



Don't trust your gut

AGENCY OPERATIONS METRICS



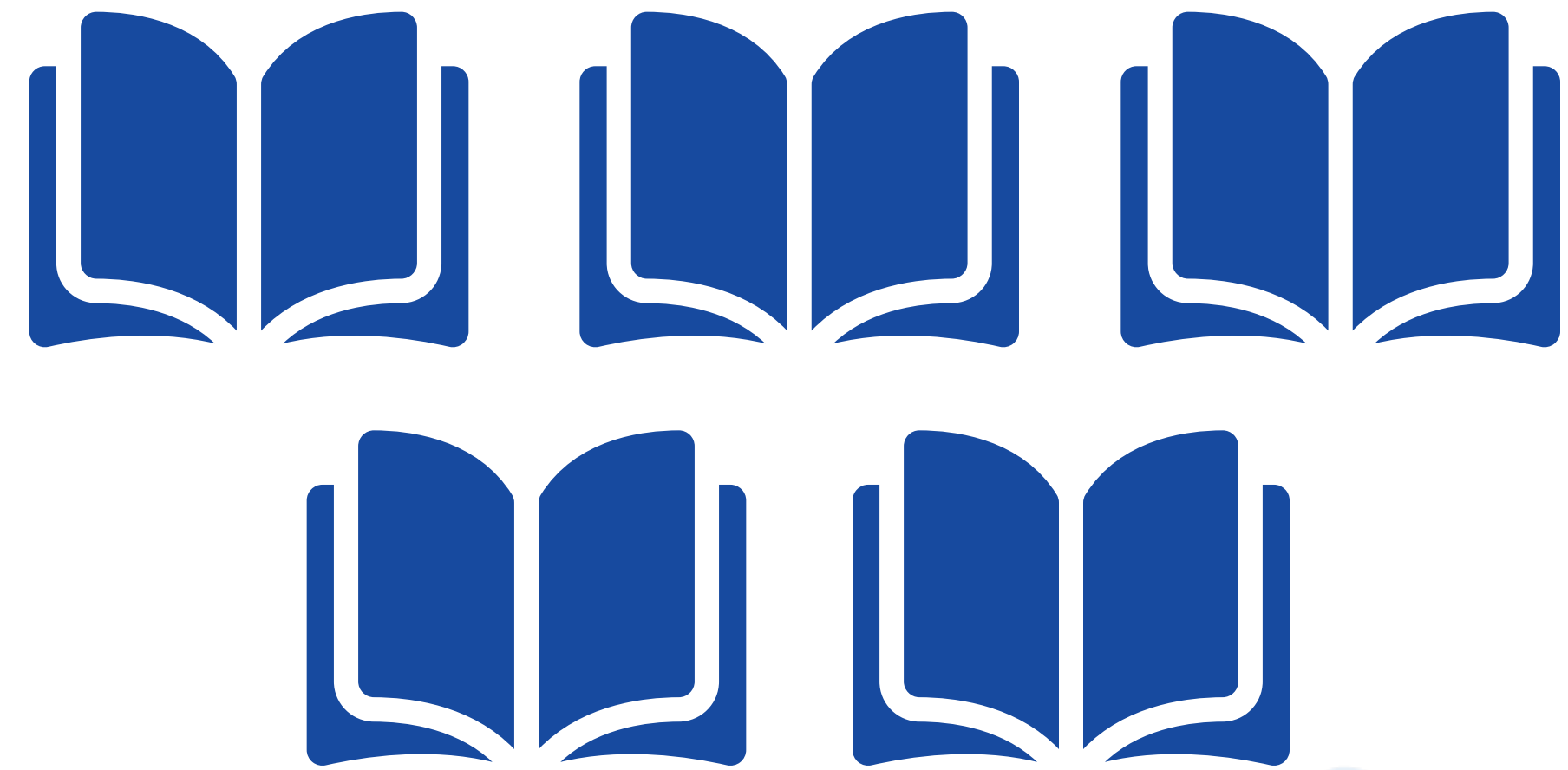
The Metrics of Me



The Metrics of Me



13,006
days old



5
books read so far in 2018

The Metrics of Me



hours of sleep
per night



hours in dance class
each week



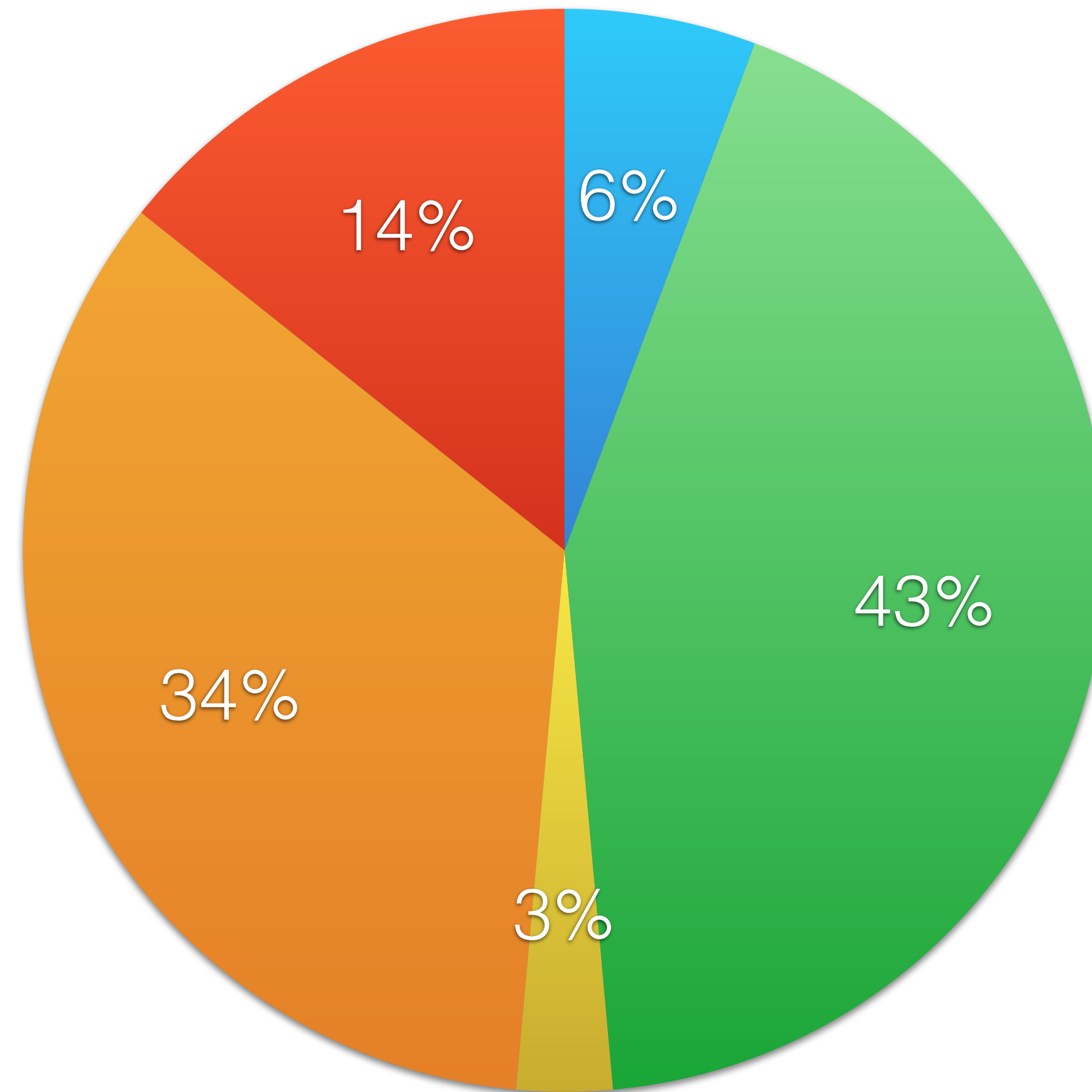
hours cooking
each week



hours commuting
each week

The Metrics of Me

Where I've spent my life:



● Milwaukee, WI

● Janesville, WI

● Bourges, France

● Paris, France

● Chicago, IL

The Metrics of Me



1:1 Ratio

I have 2 children
girl & boy



50%

Married vs the time
I've known him

b

1/3rd

of my career
at Bluespark



Context Matters

BUT FIRST, A LITTLE CONTEXT

Bluespark

- Founded in 2009
- Current team size of 20 people, in-house design & development
- Time & Materials billing
- Growth of 61% in terms of revenue and 50% team size since 2015



Let's Take it Back to 2015

Drupalcon LA



- Party time!
- Excellent!
- Schwing!



A nighttime cityscape featuring a prominent skyscraper with illuminated windows on the left. In the foreground, a multi-lane highway shows long-exposure light trails from cars, with white and yellow streaks for headlights and red streaks for taillights. Palm trees and other buildings are visible in the background under a dark blue twilight sky.

