Indicators

Sales/gross margin per litre and product type weekly and accumulatively.

Sales by distributor weekly and accumulatively.

Stock levels weekly.

Cash Flow monthly.

Fuel Distributor

Pracdev Key Indicator Report

Code: FUELW

Activity: Wholesale

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
916	524	Sales per FTE person	\$715,000			
10	7	Gross Profit	9 %			
		Wages and Salaries	5 %			
		Occupancy	1 %			
		Total Expenses	8 %			
2	0.3	Net Profit	1 %			

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	Sales				Gross Profit			Consignments		
	Litres	No.	\$	Ave.	\$	%	Ave.	Litres	\$	Commis- sion
This Week										
Total to Date										
Total										
Target										
Variance										

Comment:

Sales per FTE exclude consignment sales where made. Tight margins indicate need for pinpoint control on margins and cash flows. G.P. on bulk sales average 8.5% super, 9% unleaded, up to 12% distillate and 50% heating oil.

Key Monitoring Indicators

Sales/gross margin and number of litres per sale, per product and overall, weekly and accumulatively.

Consignment deliveries, number of litres and commission received weekly and accumulatively. Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report**Furniture****Manufacturer****Code:** FURNM**Activity:** Trade**Units:** Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
135	89	Sales per FTE person	\$116,000			
68	57	Gross Profit	63 %			
		Wages and Salaries	32 %			
		Occupancy	3 %			
		Total Expenses	58 %			
9	1	Net Profit	5 %			
67	50	Charged hours to available	65 %			
65	50	Average \$ G.P. per hour	\$60			
10	4	Stockturn	6			

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	Sales			Gross Profit		Hours		
	\$	No.	Average	\$	%	Hours Charged	Average per Hour	% Productivity
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

A clear perception of charged hours and average rate per charged hour is required to achieve target gross profit on a week by week basis. (See Video 201)

Key Monitoring Indicators

Sales and gross profit per sale and overall, weekly and accumulatively.

Hours charged and average G.P. rate per hour weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Furniture

Pracdev Key Indicator Report

Retail

Code: FURNR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
276	183	Sales per FTE person	\$234,000			
40	33	Gross Profit	35 %			
		Wages and Salaries	15 %			
8	2	Occupancy	3 %			
		Total Expenses	28 %			
10	2	Net Profit	7 %			
6	3	Stockturn	5			

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	Sales			Gross Profit		
	\$	No.	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Comparing sales by category of furniture sold in conjunction with number and gross profit with target will bring focus to the operation. (See/DVD 301/601)

Key Monitoring Indicators

Sales/gross margin per sale and overall, weekly and accumulatively.

Purchases by source and cost weekly and accumulatively.

Cash Flow monthly. (debtors and creditors)

Stock levels monthly

Pracdev Key Indicator Report**Furniture**

Used

Code: FURUR**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
239	105	Sales per FTE person	\$215,000			
45	36	Gross Profit	40 %			
		Wages and Salaries	16 %			
		Occupancy	4 %			
		Restoration	4 %			
		Total Expenses	35 %			
		Net Profit	5 %			
9	5	Stockturn	7			

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	Sales			Gross Profit			Commission Sales		
	\$	No.	Ave.	\$	%	Ave.	\$ Sale	\$ Comm.	%
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Need to track cost of repairs whether inhouse or sub-contracted. Opportunity exists for a more flexible approach to pricing to move greater volume, given the higher gross margins available.

Key Monitoring Indicators

Sales/gross margin per sale, per category and overall, weekly and accumulatively.

Number and average sale/gross profit per category and overall weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Furniture

Pracdev Key Indicator Report

Wholesale

Code: FURWW

Activity: Wholesale

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
435	286	Sales per FTE person	\$400,000			
23	19	Gross Profit	21 %			
		Wages and Salaries	9 %			
		Occupancy	3 %			
		Total Expenses	19 %			
5	1	Net Profit	2 %			
7	4	Stockturn	5			

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	Sales			Gross Profit		
	\$	No.	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Imports include a proportion on consignment as well as items paid for by letter of credit.
Tendency for stock to build up due to long lead times in obtaining replenishments. Furniture sourced from overseas.

Key Monitoring Indicators

Sales/gross margin per sale, per product category and overall, weekly and accumulatively.
Purchases by source and cost.
Stock levels and Cash Flow monthly and accumulatively.

Pracdev Key Indicator Report

Furniture Removals

Code: FURNS**Activity:** Service**Units:** Cubic metres and klms

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$116,000			
		Wages and Salaries	32 %			
		Occupancy	7 %			
		Insurance	7 %			
		Depreciation	12 %			
		Motor Vehicles Expenses	34 %			
		Total Expenses	97 %			
		Net Profit	3 %			

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	\$	Klms		Cubic Metres		Fuel & Oil			Repairs & Maintenance			Leasing			Total Direct Expenses		
		No	\$ave	No	\$ave	\$	Per Klm	Per cu m.	\$	Per Klm	Per cu m.	\$	Per Klm	Per cu m.	\$	Per Klm	Per cu m.
This Week																	
Total to Date																	
Total																	
Target																	
Variance																	

Comment:

One off profile of a large removalist. In addition to tracking direct expenses per cubic metre and per kilometre, need to track expenses per van in order to obtain a clear comparison of costs against target.

Key Monitoring Indicators

Gross revenue, per cubic metre, per kilometre and overall, weekly and accumulatively.

Average revenue and direct expenses per cubic metre and per kilometer weekly and accumulatively.

Cash Flow monthly.

Garden Ornaments

Pracdev Key Indicator Report

Code: GARDM

Activity: Manufacturing

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
94	70	Sales per FTE person	\$86,000			
83	74	Gross Profit	81 %			
		Wages and Salaries	41 %			
		Occupancy	4 %			
		Total Expenses	75 %			
		Net Profit	6 %			
		Charged hours to available	65 %			
		Average \$ G.P. per hour	\$58			
9	5	Stockturn	7			

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	Sales			Gross Profit			Hours Charged	Ave. per Hour	Prod. %
	No.	\$	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Garden statues, fountains, urns, pots etc. Raw material costs are low in comparison with labour and other expenses, but productivity is also low and needs targeting upwards. (See Videos 101/201)

Key Monitoring Indicators

Sales/gross profit per sale, by category, overall, weekly and accumulatively.

Charged hours x average hourly rate, overall, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report

Gas
Retail

Code: GASBR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$145,000			
		Gross Profit	38 %			
		Wages and Salaries	25 %			
		Repairs & Maintenance	5 %			
		Advertising	1 %			
		Motor Vehicles Expenses	4 %			
		Total Expenses	35 %			
		Net Profit	3 %			

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	Sales			Gross Profit		Bottle Categories							
	No	\$	Ave	\$	Ave	A		B		C		D	
						No	\$	No	\$	No	\$	No	\$
This Week													
Total to Date													
Total													
Target													
Variance													

Comment:

One off profile of a bottled gas retailer to give an indication of gross profit and various related expenses in conjunction with sales per FTE.

Key Monitoring Indicators

Sales / gross profit per category and overall, weekly, monthly and accumulatively.

Expenses monthly.

Cashflow monthly (debtors and creditors)

Stock levels monthly.

Gift Shop

Retail

Pracdev Key Indicator Report

Code: GIFTR

Activity: Retail

Units: Number of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
160	108	Sales per FTE person	\$132,000			
49	38	Gross Profit	46 %			
		Wages and Salaries	27 %			
12	4	Occupancy	5 %			
		Total Expenses	44 %			
8	1	Net Profit	2 %			
6	3	Stockturn	4			

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	Sales			Gross Profit		
	\$	No.	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

An average sale target, maintained daily, will materially improve bottom line. Closer oversight of stock movements by weekly recording of a quarter of stock lines will improve performance in this business which is prone to overstocking. Need to monitor average sales and gross margin through the cash register daily to check on achievement.

Key Monitoring Indicators

Sales/gross margin per sale, per grouping and overall, weekly and accumulatively.

Number of sales, average sale/gross margin, daily, weekly and accumulatively.

Stock levels (one quarter) weekly.

Cash Flow monthly.

Pracdev Key Indicator Report

Glass Supply

Code: GLAST**Activity:** Trade**Units:** Number of Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
180	120	Sales per FTE person	\$165,000			
68	52	Gross Profit	62 %			
		Wages and Salaries	24 %			
6	2	Occupancy	3 %			
		Total Expenses	49 %			
15	3	Net Profit	13 %			
10	5	Stockturn	8			

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	Sales			Gross Profit		Hours Charged	Average per Hour
	\$	No.	Average	\$	%	No.	\$ Rate
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

Pricing presents a problem: mark up on cost of glass used plus a rate to cut and fix based on time involved. The rate is best calculated as follows: (Total expenses + Profit = G.P. on non cut glass) / estimated charged hours.

Key Monitoring Indicators

Sales/gross margin per sale weekly and accumulatively.

Numer sales, average sale, m2 per sale.

Number hours charged as % available.

Stock levels monthly.

Cash Flow monthly.

Gold Mining

Pracdev Key Indicator Report

Code: GOLDM

Activity: Mining

Units: m3 Processed

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$225,000			
		Wages and Salaries	18 %			
		Fuel and Oil	20 %			
		Repairs & Maintenance	15 %			
		Leasing	13 %			
		Total Expenses	94 %			
		Net Profit	6 %			

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	Processing		Sales	
	m3	Hours	Ounces	\$
This Week				
Total to Date				
Total				
Target				
Variance				

Comment:

Included to give some idea of breakdown of costs. Profile based on current value of gold per FTE person. In this case, the recovery of 1oz requires the crushing and sluicing of some 30 cubic metres.

Key Monitoring Indicators

Sales \$ and ounces weekly and accumulatively.

Number ounces recovered per m3 processed and hours worked.

Direct expenses weekly and accumulatively.

Cash Flow monthly.

Pracdev Key Indicator Report**Guest House****Code:** GUESS**Activity:** Service**Units:** No of Beds/Days

Highs	Lows	Key Indicator	Profile	Client Comparison		
115	78	Sales per FTE person	\$96,000			
		Gross Profit	85 %			
		Wages and Salaries	38 %			
17	10	Occupancy	13 %			
6	3	Electricity, Gas and Power	6 %			
		Total Expenses	81 %			
9	2	Net Profit	4 %			
85	63	Room Occupancy	72 %			

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	Beds Occupied			Meals					
	No.	\$	Ave.	Breakfast		Dinner		Total	
				No.	\$	No.	\$	No.	\$
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Sample includes holiday resort guest house with country occupancy as well as city guest house with (presumably) regular clientele requiring full board and lodging. Given relatively high cost factors of wages, occupancy, food etc, the difference between a profitable and struggling guest house will depend on the level of cost control exercised commensurate with maintaining a comfortable and friendly environment.

Key Monitoring Indicators

Revenue per bed and per meal, weekly and accumulatively.

Direct expenses per bed and per meal weekly and accumulatively.

Cash Flow monthly.

Hairdressing

Pracdev Key Indicator Report

Ladies

Code: HAILS

Activity: Service
Trade

Units: No of Hours
No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
87	55	Sales per FTE person	\$72,000			
95	87	Gross Profit	90 %			
		Wages and Salaries	48 %			
15	8	Occupancy	10 %			
		Total Expenses	80 %			
15	4	Net Profit	10 %			
6	3	Stockturn	4			

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	Hair			Type Number				Sales of Stock			Productivity	
	No.	\$	Ave.	Tint	Perm	Cut	Other	\$	G.P.\$	G.P.%	Hrs Charged	%
This Week												
Total to Date												
Total												
Target												
Variance												

Comment:

A sector that appears to be battling with high rentals and strong competition. The concept of a target average rate per hour of hairdressers' time has not been developed as a basis for identifying productivity or for pricing of various types of hair styling activities such as perms, tints etc. But when used, it creates a focus for monitoring results as well as a basis for pricing.

Key Monitoring Indicators

Sales and gross profit per staff number and overall, weekly and accumulatively.

Sales by styling in number and value weekly an accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report

Hairdressing

Mens**Code:** HAIMS**Activity:** Service
Trade**Units:** No of Hours
No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
70	48	Sales per FTE person	\$62,000			
98	96	Gross Profit	97 %			
		Wages and Salaries	68 %			
		Occupancy	9 %			
		Total Expenses	92 %			
7	2	Net Profit	5 %			

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	Sales			Sales Stock			Productivity	
	No.	\$	Average	No.\$	G.P.\$	G.P.%	Hours Charged	%
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Development of a regular schedule of haircuts based on appointments made at the time of the preceding visit lead to a more ordered and reliable revenue source. Identification of charged time as percentage of available time will assist in establishing a pricing policy.

Key Monitoring Indicators

Sales/gross profit stock, weekly and accumulatively.

Revenue per visit and overall, weekly and accumulatively.

Cash Flow quarterly.

Hardware

Pracdev Key Indicator Report

Retail

Code: HARDR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
205	140	Sales per FTE person	\$190,000			
36	31	Gross Profit	33 %			
		Wages and Salaries	19 %			
7	2	Occupancy	4 %			
		Total Expenses	29 %			
7	2	Net Profit	4 %			
6	3	Stockturn	4			

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	Sales			Gross Profit			Items per Sale		
	No.	\$	Ave.	\$	%	Ave.	No.	\$	Ave.
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Discounts to 'builders' tend to lower gross profit margin whilst boosting overall contribution. Sale of timber also tends to bring down gross margins although it boosts sales per FTE. Dissection of sales by product grouping into number of sales, items per sale and gross profit margin will be of considerable assistance in planning purchases and improving stockturn (See Video 301)

Key Monitoring Indicators

Number of sales, number of items per sale, per product grouping, average sale/gross profit values, weekly and overall.

Stock levels monthly (one quarter per week).

Cash Flow monthly.

Code: HEALR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
177	124	Sales per FTE person	\$157,000			
40	33	Gross Profit	36 %			
		Wages and Salaries	22 %			
10	3	Occupancy	5 %			
		Total Expenses	34 %			
5	1	Net Profit	2 %			
11	6	Stockturn	8			

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	Sales			Gross Profit		
	Number	\$	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Tracking average sale day by day will lead to improved bottom line. Bulk supply repackaged gives a higher gross margin than pre-packed (25% - 30%) and vitamins (35 - 42%). Weekly stock levels of one quarter of stock lines will enable proprietors to identify those moving and assist in planning purchases. (See Video 301)

Key Monitoring Indicators

Sales/gross margin per sale, per product and overall, weekly and accumulatively.

Number sales and items per sale weekly and accumulatively.

Stock levels and Cash Flow monthly.

Health Studio

Pracdev Key Indicator Report

Code: HEALS

Activity: Service

Units: No of Members

Highs	Lows	Key Indicator	Profile	Client Comparison		
94	67	Sales per FTE person	\$80,000			
95	90	Gross Profit	94 %			
		Wages and Salaries	44 %			
		Occupancy	14 %			
		Total Expenses	87 %			
12	3	Net Profit	7 %			

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	Attendees							
	Members		Non Members		Casuals		Total	
	No.	\$	No.	\$	No.	\$	No.	\$
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Gross profit based on cost of sales made on-site including refreshments etc. Members pay by the year, half year or quarter and need to be monitored accordingly. Focus needs to be on number of attendees and the average fee per attendance weekly and accumulatively. This number and rate will have been worked out with reference to the planned expenses plus profit for the year. This will give a clear lead to marketing.

Key Monitoring Indicators

Attendees and fees weekly and accumulatively.

Subscribers by category weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Code: HEARR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$165,000			
		Gross Profit	57 %			
		Wages and Salaries	24 %			
		Travel & Accommodation	7 %			
		Advertising	3 %			
		Total Expenses	50 %			
		Net Profit	7 %			
		Stockturn	9			

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	Sales			Gross Profit			Site		
	No.	\$	Ave.	\$	%	Ave.	A	B	C
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Profile of small sample to indicate overview of a business operating from a control location and visiting various centres to carry out tests and effect sales. The mark up must cover travelling as well as salaries and administration overheads.

Key Monitoring Indicators

Sales/gross margin per sale, per location, overall, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Hire Plant & Equipment

Pracdev Key Indicator Report

Code: HIRQS

Activity: Service

Units: No of Hiring

Highs	Lows	Key Indicator	Profile	Client Comparison		
138	84	Sales per FTE person	\$114,000			
		Wages and Salaries	32 %			
		Depreciation	15 %			
17	10	Repairs & Maintenance	16 %			
		Total Expenses	90 %			
12	5	Net Profit	10 %			

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	Revenue			Equipment Hired		
	\$	No.	Average	A	B	C
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Tracking the number of hirings and average dollars per hire in each of the main divisions, will assist the process of focusing on profitable/non profitable items.

Key Monitoring Indicators

Hire per item and overall, weekly and accumulatively.

Direct cost per item overall, weekly and accumulatively.

Movement per item monthly and accumulatively.

