



Your Report

Variable: {days_cash_on_hand_operational_hvac_industry}

Definition: Number of days the business can cover operational expenses using liquid cash reserves, calculated as (cash + equivalents) / (daily operating expenses).

Value: N/A

Top Performers: Elite 10-20% maintain 90+ days (Nexstar, ServiceTitan 2023), via strict cash flow forecasting, minimal debt, and 20%+ savings allocation.

Value Tiers: <\$1M rev: 30-60 days; \$1-5M: 45-90 days; >\$5M: 60-120 days (ServiceTitan benchmarks).

Red Flag Trigger: <20 days regardless of size; <30 days for >\$1M rev.

Default Value: 45 days

Variable: {fixed_assets_percent_of_total_assets_hvac_industry}

Definition: Fixed assets (vehicles, HVAC equipment, tools) as a percentage of total assets on the balance sheet.

Value: N/A

Top Performers: 40-50% (RMA Statement Studies, BizMiner); achieved by leasing assets and focusing on current assets for liquidity.

Value Tiers: <\$1M rev: 50-70%; \$1-5M: 45-65%; >\$5M: 40-60%.

Red Flag Trigger: >75% (over-leveraged in illiquid assets) or <30% (under-invested in capacity).

Default Value: 55%

Variable: {debt_service_coverage_ratio_hvac_industry}

Definition: Ratio of EBITDA to total debt service (principal + interest), indicating ability to cover debt obligations.

Value: N/A

Top Performers: >2.5x (Nexstar, ServiceTitan); via EBITDA margins >18% and conservative borrowing.

Value Tiers: <\$2M rev: 1.25-1.75x; \$2-10M: 1.5-2.5x; >\$10M: >2x.

Red Flag Trigger: <1.25x.

Default Value: 1.5x

Variable: {owner_salary_distribution_percent_of_revenue_hvac_industry}

Definition: Total owner compensation (salary + distributions) as a percentage of gross revenue.

Value: N/A

Top Performers: 5-8% for >\$2M rev (Nexstar, EGIA); reinvest remainder for growth, using profit centers.

Value Tiers: <\$500K rev: 12-18%; \$500K-\$2M: 8-12%; >\$2M: 5-8%.

Red Flag Trigger: >15% or >12% for >\$1M rev.

Default Value: 8%

Variable: {ebitda_margin_percent_hvac_industry}

Definition: Earnings Before Interest, Taxes, Depreciation, and Amortization as a percentage of revenue.

Value: N/A

Top Performers: 18-25% (ServiceTitan 2023 top quartile 17.6%, Nexstar elite 20%+); high gross profit 55%+, overhead <22%, tech efficiency >78%.

Value Tiers: <\$1M rev: 8-12%; \$1-5M: 10-16%; >\$5M: 12-20% (ServiceTitan, PHCC).

Red Flag Trigger: <6%.

Default Value: 12%

Variable: {efficiency_category_hvac_industry}

Definition: Categorical assessment of technician billable efficiency (billable hours / total hours).

Value: N/A

Top Performers: "Elite" (>78% billable efficiency, ServiceTitan/Nexstar).

Value Tiers: Low: <65%; Medium: 65-75%; High: 75-80%; Elite: >80%.

Red Flag Trigger: Low (<65%).

Default Value: Medium

Variable: {lead_volume_annual_hvac_industry}

Definition: Total inbound leads (calls, forms, inquiries) received per year.

Value: N/A

Top Performers: 2,000+ for \$2M+ revenue (ServiceTitan, Jobber surveys); diversified channels, SEO dominance.

Value Tiers: <\$1M rev: 400-1,000; \$1-3M: 1,000-2,500; \$3-10M: 2,500-5,000; >\$10M: 5,000+.

Red Flag Trigger: <300 for \$1M+ rev.

Default Value: 1,200

Variable: {cost_per_lead_hvac_industry}

Definition: Total marketing spend divided by number of leads generated.

Value: N/A

Top Performers: \$60-90 (ServiceTitan 2023, Housecall Pro); optimized PPC/SEO, high LTV focus.

Value Tiers: N/A – scales minimally with size.

Red Flag Trigger: >\$200.

Default Value: \$120

Variable: {booking_rate_percent_hvac_industry}

Definition: Percentage of leads that convert to scheduled/booked jobs.

Value: N/A

Top Performers: 40-50% (ServiceTitan, Nexstar); via rapid response (<1hr), scripted sales, high CSI.

Value Tiers: <\$1M rev: 25-35%; \$1M+: 30-45%.

Red Flag Trigger: <20%.

Default Value: 32%

Variable: {average_hours_per_job_hvac_industry}

Definition: Average total billable labor hours per completed job (service + install weighted).

Value: N/A

Top Performers: 2.8-3.2 hours (ServiceTitan 2023); efficient dispatching, flat-rate pricing, minimal callbacks.

Value Tiers: Service-only: 1.5-2.5 hrs; Full-service: 2.5-4 hrs; Install-heavy: 4-8 hrs.

Red Flag Trigger: >4.5 hours (inefficiency).

Default Value: 3.0 hours

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