Business Plan BETA TEMPLATE
FOR SMALL ARCHITECTURE FIRMS

Small Firm Exchange
an AIA Member Group

Advancing the mutual interests of architects practicing in small firms.
Introduction from Small Firm Exchange (SFx)

SFx doesn’t just support small firms. We are small firms.

The Small Firm Exchange (SFx) is a group of small firm practitioners who represent the needs of small architecture firms to AIA National. We also provide essential practice and leadership resources, an expansive professional network, and advocacy to small firms everywhere.

Learn more and find your rep at aia.org/SFx.

Small Firm Business Model Data

SFx has been exploring the question of which business models are most appropriate to sustain the practice of architecture for small firms. The survey data we’ve collected represents only a fraction of the results coming out of this focus. Continued efforts promise more detailed information, case studies, and recommendations to follow in the coming year.

History: The AIA had been wrestling with the definition of a small firm for many years, and in 2005 assembled a Special Task Force assigned with defining a small firm, and how many staff are required to be considered mid-sized or large. For sole practitioners, the definition was obvious. Single person firms can be defined as small. Also, for organizations with 100 or more staff, it seemed clear that these could be defined as large. But what to label all of those firms with staff between two and 99. Were they large or small? Wounded pride, and a perceived avoidance of the stigma related to being labeled “small” seemed to dominate the discussions. The only conclusion our group could agree upon was that for firms somewhere between 2 and 99, being small or large was “a state of mind”.

With the founding of the AIA Small Firm Roundtable in 2009, (now known as the Small Firm Exchange), the definition of small has been defined as any firm with 10 or less employees.

Considering one’s own practice, the label of size is really an irrelevant measure as to the type, size, or quality of work resulting from the professional effort. So is there really any benefit in labeling organizations small or large? As it turns out, yes. All firms are business entities, each following a business plan of one form or another. Our study is an attempt on identifying characteristics of business plans, and specifically, which have proven to be more economically sustainable (re: profitable) than others. The SFx presumption is that, armed with this sort of information, principals could theoretically compare the workings of their own firms with those of similarly sized firms in the same business, and explore which statistical patterns to emulate.

When you open the above link, after reading the informative introductory, click on one of the tables above the AIA / SFx Red circle & logo. Select one and, when that portion of the dashboard appears, hover your mouse over any item for a pop-up with more detailed information. Then inside the upper red box, select the “FILTER BY” to change the variables to specific items you would like a closer look into profile results. Ex. Set the Firm Size, Business Plan, etc. to match that of your own firm and see how you stack up. Then modify one or more of the filter variables to see if a change would improve your profile results.

Here’s wishing you and your small firm practice a prosperous and sustainable future. Enjoy surfing the dashboard!

Many thanks go to the two AIA Knowledge Communities of Custom Residential Architect’s Network (CRAN), and Small Project Practitioners (SPP) for their support and encouragement of the survey. Special thanks also go to Amanda Babin, a recent LSU graduate in IT, for her countless hours of technical expertise, advice, data analysis, and production of both the 2016 and 2017 Small Firm Business Models Surveys. The 2018 survey will launch in June.
A Sample Small Firm Business Plan

A business plan is widely acknowledged as a basic guide that is to be used throughout the lifetime of any business. In order to be of value, the plan must be kept up-to-date.

Note: This is a basic template modified for small architecture firms with format, references and Important Tips from the U.S. Small Business Administration Small Business Training Network.

Five Important Tips

Before you start!

1. The business plan should tell a compelling story about your business, explaining who, what, when, where, how and why.
2. Your plan should be focused and clear. It’s not about the number of pages or style of the cover.
3. The plan should define specific business objectives and goals with general parameters to guide the organization.
4. Writing a business plan should force logic and discipline into a business.
5. A good business plan is a living document and should be updated regularly.
AAA Architects Example

Business Plan

Month-Year

Street Address
City, State & Zip Code
Phone Number
E-Mail Address
Web Address
Table of Contents

AAA Architects Example

1. Table of Contents..............................................
2. Executive Summary.........................................
3. Business Description & Vision...........................
4. Organization & Management..............................
5. Description of Products and Services..................
6. Definition of the Market....................................
7. Marketing and Sales Strategy............................
8. Financial Management....................................
9. Appendices......................................................
10. Resources......................................................
Executive Summary