Code: HOSPS

Activity: Service

Units: Patient Days

Highs	Lows	Key Indicator	Profile	Client Comparison		
112	83	Fees per FTE Person	\$102,000			
		Wages and Salaries	45 %			
15	9	Occupancy	10 %			
		Medical Supplies	7 %			
		Total Expenses	90 %			
14	6	Net Profit	10 %			
		Average \$ per bed/day	\$575			
85	67	Bed Occupancy	75 %			

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	Fees				Expenses					
	No. Beds	\$	Ave. per Bed	% Occupancy	Wages	Medical	Provisions	Other	Total	Ave. per Bed
This Week										
Total to Date										
Total										
Target										
Variance										

Comment:

High indicators depict private hospitals, low indicators depict non profit private hospitals. Funding in these hospitals is 90%+ private, (compared with 70%+ government support for nursing homes) and approx 6% government subsidies. More profitable than nursing homes yet also more competitive and more demanding in medical care provided and facilities required (operating theatre etc).

Key Monitoring Indicators

Fees per bed per day and overall, weekly and accumulatively.

Expenses per bed per day and overall, weekly and accumulatively.

Staffing hours and wages.

Cash Flow monthly.

Hot Water Systems

Pracdev Key Indicator Report

Manufacturing

Code: HOTAM

Activity: Manufacturing

Units: Hours

Wholesale

No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$130,000			
		Gross Profit	52 %			
		Wages and Salaries	29 %			
		Occupancy	3 %			
		Total Expenses	48 %			
		Net Profit	4 %			
		Charged hours to available	70 %			
		Average \$ G.P. per hour	\$60			
		Stockturn	4			

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	Sales			Gross Profit			Hours Charged	Ave. per Hour	Prod.%
	No.	\$	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

G.P per hour includes labour charge rate plus overheads plus markup on materials.

Profile of an industry manufacturing various sizes hot water systems for industrial and domestic use. Tracking charged hours into output and comparing with target productivity is only effective if carried out weekly. (See Video 101)

Key Monitoring Indicators

Sales/gross margin per sale, per size system and overall, weekly and accumulatively.

Charged hours x average rate category weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report

Hotel

Code: HOTES

Activity: Retail

Units: No of Kegs

Accommodation

No of Sales

Casino

No of Game Units

Highs	Lows	Key Indicator	Profile	Client Comparison		
255	126	Sales per FTE person	\$205,000			
62	50	Gross Profit	56 %			
		Wages and Salaries	18 %			
16	7	Occupancy	12 %			
		Total Expenses	49 %			
18	6	Net Profit	7 %			
22	15	Stockturn	18			

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	Bars				BottleShop				Games	Betting	Total G.P.
	Sales		G.P.		Sales		G.P.				
	No.	\$	\$	%	No.	\$	\$	%			
This Week											
Total to Date											
Total											
Target											
Variance											

Comment:

Sales include bar (60% G.P.), bottle shop (27% G.P.), meals (30% G.P.) and poker machines (49% G.P.). Introduction of poker machines etc has improved gross profit with each State Government appropriating different proportions of gross take. As with many cash businesses the tendency to assume that cash in hand is a comforting indicator of progress creates a problem when it comes to effective management of scarce resources. A clear knowledge of number of sales, average sale, margins achieved etc will enable more precise management decision making and control.

Key Monitoring Indicators

Sales/gross profit by number (and average) and location, weekly, and accumulatively.

Stock levels weekly.

Cash Flow monthly.

House Boat Hire

Pracdev Key Indicator Report

Code: HOUSS

Activity: Service

Units: No of Days

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$137,000			
		Wages and Salaries	27 %			
		Repairs & Maintenance	11 %			
		Fuel and Oil	19 %			
		Total Expenses	97 %			
		Net Profit	3 %			
		Charged boat/days to available	65 %			

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	Boat A				Boat B				Total				
	No Days	Hire\$	D.Exp	Gross\$	No Days	Hire\$	D.Exp	Gross\$	No Days	Hire\$	D.Exp	Gross\$	Ave per Day
This Week													
Total to Date													
Total													
Target													
Variance													

Comment:

Attach an engine to an apartment and float it offshore a few days, care of the average tourist family and it may give some idea of the housekeeping problems that face the owners. Hire rates calculated to cover all normal costs involved and supply a return on investment are also related to anticipated occupancy and reasonable wear and tear. Need to track direct expenses such as fuel/oil, repairs and maintenance and leasing per vessel. (See video 402).

Key Monitoring Indicators

Hire/direct expenses per vessel and overall weekly and accumulatively.

Cash Flow monthly.

Boat maintenance schedules monthly.

Pracdev Key Indicator Report

Hydraulic Services

Code: HYDRS**Activity:** Service**Units:** Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$125,000			
		Gross Profit	71 %			
		Wages and Salaries	31 %			
		Motor Vehicles Expenses	10 %			
		Total Expenses	60 %			
		Net Profit	11 %			
		Charged hours to available	70 %			
		Average \$ G.P. per hour	\$70			

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	Sales			Gross Profit			Hours Charged	Ave. per Hour	Prod.%
	No.	\$	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

One off profile to give an indication of sales per FTE, gross profit and expenses. The key here is to establish a target average gross profit rate per chargeable hour. This means estimating total expenses (less materials bought in), adding a target net profit and dividing the resulting gross profit by the hours expected to be charged for the period. $(GP = TE + NP)/Hours$

Once this has been done, all quoted work and invoiced work should be compared with the targeted average GP to ensure productivity and profit stay on track. (See Video/DVD 101/201)

Key Monitoring Indicators

Sales / gross profit by category of work, weekly, monthly and accumulatively.

Hours charged and average GP rate per hour weekly, monthly and accumulatively compared with target.

Cashflow monthly (debtors and creditors)

Stock levels of parts monthly.

Quote/Acceptance book.

Ice Cream

Retail

Pracdev Key Indicator Report

Code: ICECR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
116	78	Sales per FTE person	\$97,000			
74	66	Gross Profit	70 %			
		Wages and Salaries	37 %			
10	6	Occupancy	7 %			
		Total Expenses	64 %			
10	4	Net Profit	6 %			
		Stockturn	18			

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	Sales			Gross Profit		
	\$	No.	Ave.	\$	%	Ave.
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Sample includes independent as well as franchise, the latter drawing stock from franchise but paying no additional franchise fees. Tracking average sale and gross profit per sale will accomplish much.

Key Monitoring Indicators

Sales by number, by gross profit, by product grouping, weekly and accumulatively.

Average sale, average gross profit weekly and accumulatively.

Stockturn monthly.

Cash Flow monthly.

Code: ICECW

Activity: Wholesale

Units: Kilograms

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$234,000			
		Gross Profit	40 %			
		Wages and Salaries	16 %			
		Occupancy	3 %			
		Total Expenses	35 %			
		Net Profit	5 %			
		Stockturn	95			

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	Sales					Gross Profit			
	\$	No.	Kgs	Ave. Sale	Ave. Kg	\$	%	Ave. Sale	Ave. Kg
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Interesting to compare with retailer of ice cream. Tracking sales per territory, per van, per type of customer e.g deli, milk bar, restaurant, school, hotel, etc an important exercise in developing data for planning ongoing strategies.

Key Monitoring Indicators

Sales/gross profit by product grouping, by customer sector, weekly and accumulatively.

Average sales/gross profit by number, by kilo.

Cash Flow monthly.

Ice Making

Pracdev Key Indicator Report

Code: ICEMM

Activity: Manufacturer

Units: Kilograms

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$81,000			
		Gross Profit	96 %			
		Wages and Salaries	48 %			
		Electricity, Gas and Power	8 %			
		Repairs & Maintenance	6 %			
		Total Expenses	85 %			
		Net Profit	11 %			

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	Sales					Gross Profit			
	\$	No.	Kgs	Ave. Sale	Ave. per Kg	\$	%	Ave\$ per Sale	Ave. per Kg
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Profile of a small sample to give an awareness of key indicators impacting this industry.

Key Monitoring Indicators

Sales by No, by Kg, by gross profit and by category of customers weekly and accumulatively.

Ave. sale and average G.P. per Kg weekly and accumulatively.

Cash Flow monthly.

Pracdev Key Indicator Report**Importer**
Electrical Accessories**Code:** IMPER**Activity:** Wholesale**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$210,000			
		Gross Profit	45 %			
		Wages and Salaries	19 %			
		Occupancy	3 %			
		Total Expenses	43 %			
		Net Profit	2 %			
		Stockturn	4			

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	Sales			Gross Profit			Location G.P.\$		
	No.	\$	Ave.	\$	%	Ave.	A	B	C
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Need to target gross profit percentage and average sale, coupled with weekly feedback of key indicators. With several hundred product lines and sales across all regions there also is need to identify the key contribution to gross profit, by product, location, customer and representative.

Key Monitoring Indicators

Sales/gross margin per sale, per product grouping, per location and per representative, weekly and accumulatively.

Expenses per location/territory, monthly.

Stock levels monthly.

Cash Flow monthly.

Importer

Foods

Pracdev Key Indicator Report

Code: IMPFR

Activity: Wholesale

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$650,000			
		Gross Profit	15 %			
		Wages and Salaries	6 %			
		Occupancy	2 %			
		Total Expenses	12 %			
		Net Profit	3 %			
		Stockturn	10			

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	Sales			Gross Profit		
	\$	No.	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Tracking sales and gross margin daily along with accounts receivable - a must for survival. Low stockturn indicates increased stock levels due to additional product lines. Optimum number of lines to maximise contribution needs to be determined before warehousing and holding and servicing costs outstrip gross profit.

Key Monitoring Indicators

Sales/gross margin per sale, per location and overall, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report

Industrial Sales

Code: INDSS**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
240	160	Sales per FTE person	\$220,000			
47	40	Gross Profit	44 %			
		Wages and Salaries	18 %			
		Occupancy	3 %			
		Total Expenses	40 %			
10	2	Net Profit	4 %			
12	8	Stockturn	10			

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	Sales			Gross Profit			Source			
	No.	\$	Ave.	\$	%	Ave.	Offices	Rep 1	Rep 2	Rep 3
This Week										
Total to Date										
Total										
Target										
Variance										

Comment:

Sales of a variety of soft items such as overalls, cleaning fluids, gloves, protection gear etc. to industrial and commercial businesses predominantly by phone calls in which repeat orders are canvassed and new product lines advertised and sold. There is a strong correlation between number of calls made, orders received and level of supervision maintained.

Key Monitoring Indicators

Number and value of sales, gross margin per order, per rep, overall, weekly and accumulatively.

New customers identified.

Stock levels and Cash Flow monthly.

Insurance Broker

Pracdev Key Indicator Report

Code: INSUR

Activity: Service

Units: No of Policies

Highs	Lows	Key Indicator	Profile	Client Comparison		
150	87	Sales per FTE person	\$117,000			
		Wages and Salaries	34 %			
8	2	Occupancy	3 %			
		Motor Vehicles Expenses	5 %			
		Total Expenses	83 %			
19	8	Net Profit	17 %			

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	Policies - New						Policies - Renewed						Total	
	Life		General		Other		Life		General		Other		No.	\$
	No.	\$	No.	\$	No.	\$	No.	\$	No.	\$	No.	\$		
This Week														
Total to Date														
Total														
Target														
Variance														

Comment:

Revenue equates to commission plus fees on broking and requires classification by type of policy (fire, accident, life etc) and by source (representative, office etc) and by new premium or renewal.

Key Monitoring Indicators

Revenue by source, type, weekly and accumulatively.

Customer analysis by location, occupation and contact source.

Cash Flow monthly.

Pracdev Key Indicator Report

Interior Decorator

Code: INTCS**Activity:** Service**Units:** No of Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
490	98	Sales per FTE person	\$177,000			
50	36	Gross Profit	46 %			
		Wages and Salaries	23 %			
8	3	Occupancy	4 %			
		Total Expenses	40 %			
12	1	Net Profit	6 %			
18	9	Stockturn	12			

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	Sales		Gross Profit		Hours Charged		Total
	No.	\$	\$	%	No.	\$	G.P.\$
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

Average \$G.P. rate per hour includes mark up on materials. The interior decorator quote for a job inclusive of materials and furnishings often purchased from stock and the charge for time to supervise sub contractors etc is invariably covered by the mark up. A more meaningful approach is to monitor the hours involved and develop a charge rate based on total expenses and profit divided by estimated charged hours. Interior Decorators on a larger scale are comparable with multi home builders in their use of subcontractors to carry out work. (See Videos 201/401)

Key Monitoring Indicators

Sales/gross margin per job and overall, weekly and accumulatively.

Hours charged and average rate per job and overall, weekly and accumulatively.

Stockturn monthly.

Cash Flow monthly.

Interior Design

Pracdev Key Indicator Report

Code: INTSS

Activity: Professional

Units: No of Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
140	88	Sales per FTE person	\$112,000			
		Wages and Salaries	40 %			
		Occupancy	5 %			
		Total Expenses	88 %			
12	5	Net Profit	12 %			
110	75	Average \$ G.P. per hour	\$95			
		Charged hours to available	70 %			

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	Billings			Receipt	WIP	Hours Charged	Productivity
	G.P./Materials	Hours	Total	\$	\$	No.	%
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

Interior Design is technically and professionally distinct from Interior Decorating (although it encompasses the latter) embracing several years of undergraduate study in Architectural faculties. It can involve purchases of materials for certain design work which is marked up in addition to the fee for designing and supervising. (See Video 501)

Key Monitoring Indicators

Charged hours by average dollar rate per job and overall, weekly and accumulatively.

Purchases/sales, gross margin per job and overall, weekly and accumulatively.

Cash Flow monthly.

Code: JEANR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
315	225	Sales per FTE person	\$278,000			
35	30	Gross Profit	33 %			
		Wages and Salaries	14 %			
10	4	Occupancy	7 %			
2	1	Advertising	1.5 %			
		Total Expenses	29 %			
		Net Profit	4 %			
7	4	Stockturn	5			

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	Sales			Items per sale			Gross Profit		
	No.	\$	Ave.	No.	\$	Ave.	\$	%	Ave.
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Tracking sales and items per sale as well as gross margin is vital to effective management of purchases and merchandising. Stock levels require weekly monitoring of one quarter of stock. High cost of advertising calls for regular monitoring of results.

Key Monitoring Indicators

Sales/gross margin per sale, per product grouping and overall, weekly and accumulatively.
Number of sales/items per sale and average sale, G.P. weekly and accumulatively.
Stock levels and Cash Flow monthly.

Jeweller

Pracdev Key Indicator Report

Code: JEWER

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
215	112	Sales per FTE person	\$147,000			
65	45	Gross Profit	57 %			
		Wages and Salaries	27 %			
16	4	Occupancy	7 %			
2	0.5	Advertising	1 %			
		Total Expenses	47 %			
12	4	Net Profit	10 %			
3.5	2	Stockturn	2.5			

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	Sales			Gross Profit		
	No.	\$	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Weekly tracking of number of sales and average sale/gross profit, will assist improving bottom line. Once established, it becomes a means of focusing staff performance and should be marginally increased week by week. (See Video 301)

Key Monitoring Indicators

Sales/gross margin per sale, per grouping and overall, weekly and accumulatively.

Number of sales and items per sale weekly and accumulatively.

Stock levels and Cash Flow monthly.

Pracdev Key Indicator Report

Joinery

Code: JOINM**Activity:** Manufacturing**Units:** Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
142	98	Sales per FTE person	\$122,000			
62	50	Gross Profit	57 %			
		Wages and Salaries	33 %			
6	2	Occupancy	3 %			
		Total Expenses	50 %			
10	3	Net Profit	7 %			
68	50	Charged hours to available	65 %			
		Average hourly charge rate	\$65			
18	9	Stockturn	14			

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	Sales			Gross Profit			Hours Charged	Ave. Hourly Rate\$	Productivity
	\$	No.	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Joinery includes cupboards for kitchen, bathroom etc. Many joiners call themselves cabinet makers. Performance can best be improved if (a) productivity is identified, (b) a target number of charged hours is established and (c) an average rate per hour (exclusive of materials) is developed. (See Videos 101/201)

Key Monitoring Indicators

Sales/gross margin per sale and overall, weekly and accumulatively.

Charged hours x average hourly rate per sale and overall, weekly and accumulatively.

Stock levels and Cash Flow monthly.

Quotation book.

Kitchen Utensils

Pracdev Key Indicator Report

Manufacturing

Code: KITUM

Activity: Manufacturing

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$152,000			
		Gross Profit	47 %			
		Wages and Salaries	25 %			
		Occupancy	2 %			
		Total Expenses	45 %			
		Net Profit	2 %			
		Charged hours to available	65 %			
		Average \$ G.P. per hour	\$65			

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	Sales			Gross Profit			Hours Charged	Ave. per Hour	Prod. %
	No.	\$	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Analysis of sales/gross profit per customer would be helpful in determining pricing and marketing strategies. A process line activity highly sensitive to productivity and in turn to pricing. Application of the target average G.P\$ per hour charged would be of considerable assistance in developing both production and marketing strategies.

Key Monitoring Indicators

Sales/gross profit per product, per customer and per category and overall, weekly and accumulatively.

