

# ENGINEUITY TUTORIAL



**Using The Key Performance Indicators**



# Using The Key Performance Indicators

Measuring Performance

Assessing performance Help

KEY PERFORMANCE INDICATORS

PERFORMANCE SUMMARY

CLICK ON THE DATA IN A COLUMN TO SEE HOW THE SELECTED KEY PERFORMANCE INDICATOR WAS CALCULATED

End of period	Status	Year/qtr	Turnover	Gross profit to Turnover	Operating Profit to Turnover	Company Value	Capital Employed	Contract Completion	Forward Workload	Forward Margin	Share Price	Client Satisfaction	Total
4	History	2024 (Q4)	40	170	120	170	130	80	70	100	70	50	1,000
5	Early Years	2025 (Q1)	51	141	84	165	157	105	103	143	72	70	1,091
6	Early Years	2025 (Q2)	62	147	102	168	175	110	95	127	77	85	1,148
7	Early Years	2025 (Q3)	68	177	147	178	188	122	101	137	89	101	1,308
8	Early Years	2025 (Q4)	80	178	156	183	199	122	87	115	91	114	1,325

10 **key performance indicators (KPIs)** are used to measure the success of the company.

The indicators are weighted according to their variability, totalling **1,000** at the end of the History.

As time progresses the weighting of each indicator will change, highlighting improvements or deteriorations in that area, but the **overall total** will be the measure by which the ultimate progress of the company is determined.



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The weighting for each indicator at the end of a period is based on a comparison with the position at the end of the History, and there are two types of comparison.

## TREND COMPARISON

Smooths the calculations over the time the company has been operating i.e., from period 1 until the current period, and applies to :-

- Turnover
- Gross Profit to Turnover ratio
- Operating Profit to Turnover ratio
- Capital Employed
- Contract Completion
- Client Satisfaction

## SNAPSHOT COMPARISON

Compares the current indicator to the position at the end of the History, and applies to :-

- Company Value
- Forward Workload
- Forward Margin
- Share Price



# Using The Key Performance Indicators

## How the Forward Workload KPI has been calculated

Further information

Forward workload is the remaining turnover (value) of jobs still in progress; a measure of the work in progress

Affect of bidding in the period														
Per	Status	Year	Initial forward workload prior to bidding	Value of workload the capital base will support	Number of jobs bid for	Number of jobs won	Bidding success	Value of work won during bidding	Forward workload after bidding	Value of work progressed in the period	Forward Workload	Benchmark	Multiple of the benchmark	KPI weighting
1	History	2024 (L)	0	40,000,000	0	0	0 %	0	0	0	0			
2	History	2024 (Q1)	0	39,750,000	4	3	75 %	19,783,380	19,783,380	0	19,783,380			
3	History	2024 (Q3)	19,783,380	39,501,560	2	1	50 %	2,271,201	22,054,580	7,003,272	15,051,310			
4	History	2024 (Q4)	15,051,310	41,609,960	3	2	67 %	16,949,210	32,000,520	11,178,520	20,822,000	YES		70
5	Early Years	2025 (Q1)	20,822,000	44,244,390	2	1	50 %	20,643,380	41,465,380	10,952,470	30,512,920		1.4654	103
6	Early Years	2025 (Q2)	30,512,920	44,767,860	2	1	50 %	11,021,140	41,534,060	13,367,140	28,166,920		1.3527	95
7	Early Years	2025 (Q3)	28,166,920	44,988,060	2	1	50 %	13,677,010	41,843,930	11,712,660	30,131,270		1.4471	101
8	Early Years	2025 (Q4)	30,131,270	45,756,880	3	2	67 %	13,764,590	43,895,860	18,120,220	25,775,640		1.2379	87

### TERMINOLOGY

- The forward workload at the end of the period is the forward workload after bidding - value of work progressed in the period
- The position at the end of the history (period 4) is the benchmark for calculating the kpi values for period 5 onwards
- The multiple of the benchmark is the forward workload at the end of the period as a multiple of the position at the end of period 4

### IMPROVING FORWARD WORKLOAD

The forward workload of the company can be improved by increasing the business. This involves identifying a larger share of the new work in the market and expanding the company's infrastructure (capital base) to support it. It also involves effective bidding to win more jobs.