Important Tips

The Executive Summary section should:
- Be written last
- Provide an enthusiastic snapshot of your company, explaining who you are, what you do and why
- Be less than 2 pages

After reviewing this section the reader should:
- Want to learn more about your business
- Have a basic understanding about your company

AAA Architects Example

**Executive Summary**

This planning effort is to assess and establish goals for the newly formed AAA Architects. Given the increasing trend in the architectural/construction profession to team and implement design/build philosophies, we need to consciously position our services in a dynamic means to satisfy the requirements of a savvy client base. Creativity, not only in the form of design, but in design services will continue to provide opportunities in growth and market leadership. Servicing the client will continue to be a fundamental requirement but may be overshadowed by the speed of service and innovative options required to solve a design problem. Technology will continue to be a mainstay in the industry and the innovative and practical use of computer software will offer an edge in the market.

Building relationships through traditional and non-traditional marketing methods needs to be a priority for the success and continued growth of the firm. A conscious effort to network with clients, consultants, and contractors on a daily basis will yield long-term rewarding relationships and benefits. Today’s client can be very loyal to strong personal connections that provide the desired end results.

AAA will be formed as an architectural firm specializing in architectural and interior design services. Initially, a home office in TBD, State will be established for the first year(s) of operations. The proximity of this location to valued clients will help reinforce the strong desire to maintain the business relationships currently in place. TBD Name will lead the firm with twenty-five years of progressive and responsible experience. S/He will be assisted in management by TBD Name, an Interior Designer, and TBD; business associates of 10+ years.

The firm will specialize in providing three dimensional design and visualization to corporate, industrial and retail clients. State of the art analysis and design tools will be an integral part of the business plan. Implementation of a proven design process as well as the need to focus on business development, project management and a clear and concise set of construction documents will be core functions of this firm.
Business Description & Vision

Important Tips

The Business Description & Vision section should include:
- Mission statement (business purpose)
- Company vision (statement about company growth)
- Business goals and objectives
- Brief history of the business
- List of key company principals

After reviewing this section the reader should know:
- Who the business is and what it stands for
- Your perception of the company’s growth & potential
- Specific goals and objectives of the business
- Background information about the company

AAA Architects Example

Mission/Vision

Our mission is to create a new highly energized, team-focused architectural design firm that will continue to develop and expand existing client relationships with the advancement of design/build philosophies and innovative and creative design principles; all in a highly professional and ethical manner.

Provide high quality design solutions and client service with team collaboration and establish a new identity within the architectural marketplace while continuing to foster innovation, profitability, and relationships as well as the celebration of professional and personal achievements.

Objectives
- Become recognized as a high quality commercial architectural and interior design firm.
- Play to our team strengths – high quality design and construction documents with expertise and connectivity to the SE Wisconsin market and beyond.
- Serve the interests of our clients by providing services which demonstrate excellence in design and professional competence in every phase of the architectural practice.
- Give our clients the best possible value-added solution on time and within their budget.
- Be proactive. Maximizing the rewards by minimizing the risk.
- Cultivate and create a team structure where staff can build skills, enhance professional aspirations and careers while satisfying client’s needs and challenges. Create an environment where staff and client feel valued, trusted, and respected. Allow employee strengths to continue to elevate them to an ideal/preferred position.
• Services and commitment to equal employee and client satisfaction.
• Create a firm that is clearly definable in the minds of clients and consultants as a TEAM, rather than a collection of individuals.
• Be one of the most trusted and reliable experts in the corporate, industrial, and retail markets.
• Be synonymous with the confidence and trust of the client at all levels – like a brand name product.
• Re-cultivate and expand the existing client base to this firm.
• Continue the advancement of architectural computer generated technology by incorporating (BIM) REVIT as a standard.
• Maintain 3D modeling expertise through a strong consultant relationship.
• Manage and maintain depth in staff for the production of documents and project management as required and dictated by workload.
• Continue to advance LEED and sustainable principles in design. Educate clients, developers, and contractors.
• Provide leadership and confidence required to manage client expectations and deliver a successful project for all parties involved.
• Continue to lead the advancement of the design/build delivery method with focus on an integrated design structure.

Keys to Success
• Ability to manage and control team resources.
• Provide professional quality architectural services at a level higher than the best competitor can offer.
• Creating a company image that matches or exceeds the competition.
• Translating a high percentage of our previous client base to be AAA repeat clients.

