The 7 Numbers Every Home Service Business Owner Must Track Before They Sell (Or Scale)

How Smart Contractors Grow Profit, Build Freedom, and Boost Valuation — Without Working More Hours



https://homeservicecoachingpros.com

Most contractors know their sales… but don't know their numbers.

And if you don't know your numbers, you don't really control your business — the business controls you.



Private Equity buyers? They look at numbers like these before they even schedule a call.

And smart owners use them to build freedom, boost profit, and grow enterprise value — whether they ever plan to sell or not.

Here are the 7 numbers every $1M–$5M home service business should track religiously.

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1. Profit Per Labor Hour (PPLH)

Formula: Gross Profit ÷ Total Billable Labor Hours

This shows how much actual value your team is producing.
Higher = better. It exposes pricing problems, tech inefficiency, or jobs you should stop selling.



PE firms love this number because it reveals hidden margin potential.

2. Revenue Per Lead (RPL)

Formula: Total Revenue ÷ # of Leads

This shows how valuable each lead is to your business. **If your RPL is low**, you're either undercharging, weak at closing, or wasting marketing dollars.



Boosting RPL is one of the fastest ways to increase revenue without adding lead volume.

3. Close Rate by Lead Source

Formula: # of Jobs Sold ÷ # of Leads

Not just overall close rate — but broken down by source (Google, FB, Referrals, etc.)
You want to double down on the most profitable channels and fire the rest.





PE firms always want to see marketing efficiency. So should you.

4. Gross Margin %

Formula: (Revenue - COGS) ÷ Revenue

This shows how efficient your job costing, materials, labor, and pricing are.
Service companies should be pushing for **50%+ gross margins.**



⚠ Weak gross margins = red flag for buyers and growth.

5. Average Ticket by Service Type

Formula: Revenue ÷ # of Jobs Sold

Know your average ticket for install, service, maintenance, etc.
This reveals upsell opportunities, sales weaknesses, and pricing gaps.



Increasing your average ticket by 10% can often 2x your net profit over time.

6. Cost to Acquire a Customer (CAC)

Formula: Total Marketing Spend ÷ # of New Customers

If your CAC is higher than your first sale profit, you're burning cash.
Understand CAC by channel to scale smarter.



PE firms don't just want revenue — they want repeatable, profitable acquisition.

7. Breakeven Revenue per Day and Week

Formula: Total Fixed Costs ÷ # of Workdays

This tells you exactly how much revenue you need to not lose money.
Helps you price better, forecast smarter, and sleep at night.



Once you know your breakeven, you can reverse-engineer profit.

7 Numbers Worksheet

Apply what you learned: take action & get clarity on your numbers by completing this page now!

Number	Your Data	Notes/Insights
Profit/Labor Hr		
Revenue Per Lead		
Close Rate by Source		
Gross Margin %		
Avg. Ticket by Service		
Cust. Acquisition Cost		
Breakeven Revenue		

What number surprised you most? Why?

Which number needs the most improvement?

What's ONE action you can take this week to improve that number?

"What gets measured gets improved."
This worksheet isn't for your desk drawer — it's your roadmap.

What To Do Next

You now have the 7 numbers serious owners track every week — and buyers obsess over.

But here's the truth: knowing your numbers isn't enough.
You've got to build your business around them — pricing, systems, people, and leadership.

That's exactly what we help owners do at
Home Service Coaching Pros

Want help implementing the 7 Numbers in your business?

Schedule a Discovery Call and Get Your Roadmap to Building a Highly Profitable Home Service Business

https://links.homeservicecoachingpros.com/widget/bookings/discovery-hscp



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