Charged hours x average rate per product and overall, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report**Kitchenware****Retail****Code:** KITCR**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
179	128	Sales per FTE person	\$165,000			
47	40	Gross Profit	44 %			
		Wages and Salaries	23 %			
13	5	Occupancy	7 %			
		Total Expenses	41 %			
		Net Profit	3 %			
6	3	Stockturn	4			

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	Sales			Gross Profit			No. Items per Sale		
	No.	\$	Ave.	\$	%	Ave.	No.	\$	Ave.
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Difficulty in maintaining stock at acceptable levels as increasing number of product lines put pressure on purchases and stock levels. A weekly stock take of one quarter of stock will greatly assist in identifying lines that should be culled or reduced.

Key Monitoring Indicators

Sales/gross margin per sale, per product grouping and overall, weekly and accumulatively.
 Number of sales, items per sale, average sale weekly and accumulatively.
 Stock levels and Cash Flow monthly.

Ladies Wear

Pracdev Key Indicator Report

Boutique

Code: LADBR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
203	134	Sales per FTE person	\$170,000			
48	39	Gross Profit	45 %			
		Wages and Salaries	23 %			
14	5	Occupancy	7 %			
		Total Expenses	40 %			
12	3	Net Profit	5 %			
6	3	Stockturn	4			

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	Sales			Items per Sales			Gross Profit		
	No.	\$	Ave.	No.	\$	Ave.	\$	%	Ave.
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Sample has a wide range in average sale, but gross margin remarkably consistent. Performance is best tracked by analysis of each sale into its gross margin achieved and number of items per sale. G.P. target established should be weekly based on total expenses plus desired profit. (See Video 301)

Key Monitoring Indicators

Sales/gross margin per sale, per item, weekly and accumulatively.
 Number of sales and average sale/ G.P. weekly and accumulatively.
 Stock levels and Cash Flow monthly.

Pracdev Key Indicator Report

Landscaping

Code: LANDT**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
121	87	Sales per FTE person	\$109,000			
62	48	Gross Profit	58 %			
		Wages and Salaries	35 %			
9	6	Motor Vehicles Expenses	8 %			
		Total Expenses	50 %			
		Net Profit	8 %			
70	50	Charged hours to available	65 %			
60	45	Average \$ G.P. per hour	\$55			

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	Sales			Gross Profit			Hours Charged	Ave. Hourly Rate	Productivity %
	No.	\$	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Average G.P. rate per charged hour includes profit on materials which are marked up anything from 30% to 100%. Tracking of hours becomes the key to maintaining control of performance: hours quoted compared with hours on the job; hours charged compared with hours paid. Job cards a must. (See Video 101/201)

Key Monitoring Indicators

Sales/gross margin per job and overall, weekly and accumulatively.

Charged hours and average rate per hour weekly and accumulatively.

Cash Flow monthly.

Lawn Mower

Sales & Service

Pracdev Key Indicator Report

Code: LAWNR

Activity: Retail

Units: No of Sales

Workshop

No of Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
228	126	Sales per FTE person	\$174,000			
54	44	Gross Profit	49 %			
		Wages and Salaries	22 %			
8	3	Occupancy	5 %			
		Total Expenses	44 %			
		Net Profit	5 %			
6	3	Stockturn	4			
		Charged hours to available	70 %			
55	45	Average \$ G.P. per hour	\$50			

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	Sales			Gross Profit			Hours Charged	Average Rate	Productivity %
	No.	\$	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Wide range of sales per FTE reflects the mix of mower sales, parts and workshop activity. The more workshop activity that takes place, the higher the gross profit margin and the lower the sales per FTE. Separating the average G.P. rate per charged hour includes profit on materials, need to dissect sales into: new sales (20% G.P), parts sales and workshop charges, and develop a target hourly rate, monitored daily. (See Video 201)

Key Monitoring Indicators

Sales/gross margin per sale, per grouping and overall, weekly and accumulatively.

Number of sales and average sale/gross profit each grouping, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report

Legal Practice

Code: LEGAP**Activity:** Professional**Units:** Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
140	76	Fees per FTE Person	\$103,000			
		Wages and Salaries	38 %			
12	4	Occupancy	6 %			
		Total Expenses	83 %			
20	12	Net Profit	17 %			
70	50	Charged hours to available	65 %			
140	75	Average Fee per hour	\$100			

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	Billings \$	Receipts \$	WIP	Charged Hours	% Charged Available Hours
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Average hourly charge rate is calculated by dividing total gross fees (net of disbursements) by charged hours of principal and qualified practitioners. Inclusion of support staff as with Accounting Practices, would reduce hourly rate accordingly. The bank balance remains the key performance indicator in the majority of legal practices. Those practices tracking billable hours and monitoring billings weekly and accumulatively are achieving improved bottom line returns per partner. (See Video 501)

Key Monitoring Indicators

Billings, WIP, charged hours and average rate per charged hours weekly and accumulatively, overall and by producer.

Cash Flow monthly.

Lighting

Retail

Pracdev Key Indicator Report

Code: LIGHR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
226	128	Sales per FTE person	\$170,000			
40	34	Gross Profit	38 %			
		Wages and Salaries	22 %			
10	4	Occupancy	6 %			
		Total Expenses	34 %			
		Net Profit	4 %			
6	3	Stockturn	4			

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	Sales			Gross Profit		
	No.	\$	Ave.	\$	%	Ave.
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Sample includes proportion of trade sales, accounting for wide range of sales per FTE as well as gross margins. Low stockturn indicates the need for frequent monitoring of stock movement and ruthless culling of slow moving items. Some trade sales mixed with retail sales, coupled with discounting, impacts on gross margin and should be tracked.

Key Monitoring Indicators

Sales/gross margin, per sale and overall, wholesale and retail weekly and accumulatively.

Number of sales, average sale/gross profit weekly and accumulatively.

Stock levels and Cash Flow monthly.

Pracdev Key Indicator Report

Liquor Store

Code: LIQUR**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
312	210	Sales per FTE person	\$285,000			
32	26	Gross Profit	29 %			
		Wages and Salaries	13 %			
10	2	Occupancy	4 %			
		Total Expenses	27 %			
10	1	Net Profit	2 %			
12	6	Stockturn	8			

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	Sales			Gross Profit			Items per Sale	
	No.	\$	Ave.	\$	%	Ave.	No.	\$
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Sale of beer and other loss leaders at discount to attract customers forces gross margin down but increases throughput and overall contribution. The need to identify sales/ gross margin by product (beer, wines, spirits) is vital to effective performance. (See Video 301)

Key Monitoring Indicators

Number and value of sales/gross profit by sales, items, product grouping and overall, weekly and accumulatively.

Stock levels fortnightly.

Cash Flow monthly.

Locksmith

Sales & Service

Pracdev Key Indicator Report

Code: LOCKT

Activity: Retail

Units: No of Sales

Workshop

Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
204	123	Sales per FTE person	\$145,000			
65	50	Gross Profit	55 %			
		Wages and Salaries	28 %			
6	3	Occupancy	4 %			
		Total Expenses	45 %			
12	6	Net Profit	10 %			
70	50	Average hourly charge rate	\$60			
		Stockturn	6			

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	Sales			Gross Profit			Hours Charged	Average Rate
	No.	\$	Ave.	\$	%	Ave.		
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Tracking sales (retail), service calls and installations requires a day by day dissection and a weekly monitoring of results. Service rates per hour should be based on estimated gross profit (total expenses + desired net profit) divided by estimated number of service/ installation hours. (See Video 201)

Key Monitoring Indicators

Sales/gross margin per sale, overall, weekly and accumulatively.

Charged hours and average hourly charge rate weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report**Machinery**
Manufacturing**Code:** MACHM**Activity:** Manufacturing**Units:** No of Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
162	89	Sales per FTE person	\$134,000			
65	50	Gross Profit	59 %			
		Wages and Salaries	30 %			
6	3	Occupancy	4 %			
		Total Expenses	52 %			
12	2	Net Profit	7 %			
		Charged hours to available	60 %			
80	50	Average \$ G.P. per hour	\$70			
8	4	Stockturn	6			

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	Sales			Gross Profit			No. Hours Charged	\$ Average Rate	Productivity %
	No.	\$	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Those who are able to establish a target of required charged hours and an average G.P rate per hour and monitor on a weekly basis, will see immediate improvements in bottom line performance.

Key Monitoring Indicators

Sales/gross margin per sale, by product and overall, weekly and accumulatively.

Charged number of hours x average rate, weekly and accumulatively.

Stock levels and Cash Flow monthly.

Medical

G.P.

Pracdev Key Indicator Report

Code: MEDGP

Activity: Professional

Units: No of Consultations

Highs	Lows	Key Indicator	Profile	Client Comparison		
185	105	Fees per FTE Person	\$160,000			
		Wages and Salaries	30 %			
10	4	Occupancy	6 %			
		Medical Supplies	7 %			
		Total Expenses	70 %			
40	15	Net Profit	30 %			
275	170	Gross Fees per Principal	\$225,000			
55	35	Average fee per visit	\$45			

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	Gross Fees			General Practitioner A			General Practitioner B		
	No.	\$	Ave.	No.	\$	Ave.	No.	\$	Ave.
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Average practitioner sees 4 - 5 patients per hour - a necessary minimum to preserve an acceptable income level - but hardly adequate to apply any indepth diagnosis: thus the extensive use of 'referrals'. Categorisation of visits into types of treatment prescribed would be a helpful adjunct to financial information.

Key Monitoring Indicators

Gross fees per visit, per practitioner and overall, weekly and accumulatively.

Number visits per practitioner and overall weekly and accumulatively.

Reasons for visits categorised.

Cash Flow monthly.

Pracdev Key Indicator Report

Medical Specialist

Code: MEDSP

Activity: Professional

Units: No of Consultations

Highs	Lows	Key Indicator	Profile	Client Comparison		
365	160	Fees per FTE Person	\$220,000			
		Wages and Salaries	22 %			
12	2	Occupancy	4 %			
		Total Expenses	57 %			
		Net Profit	43 %			
1,000	260	Gross Fees per Principal	\$470,000			

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	Total Gross			Specialist A			Specialist B		
	No.	\$	Ave.	No.	\$	Ave.	No.	\$	Ave.
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Very wide range of fees per principal, depending on speciality, location and number of visits. Gross fees per principal varies considerably from \$1,000,000+ (radiologist), \$900,000+ (pathologist), \$550,000+ (cardiologist, gynaecologist etc) and also from specialist to specialist within the same specialty, with net fees depending on management abilities to control expenditure.

Key Monitoring Indicators

Gross fee per visit per specialist and overall, weekly and accumulatively.

Number visits and average fee per visit.

Cash Flow monthly.

Mens And Boys Wear

Pracdev Key Indicator Report

Code: MENS

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
255	146	Sales per FTE person	\$230,000			
45	35	Gross Profit	38 %			
		Wages and Salaries	17 %			
12	4	Occupancy	6 %			
		Total Expenses	35 %			
10	2	Net Profit	3 %			
4	2.5	Stockturn	3			

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	Sales \$	Sales No.s	Gross Profit \$	Gross Profit %	Average Sale \$
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Stock levels appear to be tying up cash in this sector, need for monthly stock take based on a quarter of stock lines each week. This alone will boost performance. Performance can be improved if sales and gross margin are tracked daily along with the average sale. (If the average sale is not known, how can it be improved?) Discounts flowing from frequent "Sales" require careful monitoring. (See Video 301)

Key Monitoring Indicators

Value and number of sales, and items per sale, average sale, gross profit and margin weekly and accumulatively overall and by department.

Stock levels and Cash Flow monthly.

Pracdev Key Indicator Report

Milk Vendor

Code: MILVR **Activity:** Retail/Wholesale **Units:** Litres

Highs	Lows	Key Indicator	Profile	Client Comparison		
270	168	Sales per FTE person	\$240,000			
28	19	Gross Profit	26 %			
		Wages and Salaries	16 %			
		Motor Vehicles Expenses	4 %			
		Total Expenses	24 %			
		Net Profit	2 %			

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	Wholesale				Retail				Other				Total		
	Lt.	\$	G.P.	%	Lt.	\$	G.P.	%	Lt.	\$	G.P.	%	\$	G.P.	%
This Week															
Total to Date															
Total															
Target															
Variance															

Comment:

Higher sales per FTE with lower margins are wholesale. Sales to clubs, hospitals, canteens need differentiation from retail sales direct to "end user", as well as wholesale to retailers. Average gross margin on retail sales 28%, wholesale 17%. Sales of cream, flavoured milks etc will impact favourably on gross margin.

Key Monitoring Indicators

Sales/gross profit in dollars and units by outlet, weekly and accumulatively.
Debtors and Creditors monthly.

Mixed Business

Pracdev Key Indicator Report

Code: MIXER

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
263	140	Sales per FTE person	\$245,000			
30	22	Gross Profit	28 %			
		Wages and Salaries	16 %			
7	2	Occupancy	3 %			
		Total Expenses	26 %			
4	1	Net Profit	2 %			
14	9	Stockturn	13			

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	Sales			Gross Profit			Items per Sale		
	No.	\$	Ave.	\$	%	Ave.	No.	Ave.	\$
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

This sector under pressure from 24hr supermarkets et al and gross margins are merging. Imputed wage for proprietor of \$50,000 does not take account of 'overtime' hours on evenings and weekends which would tend to eradicate any profit were an employee involved. Such a business has to be family and/or franchised to survive. Gross margin can be and often is, improved by preparation and sale of fast/ takeaway foods operating at 65 - 75% G.P.

Key Monitoring Indicators

Sales/gross margin per sale, per product grouping and overall, weekly and accumulatively.
Stock levels monthly.
Cash Flow monthly.

Pracdev Key Indicator Report**Motel****Code:** MOTES**Activity:** Retail
Service**Units:** Meals
Rooms

Highs	Lows	Key Indicator	Profile	Client Comparison		
150	90	Sales per FTE person	\$128,000			
95	85	Gross Profit	92 %			
		Wages and Salaries	32 %			
16	10	Occupancy	14 %			
		Repairs & Maintenance	4 %			
		Total Expenses	85 %			
12	4	Net Profit	7 %			
80	50	Room Occupancy	64 %			
120	50	Average \$ per room sold	\$60			

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	Rooms		Meals						Other	Total \$
	No.	\$	No.(B)	\$	No.(L)	\$	No.(D)	\$		
This Week										
Total to Date										
Total										
Target										
Variance										

Comment:

Occupancy includes rent/rates/interest on borrowings. What was the average per room last year? What was the average per breakfast ? Is there an increase or decrease in meals per guest? How many of the guests are first time or repeat visitors? Why is the motel down the road doing better, or is it? How long since a check was made over several weeks of occupancy in other motels? There is a lot to be gained from answering these and other questions.

Key Monitoring Indicators

Rooms/meals weekly and accumulatively.

Average per room and per meal weekly and accumulatively.

Stock levels food and liquor monthly.

Cash Flow monthly.

Motor Bike Dealer

New & Used

Pracdev Key Indicator Report

Code: MOTOR

Activity: New

Units: No of Sales

Used

No of Sales

Accessories

No of Sales

Workshop

Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
410	275	Sales per FTE person	\$368,000			
27	17	Gross Profit	24 %			
		Wages and Salaries	11 %			
2	0.5	Advertising	1 %			
		Occupancy	2 %			
		Total Expenses	21 %			
5	1	Net Profit	3 %			
4	2	Stockturn	3			
		Charged hours to available	67 %			
65	50	Average \$ G.P. per hour	\$55			

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	Sales			Gross Profit			Hours Charged	Average per Hour
	No.	\$	Ave.	\$	%	Ave.		
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Development and day by day control of workshop charge outs is an important key to improve bottom line in a competitive environment with gross margins on new sales (13-17%) and up to 33% on sale of used bikes, parts and accessories.

Key Monitoring Indicators

Sales/gross margin per sale, per grouping and overall, weekly and accumulatively.

Number of sales, average sale per sale weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report

Mushroom Growing

Code: MUSHP**Activity:** Primary**Units:** Kilograms

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$120,000			
		Gross Profit	67 %			
		Wages and Salaries	33 %			
		Wrapping & Packaging	5 %			
		Electricity, Gas and Power	4 %			
		Total Expenses	62 %			
		Net Profit	5 %			

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	Mushrooms			Compost & Spawn		
	Kgs	\$	Ave.	No.	\$	Kgs
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Purchases of fresh compost and spawn necessary to maintain growing cycle. Sales includes approx. 20% contribution from sales of compost and spawn to other growers. Picking is by subcontract labour, included here in wages. Highly sensitive to temperature fluctuations and disease which is liable to wipe out a shed overnight.

Key Monitoring Indicators

Sales and kilograms per sale and overall, weekly and accumulatively.

Purchases weekly and accumulatively.

Cash Flow monthly.