## DEFINITION OF THE KPI

A brief description of the KPI is given at the top of the screen.



# Using The Key Performance Indicators

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### Affect of bidding in the period

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### IMPROVING FORWARD WORKLOAD

The forward workload of the company can be increased by growing the business. This involves identifying a larger share of the new work and expanding the company's infrastructure (capital base) to support more work, and competitive bidding to win more jobs.

## CALCULATING THE KPI WEIGHTING

### How was the KPI weighting of 87 calculated at the end of period 8 ?

- The forward workload of the company at the end of the History was 20,822,000. This is the **BENCHMARK** for future calculations, as indicated by the "YES" in the 'benchmark' column.
- The forward workload at the end of period 8 was 25,775,640. This was 1.24 times the benchmark level.
- The KPI weighting at the end of period 4 , the benchmark period, is multiplied by 1.24 to give the KPI weighting of 87 at the end period 8 i.e.,  $70 \times 1.24$ .



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## How the Forward Workload KPI has been calculated

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2	History	2024 (Q2)	0	39,750,000	4	3	75 %	19,783,380	19,783,380	0	19,783,380			
3	History	2024 (Q3)	19,783,380	39,501,560	2	1	50 %	2,271,201	22,054,580	7,003,272	15,051,310			
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- The forward workload at the end of the period = forward workload after bidding - value of work progressed in the period
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### IMPROVING FORWARD WORKLOAD

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### WHY DID THE KPI WEIGHTING FALL DURING PERIOD 8 ?

The forward workload at the end of period 8 was lower than the level at the end of period 7, and hence so was the KPI.



# Using The Key Performance Indicators

Further information

Forward workload is the remaining turnover (value) of jobs still in progress; a measure of the work in progress

Affect of bidding in the period														
Per	Status	Qtr	Initial forward workload prior to bidding	Value of workload the capital base will support	Number of jobs bid for	Number of jobs won	Bidding success	Value of work won during bidding	Forward workload after bidding	Value of work progressed in the period	Forward Workload	Benchmark	Multiple of the benchmark	KPI weighting
1	History	2019	0	40,000,000	0	0	0 %	0	0	0	0			
2	History	2020	0	39,750,000	4	3	75 %	19,783,380	19,783,380	0	19,783,380			
3	History	2021	19,783,380	39,501,560	2	1	50 %	2,271,201	22,054,580	7,003,272	15,051,310			
4	History	2022	15,051,310	41,609,960	3	2	67 %	16,949,210	32,000,520	11,178,520	20,822,000	YES		70
5	Early Years	2023	20,822,000	44,244,390	2	1	50 %	20,643,380	41,465,380	10,952,470	30,512,920		1.4654	103
6	Early Years	2025	28,166,920	44,767,860	2	1	50 %	11,021,140	41,534,060	13,367,140	28,166,920		1.3527	95
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8	Early Years	2025 (Q2)	25,775,640	45,756,880	3	2	67 %	13,764,590	43,895,860	18,120,220	25,775,640		1.2379	87

**TERMINOLOGY**

- The forward workload at the end of the period - value of work progressed in the period
- The position at the end of the period - the benchmark for calculating the kpi values for period 5 onwards
- The multiple of the benchmark - the position at the end of the period as a multiple of the position at the end of period 4

**IMPROVING FORWARD WORKLOAD**

The forward workload of the company can be improved by expanding the business. This involves identifying a larger share of the new work in the market and expanding the company's infrastructure (capital base) to support competitive bidding to win more jobs.

## FURTHER INFORMATION

The **Further information** menu option can be used to display even more detailed information.



# Using The Key Performance Indicators

Financial Performance

Management consultants report Graphical analysis

OPERATIONAL

SHAREHOLDERS

INVESTMENTS

Summary

Assets and liabilities

The ? Drill down shows the make up of the forward workload job by job.