Organization & Management

Important Tips

The Organization & Management section should:
• Provide a description of how your company is organized as well as an organization chart, if available
• Describe the legal structure of your business (proprietorship, partnership, corporation, etc.)
• Identify necessary or special licenses and/or permits your business operates with
• Provide a brief bio description of key managers within the company

After reviewing this section the reader should know:
• The legal form of ownership for your business
• Who the leaders are in your business as well as their roles
• The general flow of operations within the firm
AAA Architects Example

Company Ownership

AAA Architects will be created with the investment and operating assistance of XYZ as a limited liability company or something yet to be determined. The company will be created with input from both parties and managed by TBD. XYZ will be the lone investor and there will be opportunities to foster growth and business partnerships between both entities. Final details regarding potential ownership and the overall business venture will be determined in the near future.

Description of Products and Services

Important Tips

The Description of Products and Services section should:

- Specifically describe all of your products and services
- Explain how your products and services are competitive
- If applicable, reference a picture or brochure of your products, which would be included in the plan’s appendix

After reviewing this section the reader should know:

- Why you are in business
- What your products and services are and how much they sell for
- How and why your products & services are competitive

AAA Architects Example

Company Locations and Facilities

AAA will establish an office in TBD, State at (address) in order to minimize startup costs. The office space is anticipated to be around 2,500 sf. TBD is the owner/manager of the office building and is a preferred developer client of AAA. There are three potential tenant spaces that can negotiated for lease depending on the desired initial investment cost.

Service Description

AAA architects will offer complete architectural and interior design services to their client base. We will include outside design consultants as required to meet specific project requirements.

The four core functions of our Professional Architectural services include:

1. Marketing
2. Project Management
3. Design
4. Production
In-house services include:
- Architectural planning and design.
- Interior Design.
- Building alterations and feasibility studies.
- Programming.
- Project Management.
- Site planning.
- Space planning.
- Specifications development.
- Furniture, artwork and signage specifications.
- Roof design and engineering.
- Cost estimating.
- Sustainable and LEED design principles.
- Construction Administration.

Outside consultant services anticipated:
- Computer rendering services | Graphic Design.
- Landscape Architecture.
- Civil Engineering.
- Structural Engineering.
- MEP and Fire Suppression Engineering.
- LEED project planning.
- IT | Telecommunications design.
- AV and Security design.

AAA will focus on buildings with the following ‘Use and Occupancies’:
- Corporate Office | Headquarters.
- Control Centers and Data Centers.
- Medical Office Buildings.
- Interior Office Tenant Alterations.
- Industrial – Factory, Warehouse, Hazardous occupancies.
- Adaptive Reuse.
- Retail.
- Miscellaneous Educational and Health Care.
- Multi-family Residential.

**Firm Capabilities**

Upon reviewing the various types of Corporate, Industrial, and Retail projects that are available, the following analysis is what we believe our capabilities are and what we want them to be.

**Level 1**
This is the scope of work that can be handled within the firm by a single Project Architect/Project Manager with minimal assistance from ancillary staff.
- Small interior alterations involving rework of individual rooms and departmental workstations.
- Small additions to existing facilities.
- Master Planning of Industrial Parks, Office and Retail developments.
- Pre-planning and due diligence exercises for developer clients.

**Level 2**
The next level involves a single Project Architect/Project Manager with the assistance of one or two staff members within the studio.
- New speculative office and retail developments.
- Office additions, major remodeling, relocations and alterations.
- Speculative Industrial buildings.

**Level 3**
This is a scope of work that will continue to evolve from our strong design/build relationships we anticipate growing and strengthening in the Developer and Construction markets. The implementation of our architectural services by the Design/Build industry is something we feel will continue to occur. This level of ‘Designer’ status may include a Project Architect/Project Manager and Designer with assistance from one other staff member. We will also strive to compete in the RFP marketplace with brokers and owner representatives looking to AAA as a preferred resource of architectural services.
- Building Designer of Record with full architectural/interior design services required. MEP design will most likely occur in a design/build format by the subcontractor with AAA reviewing for aesthetic design purposes. Projects include office, industrial and retail buildings. Fully engineered MEP systems design can be accommodated with consultants.