Music Teaching

Pracdev Key Indicator Report

Code: MUSIP

Activity: Trade

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Fees per FTE Person	\$185,000			
		Gross Profit	50 %			
		Wages and Salaries	20 %			
		Occupancy	4 %			
		Total Expenses	39 %			
		Net Profit	11 %			

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	Revenue				Teachers			
	\$	No. Students	Hours	Ave. per hour	No.	Hours	\$	Ave.
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Sample relates to class teaching, not the sole music teacher one to one with student. Gross Profit is calculated by deducting payment to teachers from gross fees received. The hourly charge rate for music lessons must cover the teachers pay (\$35+) and a percentage of overheads plus profit. The appropriate hourly charge will best be calculated by the following formula: Casual hourly rate = (total expenses + profit)/(estimated teaching hours). The number of students per hour will dictate the rate per student.

Key Monitoring Indicators

Number of teaching hours and revenue per grouping and overall, weekly and accumulatively.
 Number of pupils and fee per pupil per grouping and overall, weekly and accumulatively.
 Cash Flow monthly.

Code: MUSIR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
315	194	Sales per FTE person	\$258,000			
37	32	Gross Profit	34 %			
		Wages and Salaries	15 %			
10	3	Occupancy	6 %			
		Total Expenses	32 %			
6	1	Net Profit	2 %			
5	3	Stockturn	4			

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	Sales			Gross Profit		
	No.	\$	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Teaching Fees not included. Gross margin and sales require dissection between product grouping to identify stockturn, average sale/ gross margin and total gross margin contribution in order to develop and/or improve merchandising strategy. G.P% varies from 25% records CD's and tapes to 50% organs and pianos.

Key Monitoring Indicators

Sales/gross margin per sale, per grouping and overall, weekly and accumulatively.

Number of sales, average sale/gross profit per grouping and overall, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Newsagent

Pracdev Key Indicator Report

Code: NEWSR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
284	205	Sales per FTE person	\$258,000			
35	28	Gross Profit	30 %			
		Wages and Salaries	14 %			
7	3	Occupancy	4 %			
		Total Expenses	28 %			
		Net Profit	2 %			
10	6	Stockturn	8			

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	Sales A		G.P. A		Sales B		G.P. B		Total Sales		Total G.P.	
	No.	\$	\$	%	No.	\$	\$	%	No.	\$	\$	%
This Week												
Total to Date												
Total												
Target												
Variance												

Comment:

Sales per FTE includes net contribution from Lotto and Instant etc, not sales value. If sales value is included, then G.P% will reduce to (11-13%). Wide range of FTE and G.P. percentage due to mix and impact of Lotto and Instant Scratch tickets et al. Gross Profit (and of course sales) depends on the mix of products sold eg. cards 80% G.P., stationery 60%, papers and magazines 25%, confectionery 30%, books 35%, tobacco/cigarettes 16%, while commission from lotteries can boost contribution to gross profit by as much as 6% to 7% above the average for papers, books and tobacco.

Key Monitoring Indicators

Sales/gross margin by number and average and total, and by category, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Code: NURER

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
184	132	Sales per FTE person	\$165,000			
41	33	Gross Profit	40 %			
		Wages and Salaries	23 %			
7	3	Occupancy	4 %			
		Total Expenses	38 %			
6	1	Net Profit	2 %			
9	6	Stockturn	7			

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	Sales			Gross Profit		
	No.	\$	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

An increasingly competitive business. Purchases for resale are combined with costs for some propagation, with no clear dissection between the two. The more the propagation, the greater the gross profit margin and the higher the wages and occupancy costs etc. Most retail outlets however, do not engage in propagation. Rule of thumb - cost of propagation appears to be 33% of sale price. This can not be accepted with any degree of confidence however.

Key Monitoring Indicators

Sales/gross margin per sale, per grouping and overall, weekly and accumulatively.

Number of sales and average sale per grouping and overall, weekly and accumulatively.

Number of plants grown in house and dollar value of sales.

Cash Flow monthly.

Nursery

Wholesale

Pracdev Key Indicator Report

Code: NUREW

Activity: Wholesale

Units: No of Punnets

Highs	Lows	Key Indicator	Profile	Client Comparison		
124	78	Sales per FTE person	\$98,000			
83	70	Gross Profit	75 %			
		Wages and Salaries	35 %			
2	0.5	Advertising	1 %			
		Occupancy	3 %			
		Cartage and Freight	4 %			
		Total Expenses	67 %			
12	4	Net Profit	8 %			

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	Sales			Gross Profit		
	No.	\$	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Profile of plant, flower and vegetable propagation selling seedlings and plants to retailers.

Cost of materials includes chemicals, fertilisers, cartons, labels, soil, plots, punnets etc.

Seasonal demand puts pressure on cashflow, therefore the need to plan expenditure carefully.

Key Monitoring Indicators

Sales/gross margin per sale, per product and average sale, weekly and accumulatively.

Costs: (seed, soil, labels, punnets and seedling trays, etc) monthly and accumulatively.

Cash Flow monthly.

Pracdev Key Indicator Report

Nursing Home

Code: NURSS

Activity: Service

Units: Beds

Highs	Lows	Key Indicator	Profile	Client Comparison		
75	53	Sales per FTE person	\$64,000			
		Wages and Salaries	64 %			
12	5	Occupancy	7 %			
		Provisions (Food)	7 %			
		Total Expenses	95 %			
10	3	Net Profit	5 %			
99	85	Bed Occupancy	96 %			

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	Receipts			Staff			Total Expenses		Net per Bed
	No. Beds	\$	Per Bed	Hours	\$	Ave per hour	\$	Per Bed	
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

The lower results relate to non profit nursing homes, the higher results to private nursing homes. Subsidies from Government and State account for an average 70%+ of patient fees. Need for detailed control of nursing hours in an enterprise where casual and overtime rates can quickly dissipate fees.

Key Monitoring Indicators

Fees per bed per day, weekly and accumulatively.

Expenses per bed, weekly and accumulatively.

Cash Flow monthly.

Office Equipment

Retail

Pracdev Key Indicator Report

Code: OFFQR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
250	167	Sales per FTE person	\$220,000			
40	35	Gross Profit	38 %			
		Wages and Salaries	18 %			
8	3	Occupancy	4 %			
2	0.5	Advertising	1 %			
		Total Expenses	36 %			
7	1	Net Profit	2 %			
6	3	Stockturn	4			
		Average \$ G.P. per hour	\$65			
		Charged hours to available	70 %			

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	Sales			Gross Profit			Hours Charged	Average Rate
	No.	\$	Ave.	\$	%	Ave.		
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Gross margins vary primarily due to mix of servicing and sales. Higher the proportion of sales, the more the sales per FTE and the lower the gross margin, and vice-versa. Servicing, support contracts, sales of paper and office supplies maintain regular turnover during difficult times, when lack of buying demand and increased competition forces gross profit of new equipment to survival levels.

Key Monitoring Indicators

Sales/gross margin per sale, per grouping and overall, weekly and accumulatively.

Charged hours and average rate weekly and accumulatively.

Stock levels and Cash Flow monthly.

Pracdev Key Indicator Report

Oil Refinery

Code: OILRW**Activity:** Wholesale**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$512,000			
		Gross Profit	33 %			
		Wages and Salaries	8 %			
		Occupancy	1 %			
		Depreciation	5 %			
		Total Expenses	24 %			
		Net Profit	9 %			

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	Sales				Gross Profit			Consignments		
	Litres	No.	\$	Ave.	\$	%	Ave.	Litres	\$	Commis- sion
This Week										
Total to Date										
Total										
Target										
Variance										

Comment:

One off profile to give an indication of revenue breakdown. Of the 67% cost of sales, Excise duties absorbs 29%, freight 9% with cost of goods purchased absorbing the balance.

Key Monitoring Indicators

Sales/gross margin and number of litres per sale, per product and overall, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Opals

Retail

Pracdev Key Indicator Report

Code: OPALR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
300	190	Sales per FTE person	\$268,000			
58	50	Gross Profit	54 %			
		Wages and Salaries	14 %			
13	5	Occupancy	8 %			
		Total Expenses	44 %			
		Net Profit	10 %			
5	2	Stockturn	3			

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	Sales			Gross Profit		
	No.	\$	Ave.	\$	%	Ave.
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Wide spectrum of gross margins depending on up-market/down-market location and target customer. Stock levels are an important aspect of this business in view of funds tied up in slow moving items. Frequent review of stock levels on a week by week basis is advised. An average sales target should be established and monitored daily for improvement. (See Video 301)

Key Monitoring Indicators

Sales/gross margin per sale, per grouping and overall, weekly and accumulatively.

Number of sales and average sale per grouping and overall weekly and accumulatively.

Stock levels weekly (one quarter a time).

Cash Flow monthly.

Pracdev Key Indicator Report**Optometrist****Code:** OPTOR**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
188	127	Sales per FTE person	\$155,000			
71	64	Gross Profit	69 %			
		Wages and Salaries	26 %			
14	6	Occupancy	8 %			
		Total Expenses	60 %			
14	6	Net Profit	9 %			
7	4	Stockturn	6			

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	Sales			Gross Profit			Consultations No.	\$ Total	Ave. per Hour
	No.	\$	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Average Sale includes eye testing and sale of spectacles. Eye testing is refundable through Medicare. Average sale of frames is lowering due to recycled and cheaper models. Gross margin on sales of frames and lenses average +/- 55%, which is increased by fees from consultations. Need for clear dissection of retail from professional input in order to plan ahead and target effectively.

Key Monitoring Indicators

Sales/gross margin per sale, per category and overall, weekly and accumulatively.

Consultations x average fee per category and overall, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Oyster Farm

Pracdev Key Indicator Report

Code: OYSTP

Activity: Primary

Units: Kilograms

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$83,000			
		Gross Profit	85 %			
		Wages and Salaries	46 %			
		Occupancy	5 %			
		Total Expenses	80 %			
		Net Profit	5 %			

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	Sales			Gross Profit		
	Kgs	\$	Ave	\$	%	Ave
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Helpful to categorise sales by outlet (local, interstate, export etc.) as well as the size of oysters grown by tracking the number per kilogram and per location.

Key Monitoring Indicators

Sales/gross margin per kilogram overall, weekly and accumulatively.

Number of kilograms and average sale/cost weekly and accumulatively.

Average number oysters per kilogram weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report

Painter

Code: PAINT**Activity:** Trade**Units:** Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
118	72	Sales per FTE person	\$105,000			
77	65	Gross Profit	70 %			
		Wages and Salaries	38 %			
		Motor Vehicles Expenses	9 %			
		Total Expenses	62 %			
		Net Profit	8 %			
		Charged hours to available	70 %			
65	50	Average \$ G.P. per hour	\$60			

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	Sales			Gross Profit			Hours Charged	Ave. per Hour
	No.	\$	Ave.	\$	%	Ave.		
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Hourly rate is best developed by dividing total expenses plus profit (excluding cost of materials) by estimated charged hours. The time for painting a m2 on varying surfaces and locations multiplied by this average rate will indicate the target gross profit per job. (See Video 201)

Key Monitoring Indicators

Sales/gross margin per job and overall, weekly and accumulatively.

Charged hours x average rate per job and overall, weekly and accumulatively.

Cash Flow monthly.

Quote/Acceptance book

Paper Bags

Pracdev Key Indicator Report

Manufacturing

Code: PAPEM

Activity: Manufacturing

Units: Kilograms

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$169,000			
		Gross Profit	48 %			
		Wages and Salaries	23 %			
		Occupancy	4 %			
		Total Expenses	45 %			
		Net Profit	3 %			
		Stockturn	8			

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	Sales			Gross Profit		
	Kgs	\$	Ave.	\$	%	Ave.
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Traditional method of pricing (cost of materials, manufacturing overhead, wages, plus percentage add-on for selling and administration) fails to provide clear guidelines to product profitability or provide strategies for marketing and production.

A new approach needed based on total expenses + profit (exclusive of materials) divided by estimated hourly rate. Total kilograms can then be calculated based on manufacturing efficiency (kilos per hour). (See Video 101)

Key Monitoring Indicators

Sales/gross margin per bag size and by representative and overall, weekly and accumulatively.

Number of kilograms and average sale/cost weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report

Paper Disposables

Code: PAPEW**Activity:** Wholesale**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
219	160	Sales per FTE person	\$205,000			
48	42	Gross Profit	44 %			
		Wages and Salaries	19 %			
		Occupancy	3 %			
		Total Expenses	40 %			
8	2	Net Profit	4 %			
7	4	Stockturn	6			

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	Sale			Gross Profit		
	No.	\$	Ave.	\$	%	Ave.
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Tendency to build up stock by taking on increasing number of products, increasingly difficult to manage effectively. Profile of paper products such as plates, napkins, plastic eating utensils etc. Gross margin suggests products are mainly imported at costs lower than those prevailing in Australia. Need to maintain close monitoring of stock levels and number of lines which invariably tend to blow out to a point beyond the optimum for maximising profitability.

Key Monitoring Indicators

Sales/gross margin per sale, per category and overall, weekly and accumulatively.

Number of sales and average sale/gross profit, per category and overall, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pawn Shop

Franchise

Pracdev Key Indicator Report

Code: PAWNR

Activity: Retail

Units: Number of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
234	153	Sales per FTE person	\$215,000			
		Gross Profit	55 %			
		Wages and Salaries	18 %			
12	5	Occupancy	8 %			
		Advertising and Franchising Fees	6 %			
		Total Expenses	50 %			
10	2	Net Profit	5 %			
5	3	Stockturn	4			

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	Sales			Gross Profit		
	No	\$	Average	\$	%	Average
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Increasingly used to overcome interest compliance goods "pawned" by way of purchase and resale at predetermined prices to be sold openly if not reclaimed. Dissection between reclaimable and non reclaimed goods a must.

Key Monitoring Indicators

Sales/gross profit per sale, per product grouping and overall, weekly and accumulatively.

Number of sales and average sale and G.P. weekly and accumulatively.

Stock levels monthly in season, bi-monthly out of season.

Cash Flow monthly.

Pracdev Key Indicator Report

Pest Control

Code: PESTS**Activity:** Service**Units:** Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
67	52	Sales per FTE person	\$61,000			
90	84	Gross Profit	87 %			
		Wages and Salaries	60 %			
		Motor Vehicles Expenses	8 %			
		Advertising	1 %			
		Total Expenses	82 %			
9	4	Net Profit	5 %			
		Average \$ G.P. per hour	\$50			

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	Sales			Gross Profit		Hours Charged			
	No.	\$	Ave.	\$	Ave.	No.	\$	Ave.	Prod. %
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Tracking of hours charged to job compared with quote (or target) is the key to maintaining control of performance.

Key Monitoring Indicators

Sales/gross margin per job and overall, weekly, monthly and accumulatively.

Charged hours and average rate per hour weekly, monthly and accumulatively.

cash flow monthly.

Quote and Acceptance book.

Pet Shop

Pracdev Key Indicator Report

Code: PETSRR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
158	101	Sales per FTE person	\$145,000			
56	44	Gross Profit	50 %			
		Wages and Salaries	26 %			
9	4	Occupancy	7 %			
		Total Expenses	45 %			
10	2	Net Profit	5 %			
7	4	Stockturn	5			

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	Sales			Gross Profit			Pets			
	No.	\$	Ave.	\$	%	Ave.	\$	No.	G.P.\$	G.P.%
This Week										
Total to Date										
Total										
Target										
Variance										

Comment:

Stocking and maintaining pets until sold, introduces a dynamic factor peculiar to pet retailers which calls for a special dissection distinguishing purchases from provisions. Gross margin requires tracking carefully in sales dissected by product category.

Key Monitoring Indicators

Sales/gross margin per sale, per product category, and overall, weekly and accumulatively.

Number of sales and average sale per product and overall, weekly and accumulatively.

Provision costs weekly and accumulatively by category of pet maintained.

Stock levels and Cash Flow monthly.

Pracdev Key Indicator Report

Pharmacy

Code: PHARR**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
279	214	Sales per FTE person	\$260,000			
38	28	Gross Profit	34 %			
		Wages and Salaries	15 %			
10	3	Occupancy	5 %			
		Total Expenses	29 %			
12	3	Net Profit	5 %			
8	4	Stockturn	6			

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	Sales O.C.						Sales Prescriptions					
	No.	\$	Ave.	G.P.\$	G.P.%	G.P. Ave.	No.	\$	Ave.	G.P.\$	G.P.%	G.P. Ave.
This Week												
Total to Date												
Total												
Target												
Variance												

Comment:

Sample includes "supermart" pharmacies - high turnover, lower margins as well as "strip" pharmacies. Average sale includes over the counter (O.C.) and prescription mixed. Prescription sales require differentiating from O.C. sales in view of their specialised treatment as well as their impact on gross margin in different locations ie: shopping centre pharmacies enjoy higher O.C. sales and strip pharmacies strategically located to medical centres invariably enjoy higher volume of prescriptions.

Key Monitoring Indicators

Sales/gross margin per sale, per category and overall, weekly and accumulatively.