			Job performance				Company performance				Future outlook			
Per	Status	Year/qtr	Total value	Total cost	Gross profit	GP % cost	Overhead costs	OVH % of cost	Net operating profit	NOP % cost		Company value	Forward workload	Forward margin
1	History	2024 (Q1)	0	0	0		34,080		-29,080		0.0 %	0	0	0
2	History	2024 (Q2)	0	0	0		70,000		-65,645		1.06 %	19,783,380	826,173	
3	History	2024 (Q3)	6,904,933	6,780,843	124,090	1.8 %	127,720	1.9 %	-247	0.0 %	0.94 %	15,051,310	627,212	
4	History	2024 (Q4)	11,039,530	10,451,260	588,273	5.6 %	129,000	1.2 %	350,539	3.4 %	1.09 %	20,822,000	886,934	
5	Early Years	2025 (Q1)	11,037,440	10,801,880	235,563	2.2 %	204,270	1.9 %	30,162	0.3 %	1.12 %	15,512,920	1,265,528	
6	Early Years	2025 (Q2)	13,261,360	12,764,620	496,739	3.9 %	201,170	1.6 %	221,333	1.7 %	1.20 %	16,669,920	1,130,604	
7	Early Years	2025 (Q3)	11,878,210	11,106,770	771,437	6.9 %	209,310	1.9 %	424,535	3.8 %	1.39 %	17,270	1,219,148	
8	Early Years	2025 (Q4)	17,959,820	17,206,740	753,074	4.4 %	237,720	1.4 %	393,603	2.3 %	1.42 %	5,159,831	1,024,003	

PERIOD 8

CLICK ON A LINE IN THE THE SUMMARY ABOVE TO SHOW THE PERIOD DETAILS

JOB PERFORMANCE

Measured value: 18,118,240 ?

Early completion bonus: 0

COMPANY PERFORMANCE

(less) Overheads: 237,720 ? (1.4 % of job costs)

Gross operating profit: 515,354

FUTURE OUTLOOK

Forward workload: 25,775,640 ?

Forward margin: 1,024,003

The ? Drill down shows the make up of the forward workload job by job.

PERIOD 8			CLICK ON A LINE IN THE THE SUMMARY ABOVE TO SHOW THE PERIOD DETAILS											
JOB PERFORMANCE			COMPANY PERFORMANCE						FUTURE OUTLOOK					
Measured value:			18,118,240	?	(less) Overheads:						237,720	?	(1.4 % of job costs)	Forward workload:
Early completion bonus:			0		Gross operating profit:						515,354			Forward margin:
														25,775,640
														1,024,003

Forward Workload and Margin Analysis for Period 8											
SUMMARY											
Initial forward workload prior to bidding:										30,131,270	
Value of work won during bidding:										13,764,590	
										43,895,860	
(less) value of work progressed in the period:										18,120,220	
										25,775,640	
Job	Country	Desc	Sector	Type	Size	Client	Bid	% left	Forward workload	Remaining cost	Forward margin
78	QAT	Entertainment complex development phase B	Building & Commercial	DB	Large	Doha Development Group	20,643,380	4.74 %	978,496	938,444	40,052
108	US	Construction of temporary bus parks	Transport	DB	Medium	Los Angeles Olympic Group	11,021,140	21.14 %	2,329,870	2,239,865	90,005
135	UK	Extension to bus terminal	Transport	DB	Medium	North-West County Council	13,677,010	63.63 %	8,702,683	8,344,954	357,729
162	UK	Replace overhead transmission lines	Energy	BO	Small	Electragen	6,163,620	100.00 %	6,163,620	5,915,680	247,940
164	IRQ	New aircraft hangar at Mosul Airport	Transport	BO	Medium	Iraq TranGen 2009	7,600,971	100.00 %	7,600,971	7,312,694	288,277

The forward workload at the end of period 8 was lower because more work was progressed in period 8 (18,120,220) than was won (13,764,590)

25,775,640 1,024,003