**Level 4**
This level of project type includes master planning and/or design of larger planned developments. Major mixed-use entertainment, retail, office park developments. This could include individual developments as well. This level would signify our presence as a recognized leader in the marketplace.

**Definition of the Market**

**Important Tips**

This section should:
- Describe your business industry and outlook
- Define the critical needs of your perceived or existing market
- Identify your target market
- Provide a general profile of your targeted clients
- Describe what share of the market you currently have and/or anticipate

After reviewing this section the reader should know:
- Basic information about the industry you operate in and the customer needs you are fulfilling
- The scope and share of your business market, who your target customers are
Marketing and Sales Strategy

Important Tips

This section should:

- Identify and describe your market – who your customers are and what the demand is for your products & services
- Describe your channels of distribution
- Explain your sales strategy, specific to pricing, promotion, products and place (4Ps)

After reviewing this section the reader should:

- Who your market is and how you will reach it
- How your company will apply pricing, promotion, product diversification and channel distribution to sell your products and services competitively

AAA Architects Example

Positioning Statement

We will offer innovative and economical professional design services while maintaining “state of the art” design technology as part of our service. We will meet client expectations on projects of all sizes as well as projects with special integrated design requirements and fast-tracked, schedule-driven, design/build delivery methods.

Professional services will be tracked on an hourly basis and assigned to a project number. A target of 90% billable is desired to maximize efficiency and profitability. Projects will be contracted on either a fixed-fee or T&M basis. We will also assist preferred developers with front end due diligence design services as a marketing effort in order to assist them in closing a perspective business deal. The intent of this unbillable service is to gain a non-competitive advantage for the architectural services of this project. We will look to maintain an industry standard hourly rate for services as determined by the profession. This rate will be assigned to each employee based on experience and expertise. We will look to be competitive while maintaining confidence in our abilities to compete with the largest firms in the area and not have to give away our services in order to win a project.

Competitive Advantage

AAA will build on the 10+ year working relationships of three core members. We will continue to be focused on repeat business and look to maintain a “relationship-based” client firm. The experience gained at several large architectural firms in (State) (X, Y, Z) will be the baseline for many of the working processes that will be implemented. Many of the same business practices, marketing strategies and technology tools will be re-invented and utilized in a collaborative and energetic working environment as a means of achieving a successful business.
### Exhibit A. is a SWOT analysis of the startup firm of AAA Architects:

<table>
<thead>
<tr>
<th>STRENGTHS</th>
<th>WEAKNESSES</th>
<th>OPPORTUNITIES</th>
<th>THREATS</th>
</tr>
</thead>
<tbody>
<tr>
<td>10+ years working together as a team</td>
<td>Perception of being small – too small. No perceived bench.</td>
<td>Op to create new brand</td>
<td>Perceived connection to core group of general contractors</td>
</tr>
<tr>
<td>Investment Group backing/support. Cultural fit.</td>
<td>No current portfolio but many successful past projects</td>
<td>Laptops</td>
<td>Technology offer connection outside office.</td>
</tr>
<tr>
<td>Investment Group minimizes small company perception</td>
<td>Potential downtime thru transition</td>
<td>Growth and expansion-especially w/ past connections</td>
<td>Travel time away from office due to project locations</td>
</tr>
<tr>
<td>Main control of decision-making</td>
<td>No LEED accredited person</td>
<td>Can hire LEED consultant as necessary</td>
<td>Use of past projects for marketing</td>
</tr>
<tr>
<td>Strong repeat client base</td>
<td>Learning curve to implement new firm brand in documents</td>
<td>TBD to grow and mentor business development</td>
<td>Not enough focus on marketing</td>
</tr>
<tr>
<td>Strong GC connection in the market (D/B mentality)</td>
<td>Not licensed in many states</td>
<td>Help grow Investor Group presence</td>
<td>Can’t keep up with workload</td>
</tr>
<tr>
<td>Financial stability with Investor Group</td>
<td>Time for business development</td>
<td>Explore new markets and project type</td>
<td>Existing clients may not follow</td>
</tr>
<tr>
<td>Very competitive team - leaders</td>
<td>Quick set up time necessary to start firm</td>
<td>Maintaining competitive fees</td>
<td></td>
</tr>
<tr>
<td>Team members are well respected in community and are recognizable</td>
<td>Defining who we are to the area</td>
<td>Reinvent architectural service to market</td>
<td></td>
</tr>
<tr>
<td>Well connected to brokerage, developer and GC market-understand client priorities</td>
<td>Out of state projects take time away from office</td>
<td>Understanding what the competition does wrong and right</td>
<td></td>
</tr>
<tr>
<td>Vast experience of team in office and industrial markets</td>
<td>TBD connected too much to one client-reduces his assistance on other projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Connected to out-of-state clients</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Know how to be profitable</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have other PM and designer support staff connections as reqd.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Have won awards—solid track record
Repeat client base has followed us before
Have joint venture ability to license out-of-state projects and large ventures if req'd.
One-stop solution—can compete with large firms
Communication, accountability, customer service, proactive