Number of sales, average sale per category weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Photographer

Service

Pracdev Key Indicator Report

Code: PHOTS

Activity: Service

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
132	79	Sales per FTE person	\$114,000			
75	66	Gross Profit	70 %			
		Advertising	0.5 %			
		Wages and Salaries	35 %			
7	2	Occupancy	4 %			
		Total Expenses	63 %			
12	4	Net Profit	7 %			

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	Sales			Gross Profit			Hours Charged	Average per Hour
	No.	\$	Ave.	\$	%	Ave.		
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Sales includes some retail, but primarily commercial activity including industrial/ wedding/ portrait/ advertising/ fashion. Cost of materials includes some payment to external processing laboratories, the balance being for purchases of film. Development of charge rates can be based on the formula: (Total expenses + profit (excluding materials and external processing)) / (estimated charged hours).

Key Monitoring Indicators

Sales/gross margin per sale, per category and overall, weekly and accumulatively.

Charged hours x average rate per category and overall, weekly and accumulatively.

Number of sales and average sale per category.

Stock levels and Cash Flow monthly.

Pracdev Key Indicator Report**Photographic****Retail****Code:** PHOTR**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
197	112	Sales per FTE person	\$186,000			
55	45	Gross Profit	50 %			
		Wages and Salaries	21 %			
10	2	Occupancy	4 %			
		Total Expenses	44 %			
10	2	Net Profit	6 %			
6	3	Stockturn	4			

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	Sales			Gross Profit		
	No.	\$	Ave.	\$	%	Ave.
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Profile includes mini lab processing. Variation in gross margins call for dissection of sales eg: hardware 20%, reprints 80%, processing 58%, studio photos 70%, films 30%, batteries 60%, albums, accessories, frames and camera servicing 40%.

Key Monitoring Indicators

Sales/gross margin per sale, per category and overall, weekly and accumulatively.

Number of sales and average sale per category weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Physiotherapist

Pracdev Key Indicator Report

Code: PHYSP

Activity: Professional

Units: No of Consultations

Highs	Lows	Key Indicator	Profile	Client Comparison		
105	77	Fees per FTE Person	\$93,000			
		Wages and Salaries	43 %			
8	3	Occupancy	6 %			
		Total Expenses	75 %			
		Net Profit	25 %			
175	112	Gross Fees per Principal	\$162,000			
200	100	Average fee per hour	\$120			
		Charged hours to available	80 %			

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	Gross Fees			Physiotherapist A			Physiotherapist B		
	No.	\$	Ave.	No.	\$	Ave.	No.	\$	Ave.
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Categorisation of patient by treatment, location (physiotherapist rooms or hospital) and fee would assist in management of time and effort.

Key Monitoring Indicators

Gross fees per visit, per practitioner and overall, weekly and accumulatively.

Number visits per practitioner and overall weekly and accumulatively.

Reason for visit categorised.

Cash flow monthly.

Pracdev Key Indicator Report**Picture Framer****Code:** PICTS**Activity:** Retail
Workshop**Units:** No of Sale
Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
130	89	Sales per FTE person	\$119,000			
65	54	Gross Profit	58 %			
		Wages and Salaries	33 %			
8	4	Occupancy	6 %			
		Total Expenses	54 %			
		Net Profit	4 %			
7	4	Stockturn	6			

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	Sales			Gross Profit			Hours Charged	Average per Hour
	No.	\$	Ave.	\$	%	Ave.		
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Dissection between resale items and workshop sales would be of help. Sales are made up of resale items, and workshop activity plus materials. Hourly charge rate is best worked out by dividing the total expenses (excluding materials and G.P from resale items) plus the target net profit, by the estimated workshop charged hours. Track daily. (See Video 201)

Key Monitoring Indicators

Sales/gross margin per resale item weekly and accumulatively.

Sales/gross margin per workshop item weekly and accumulatively.

Charged hours x average rate daily, weekly and accumulatively.

Stock levels and Cash Flow monthly.

Pie/Pasties/Cake

Pracdev Key Indicator Report

Manufacturing/Wholesale

Code: PIESM

Activity: Manufacturing

Units: Hours

Wholesale

No of Units

Highs	Lows	Key Indicator	Profile	Client Comparison		
143	90	Sales per FTE person	\$125,000			
72	63	Gross Profit	68 %			
		Wages and Salaries	32 %			
6	2	Occupancy	3 %			
		Total Expenses	63 %			
10	1	Net Profit	5 %			
75	50	Charged hours to available	68 %			

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	Sales		Gross Profit		Average Sale
	No. Units	\$	\$	%	\$
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Profile is based on manufacturing and distribution to retailers in an industry where investment in plant and equipment requires substantial sales to be viable. Whilst the market will dictate the selling price, costing of products should be compared to on "an average" hourly rate for production covering all costs and profit - excluding cost of materials. (See Video 101/601)

Key Monitoring Indicators

Number and value units sales/gross profit, per product and overall, weekly and accumulatively.

Analysis of customers by type and location monthly and accumulatively.

Charged hours x average rate per hour weekly and accumulatively.

Purchases per product accumulatively.

Cash Flow monthly.

Pracdev Key Indicator Report**Pizza**
Franchised**Code:** PIZZR**Activity:** Retail**Units:** Number of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
183	120	Sales per FTE person	\$169,000			
71	67	Gross Profit	70 %			
		Wages and Salaries	23 %			
12	5	Occupancy	7 %			
		Advertising and Franchising Fees	10 %			
		Total Expenses	62 %			
15	5	Net Profit	8 %			

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	Sales		Gross Profit		Average Sale
	No	\$	\$	%	
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Highly competitive but can be profitable if management is on the ball with food quality and service. Close watch required on food and delivery costs.

Key Monitoring Indicators

Sales/gross margin overall and per \$1 wages and per hour per employee weekly and accumatively.

Expenses, creditors monthly.

Cash Flow monthly.

Plasterer

Pracdev Key Indicator Report

Code: PLAST

Activity: Trade

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
149	102	Sales per FTE person	\$139,000			
65	54	Gross Profit	60 %			
		Wages and Salaries	28 %			
		Total Expenses	49 %			
15	5	Net Profit	11 %			
		Charged hours to available	75 %			
65	50	Average \$ G.P. per hour	\$60			

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	Billed			Gross Profit			Hrs on Job	m2 Fixed	Average	
	No	\$	Ave	\$	%	Ave			GP \$ Hr	m2 Hr
This Week										
Total to Date										
Total										
Target										
Variance										

Comment:

Jobs quoted on "do and charge" need to dissect and monitor weekly and accumulatively to pinpoint average gross profit per m2 fixed as well as level of productivity, comparing hours paid with hours charged.

Key Monitoring Indicators

Sales/gross margin per job, per category, per employee, overall, weekly and accumulatively.

Charged hours x average rate per job, per employee and overall, weekly and accumulatively.

Stock levels where relevant.

Cash Flow monthly.

Pracdev Key Indicator Report

Plastic Injection

Moulding**Code:** PLASM**Activity:** Manufacturing
Wholesale**Units:** Hours
No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
165	109	Sales per FTE person	\$150,000			
70	57	Gross Profit	66 %			
		Wages and Salaries	26 %			
5	2	Occupancy	3 %			
		Total Expenses	61 %			
10	2	Net Profit	5 %			
80	55	Charged hours to available	75 %			
15	6	Stockturn	8			

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	Sales			Gross Profit			Hours Charged	Ave. per Hour	Prod.%
	No.	\$	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

There are a greater variety of injection moulding machines, each priced differently. Increased automation results in higher sales per FTE and generally lower margins. However at the end of the day, a comparison with the average overall gross profit rate target per machine hour, will materially assist manufacturing decision making. Comparison with target average \$G.P. contribution per man hour would permit a reassessment of product pricing, pointing to marketing and production strategies. (See Introduction and Video 101)

Key Monitoring Indicators

Sales/gross margin per sale, per category, and overall, weekly and accumulativley.

Charged hours x average rate, per machine category, and overall, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Plumber

Pracdev Key Indicator Report

Code: PLUMT

Activity: Trade

Units: No of Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
137	98	Sales per FTE person	\$126,000			
68	50	Gross Profit	64 %			
		Wages and Salaries	32 %			
		Motor Vehicles Expenses	7 %			
		Total Expenses	52 %			
15	6	Net Profit	12 %			
75	60	Charged hours to available	70 %			
60	45	Average \$ G.P. per hour	\$50			

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	Invoiced Sales	Gross Profit \$	Hours Charged	Average Quote
This Week				
Total to Date				
Total				
Target				
Variance				

Comment:

Sample includes wholesale/retail/service work as well as contracting. This accounts for wide range of G.P.% FTE Sales. High FTE and low G.P.% indicate greater proportion of retailing; lower FTE and high G.P.% indicates greater proportion of services/contract activity. More dissection required to assist clients in their management decision making.

Plumbing covers a wide variety of work from roof spouting to pipe laying, installing spa baths to specialised welding. Charge rates for certain government and major contract work are invariably fixed and based on a "do and charge". The only relief in such cases is to become more efficient so that a two hour job can be completed in one and a half hours or less. Tracking actual hours charged and its average G.P rate achieved (hourly charge rate + profit on parts) weekly and accumulatively, will work wonders for bottom-line improvement.

Key Monitoring Indicators

Sales and gross margin by category weekly and accumulatively.

Invoiced Gross Profit, Hours charged and average rate weekly and accumulatively.

Cash Flow monthly.

Record of quotes given and accepted.

Pracdev Key Indicator Report

Podiatrist/Chiropodist

Code: PODIP

Activity: Professional

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
125	82	Sales per FTE person	\$114,000			
90	82	Gross Profit	85 %			
		Wages and Salaries	35 %			
		Occupancy	6 %			
		Total Expenses	70 %			
20	10	Net Profit	15 %			
120	80	Average hourly charge rate	\$100			

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	Sales			Gross Profit			Consultation No.	\$ Total	Ave. per Hour
	No.	\$	Average	\$	%	Average			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Sale of orthotics increases average fee per visit. New clients should be differentiated from repeat clients and statistics maintained for purposes of planning ongoing performances (not only for financial but also for categories of treatment).

Key Monitoring Indicators

Number of clients, new and repeat x average fee per visit, weekly and accumulatively.

Cash Flow monthly.

Categorisation of treatments.

Printer

Pracdev Key Indicator Report

Code: PRINT

Activity: Trade

Units: No of Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
177	98	Sales per FTE person	\$136,000			
70	55	Gross Profit	64 %			
		Wages and Salaries	28 %			
7	3	Occupancy	5 %			
		Total Expenses	60 %			
8	2	Net Profit	4 %			
70	57	Charged hours to available	65 %			
26	18	Stockturn	21			

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	Sales	Gross Profit \$	G.P.%	No of Sales	Average Sale
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

The high FTE and lower gross margin relates to high speed 4-5 colour equipment. Tendency appears to be for increased specialisation leading to more subcontracting at lower rates than the generalist printer can afford. An industry in which a weekly monitoring of average G.P. rate per invoiced hour and comparing with target pays off handsomely. Unfortunately, less than 3% of printers track performance in this way.

Key Monitoring Indicators

Invoiced Gross Profit, Hours charged and average rate weekly and accumulatively.

Cash Flow monthly.

Records of quotes given and accepted.

Pracdev Key Indicator Report **Produce & Seed Merchant**

Code: PRODR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
435	291	Sales per FTE person	\$385,000			
25	18	Gross Profit	22 %			
		Wages and Salaries	10 %			
		Occupancy	1 %			
		Total Expenses	20 %			
5	1	Net Profit	2 %			
12	7	Stockturn	9			

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	Sales			Gross Profit			Kgs Bagged	
	No.	\$	Ave.	\$	%	Ave.	No Bags	Ave. \$
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Wide range of sales per FTE and gross margins indicative of range of products sold and buying procedures eg: some use their own trucks to haul in feed etc and include cartage in sales, boosting costs as well as margins. Dissection between wholesale (10% G.P) and retail sales (26+% G.P) is necessary to pinpoint progress week by week and especially for identifying liquidity.

Essence of profitability relates to bagging of bulk grains and seeds in which gross margins of up to 60% is available, countering the 3.5% on steel posts and wire products (7% if supplier paid in 7 days).

Key Monitoring Indicators

Sales/gross margin per sale, wholesale/retail, weekly and accumulatively.

Number of sales and average sale wholesale/retail, weekly and accumulatively.

Kilos bagged and average sale/gross profit per products, weekly and accumulatively.

Stock levels and Cash Flow monthly.

Pumps & Irrigation

Pracdev Key Indicator Report

Code: PUMPR

Activity: Service
Retail

Units: Hours

No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$163,000			
		Gross Profit	44 %			
		Wages and Salaries	22 %			
		Occupancy	2 %			
		Advertising	2 %			
		Total Expenses	34 %			
		Net Profit	10 %			
		Average \$ G.P. per hour	\$60			

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	Sales			Gross Profit			Hours Charged	Average GP \$ per hour
	No	\$	Ave	\$	%	Ave		
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Need for a clear dissection of installation, repairs & maintenance hours sold plus accessories and sales made in house. Quoted jobs will ideally compare the average gross profit per hour of the quote with the targeted average gross profit per hour. (TARI - See video 201).

Key Monitoring Indicators

Sales in house, and during installation, gross profit in house and during installation, hours charged and average GP per hour, weekly, monthly and accumulatively.

Cash flow monthly (Debtors and Creditors)

Stock levels monthly.

Quote and Acceptance Book.

Pracdev Key Indicator Report**Pumps
Distribution****Code:** PUMPW**Activity:** Wholesale**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$253,000			
		Gross Profit	38 %			
		Wages and Salaries	15 %			
		Occupancy	2 %			
		Total Expenses	36 %			
		Net Profit	2 %			
		Stockturn	5			

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	Sales			Gross Profit			Source			
	No.	\$	Ave	\$	%	Ave	Offices	Rep 1	Rep 2	Rep 3
This Week										
Total to Date										
Total										
Target										
Variance										

Comment:

Sales require classification by representative by state, by type and/or gross margin. Weekly and accumulative results should be compared with a bench mark derived from Contribution Based Activity (CBA paper available on request)

Key Monitoring Indicators

Number and value of sales, gross margin per order, per representative, overall, weekly and accumulatively.

New customers identified.

Stock levels and cash flow monthly.

Real Estate Agency

Pracdev Key Indicator Report

Code: REALS

Activity: Service

Units: No of Sales

Service

No of Rentals

Service

No of Valuations

Highs	Lows	Key Indicator	Profile	Client Comparison		
183	92	Sales per FTE person	\$135,000			
		Wages and Salaries	33 %			
9	3	Occupancy	5 %			
7	2	Advertising	4 %			
		Total Expenses	82 %			
23	7	Net Profit	18 %			
41	30	Number of sales per Rep	34			

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	Real Estate			Property Management			Valuations		
	Sales\$	No.	Ave.	Rent\$	No.	Ave.	\$	Hrs	Ave. per Hour
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Revenue per FTE person includes a mix of property management fees as well as commission on sales. Sample confirm a positive upswing in activity. Those offices targeting number and average sale in both sales and property management and tracking weekly are showing improved bottom lines. The most effective sales reps appear to do their homework on establishing market price with vendor before placing on market. Property management operates on 7-8% of rent calculated and up to 10% on additional activity such as paying accounts etc. on behalf of client.

Key Monitoring Indicators

Sales/commission per sale and per property, weekly and accumulatively.

Number of sales, average sale, number of enquires/conversion rate overall and by representative, weekly and accumulatively.

Stock levels of houses.

Cash Flow monthly.

Code: RECYS

Activity: Service

Units: Bags

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$87,000			
		Wages and Salaries	44 %			
		Occupancy	3 %			
		Fuel and Oil	10 %			
		Total Expenses	90 %			
		Net Profit	10 %			
		Average Sale per cubic metre	\$25			

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	Sales			Gross Profit			No. Bags	Ave. per Bags	Prod. %
	No.	\$	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Profile of a mulching process recycling tree cuttings etc into chips/mulch for delivery direct to gardens / landscaping.

Key Monitoring Indicators

Sales/gross margin per sale, overall, weekly and accumulatively.

Number of sales, number of bags, average sale/gross profit per bag, overall, weekly and accumulatively.

Cash Flow monthly.

Refrigeration Coolrooms

Pracdev Key Indicator Report

Construction & Service

Code: REFRT

Activity: Trade

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
172	119	Sales per FTE person	\$156,000			
48	40	Gross Profit	45 %			
		Wages and Salaries	25 %			
		Occupancy	2 %			
		Total Expenses	38 %			
		Net Profit	7 %			
		Charged hours to available	70 %			
70	50	Average \$ G.P. per hour	\$60			

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	Sales			Gross Profit			Hours		Productivity %
	\$	No.	Ave.	\$	%	Ave.	No. Charged	Ave. per Hour	
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Competitive sector dealing with cost conscious retail/wholesale clientele. Hourly rates of \$38 are boosted by mark up on materials. Productivity is the key to remaining viable. This requires a simple system which tracks charged hours and average rate (G.P) achieved, and compares it weekly with target.

Key Monitoring Indicators

Sales/gross margin per job and overall, weekly and accumulatively.

Charged hours x average G.P. rate achieved per job and overall, weekly and accumulatively.

