

Service Org Growth Checklist

WHERE DO YOU FALL ON EACH MODEL

SURVIVAL SPIRAL

Business Drivers:

<input type="checkbox"/> static/reduced headcount	<input type="checkbox"/> Stagnant revenue
<input type="checkbox"/> Compressed margins	<input type="checkbox"/> Erratic utilization rates

People Impacts:

<input type="checkbox"/> Employee turnover	<input type="checkbox"/> Toxic client dependency
<input type="checkbox"/> Reactive culture	<input type="checkbox"/> Promotion gridlock
<input type="checkbox"/> Unpredictable workloads	<input type="checkbox"/> Earnings plateau
<input type="checkbox"/> Maintain status quo	

GROWTH FLYWHEEL

Business Drivers:

<input type="checkbox"/> Headcount growth	<input type="checkbox"/> Revenue growth
<input type="checkbox"/> Strong margins	<input type="checkbox"/> Healthy utilization

People Impacts:

<input type="checkbox"/> Leadership opportunities	<input type="checkbox"/> Proactive teams
<input type="checkbox"/> Compensation increases	<input type="checkbox"/> Excellent delivery
<input type="checkbox"/> Employee retention	<input type="checkbox"/> Predictable workload
<input type="checkbox"/> Growth mindset	

WHICH MODEL IS BEST FOR YOUR BUSINESS??

You know this one. When operations are optimized, teams experience balanced workloads, leading to higher productivity, improved morale, and reduced burnout. This creates a positive cycle—the Services Growth Flywheel—where efficient processes drive profitability and team satisfaction.

- **Create a positive employee experience**
 - Your people are the center of your operations
- **Hit company revenue growth goals**
 - Happier teams, satisfied clients, better operations

ACTION ITEMS:

$$\text{Billable Utilization} = \left(\frac{\text{Total Billable hours}}{\text{Total Available hours}} \right) \times 100$$

Understand your utilization

Use the formula to calculate your current and forward looking utilization rates to:

- Sell more/less work
- Inform hiring decisions
- adjust delivery timelines

$$\text{Project Margin} = \left(\frac{\text{Project revenue} - \text{project costs}}{\text{Revenue}} \right) \times 100$$

Calculate margins

Calculate margin by client and service offering to:

- Identify what projects are most profitable
- focus business of specific clients
- make adjustments to bill rates or estimations