2015 Drupalcon LA

SCALING YOUR BUSINESS STARTS WITH THE RIGHT SPREADSHEETS: PERFORMANCE METRICS

Sean Larkin's Talk:
“Scaling Your Business Starts with the Right Spreadsheets: Performance Metrics”



Sean Larkin
Founder/Former CEO
ThinkShout



Billable Hours Matrix

Billable Hours Matrix - Template

File Edit View Insert Format Data Tools Add-ons Help

100% Comment only

fx =Q10/C10

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R		
1	Targets/Assumptions			(Blue cells contain inputs that could be adjusted)																
2	Monthly costs		£100,000																	
3	Target effective billing rate		£100	<< The calculations below assume all client-related hours are counted as billable, and that "unbillable" hours simply affect this rate.																
4	Hours per week		40																	
6	Weekly hours allocations																			
7				Maximum Utilization				Realistic Utilization												
8	Staff	Position	Wkly hrs	Billable utilization rate	Unbillable hrs	Billable hrs	PTO	Clients/sales unbillable travel	Presentation prep	Conferences	Team lunches & sprints	Additional OS contributions	Blogging, sales & marketing	Additional undirected, unbillable hrs	Mgmt responsibilities	Total unbillable hrs	Billable hrs	Billable utilization rate		
9	Carol Brady	Designer	40	85%	6	34		4.6	0.6	0.2	0.6	1.7	0.5	0.9	5	0	14.10	25.9	65%	
10	Marcia Brady	Engineer	40	85%	6	34		4.6	0.0	0.2	0.6	1.7	0.5	0.9	5	0	13.48	26.5	66%	
11	Cindy Brady	Engineer	40	85%	6	34		4.6	0.0	0.2	0.6	1.7	0.5	0.9	5	0	13.48	26.5	66%	
12	Cousin Oliver	Engineer	40	85%	6	34		4.6	0.0	0.2	0.6	1.7	0.5	0.9	5	0	13.48	26.5	66%	
13	Greg Brady	Themer	40	85%	6	34		4.6	0.0	0.2	0.6	1.7	2.0	0.9	5	0	14.98	25.0	63%	
14	Alice Nelson	Themer	40	85%	6	34		4.6	0.0	0.2	0.6	1.7	0.5	0.9	5	0	13.48	26.5	66%	
15	Sam Franklin	Junior Engineer	40	80%	8	32		4.6	0.0	0.0	0.6	1.7	0.5	0.0	5	0	12.40	27.6	69%	
16	Mike Brady	Senior Engineer	40	75%	10	30		4.6	0.0	0.2	0.6	1.7	4.0	0.9	5	0	16.98	23.0	58%	
17	Peter Brady	Project Manager	40	70%	12	28		4.6	0.0	0.1	1.3	1.7	0.0	0.9	7.5	0	16.12	23.9	60%	
18	Arthur Owens	Project Manager	40	70%	12	28		4.6	0.0	0.1	1.3	1.7	0.0	0.9	7.5	0	16.12	23.9	60%	
19	Jan Brady	Strategist	40	60%	16	24		4.6	1.2	0.3	0.8	1.7	0.5	2.1	5	1	17.17	22.8	57%	
20	Bobby Brady	Sales Manager	40	0%	40	0		4.6	0.0	0.0	0.0	1.7	0.0	32.7	0	1	39.99	0.0	0%	
21	Davy Jones	Operations Manager	40	0%	40	0		4.6	0.0	0.0	0.0	1.7	0.0	32.7	0	1	39.99	0.0	0%	
22	Buddy Hilton	Internal Support	40	0%	40	0		4.6	0.0	0.0	0.0	1.7	0.0	32.7	0	1	39.99	0.0	0%	
23					214	346											281.77	278.2		
25	Revenue projections with current team configuration			Additional findings with current team configuration																
26		Weekly	Monthly	Annually																
27	Max revenue	£34,600	£148,780	£1,799,200							Team lunches & sprints (hrs)	23.4	100.7	1,218.0						
28	Max profit	£11,344	£48,780	£585,360							Additional OS contributions	9.5	40.9	494.0						
29	Max profit margin	33%									Clients/sales unbillable travel	1.8	7.9	96.0						
30	Realistic revenue	£27,823	£119,640	£1,446,813							Presentation prep, conferences, blogging, s&m	118.4	509.0	6,155.9						
31	Realistic profit	£4,568	£19,640	£235,684							Realistic billable hours	278.2	1,196.4	14,468.1	<< Useful for checking RA spreadsheet. This is our "velocity" on client work.					
32	Realistic profit margin	16%									Billable utilization - all staff	50%								
33																				

Add 1000 more rows at bottom.