Stock levels and Cash Flow monthly.

Code: RESLS

Activity: Service

Units: No of Meals

Highs	Lows	Key Indicator	Profile	Client Comparison		
158	81	Sales per FTE person	\$127,000			
68	63	Gross Profit	65 %			
		Wages and Salaries	31 %			
15	6	Occupancy	10 %			
2	1	Advertising	1.5 %			
		Total Expenses	60 %			
14	3	Net Profit	5 %			
12	9	Stockturn	10			

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	Meals						Wines						Total		
	Number		\$		Average		Number		\$		Average		Sale \$	G.P.\$	G.P.%
	L	D	L	D	L	D	L	D	L	D	L	D			
This Week															
Total to Date															
Total															
Target															
Variance															

Comment:

Rent paid plus leasing charges for equipment and facilities is probably the highest of any sector, indicating the risks involved for the inexperienced. Gross margin is less than unlicensed, because the mark up on beer and wine is less than on food. Note stockturn is also much lower than unlicensed due to cellar stock. To increase percentage of seats sold to seats available, it is helpful (a) to identify actual number of meals sold over a period by daily compilation of data (b) assess pricing of menu in light of competition and target average sale and (c) assess quality of food served, time customers are kept waiting and impact of staff personality.

Key Monitoring Indicators

Number of meals, average price and gross profit weekly, accumulatively.

Stock levels liquors monthly.

Cash Flow monthly.

Restaurant

Pracdev Key Indicator Report

Unlicensed

Code: RESUS

Activity: Service

Units: No of Meals

Highs	Lows	Key Indicator	Profile	Client Comparison		
123	76	Sales per FTE person	\$112,000			
72	65	Gross Profit	70 %			
		Wages and Salaries	34 %			
14	5	Occupancy	7 %			
		Advertising	1 %			
		Total Expenses	62 %			
12	3	Net Profit	8 %			

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	Sales						Gross Profit					
	Number		\$		Average		\$		Average		%	
	L	D	L	D	L	D	L	D	L	D	L	D
This Week												
Total to Date												
Total												
Target												
Variance												

Comment:

Day by day tabulation of number of meals sold, gross margin achieved and average sale compared with target will assist management in maintaining an overview of customer traffic. This in turn will give an early warning signal of fall-off that needs investigation by way of culinary or staff changes, competition or the need to re-price menus to meet target average. Likewise sales per dollar of wage will assist in controlling employment of casuals.

Key Monitoring Indicators

Number of meals, average price and gross profit weekly, accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report**Saddler****Code:** SADDR**Activity:** Retail
Workshop**Units:** No of Sales
Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
153	99	Sales per FTE person	\$140,000			
47	40	Gross Profit	45 %			
		Wages and Salaries	27 %			
9	3	Occupancy	5 %			
		Total Expenses	41 %			
6	2	Net Profit	4 %			
55	45	Average \$ G.P. per hour	\$50			
6	4	Stockturn	5			

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	Sales			Gross Profit			Workshop		
	\$	No.	Ave.	\$	%	Ave.	Hours Charged	\$ Ave.	Prod.%
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

The more workshop input, the higher the gross margin and the lower the sales per FTE, and vice versa. Workshop and sales requires dissection to arrive at meaningful control information and to ensure that workshop charges (hourly rate plus mark up on materials used) are viable.

Key Monitoring Indicators

Sales/gross margin per sale, per category, overall, weekly and accumulatively.

Workshop sales/gross margin, charged hours x average G.P rate, weekly and accumulatively.

Number of sales, average sale/G.P.

Stock levels and Cash Flow monthly.

Sand & Gravel

Pracdev Key Indicator Report

Code: SANDS

Activity: Service
Service

Units: m3 (cubic metres)
Man Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$162,000			
		Gross Profit	70 %			
		Repairs & Maintenance	8 %			
		Wages and Salaries	24 %			
		Fuel and Oil	8 %			
		Total Expenses	64 %			
		Net Profit	6 %			

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	Sales		Gross Profit			Productivity
	\$	Hours	\$	%	Average per Hour	
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

One off profile of sand and gravel enterprise to illustrate typical revenue and cost structure.

Key Monitoring Indicators

Sales and gross profit per m3 and per man hour weekly and accumulatively.

Direct expenses per unit and overall weekly and accumulatively.

Quote and acceptance book.

Cash Flow monthly.

Pracdev Key Indicator Report

Sandwich Shop

Code: SANDR**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
115	71	Sales per FTE person	\$105,000			
70	62	Gross Profit	66 %			
		Wages and Salaries	33 %			
14	6	Occupancy	9 %			
		Total Expenses	55 %			
13	5	Net Profit	11 %			

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	Sales			Gross Profit		
	No.	\$	Ave.	\$	%	Ave.
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Need to differentiate between a shop making up sandwiches on site from a shop selling pies, pasties and other prepared products (See Take Away Profile), or a combination of the two. Sales per FTE would be lower in the former compared with the latter. Also, gross margin and wages will be affected by the mix of prepared food, soft drinks etc and made up sandwiches.

Key Monitoring Indicators

Sales/gross margin per sale, per product grouping and overall, weekly and accumulatively.

Number of sales, number of sandwiches, rolls etc, weekly and accumulatively.

Sales/gross profit per dollar of wage weekly and accumulatively.

Cash Flow monthly.

Sapphire

Wholesale

Pracdev Key Indicator Report

Code: SAPPW

Activity: Wholesale

Units: No of Carats

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$194,000			
		Gross Profit	64 %			
		Wages and Salaries	20 %			
		Travel & Accommodation	5 %			
		Advertising	3 %			
		Total Expenses	49 %			
		Net Profit	15 %			
		Stockturn	15			

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	Sales				Gross Profit		
	No.	Carats	\$	Ave. per Carat	\$	%	Ave. per Carat
This Week							
Total to Date							
Total							
Target							
Variance							

Comment:

Profile of a wholesaler buying, cutting and selling stone of which an average of 30% of purchased stone can be cut. Cost of purchases includes cost of cutting at \$25 a carat average.

Key Monitoring Indicators

Sales/gross margin per sale, per carat overall, weekly and accumulatively.

Purchases in value and number of carat.

Pracdev Key Indicator Report

Schools: Community

Code: SCHCS**Activity:** Education**Units:** No of Students

Highs	Lows	Key Indicator	Profile	Client Comparison		
7	3.5	Average fee per student	\$5,400			
75	65	Wages and Salaries	69 %			
25	18	Student to Staff ratio	22			
1,200	350	Students Numbers	550			

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	Salaries/Wages				Operational Expenses		Fee Income			
	Teaching		Other		\$ Total	Per Student	Private		Cwlth & State	
	\$ Total	Per Student	\$ Tot.	Per Student			\$ Total	Per Student	\$ Total	Per Student
This Week										
Total to Date										
Total										
Target										
Variance										

Comment:

Increasing numbers of non-boarding and non G.P.s Christian community schools emerging. Fees subsidised by Commonwealth (approx 50%) and State (approx 20%) assist in keeping fees low whilst reducing burden on State schools funding. Despite government support, fee burden for parents remains a key headache for school councils responsible for financing salaries and buildings etc.

Key Monitoring Indicators

Salaries and wages and expenses monthly and accumulatively against budget.

Salary and operational expenses overall and per student monthly and accumulatively against budget.

Capital items also monthly and accumulatively and accumulatively against budget.

Accounts Receivable and payable monthly.

Cash Flow monthly.

Screen Printing

Pracdev Key Indicator Report

Code: SECRET

Activity: Trade

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
117	82	Sales per FTE person	\$108,000			
73	64	Gross Profit	70 %			
		Wages and Salaries	36 %			
6	3	Occupancy	5 %			
		Total Expenses	67 %			
		Net Profit	3 %			
		Charged hours to available	70 %			
55	45	Average \$ G.P. per hour	\$50			

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	Sales			Gross Profit			Hours Charged	Ave. per Hour	Prod.%
	No.	\$	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Profile of an industry that covers a wide range of printing activities from T-shirts to posters and business cards to flags. Productivity is the key to achieving profitable bottom lines, but in absence of a clear target day by day, is seldom pinpointed let alone monitored on a regular basis. (See Video 201)

Key Monitoring Indicators

Sales/gross margin per job, per category and overall, weekly and accumulatively.

Charged hours x average rate per job, per category and overall, weekly and accumulatively.

Stock levels and Cash Flow monthly.

Pracdev Key Indicator Report**Seafood Processor****Code:** SEAFP**Activity:** Retail
Processing**Units:** No of Sales
Kilograms or Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$316,000			
		Gross Profit	25 %			
		Wages and Salaries	12 %			
		Occupancy	2 %			
		Motor Vehicles Expenses	3 %			
		Electricity, Gas and Power	2 %			
		Total Expenses	19 %			
		Net Profit	6 %			

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	Sales			Gross Profit		Kilograms			Kgs Classified by type		
	No	\$	Ave.	\$	Ave.	No	\$	Ave.	No.	\$	Ave.
This Week											
Total to Date											
Total											
Target											
Variance											

Comment:

One off profile intended to indicate a breakdown of sales per FTE and expenses in conjunction with gross profit. Processor buys fish from the fishermen and sells to the market.

Key Monitoring Indicators

Sales / gross profit per kilogram per fish category weekly, monthly and accumulatively.

Expenses monthly

Cashflow monthly (debtors and creditors)

Stock level monthly.

Second Hand Dealer

Pracdev Key Indicator Report

Code: SECOR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
72	50	Sales per FTE person	\$61,000			
80	67	Gross Profit	78 %			
		Wages and Salaries	62 %			
		Occupancy	4 %			
		Workshop Materials	4 %			
		Total Expenses	74 %			
7	3	Net Profit	4 %			

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	Sales			Gross Profit		Workshop		
	No.	\$	Ave.	\$	%	Hours Charged	\$	Average per hour
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

One off profile to indicate a 'steptoe' capability in buying low and selling high. Includes everything from the kitchen sink to the bedroom.

Key Monitoring Indicators

Sales / gross profit per item and overall weekly, monthly and accumulatively.

Number of sales and average sale / gross profit per sale weekly, monthly and accumulatively.

Expenses monthly.

Cashflow monthly.

Stockturn quarterly.

Pracdev Key Indicator Report**Security Systems****Sales & Installation****Code:** SECSR**Activity:** Retail
Trade**Units:** No of Sales
Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
280	166	Sales per FTE person	\$215,000			
44	34	Gross Profit	40 %			
		Wages and Salaries	21 %			
7	3	Occupancy	2 %			
5	1	Advertising	2 %			
		Total Expenses	38 %			
12	1	Net Profit	2 %			
		Charged hours to available	68 %			
		Average \$ G.P. per hour	\$65			

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	Sales			Installation			Service			
	\$	G.P.	Average	\$	Hours	Ave. per Hour	Sales\$	G.P.\$	Hours	Ave. per Hour
This Week										
Total to Date										
Total										
Target										
Variance										

Comment:

Profile of security systems and components sales and installation retail/contracting. Retailing G.P.% closer to 25%, contracting installation G.P. closer to 60%

Key Monitoring Indicators

Sales/gross profit per sale and overall, weekly, accumulatively.

Charged hours x average \$ rate per installation and per service, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Service Station

Pracdev Key Indicator Report

Code: SERV

Activity: Retail

Units: Litres/No of Sales

Workshop

Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
680	420	Sales per FTE person	\$542,000			
15	8	Gross Profit	14 %			
		Wages and Salaries	7 %			
		Occupancy	2 %			
		Total Expenses	12 %			
4	1	Net Profit	2 %			
50	35	Stockturn	40			

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	Sales			Gross Profit			Workshop		
	No.	\$	Ave.	\$	%	Ave.	Hours Charged	Ave.	Prod.%
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Gross margin on fuel varies between 3% and 8% and the product mix can vary widely from station to station depending on extent of workshop, accessories and retail outlet including cafe service. The more the latter, the higher the margin. Typical gross margins on tyres, batteries, oil 23%, accessories 35%, drinks 17%, ice 50%, ice creams 23%.

Key Monitoring Indicators

Sales/gross margin per sale, per product grouping and overall, weekly and accumulatively.

Charged hours x average rate in workshop per sale overall, weekly and accumulatively.

Stock levels and Cash Flow monthly.

Pracdev Key Indicator Report

Ships Provedores

Code: SHIPW**Activity:** Wholesale**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
383	255	Sales per FTE person	\$350,000			
26	20	Gross Profit	24 %			
		Wages and Salaries	11 %			
		Occupancy	2 %			
		Total Expenses	21 %			
7	1	Net Profit	3 %			
16	9	Stockturn	12			

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	Salees			Gross Profit		
	No.	\$	Ave.	\$	%	Ave.
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Profile of a business that sells anything from an anchor to an aspirin to seagoing vessels and offshore tourist resorts. Key to profitability lies in tracking gross margin per invoice, and controlling expenses, debtors and cashflow.

Key Monitoring Indicators

Sales/gross margin per sale, per representative and overall, weekly and accumulatively.

Number of sales and average sale and G.P, per representative and overall, weekly and accumulatively.

Stock levels and Cash Flow monthly.

Shoes

Retail

Pracdev Key Indicator Report

Code: SHOMR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
290	165	Sales per FTE person	\$229,000			
45	37	Gross Profit	39 %			
		Wages and Salaries	17 %			
12	4	Occupancy	7 %			
2	0.5	Advertising	1 %			
		Total Expenses	34 %			
11	3	Net Profit	5 %			
6	3	Stockturn	4			

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	Sales			Gross Profit		
	No.	\$	Ave.	\$	%	Ave.
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

A minimum number of each size must be ordered when buying a new line of shoes even though certain sizes may not be suitable for customers. This invariably leads to discounting to sell off otherwise unsaleable products. Recommended gross margin of 44% on shoes and 35%+ on sports shoes is impacted by discounts and 'specials'. Store location, product knowledge and merchandising skills, dictate the sales per staff worker and ultimate gross margin. Target average sale and number of sales per employee-hour are key indicators.

Key Monitoring Indicators

Sales/gross margin per sale, per staff worker, per product type, overall, weekly and accumulatively.

Number of sales and average sale/G.P. weekly and accumulatively.

Stock levels and Cash Flow monthly.

A TARI for Business™ Case File

by Professor Keith Cleland

A Ships' Providore achieves a Net Profit of \$2,500,000 in 11 months from a standing start.

Having assisted with a management buy-out, I had been asked to provide ongoing input by becoming chairman. The company was an amalgam of several small wholesalers operating out of major cities and ports around the continent. Sales were in the region of \$50 million and the previous year's net profit, a dubious \$200,000. Once the contract of sale was signed, we called a meeting of senior executives.

"What is the average sale?" I asked, looking around the senior executives at the Board Room table. There was silence and a shuffling of feet.

Then the General Manager Marketing spoke: "There's no such thing in this business." His comment seemed to ease the tension and there were smiles.

"Why do you say that?" I asked.

"Well, we have our major customers and they might order \$100,000 worth or we'll get a small one ordering \$50 worth. No way there's an average sale in this business."

"There's one thing for sure, if you don't know the average sale you certainly aren't going to improve it." I recounted an example of a typical hardware store with some 7000 product lines, ranging from chainsaws selling for \$1000 to a packet of screws selling for 50 cents, where the average sale was in the region of \$25. Once it had been identified, the daily average achieved would be noted on a sheet of butchers paper in the employees rest room. In a supermart environment, it provided a focus as well as a basis for sales staff incentives.

"As we don't even have a record of the number of sales made, we need to start tracking the sales and gross profit for every vessel supplied. In time, that will build up a more accurate picture." I pressed for recording to commence immediately.

By the end of the following week the information requested flowed in to be processed and sent back to each branch in a format that could be pinned up on the lunch-room notice board. The results of each representative were shown, highlighting gross margins, number of sales made and average sale achieved for the preceding week and accumulatively for any number of weeks.

Within three weeks, the gross margins increased from 23% to 28% and climbing, with the average sale showing up in the region of \$5,000.

Having established that there was such a statistic as the 'average sale', it became a matter of working out how to improve it. A question that became the focus of a subsequent meeting of senior management, resulting in four simple and achievable objectives that could be carried out in each branch.

Within the next two months, reports filtered back to head office revealing different methods adopted by various branches: one northern branch handling coal vessels

took brochures from the local jeweller on board and sold opals, increasing the average sale by \$1000 which at 30% amounted to \$300 gross profit. Another branch also selling to visiting ships, made a deal with the local video outlet and sold videos to the crew, increasing the average sale by \$800 or \$200 gross profit. With the gross profit impacting the bottom line by an equal amount, and gross profit margins continuing to climb with the support of improved buying and increasing focus on items that attracted higher margins, net profit rose steeply, strengthening the cashflow.

Quarterly two day management workshops provided additional input, training branch management in planning, targeting and monitoring concepts; providing a means of sharing marketing skills as well as a more effective and timely collection of the proceeds; and sharpening techniques of purchasing to reduce costs and control inventory.

