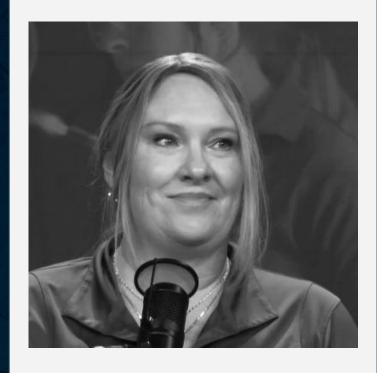


## Kelly Guerrero

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- Helping service pros become
- profitable

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### Agenda:

- 1. Welcome & Introductions
- 2. Why "Knowing your Numbers" Changes everything
- 3. The 5 Metrics Every Service Pro Must Master
- (4.) Plug & Play: Using the Cheat Sheet
- (5.) Q&A



# Most service pros are grinding every day

But the truth is, many are still broke, underpaid, or stressed about cash flow.

Let's look at what the numbers say.



## Why So Many Struggle: The Numbers Don't Lie

83%

Of Small Businesses Make less than 100,000 per year in NET PROFIT (AltLine 2024)

38%

Say they don't pay themselves a regular salary at all (Freshbooks, 2022)

49%

Of Small Business Owners say they're living paycheck to paycheck as of 2023 (CNBC/Bank of America)

60%

Don't feel confident in their understanding of business finances (Intuit, 2023)

#### These 5 metrics will help you:

- Price with confidence
- Avoid burnout
- Make smarter, faster business decisions
- Actually pay yourself





### The 5 Metrics you need to know











Revenue per Job

Gross Profit Margin

Labor as % of Revenue

Close Rate Net Profit





Your Revenue alone doesn't tell you if you're profitable.



#### Revenue Per Job

**What It Is:** Average income earned per completed job or per type of service.

**Why It Matters:** Helps you see what's profitable vs. what's just keeping you busy.

**Key Insight:** If a \$400 job earns the same as four \$100 jobs, which one do you *want* more of?

**Action Step:** Take last month's revenue and divide it by number of completed jobs per service. Which ones are worth marketing harder?



### Too Many Small Jobs, Too little profit.

Client was doing lots of \$100-\$150 jobs, staying "busy," but not hitting profit goals. After calculating Revenue Per Job, we identified one \$400 service that was easier, faster, and more profitable. We shifted her marketing to focus on that service, cut the low-dollar noise, and her weekly revenue jumped without adding more hours.

### **Gross Profit Margin**

**What It Is:** Revenue minus direct costs (materials, labor for the job). Doesn't include overhead.

**Why It Matters:** This tells you if your pricing actually works. Without gross profit, net profit is impossible.

**Key Insight:** Undercharging happens when you skip this math.

**Action Step:** Start tracking it for at least your top 3 services.

Gross Profit Margin =

(Revenue - Direct Costs) ÷ Revenue.



### **Undercharging without Realizing it**

A cleaning business was charging flat rates but hadn't calculated material + labor costs. When we ran the numbers, their gross margin was only 18%—well below healthy levels. We broke down each service, raised rates where needed, and cut material waste by standardizing supply kits. She now tracks costs monthly, and her average margin is up to 46%.

### What's a Healthy Gross Profit Margin?

Industry	Target Range
Cleaning Services	50-70%
	40-60%
→ Handyman/Skilled Trades	40-60%
Pressure Washing, etc.	50-70%

If you're under 30%, it's often a pricing or waste problem.



#### Labor as % of Revenue

#### What It Is:

Your total labor costs divided by your total revenue.

#### **Why It Matters:**

Labor is your biggest cost. If it's out of control, you're bleeding money.

#### **Key Insight:**

Target varies by industry. Lawn care might run 55% labor. Handyman work should aim for <30%.

#### **Action Step:**

Track how much you paid out in labor last month, divide by total revenue, and assess if you're in the danger zone.





A handyman company had payroll ballooning to 60% of revenue. We broke down labor by service type and found unprofitable jobs dragging the average up. Shifted focus to high-margin jobs and smarter scheduling. After these tweaks, the new labor rate was 42%, which was sustainable for their business.

#### **Close Rate**

What It Is: The % of estimates that turn into actual paying jobs.

**Why It Matters:** Tells you if your sales process is working—or leaking money.

**Key Insight:** Under 40%? You've got a quoting or follow-up problem. Over 70%? You might be underpriced.

**Action Step:** Start tracking quotes sent vs. jobs won. Set a follow-up reminder on every estimate.





Jeff was sending 20+ estimates a week, closing less than 30%. We cleaned up the quote format, added automated follow-ups through Jobber, and started pre-qualifying leads.

Same number of quotes = 2x more booked work

#### **Net Profit**

What It Is: What's left after all expenses—including your salary—are paid.

**Why It Matters:** This is what actually pays *you* and keeps the business alive.

**Key Insight:** Cash in the bank ≠ profit. If you're not tracking this, you're probably underpaying yourself.

**Action Step:** Look at your last month's total revenue and total expenses. Subtract. That's your true net. Is it 10–20%? Or under 5%?



### I was busy - but still broke!

Client brought in \$12K/month but kept reinvesting everything and never checked their net profit. After coaching, we tracked every dollar and set 15% net profit as a goal. We reduced expenses, dropped the non profitable clients, raised rates smartly and now he's at 16–18% net profit monthly.

### **How to Fix Low Net Profit**

- 1.) You watch your COGS like a hawk.
- 2. Tighten up your pricing to charge correctly.
- 3. Slash the Overhead that's bleeding you dry.

Profit doesn't happen by accident. You either *build it* in—or you're constantly chasing cash.



# 

of Successful Service
Business Owners know their
numbers

### Free Printable

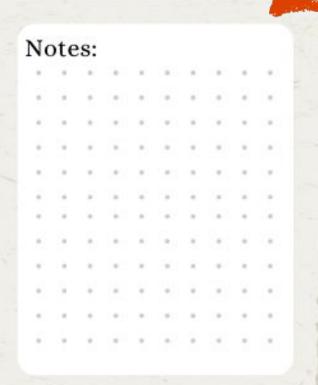


### Monthly Numbers Check-In

Month:

Year:

Category	This Month
This Month's Revenue	
Number of Jobs Completed	
Direct Costs (Materials)	
Labor Costs	
Number of Estimates Sent	1
Number of Jobs Won	
Overhead (ALL Additional Expenses)	





Metrics	Formula	Result
Revenue Per Job (Recurring Jobs)	This Month's Revenue/Number of Jobs Completed	
Gross Profit Margin	Revenue - (Direct Costs + Labor Costs) AKA GROSS PRO Gross Profit ÷ Revenue x 100	
Labor as % of Revenue	(Labor Costs / This Month's Revenue)	
Close Rate	Number of Jobs Won ÷ Number Estimat X 100	
My Net Profit	Month's Revenue - (minus) (Direct Costs + Labor Costs + Owner's Pa Overhead Expenses)	





