



Your Report

Variable: {employee_turnover_rate_percent_hvac_industry}

Definition: Annual percentage of HVAC employees (primarily technicians) who leave employment voluntarily or involuntarily.

Value: N/A

Top Performers: Elite 10-20% achieve <15-20% turnover through competitive compensation, structured career paths, and retention programs (ServiceTitan 2023, Nexstar benchmarks).

Value Tiers: <\$1M revenue: 30-50%; \$1-5M: 25-40%; >\$5M: 20-35% (Contractor Magazine surveys).

Red Flag Trigger: >40%; >30% for >\$2M revenue firms.

Default Value: 25%

Variable: {training_hours_per_employee_annual_hvac_industry}

Definition: Average number of training hours provided per HVAC employee annually, including technical, safety, and soft skills training.

Value: N/A

Top Performers: 60-80+ hours per employee, prioritizing NATE certification and ongoing skill development (ACCA, EGIA Contractor Reports).

Value Tiers: N/A – Consistent across sizes; scales with tech count.

Red Flag Trigger: <20 hours per employee.

Default Value: 40 hours

Variable: {maintenance_contracts_count_hvac_industry}

Definition: Total number of active annual HVAC maintenance agreements/contracts with customers.

Value: N/A

Top Performers: 1,000-5,000+ contracts representing 25-35% of customer base for \$5M+ firms (Nexstar, ServiceTitan 2023).

Value Tiers: <\$1M revenue: 100-400; \$1-5M: 500-2,000; >\$5M: 2,500+.

Red Flag Trigger: <100 for >\$1M revenue or <10% of customers.

Default Value: N/A – Size dependent

Variable: {avg_contract_value_annual_hvac_industry}

Definition: Average annual revenue generated per HVAC maintenance contract.

Value: N/A

Top Performers: \$500-700 via multi-visit plans and upsell attachments (ServiceTitan, Jobber benchmarks).

Value Tiers: N/A – Similar across sizes.

Red Flag Trigger: <\$300.

Default Value: \$450

Variable: {customer_acquisition_cost_to_lifetime_value_ratio_hvac_industry}

Definition: Ratio of cost to acquire a new customer (CAC) to their lifetime value (LTV) in HVAC services.

Value: N/A

Top Performers: 1:5 or better through efficient digital marketing and referrals (ServiceTitan, Housecall Pro reports).

Value Tiers: N/A – Target consistent; improves with scale.

Red Flag Trigger: >1:2.5.

Default Value: 1:3.5

Variable: {inventory_turnover_ratio_derived_hvac_industry}

Definition: Number of times HVAC parts inventory is sold and replenished annually (COGS / avg inventory).

Value: N/A

Top Performers: 12-16x with just-in-time ordering and demand forecasting (FieldEdge, Jobber FSM reports).

Value Tiers: Small firms: 6-10x; Mid-large: 8-14x.

Red Flag Trigger: <6x.

Default Value: 10x

Variable: {working_capital_hvac_industry}

Definition: Current assets minus current liabilities, typically expressed as percentage of annual revenue for liquidity benchmarking.

Value: N/A

Top Performers: 25-35% of revenue, enabling seasonal cash flow management (RMA Statement Studies, BizMiner).

Value Tiers: <\$1M: 15-25%; \$1-5M: 20-30%; >\$5M: 25-40% of revenue.

Red Flag Trigger: <10% of revenue.

Default Value: 20% of revenue

Variable: {break_even_revenue_hvac_industry}

Definition: Annual revenue required to cover all fixed and variable costs (fixed costs / contribution margin %).

Value: N/A

Top Performers: 30-40% of total revenue due to high margins and low fixed costs (PHCC, ServiceTitan).

Value Tiers: <\$1M: \$400-600K; \$1-5M: \$1-2M; >\$5M: \$2-4M.

Red Flag Trigger: >60% of total revenue.

Default Value: N/A – Size dependent

Variable: {employee_productivity_per_revenue_hvac_industry}

Definition: Annual revenue generated per full-time equivalent (FTE) employee in HVAC operations.

Value: N/A

Top Performers: \$350-450K per employee via high tech utilization and attach rates (ServiceTitan 2023, Nexstar).

Value Tiers: <10 employees: \$200-300K; 10-50: \$250-400K; >50: \$300-450K.

Red Flag Trigger: <\$200K per employee.

Default Value: \$300K

Variable: {cash_conversion_cycle_hvac_industry}

Definition: Days inventory + days receivables outstanding minus days payables outstanding for HVAC firms.

Value: N/A

Top Performers: <30 days through fast billing, inventory control, and vendor terms (RMA, IBISWorld).

Value Tiers: Small: 50-70 days; Mid: 40-60; Large: 30-50 days.

Red Flag Trigger: >75 days.

Default Value: 50 days

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