Mechanics 2015 hours/revenue targets 2015 profit targets 2015 sales targets Explore

- Set your rate and expenses and see their effect of profit
- Plan for maximum billable utilization
- Plan for realistic billable utilization
- Comparisons in terms of revenue, profit and hours of realistic to maximum
- Plan for team growth
- Plan for events, absences and effect on revenue in a given month

Under Contract

Under Contract - Template

File Edit View Insert Format Data Tools Add-ons Help

100% Comment only

All Contracts and Opportunities

Client code	Client name	Contract ID	Contract/ Proposal URL	Harvest URL	Type	Status	AM	PM	% to close	Date Won/Closed	Start date	Completion date	Contract value	Contracted billing rate	Billable hrs under contract	Unbillable hrs under contract	Max velocity (Monthly hrs cap)
BOS	Boston Red Sox	BOS.M01.S06.C00.FeatureDev	http://exam	https://drupa	SOI	Active	AA	XX	100%			10/30/2015	¥33,000	¥110	300.0	0	
CAL	California Angels	CAL.M01.S01.C00.Discovery	http://exam	https://drupa	SOI	Active	BB	ZZ	100%			8/31/2015	¥6,600	¥110	60.0	0	
CHC	Chicago Cubs	CHC.M01.S02.C02.Mapping_Feature	http://exam	https://drupa	SOI	Active	AA	YY	100%	5/5/2015	6/1/2015		¥10,500	¥105	100.0	0	
DET	Detroit Tigers	DET.M01.S02.C00.FeatureDev	http://exam	https://drupa	SOI	Active	AA	YY	100%				¥10,000	¥100	100.0	0	
STL	St. Louis Cardinals	STL.M02.S02.C00.Support	http://exam	https://drupa	SUI	Active	AA	YY	100%	3/1/2015	4/1/2015	3/31/2016	¥11,400	¥95	120.0	0	10
TOR	Toronto Blue Jays	SEA.M02.S02.C00.Support	http://exam	https://drupa	SUI	Active	AA	XX	100%	4/1/2015	5/1/2015	4/30/2016	¥12,000	¥100	120.0	0	10
DET	Detroit Tigers	DET.M01.S01.C00.Discovery	http://exam	https://drupa	SOI	Compl	AA	YY	100%				¥4,500	¥90	50.0	0	
NYN	New York Yankees	NYN.M02.S02.C00.Support	http://exam	https://drupa	SUI	Compl	AA	XX	100%	1/1/2014	2/1/2014	1/31/2015	¥4,800	¥80	60.0	0	0
LAD	Los Angeles Dodgers	LAD Website Redesign	http://exam	https://drupa	PRt	In sale	BB	ZZ	75%				¥161,000	¥115	1400.0	0	
OAK	Oakland Athletics	OAK Redesign Discovery Phase	http://exam	https://drupa	PRt	In sale	BB	YY	25%				¥5,500	¥110	50.0		
SEA	Seattle Mariners	SEA CRM Implementation	http://exam	https://drupa	PRt	In sale	BB	XX	50%				¥55,000	¥110	500.0	50	
FLA	Florida Marlins	FLA Redesign	http://exam	https://drupa	PRt	Lost	BB	XX	0%	5/1/2015			¥55,000	¥110	500.0		
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All Contracts/Proposals Summary Active Projects Support Work Sales Pipeline Variables

- Current work runway
- Sales pipeline
- Calculates value and timeline for existing portfolio
- Calculates future workload based on likelihood to close of sales pipeline

Adaptations Billable Hours Matrix

- Potential revenue per role (at reasonable billable rate)
- Revenue, profit and margin at different utilization rates
- Booked vs Capacity comparison with monthly and annual sales targets



Adaptations to Under Contract

- Under contract was a runway and pipeline tool in the original spreadsheet.
- My adaptations make it more of an operations tool.
- From view of current and potential client work, to a detailed planning document that combines project health, team utilization and schedules, with revenue projections and comparisons to actuals
- From Under contract to **MEGASHEET**



Megasheet

- Actuals
- Utilization rate
- Value of all current accounts
- Timeline and budget of all current accounts
- Velocity needed to complete projects on time
- Remaining budget on projects
- Projected work for the year
- Projected revenue for the year

Secure | <https://docs.google.com/spreadsheets/d/1FORneINjLv-g8uLoHTHcn-036I5-kOboC5e3Y4qUngg/edit#gid=>