On 10,000 sales, average gross profit rose \$250 per sale, resulting in the extraordinary net profit of \$2.5m by June 30th 1993.

The success attracted the attention of stockbrokers and within eighteen months of the management buyout, the company was listed on the stock exchange complete with an additional three 'outside' Directors, providing a handsome paper gain for the vending shareholders as well as additional cash for funding expansion. It was at this point that I stepped down from my advisory role.

The more onerous regulatory burden of a public company placed unacceptable stress on the existing financial management unit, and they were replaced by a more sophisticated team. Having no experience of the software that had been introduced to handle the week by week reports to and from the branches, they dispensed with them and reverted to the traditional monthly reporting syndrome: a 120 page package of reports that arrived some three weeks after the month to which they referred.

The branches maintained their weekly reports but head office merely filed them. Within six months the software had disappeared from the system. Gross profits commenced to slide from a high of 29%, reaching a terminal 21% within six months.

Lack of focus on where the rubber hit the road, brought the company close to its knees within a year of listing, a position from which at the time of writing, it has yet to recover.

Footnote: An interesting aspect of this case was the extensive monthly reporting system that been established under the previous owners - a multi national group with several hundred subsidiaries, each providing what was termed a monthly Board Pack covering traditional financial statements, aging of accounts receivables, details of staffing, pertinent comments from each branch and so forth, about 120 pages in all. But nothing about number of sales made, average sale, gross profit per sale, overall or by branch or representative.

Pracdev Key Indicator Report

Shop Fitting

Code: SHOPT**Activity:** Trade**Units:** Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
160	89	Sales per FTE person	\$117,000			
62	54	Gross Profit	57 %			
		Wages and Salaries	34 %			
7	2	Occupancy	3 %			
		Total Expenses	52 %			
		Net Profit	5 %			
		Charged hours to available	70 %			
70	50	Average \$ G.P. per hour	\$55			

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	Sales			Gross Profit			Hours Charged	Ave. per Hour	Prod. %
	No.	\$	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Pre-made and pre-cut fittings are the key to productivity and bottom line profit. Formula for effective control and winning quotes is based on target charged hours x target average \$G.P. per hour. (See Video 101/201)

Key Monitoring Indicators

Sales/gross profit per job and overall, weekly and accumulatively.

Charged hours x average rate and overall, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Sign Writer

Pracdev Key Indicator Report

Code: SIGAR

Activity: Trade

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
112	75	Sales per FTE person	\$95,000			
80	70	Gross Profit	75 %			
		Wages and Salaries	42 %			
6	2	Occupancy	3 %			
		Total Expenses	70 %			
		Net Profit	5 %			
		Charged hours to available	65 %			
55	40	Average \$ G.P. per hour	\$50			

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	Sales			Gross Profit			Hours/ Charged	Ave. per Hour
	No.	\$	Ave.	\$	%	Ave.		
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Sign Writing includes provision of small wooden/plastic sign boards. Less sales per FTE than a painter when providing signboards as well as signs but more gross profit (less paint materials used). Weekly monitoring of hours invoiced compared with target will be of great benefit. Increasing use of computer-aided design and production is revolutionising this industry.

Key Monitoring Indicators

Sales/gross margin per job and overall, weekly and accumulatively.

Charged hours x average rate per job and overall, weekly and accumulatively.

Cash Flow monthly.

Quote/Acceptance book.

Pracdev Key Indicator Report**Signs
Manufacturing****Code:** SIGNM **Activity:** Manufacturing **Units:** Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
212	120	Sales per FTE person	\$176,000			
60	47	Gross Profit	51 %			
		Wages and Salaries	21 %			
4	2	Occupancy	3 %			
		Total Expenses	44 %			
8	3	Net Profit	7 %			
		Charged hours to available	67 %			
		Average \$ G.P. per hour	\$75			

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	Invoiced Sales \$	Gross Profit \$	Gross Profit %	Hours Charged	Ave. Hourly Rate
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

Tracking work in and out in terms of charged hours and average G.P. rate per hour would improve bottom line performance by more than 100%. Establish a target number of charged hours, and average G.P. rate per hour and track weekly and accumulatively. (See Video 101/201)

Key Monitoring Indicators

Invoiced Sales and Gross Profit, number of hours charged and average rate per hour weekly and accumulatively.

Record of quotes given and accepted.

Small Goods

Manufacturing/Wholesale

Pracdev Key Indicator Report

Code: SMALM

Activity: Manufacturing

Units: Hours

Wholesale

No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
286	190	Sales per FTE person	\$227,000			
52	38	Gross Profit	48 %			
		Wages and Salaries	16 %			
5		Occupancy	2 %			
		Electricity, Gas and Power	3 %			
		Total Expenses	39 %			
10	4	Net Profit	9 %			
		Charged hours to available	60 %			
26	18	Stockturn	22			

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	Sales			Gross Profit			Hours Charged	Ave. per Hour	Prod.%
	No.	\$	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Mixture of manufacturing and reselling small goods. Cost of ingredients plus packaging is in the region of 35 cents in the \$1 sale, leaving a gross margin of 65 cents. Resale stock lines impact on the 65%. Requirement exists for dissection of the two areas to pinpoint actual performance. Proportion of manufacturing to wholesaling will dictate the Gross Profit and the Sales per FTE. The higher the manufacturing, the greater the G.P. and the less the FTE and vice-versa.

Key Monitoring Indicators

Sales/gross margin per sale, per customer category, per product and overall, weekly and accumulatively.

Charged hours x average rate per product and overall, weekly and accumulatively.

Stock levels and Cash Flow monthly.

Code: SMALW

Activity: Wholesale

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
388	265	Sales per FTE person	\$354,000			
23	19	Gross Profit	21 %			
		Wages and Salaries	12 %			
3		Occupancy	2 %			
1.5	0.5	Advertising	1 %			
		Total Expenses	18 %			
7	1	Net Profit	3 %			
25	18	Stockturn	20			

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	Sales			Gross Profit		
	No.	\$	Ave.	\$	%	Ave.
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Tight margins demand close scrutiny of all invoices, preferably marking average gross profit percentage on each copy to ensure target G.P is maintained. Number of lines stocked increases every year slowing stockturn and reducing liquidity without a balancing increase in sales. Where van salesmen operate (usually on wage plus percentage commission on sales) their performance requires monitoring individually as well as collectively.

Key Monitoring Indicators

Number and value sales/gross margin per sale, per representative, per customer category, overall, weekly and accumulatively.
Stock levels and Cash Flow monthly.

Smash Repairs

Pracdev Key Indicator Report

Code: SMAST

Activity: Trade

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
155	99	Sales per FTE person	\$133,000			
57	50	Gross Profit	54 %			
		Wages and Salaries	29 %			
7	2	Occupancy	4 %			
		Total Expenses	47 %			
10	4	Net Profit	7 %			
75	60	Charged hours to available	70 %			
		Average \$ G.P. per hour	\$60			

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	Sales			Gross Profit			Hours Charged	Average Rate
	No.	\$	Ave.	\$	%	Ave.		
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Some repairers have a tow truck to bring in business; some share this activity with others. Sample includes those with and without this facility. Where a tow truck is used and charged out as part of sales, gross margins will be boosted accordingly, tow truck sales should be differentiated.

Hourly rates vary according to type of work and skill required and are dictated in the main by insurance companies. However, there is considerable scope for improving the rate by means of completing the job in less time than quoted (and agreed by the loss assessor) eg. a job estimated to take 10 hours at \$34 can achieve \$50 an hour if completed in 7 hours.(See Video 201)

Key Monitoring Indicators

Sales/gross margin per job and overall, weekly and accumulatively.

Charged hours x average rate per job and overall, weekly and accumulatively.

Cash Flow monthly.

Pracdev Key Indicator Report

Sports Store

Code: SPORR**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
225	150	Sales per FTE person	\$197,000			
42	36	Gross Profit	38 %			
		Wages and Salaries	19 %			
11	4	Occupancy	6 %			
		Total Expenses	33 %			
10	2	Net Profit	5 %			
6	3	Stockturn	4			

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	Sales			Gross Profit		
	No.	\$	Ave.	\$	%	Ave.
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

With a variety of gross margins operating and not infrequent discounting at "sale" times, it becomes of vital importance to track the average gross margin achieved for comparison with target. Daily attempts to improve on the "average" sale will assist in boosting performance which can extend beyond the store in providing services to schools, clubs etc. in the area. Tendency to overstock. (See Video 301)

Key Monitoring Indicators

Sales/gross margin per sale, per grouping, overall, weekly and accumulatively.
 Number of sales and average sale/gross margin, per grouping, overall, weekly and accumulatively.
 Stock levels and Cash Flow monthly.

Squash Courts

Pracdev Key Indicator Report

Code: SQUAS

Activity: Service
Retail

Units: Hours

No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
106	78	Sales per FTE person	\$96,000			
94	88	Gross Profit	92 %			
		Wages and Salaries	40 %			
15	5	Occupancy	9 %			
		Total Expenses	85 %			
9	4	Net Profit	7 %			
		Charged hours to available	60 %			
7	4	Stockturn	5			

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	Court Sales			Retail			G.P.\$	G.P.%
	\$	No. Hours	Ave. per Hour	\$	No.	Ave.		
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Sales per FTE vary according to court usage and sales of accessories. Gross profit relates to sales of accessories & refreshments: need to dissect from hire or tournament. Profile of typical four court centre with proprietor putting in the hours. Club activity, as main source of revenue operates at a lower hourly rate than off the street players. Revenue highly dependent on proprietors marketing skills.

Key Monitoring Indicators

Revenue per court and overall, weekly and accumulatively.

Sales/gross margin per sale and per category weekly and accumulatively.

Number of players and average fee per player, weekly and accumulatively.

Stock levels and Cash Flow monthly.

Pracdev Key Indicator Report**Stationery****Retail / Wholesale****Code:** STATR**Activity:** Retail
Wholesale**Units:** No of Sales
No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
220	135	Sales per FTE person	\$165,000			
42	36	Gross Profit	40 %			
		Wages and Salaries	23 %			
11	3	Occupancy	5 %			
		Total Expenses	37 %			
7		Net Profit	3 %			
10	5	Stockturn	8			

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	Sales			Gross Profit		
	\$	No.	Ave	\$	%	Ave
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Retail sales return a GP% closer to 43%, wholesale 33%. Sales to retail as well as wholesale (or account) customers at a discount affect the sales per FTE as well as the gross margins. The two should be distinguished and an "average sale" targeted and tracked weekly.

Key Monitoring Indicators

Sales/ gross profit by number, by category, weekly accumulatively.

Average Sale/ gross profit weekly accumulatively.

Expenses and Cash Flow monthly.

Steel

Retail

Pracdev Key Indicator Report

Code: STEER

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
395	250	Sales per FTE person	\$345,000			
23	19	Gross Profit	22 %			
		Wages and Salaries	12 %			
		Occupancy	2 %			
		Total Expenses	20 %			
5		Net Profit	2 %			
8	5	Stockturn	7			

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	Sales			Gross Profit			No. Kgs	Average Sale	Average G.P.
	No.	\$	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Gross profit margin reflects impact of competition on the trade which buys steel at retail price less 35%. Discount to fabricators of 20%+ can be alleviated by charging extra for cutting and bending. Need to track gross margin on each sale to achieve improved performance.

Key Monitoring Indicators

Sales/gross margin per sale and per kilo, per grouping and overall, weekly and accumulatively.
Stock levels monthly.
Cash Flow monthly.

Pracdev Key Indicator Report

Supermarket

Code: SUPER**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
545	355	Sales per FTE person	\$450,000			
24	19	Gross Profit	22 %			
		Wages and Salaries	8.5 %			
		Electricity, Gas and Power	1 %			
4	1	Occupancy	2 %			
		Total Expenses	20 %			
3	1	Net Profit	2 %			
26	16	Stockturn	17			

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	Sales			Gross Profit		
	No.	\$	Ave.	\$	%	Ave.
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Sales per FTE appear to be on the increase as supermarkets lift their game to match the leaders. Higher stockturn for stores located close to restockers. Gross margin in deli goods 30%+, vegetables 27%+, groceries 15%+. The mix will affect the average \$G.P. outcome.

Key Monitoring Indicators

Sales/gross margin per sale, per product category and overall, weekly and accumulatively.
 Number of sales and average sale/G.P.
 Stock levels and Cash Flow monthly.

Surveyor

Pracdev Key Indicator Report

Code: SURVP

Activity: Professional

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
120	85	Fees per FTE Person	\$109,000			
		Wages and Salaries	45 %			
		Occupancy	3 %			
		Motor Vehicles Expenses	9 %			
		Total Expenses	88 %			
20	10	Net Profit	12 %			
		Charged hours to available	75 %			
125	80	Average hourly charge rate	\$100			

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	Gross Fees		Average per Hour	Billings	Receipts	Work In Progress
	\$	Hours Charged				
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Surveyors should develop a target of weekly charged hours and average hourly rate if they are to achieve their potential fee revenue. The substantial increases in regulatory demands by local and state governments has opened a doorway for the surveyor in the provision of consultancy services to developers et al. (See Video 501)

Key Monitoring Indicators

Billings weekly and accumulatively.

Charged hours x average rate per product and overall, weekly and accumulatively.

Work in progress and job review weekly.

Cash Flow monthly.

Code: SWIMM

Activity: Manufacturing

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$125,000			
		Gross Profit	65 %			
		Wages and Salaries	28 %			
		Occupancy	8 %			
		Insurance	6 %			
		Advertising	4 %			
		Total Expenses	58 %			
		Net Profit	7 %			

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	Sales			Gross Profit		Hours Charged		Prod %
	No.	\$	Ave.	\$	Ave.	No.	Ave GP per hour	
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

One off profile to give an indication of gross profit, sales per FTE and expenses. Tracking manhours and average GP per hour with target per job and overall is vital to sustaining profitable performance. (See video/DVD 101/201)

Key Monitoring Indicators

Sales/ gross profit per category weekly, monthly and accumulatively.

Charged hours and average GP per hour weekly, monthly and accumulatively.

Expenses monthly.

Cashflow monthly (debtors / creditors)

Stock levels monthly

Take Away Food

Pracdev Key Indicator Report

Code: TAKER

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
178	125	Sales per FTE person	\$156,000			
69	60	Gross Profit	65 %			
		Wages and Salaries	24 %			
12	6	Occupancy	8 %			
		Electricity, Gas and Power	3 %			
		Total Expenses	56 %			
14	4	Net Profit	9 %			

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	Sales		Gross Profit		Average Sale
	No.	\$	\$	%	
This Week					
Total to Date					
Total					
Target					
Variance					

Comment:

"Take Away" should be looked at in conjunction with the sandwich shop profile to clarify the product mix being sold. The more labour intensive the operation, such as making sandwiches, the higher the wages and the lower the sales per FTE. Likewise, the more pre-prepared items, will attract higher sales per FTE and lower wages, but tend to lower gross margins.

Key Monitoring Indicators

Sales/gross margin weekly and accumulatively.

Expenses, creditors monthly.

Cash Flow monthly.

Code: TELRT

Activity: Service

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
84	58	Sales per FTE person	\$95,000			
77	70	Gross Profit	70 %			
		Wages and Salaries	47 %			
		Occupancy	2 %			
		Total Expenses	62 %			
		Net Profit	8 %			
		Charged hours to available	65 %			
60	45	Average \$ G.P. per hour	\$55			

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	Sales			Gross Profit			Hours Charged	Ave. per Hour
	\$	No.	Ave.	\$	%	Ave.		
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Hourly charge rate is increased by mark up of 20%+ on materials used. Primary source of work flows from electrical appliances retailers under warranty (\$30 + per hour) or referrals. Yellow pages and local newspapers the balance. (See Video 201)

Key Monitoring Indicators

Charged hours x average G.P. rate per hour and overall, weekly and accumulatively.

Number of sales, average sale/G.P.

Stock levels and Cash Flow monthly.

Tennis Courts

Pracdev Key Indicator Report

Code: TENNS

Activity: Service
Retail

Units: Hours

No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
120	80	Sales per FTE person	\$105,000			
96	87	Gross Profit	90 %			
		Wages and Salaries	37 %			
		Occupancy	17 %			
		Total Expenses	80 %			
		Net Profit	10 %			
		Charged hours to available	60 %			
7	4	Stockturn	5			

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	Overall and by Court										
	Court Hire			Retail					Coaching Fees		
	\$	Hours	Ave. per Hour	No.	\$	Ave.	G.P.\$	G.P.%	\$	Hours	Ave.
This Week											
Total to Date											
Total											
Target											
Variance											

Comment:

Sales of accessories boost sales per FTE and create a gross profit margin. Retailing outlet tends to an add-on to main activity of coaching, but could offer greater potential for contribution to the bottom line if administered effectively.

Key Monitoring Indicators

Revenue per court, per hour and overall, weekly and accumulatively.

Coaching fees per hour and in total, weekly and accumulatively.

Sales/gross margin per sale and overall weekly and accumulatively.

Number of players and average fee per player weekly and accumulatively.

Stock levels and Cash Flow monthly.

