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Boston architectural industry survey reveals continued industry improvement

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The 2013 Architectural Survey from CBIZ Tofias, part of the nation's seventh- largest accounting and tax provider, indicates the architecture industry in greater Boston has continued to stabilize while recording several positive, historic financial milestones.

The billing multiple, a metric for firm efficiency, reached the highest level in the survey's history and led to one of the largest annual increases in the profit per direct hour (billable hour) since the survey's advent in 1985.

In another positive sign, the financial statistics at a majority of the firms either improved or remained flat for the second consecutive year when compared to prior years.

"The architecture industry in the Greater Boston area continues to rebound, which reflects the improved health of the real estate market as architecture is often viewed as a leading indicator," said David Swan, author of the report and Leader of the Architecture, Engineering and Consulting (A/E/C) Practice.

The 2013 Architectural Survey reported the following trends:

- * The average profit per direct (billable) hour increased to \$10.94 in 2012, a substantial increase from \$6.89 in 2011.
- * The direct labor utilization rate (percentage of time worked on billable projects) rose to 64.2% in 2012 from 62.4% in 2011. The more profitable firms achieved a rate at or above 65% in 2012.
- * The overhead rate per direct hour is still trending at a high level, reporting at \$58.74 in 2012, down slightly from \$59.09 in 2011.

The direct labor billing multiple climbed to 3.09 in 2012, the highest in the history of the survey and up from 3.05 in 2011.

To download a copy of the survey, click on CBIZ Tofias 2013 Architectural Survey.

http://info.cbiztofias.com/2013-architectural-survey?__hstc=32420833.a1263bc2ff754391a9f203e0b183431a.1337279136475.1345230981340.1378324915974.156&__hssc=32420833.1.1378324915974

The survey is based on 2012 financial information supplied by CBIZ Tofias' architectural clients representing a cross-section of greater Boston architectural firms.

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