Project Megasheet 2018 - Template

File Edit View Insert Format Data Tools Add-ons Help

100% View only

fx All Projects

	A	B	C	F	G	H	I	J	K	L	M	N	
1	All Projects											12	
2												TIMELINE	
3	Client code	Year	Project	Type	Status	AM	PM	Primary	% to close	Date Won/Closed	Today's date	Project Start date	UX Co da
4	NYC	2018	New York City Site Redesign	SOI	Active	GK	SH	SV	100%	12/10/2017	4/10/2018	1/10/2018	
5	LA	2018	Los Angeles Site Redesign	SOI	Active	GK	SH	MJ	100%	1/24/2018	4/10/2018	2/1/2018	
6	CHI	2018	Chicago Site Redesign	SOI	Active	GK	SH	SV	100%	1/30/2017	4/10/2018	3/1/2018	
7	HOU	2018	Houston Site Redesign	SOI	Active	GK	SH	SV	100%	3/1/2017	4/10/2018	5/1/2018	
8	PNX	2018	Phoenix Ongoing Retainer	REI	Active	GK	SH	SyI	100%		4/10/2018		
9	PHI	2018	Philadelphia Ongoing Retainer	REI	Active	GK	SH	BD	100%		4/10/2018		
10	SANA	2018	San Antonio Ongoing retainer	REI	Active	GK	BM	MJ	100%		4/10/2018		
11	SAND	2018	San Diego Maintenance	MAI	Active	MG	BM	RJ	95%		4/10/2018		
12	DAL	2018	Dallas Maintenance	MAI	Active	MG	BM	RJ	100%		4/10/2018		
13	SANJ	2018	San Jose Maintenance	MAI	Active	MG	BM	MV	100%		4/10/2018		
14	AUS	2018	Austin Maintenance	MAI	Active	MG	BM	EB	100%		4/10/2018		
15	JAC	2018	Jacksonville Maintenance	MAI	Active	MR	BM	TM	100%		4/10/2018		
16													
17													
18													
19													
20													
21													
22													
23													
24													
25													
26													

All Contracts/Proposals 2018 Projections 2018 Actuals Variables

Megasheet

- Will my current team configuration be able to complete the work we have lined up?
- How many people do I need to assign to this project to complete it on time?
- Do I need to hire?
- How much available capacity does my team have?
- How utilized is my team?
- How did my team perform last month compared to projections?
- How much revenue will my company bring in in future quarters with current signed portfolio?
- How much additional sales do I need to close to bill at capacity in future quarters?

The image shows a screenshot of a spreadsheet titled "Project Megasheet 2018 - Template". The spreadsheet is viewed in "View only" mode. A circular magnifying glass highlights a section of the data table, which contains the following information:

Client code	Year	Project	Type	Status	AM	PM	Primary	% to close	Date Won/Closed
NYC	2018	New York City Site Redesign	SO	Active	GK	SH	SV	100%	12/10/2017
LA	2018	Los Angeles Site Redesign	SO	Active	GK	SH	MJ	100%	1/24/2017
CHI	2018	Chicago Site Redesign	SO	Active	GK	SH	SV	100%	1/30/2017
HOU	2018	Houston Site Redesign	SO	Active	GK	SH	SV	100%	3/1/2017
IULD8	2018	Phoenix Ongoing Retainer	RE	Active	GK	SH	Sy	100%	
PDGA	2018	Philadelphia Ongoing Retainer	RE	Active	GK	SH	BD	100%	
SG	2018	San Antonio Ongoing retainer	RE	Active	GK	BM	MJ	100%	
CCS	2018	San Diego Maintenance	MA	Active	MG	BM	RJ	95%	
AAS	2018	Dallas Maintenance	MA	Active	MG	BM	RJ	100%	
UCLA	2018	San Jose Maintenance	MA	Active	MG	BM	MV	100%	
DEP	2018	Austin Maintenance	MA	Active	MG	BM	EB	100%	
DUKE	2018	Jacksonville Maintenance	MA	Active	MR	BM	TM	100%	

Links! (This screen is small...)

[The Megasheet](https://bit.ly/2qjID0Z)

<https://bit.ly/2qjID0Z>

[Billable Hours Matrix 2.0](https://bit.ly/2qoxJXI)

<https://bit.ly/2qoxJXI>



Tips for Implementing

- Start small
- Adapt and evolve over time
- Share it



Thank You!

Questions?

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The Megasheet
<https://bit.ly/2qjlDOZ>

Billable Hours Matrix 2.0
<https://bit.ly/2qoxJXI>

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