Financial Management

Important Tips

This section should include:

New Business
- Estimate of start-up costs
- Projected balance sheet (1 year forward)
- Projected income statement (1 year forward)
- Projected cash flow statement (12 months forward)
Existing Business
- Balance sheets (last 3 years)
- Income statements (last 3 years)
- Cash flow statement (12 months)
If Applying for a Loan
- Current personal financial statement on each principal
- Federal tax return for prior year
After reviewing this section the reader should:
- Have a good understanding regarding the financial capacity and/or projections for your company

AAA Architects Example

**AAA Financial Analysis**

The table below for Small Firm Financial Analysis is provided courtesy of Thomas Lowing, AIA – Architect and Educator, and is available in its original MS Excel Workbook form.)
Table 1: AAA Example Small Firm Financial Analysis Tabulation Exercise Worksheet

<table>
<thead>
<tr>
<th>AAA DIRECT SALARIES</th>
<th>BASE (1.0)</th>
<th>(OH-2.11)</th>
<th>(UR)</th>
<th>DSE (1.1)</th>
<th>(OH-2.10)</th>
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</thead>
<tbody>
<tr>
<td>POSITION</td>
<td>SALARY</td>
<td>BENEFITS</td>
<td>U.RATIO</td>
<td>BILLABLE</td>
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<tr>
<td>STAFF AVERAGE</td>
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<table>
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<th>AAA OVERHEAD . . . (OH-2.0)</th>
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<th>(OH-2.22b)</th>
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<td>L.T.</td>
<td>INSUR.</td>
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<td>Enter Total Staff number</td>
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<td></td>
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| MARK-UP FACTOR (MULTIPLIER)| 2.96       |
| BILLABLE SALARIES (DSE)    | 526500     |
| TOTAL OVERHEAD (OH-2.0)    | 719900     |
| NET REVENUE REQUIRED       | 1246400    |
| PROFIT TARGET              | 0.25       |
| GROSS REVENUE TARGET       | 311600     |
|                            | 1558000    |

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<tr>
<th>STAFF HOURLY RATES</th>
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<th>Approx.</th>
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| Tabulation Color Key: Blue cell - Analyze | Gray cell - Formatted | Red cells - Enter Info.
Financial Analysis Tabulation Exercise Directions
Reference Table 1 above: AAA Example for Small Firm Financial Analysis using the AIA SFx Business Plan Template and the following information. The AAA Example worksheet is available in the original Excel Workbook form for reference and as an editing exercise to develop the financial information below to adapt to more specific firm scenarios.

Reference financial nomenclature of specific firm advisors for correlation of terms, since the Example uses references to the following practice terms. (These may be tabulated categorically to incorporate data from specific accounting spreadsheets by revising and cross-referencing terminology as desired.)

Analyze Itemized Section 1: Categorical Entries for Firm Management (FM-1.0)

Base Salary Expense x Utilization Ratio =
Direct Salary Expense (DSE)
(Utilization Ratio (UR) = DSE/Base Salary)
Direct Salary Expense (DSE) is “billable salary” =
Base Salary – Indirect Salary (“non-billable salary”)

Firm Management (FM-1.0) – Categories for Base Salary Expenses

1.0 Base Salary Expense
1.1 Direct Salary Expense (DSE)
1.2 Indirect Salary Expenses

Analyze Itemized Section 2: Categories for Firm Management (FM-2.0) – Overhead and Firm Operating Costs

Multipliers: The Effective Multiplier is used to calculate effective billing rates to achieve a gross revenue goal from base salary expenses.