Pracdev Key Indicator Report**Tiles****Retail****Code:** TILER**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
205	99	Sales per FTE person	\$165,000			
42	35	Gross Profit	38 %			
		Wages and Salaries	23 %			
7	3	Occupancy	4 %			
2	1	Advertising	1.5 %			
		Total Expenses	35 %			
6	1	Net Profit	3 %			

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	Sales			Gross Profit		Product Category			
	No.	\$	Ave.	\$	Ave.	A \$	B \$	C \$	D \$
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Large range of tiles in price with varying profit margin. Thus the need to monitor average gross profit per sale against targeted average gross profit per sale. Stock levels need close watch to maintain buoyant cashflow. (See video/DVD 301/601)

Key Monitoring Indicators

Sales / gross profit per category and overall, weekly, monthly and accumulatively.

No of sales and average sales and GP per sale, weekly, monthly and accumulatively.

Expenses monthly.

Cashflow monthly (debtors/creditors)

Stock levels monthly.

Tiling Contractor

Pracdev Key Indicator Report

Code: TITET

Activity: Trade

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
130	85	Sales per FTE person	\$121,000			
60	50	Gross Profit	57 %			
		Wages and Salaries	33 %			
		Total Expenses	51 %			
12	4	Net Profit	6 %			
		Charged hours to available	70 %			
60	45	Average \$ G.P. per hour	\$55			

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	Sales			Gross Profit			Hours Charged	Ave. per Hour	Prod.%
	No.	\$	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Profile of tilers supplying materials, although includes sample of contract work frequently carried out by tiler on a "do and charge" basis which would account for the wide variety in sales per FTE - the higher sales including the materials/ tiles supplied by tiler. (See Video 201) "Do and Charge" work eliminates cost of tiles and reduces Sales per FTE, but increases gross margin. Need to dissect the two in order to establish a clear comparison.

Key Monitoring Indicators

Sales/gross margin per job, per category, per employee, overall, weekly and accumulatively.
Charged hours x average rate per job, per employee and overall, weekly and accumulatively.
Stock levels where relevant.
Cash Flow monthly.

Pracdev Key Indicator Report**Timber Yard****Code:** TIMBW**Activity:** Wholesale
Milling**Units:** No of Sales
Cubic Metres

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$285,000			
		Gross Profit	25 %			
		Wages and Salaries	14 %			
		Insurance	2 %			
		Leasing	1 %			
		Total Expenses	23 %			
		Net Profit	2 %			
		Cubic metres per hour charged				
		Ave. GP per cubic metre sold				

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	Sales			Gross Profit		Cubic Metres	Cubic Metres per manhour		Ave. GP per cubic metre
	No.	\$	Ave.	\$	Ave.	No.	No.	Ave.	
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

One off profile to give an indication of sales per FTE, gross profit and expenses. Man hours per cubic metres and GP \$ per cubic metre as well as GP per sale are fundamental to maintaining a handle on the business as is the need for dissection of product sales by timber type and application.

Key Monitoring Indicators

Sales / gross profit per sale, per category, weekly, monthly and accumulatively.

Cubic metres milled by category, weekly, monthly and accumulatively.

Cubic metres per man hour weekly, monthly and accumulatively.

Gross profit per cubic metre weekly, monthly and accumulatively.

Cashflow monthly (debtors/creditors)

Stock levels monthly.

Toys

Retail

Pracdev Key Indicator Report

Code: TOYSR

Activity: Retail

Units: No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
240	165	Sales per FTE person	\$225,000			
40	34	Gross Profit	36 %			
		Wages and Salaries	17 %			
10	4	Occupancy	7 %			
		Total Expenses	33 %			
		Net Profit	3 %			
6	3	Stockturn	4			

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	Sales			Gross Profit		
	No.	\$	Ave.	\$	%	Ave.
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Competitors from major "Hyper" stores created a climate of concern in this sector, leading to heightened awareness of the need for improved services, more effective merchandising and management decision making in turn. Balancing a well stocked store complete with up to 3000+ lines and improved stockturn, presents an inherent conflict in this retail business. Effective management will maintain a grip on stock levels by regular checking of sections, as well as a clear perception of average sale and gross margins.

Key Monitoring Indicators

Sales/gross margin per sale, per product grouping and overall, weekly and accumulatively.

Number of sales and average sale, per product grouping and overall, weekly and accumulatively.

Stock levels and Cash Flow monthly.

Pracdev Key Indicator Report

Travel Agent

Code: TRAVR**Activity:** Retail**Units:** No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
105	78	Commission per FTE person	\$97,000			
		Wages and Salaries	39 %			
9	4	Occupancy	5 %			
3	1	Advertising	2 %			
		Total Expenses	94 %			
8	4	Net Profit	6 %			

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	International				Domestic				Other				Total			
	No	\$	Cm	%	No	\$	Cm	%	No	\$	Cm	%	No	\$	Cm	%
This Week																
Total to Date																
Total																
Target																
Variance																

Comment:

Dissection of Sales into Wholesale/Retail, International/Domestic, by air/land/sea, insurance and other, could assist management decision making. Profile depicts commissions on sales which varies from the wholesaler to the suburban agent. International travel accounts for approx 80% of a travel agents' business (averaging up to 9%). Domestic travel accounts for approx 15% (Qantas 1%, Virgin 4%) and the balance from other forms of travel including insurance etc. Thus the lower the fare, the less its commission presumably balanced by increased travel, but higher processing cost.

Key Monitoring Indicators

Sales/commission by number and source weekly and accumulatively.

Sales/commission by employee.

Cash Flow monthly.

Truck

Road Freight

Pracdev Key Indicator Report

Code: TRUAS

Activity: Service

Units: Tonnes and/or Kms

Highs	Lows	Key Indicator	Profile	Client Comparison		
285	192	Sales per FTE person	\$215,000			
		Wages and Salaries	19 %			
		Fuel and Oil	20 %			
		Depreciation	15 %			
		Tyres	8 %			
		M/V Registration and Insurance	11 %			
		Repairs & Maintenance	15 %			
		Total Expenses	93 %			
		Net Profit	7 %			

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	\$	Kms		Tonnes		Fuel & Oil			Repairs & Maintenance			Leasing			Total Direct Expense		
		No	\$Ave	No	\$Ave	\$	Per Km	Per Ton	\$	Per Km	Per Ton	\$	Per Km	Per Ton	\$	Per Km	Per Ton
This Week																	
Total to Date																	
Total																	
Target																	
Variance																	

Comment:

Profile is based on a six axle (24 wheel) trucking operation freighting medium to long hauls. Management can be greatly assisted by tracking tonnes/cost per truck, and re-examining their pricing approach per tonne based on capacity and a target average rate per tonne. At 2 klms per litre of fuel, plus increased registration and insurance, freight costs are on an upward incline.

Key Monitoring Indicators

Gross revenue, per tonne, per kilometre and overall, weekly and accumulatively.

Average revenue and direct expenses per tonne and per kilometer weekly and accumulatively.

Cash Flow monthly.

Pracdev Key Indicator Report

Truck Sales

Code: TRUSR **Activity:** New, Used, Parts **Units:** No of Sales
 Workshop Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
550	355	Sales per FTE person	\$490,000			
17	14	Gross Profit	16 %			
		Wages and Salaries	9 %			
		Occupancy	2 %			
		Total Expenses	14 %			
		Net Profit	2 %			
70	50	Average \$ G.P. per hour	\$60			
75	64	Charged hours to available	70 %			

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	New, Used, Parts, Workshop									
	Sales			Gross Profit			Hours Charged	\$	Ave per Hour	Prod%
	No.	\$	Ave.	\$	%	Ave.				
This Week										
Total to Date										
Total										
Target										
Variance										

Comment:

Sample includes workshop and parts sales plus new and used sales. The more workshop sales, the higher the gross profit - the lower the sales per FTE. Gross margin on new trucks of 7-10% does not permit too much discounting without manufacturer support; workshop and parts become the major contributors in tough times, but require a clear concept of target G.P. in parts, hourly rate and charged hours in workshop. This needs to be monitored preferably daily, but certainly not less than weekly.

Key Monitoring Indicators

Sales/gross margin per sale, per category and overall, weekly and accumulatively.
 Number of sales and average sale, per representative and per category overall, weekly and accumulatively.
 Stock levels and Cash Flow monthly.

Truck/Trailer

Pracdev Key Indicator Report

Make, Repair, etc

Code: TRUTM

Activity: Manufacturing
Retail

Units: Hours

No of Sales

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$210,000			
		Gross Profit	52 %			
		Wages and Salaries	18 %			
		Occupancy	2 %			
		Total Expenses	48 %			
		Net Profit	4 %			
		Charged hours to available	70 %			
		Average \$ G.P. per hour	\$75			
		Stockturn	9			

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	Sales			Gross Profit			Hours Charged	Average per hour
	No.	\$	Ave.	\$	%	Ave.		
This Week								
Total to Date								
Total								
Target								
Variance								

Comment:

Profile includes a mixture of new trailers, parts sales (40% G.P) and sales of second hand equipment including the occasional renovated truck, all of which require dissection and tracking if management is to have a clarity of direction.

Key Monitoring Indicators

Sales/gross per sale, per product grouping and overall, weekly and accumulatively.

Charged hours and average rate per hour overall, weekly and accumulatively.

Stock levels monthly.

Cash Flow monthly.

Pracdev Key Indicator Report**Tyres**
New & Retread**Code:** TYRER**Activity:** Retail
Manufacturer**Units:** No of Sales
Kgs Rubber

Highs	Lows	Key Indicator	Profile	Client Comparison		
275	148	Sales per FTE person	\$235,000			
40	28	Gross Profit	35 %			
		Wages and Salaries	15 %			
		Occupancy	5 %			
		Total Expenses	31 %			
		Net Profit	4 %			
10	6	Stockturn	8			

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	Sales Revenue			Gross Profit			Retreads		
	No.	\$	Ave.	\$	%	Ave.	Kgs	Ave. Sale	Ave G.P. per Kg
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Higher sales per FTE reflect wholesale/discount sales at lower margins. Gross profit on retailing new tyres approximately 20%+ and more if accessories such as balancing, tubes and fitting are added. Gross profit on retailing retreads approximates 30%+, eg batteries 32%, retreads 32%. In both cases, discounts apply if sold to other retailers. Capacity of retreading plant is the key to obtaining maximum price advantage in a very competitive industry.

Key Monitoring Indicators

Sales/gross margin per sale, per category and overall, weekly and accumulatively.
 Number of kilograms of rubber used in retreading, dollars per kilogram, weekly and accumulatively.
 Stock levels and Cash Flow monthly.

Upholstery

Pracdev Key Indicator Report

Code: UPHST

Activity: Trade

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
130	89	Sales per FTE person	\$115,000			
64	52	Gross Profit	57 %			
		Wages and Salaries	34 %			
5	2	Occupancy	4 %			
		Total Expenses	49 %			
10	3	Net Profit	8 %			
		Charged hours to available	65 %			
		Average \$ G.P. per hour	\$55			

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	Sales			Gross Profit			Hours Charged	Ave. per Hour	Prod%
	No.	\$	Ave.	\$	%	Ave.			
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Low productivity is inevitable without a day by day prompting of target hours to be charged. A sector embracing competent tradesmen, many of whom enjoy artistic disdain for time schedules.

Key Monitoring Indicators

Sales/gross profit per job, per category, weekly and accumulatively.

Number of sales and average sale/gross profit per job.

Expenses monthly.

Cash Flow monthly.

Code: VENDR

Activity: Retail

Units: No of Machines

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$690,000			
		Gross Profit	17 %			
		Wages and Salaries	5.5 %			
		Commission Paid	5 %			
		Total Expenses	15 %			
		Net Profit	2 %			
		Stockturn	8			

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	Sales			Gross Profit		
	No. Machines	\$	Ave.	\$	%	Ave.
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

Profile demonstrates the highest retail sales per FTE in this volume of PKIR's.

Key Monitoring Indicators

Sales/gross margin per unit and per category and overall, weekly and accumulatively.
Stock levels and Cash Flow monthly.

Veterinary Surgeon

Pracdev Key Indicator Report

Code: VETSP

Activity: Professional

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
125	89	Fees per FTE Person	\$112,000			
		Wages and Salaries	40 %			
9	4	Occupancy	5 %			
		Medical Supplies	22 %			
		Total Expenses	88 %			
16	7	Net Profit	12 %			

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	Gross Fees			Rooms			Outside		
	No.	\$	Ave.	No.	\$	Ave.	No.	\$	Ave.
This Week									
Total to Date									
Total									
Target									
Variance									

Comment:

Sale price (and profit) on sale of drugs, medicines and appliances is included in gross fees; and should ideally be dissected from total fee revenue to give management a clear indication of returns from this category. A distinction should be made between country and city work: the former requiring travel to and from properties to attend cattle etc for which the target hourly charge rate is seldom attainable.

Key Monitoring Indicators

Gross fees per visit, per category, per location (in rooms/outside), weekly and accumulatively. Sales/gross margin per sale and overall and by category of medical supplies weekly and accumulatively.

Stock levels and Cash Flow monthly.

Pracdev Key Indicator Report**Video/DVD****Retail****Code:** VIDES**Activity:** Service**Units:** No of Hires

Highs	Lows	Key Indicator	Profile	Client Comparison		
157	98	Sales per FTE person	\$145,000			
70	65	Gross Profit	67 %			
		Wages and Salaries	24 %			
14	5	Occupancy	9 %			
		Total Expenses	58 %			
12	5	Net Profit	9 %			

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	Hiring			Category A			Category B			Category C		
	No.	\$	Ave.	No.	\$	Ave.	No.	\$	Ave.	No.	\$	Ave.
This Week												
Total to Date												
Total												
Target												
Variance												

Comment:

With stock valued at \$30+ per video and DVD and purchases running at 20-25% of turnover to maintain new lines and sustain consumer interest, the need for culling and disposal of non-moving stock is constant.

Key Monitoring Indicators

Number of hires and value by category and overall, weekly and accumulatively.

Purchases by category and overall, weekly and accumulatively.

Stock levels and Cash Flow monthly.

Window Frames

Pracdev Key Indicator Report

Fabrication

Code: WINFM

Activity: Manufacturing

Units: Hours

Highs	Lows	Key Indicator	Profile	Client Comparison		
170	105	Sales per FTE person	\$152,000			
65	55	Gross Profit	58 %			
		Wages and Salaries	25 %			
5	2	Occupancy	3 %			
		Total Expenses	52 %			
8	3	Net Profit	6 %			
		Average \$ G.P. per hour	\$60			

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	Invoiced Sales	Gross Profit \$	Hours Charged	Average \$ per Hour
This Week				
Total to Date				
Total				
Target				
Variance				

Comment:

Failure to track charged hours and \$G.P. rate per hour against a weekly target leads to a falling away of productivity. (See Videos 101/201).

Key Monitoring Indicators

Invoiced Sales, Gross Profit, number of hours charged and average rate weekly and accumulatively.

Cash Flow monthly.

Record of quotes given and accepted.

Pracdev Key Indicator Report**Worms****Code:** WORMW **Activity:** Primary**Units:** Kilograms

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$120,000			
		Gross Profit	70 %			
		Wages and Salaries	30 %			
		Repairs & Maintenance	5 %			
		Occupancy	3 %			
		Total Expenses	66 %			
		Net Profit	4 %			
		Stockturn	40			

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	Mushrooms			Compost & Spawn		
	Kgs	\$	Ave	No.	\$	Kgs
This Week						
Total to Date						
Total						
Target						
Variance						

Comment:

One off profile of a large scale worm enterprise wholesaling to retailers.

Key Monitoring Indicators

Sales and gross profit per sale per kilogram overall, weekly and accumulatively.
Cash Flow monthly.

Yacht Hire

Pracdev Key Indicator Report

Code: YACHS

Activity: Retail

Units: No of Days

Highs	Lows	Key Indicator	Profile	Client Comparison		
		Sales per FTE person	\$275,000			
		Gross Profit	32 %			
		Wages and Salaries	14 %			
		Occupancy	3 %			
		Total Expenses	28 %			
		Net Profit	4 %			
		Charged boat/days to available	54 %			

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	Boat A				Boat B				Boat C				
	No. Days	Hire\$	D.Exp	Gross\$	No. Days	Hire\$	D.Exp	Gross\$	No. Days	Hire\$	D.Exp	Gross\$	Ave per Day
This Week													
Total to Date													
Total													
Target													
Variance													

Comment:

Yachts are managed for owners on the basis of 35% commission plus direct costs such as maintenance, marine fees etc - much as an apartment is managed on behalf of an owner. Charter rates are calculated so that the 35% commission plus the maintenance fees, plus the mark-up on provisions and chandlery supplied to vessels (approximately 25% G.P) cover the operational expenses of the charter operator. Outcome is dependent on number of vessels, charter rates applicable and day/nights sold.

Key Monitoring Indicators

Hire/direct expenses per vessel and overall weekly and accumulatively.

Cash Flow monthly.

Boat maintenance schedules monthly.