

Services Pricing Worksheet

1. Determine Billable Hours

Potential Hours Available to work: _____ weeks @ _____ hours per week	Total Hours (Annual)
Less Holidays: _____ days @ _____ hours per day	_____
Less Vacation: _____ days @ _____ hours per day	_____
Less Sick Time: _____ days @ _____ hours per day	_____
Less Non-Billable Work Hours: (Administration, billing, ordering, phone calls, customer service, training) (describe: _____) _____ hours per year	_____
Less Marketing & Administration: _____ weeks @ _____ hours per week	_____

TOTAL BILLABLE HOURS

2. Operating Costs

Labor Costs and Other Direct Project Costs:		Annual
Owners salary or draw	\$ _____	
Other hired labor	_____	
Payroll-related taxes	_____	
Other fringe benefits (Health Ins./Retirement)	_____	
Other direct project costs: _____	_____	
Total Annual Labor Costs and Other Direct Project Costs		\$ _____

Non-Labor Operating Costs:		Monthly	Annual
Outside Services:			
Legal	_____	\$ _____	
Accounting	_____	_____	
Other: _____	_____	_____	
Insurance	_____	_____	
Advertising / Promotion	_____	_____	
Occupancy Expenses:			
Rent	_____	_____	
Utilities (gas / electric)	_____	_____	
Phone	_____	_____	
Miscellaneous:			
Office supplies/postage	_____	_____	
Dues, fees, subscriptions	_____	_____	
Travel / entertainment	_____	_____	
Other: _____	_____	_____	
Interest expense	_____	_____	
Principle payments (loan)	_____	_____	
Other: _____	_____	_____	

Total Annual Non-Labor Costs \$ _____

TOTAL COSTS

3. Determine Hourly Rate

	TOTAL COSTS		\$ _____
divided by	TOTAL BILLABLE HOURS	+	_____
multiplied by	DESIRED PROFIT	x	_1. _____
equals	RATE PER HOUR	=	\$ _____

Compare the RATE PER HOUR with the going rate charged by competitors. If too high: 1) lower costs
2) increase billable hours or 3) lower desired profit level.

4. Compare Billable Hours Available vs. Hours Realistically Billable

Total Billable Hours (from above): _____ Total Hours you think you can *realistically* sell: _____

TOTAL COSTS \$ _____ + REALISTIC HOURS _____ = Break-Even Hourly Rate \$ _____

X Desired Profit _1. _____ = REALISTIC HOURLY RATE WITH PROFIT \$ _____