Effective Multiplier = (DSE + OH + Profit) / DSE

Overhead Expenses (OH-2.0) – Firm Operating Costs

Overhead (OH-2.10) – Personnel Operating Costs

2.10 (Non-Billable Salary/Paid Time)
• Marketing
• Professional development
• Firm Administration

2.11 Payroll and Personnel Expenses
• Paid Time-Off/Vacation (Note: Some firms list this categorically in 2.10)
• Other Benefits
• Payroll Taxes
Overhead (OH-2.20) – General Operating Costs

2.21 Firm’s Base Overhead
- Rent
- Utilities and On-going Services
- Major Capital Expenditures/Loans

2.21 Firm Resources’ Operating Costs
- Website
- Printing (non-reimbursable)
- Telephones
- Supplies
- Computers/ Hardware
- Software Licenses/Subscriptions
- Registrations/Professional Dues
- Legal/ Accounting
- Insurance

Overhead (OH-2.30) – Marketing Costs

2.31 Marketing Direct Costs (OH-2.31)
- Entertainment
- Conferences
- Promo Materials

2.32 Marketing Media Costs (OH-2.32)
- Portfolio Development & Archiving
- Media Networking

Analyze Total Overhead Expenses (OH-2.0):

\[(OH-2.0) = (OH-2.10) + (OH-2.20) + (OH-2.30)\]

Analyze Firm Management of Revenue

Net Revenue Goal = (FM-1.0 + OH-2.0)

Profit Goal (R.O.I for growth and sustainability) is expressed as a percentage of the Net Revenue

The Effective Multiplier is the sum of the following multipliers:

To recover DSE (DSE/DSE)
To recover Expenses (OH/DSE)
To recover Profit (Profit/DSE)

Direct Salary Expense (DSE) is billable salary = Utilization Ratio (UR) x Total Direct Salary
Analyze the Effective Multiplier:

The Net Revenue Multiplier (also called a break-even multiplier) covers overhead and expenses
\[(DSE + OH)/DSE\]

The Gross Revenue Multiplier (based on the Effective Multiplier used for billing) includes Profit and Net Revenue (based on a profit target expressed as a percentage of Net Revenue).

The Effective Multiplier is used for billing to achieve a Gross Revenue Goal and is equal to: \[(DSE + OH + Profit)/DSE\]

## Appendices

### Important Tips

This section should include as attachments:
- Company brochures
- Resumes of key employees
- List of business equipment
- Copies of press articles and advertisements (if available)
- Pictures of your business location and products (optional)
- Information supporting the growth of your industry and/or products (optional)
- Key business agreements, such as lease, contracts, etc. (optional)

### AAA Architects Example

*Voluntary data from the example firm is not used due to unknown factors needed for appropriate application to time, location, and scale of comparative firm needs.*

### Resources

**Firm Benchmarking Tool: Benchmark your firm's success**

Prosperous firms are defined by success across their financial metrics, but also by:
- service to design excellence, innovative thinking, and sustainability commitment
- service to the community and profession
- advancement of a diverse and supportive workplace culture

The path to prosperity can take on many forms, but regardless of how a firm wants to define itself, benchmarking against peers is a critical way to evaluate a firm’s success. And with architecture firms returning to profitability, this is the ideal time to see how your firm compares.

**AIA Small Firm Compensation Report**

Brand new for 2018 is the first-ever AIA Small Firm Compensation Report, dedicated to the unique needs and structure of small architecture firms, defined here as those legally structured as sole proprietorships (regardless of number of employees) and architecture firms with fewer than three architectural staff employees.
To develop a survey to best meet the unique needs of small firms, AIA collaborated with a working group of members of the Small Firm Exchange to develop a new survey that could address the different types of small firms—and to begin to compile a body of reliable and accurate salary data.

This report includes data on compensation trends and employee demographics at small firms, as well as details on benefits offered by small firms, and 23 detailed compensation tables broken out for six positions by firm type, firm revenue, region of the country, and more.

**Charging for services**

Best practice Chapter 15.02 Services and Compensation

Architects have several options for charging for their services, including retainers, percentage of completion, hours worked, payment per fee schedule, payment at project milestones, and working when paid. Let’s take a look at each of these options; not all are appropriate for every project, client, or practice, but you will likely come across one, if not a few, in your work.