



#	KPI Name	Category	Formula	Purpose / NFG Notes	Target	Actual	Variance	Status
1	Net Profit Margin	Profitability	$(\text{Net Profit} \div \text{Total Revenue}) \times 100$	The ultimate results metric.	15%			
2	Operating Cash Flow Ratio	Liquidity	$\text{Operating Cash Flow} \div \text{Current Liabilities}$	Measures cash health. Target $>1.0$	1.25			
3	Gross Profit Margin	Profitability	$(\text{Revenue} - \text{COGS}) \div \text{Revenue} \times 100$	Operational efficiency. Target $\geq 40\%$	40%			
4	Break-Even Point	Profitability	$\text{Fixed Costs} \div (\text{Unit Price} - \text{Variable Cost per Unit})$	Shows the minimum needed to cover all costs.				
5	Cash Conversion Cycle (CCC)	Liquidity	$\text{Days Inv} + \text{DSO} - \text{DPO}$	Speed cash moves through the business. Lower is better.	$\leq 40$ days			
6	Days Sales Outstanding (DSO)	Liquidity	$(\text{A/R} \div \text{Total Credit Sales}) \times \text{Days}$	Days to collect cash. Target $<35$	<35			
7	Days Payable Outstanding (DPO)	Cash Flow	$(\text{A/P} \div \text{COGS}) \times \text{Days}$	Days to pay suppliers. Strategic credit use.	25-40			
8	Current Ratio	Liquidity	$\text{Current Assets} \div \text{Current Liabilities}$	Quick liquidity test. Target 1.2-2.0	1.5			
9	Quick Ratio	Liquidity	$(\text{Cash} + \text{A/R}) \div \text{Current Liabilities}$	Liquidity excluding inventory.	1.0			
10	Return on Assets (ROA)	Efficiency	$(\text{Net Income} \div \text{Total Assets}) \times 100$	Profitability per dollar of assets.	10%			
11	Return on Equity (ROE)	Profitability	$(\text{Net Income} \div \text{Owner's Equity}) \times 100$	Return on investment for owners.	15%			
12	Labor Efficiency Ratio (LER)	Productivity	$\text{Direct Labor Hrs Billed} \div \text{Total Hrs Paid}$	Labor productivity. Target $\geq 85\%$ .	85%			
13	Revenue per Employee	Efficiency	$\text{Total Revenue} \div \# \text{ of Employees}$	Productivity per headcount.	\$200K			
14	EBITDA Margin	Profitability	$(\text{EBITDA} \div \text{Total Revenue}) \times 100$	Normalized profitability.	20%			
15	Operating Expense Ratio (OER)	Efficiency	$\text{Total OpEx} \div \text{Revenue} \times 100$	Overhead control metric.	$<35\%$			
16	Debt Service Coverage Ratio (DSCR)	Solvency	$\text{Operating Cash Flow} \div \text{Debt Service}$	Loan coverage ratio.	1.25			
17	Working Capital	Liquidity	$\text{Current Assets} - \text{Current Liabilities}$	Short-term cushion.	Positive			
18	Owner Compensation Ratio	Profitability	$(\text{Owner Pay} \div \text{Revenue}) \times 100$	Owner pay vs revenue.	$<30\%$			
19	Client Acquisition Cost (CAC)	Sales Efficiency	$\text{Sales & Marketing Spend} \div \text{New Clients}$	Cost to acquire each client.				
20	Customer Lifetime Value (LTV)	Sales Efficiency	$\text{Avg Sale} \times \text{Gross Margin} \times \text{Retention}$	Value per customer relationship.	$\geq 3 \times \text{CAC}$			
21	Job Profit Margin	Project	$(\text{Job Revenue} - \text{Job Costs}) \div \text{Job Revenue} \times 100$	Per-job profitability.	35%			
22	Burn Rate	Cash Flow	$\text{Avg Monthly Net Cash Outflows}$	Cash spend rate per month.	Low			
23	Cash Runway	Cash Flow	$\text{Cash} \div \text{Monthly Burn Rate}$	Months business can operate.	$\geq 3$ months			
24	Variance to Forecast	Strategic	$(\text{Actual} - \text{Forecast}) \div \text{Forecast} \times 100$	Tracks accuracy to plan.	$<10\%$			
25	Revenue Growth Rate (YoY)	Growth	$(\text{CY Rev} - \text{PY Rev}) \div \text{PY Rev} \times 100$	Business growth pace.	10-15%			