

Job Costing & Pricing Worksheet

Find what an hour of your crew's time really costs, the rate where you break even, and the price that leaves the margin you want. Built for service businesses that bill by the hour or quote jobs from hours: cleaning, landscaping, trades, and field service.

BUSINESS _____

DATE _____

PREPARED BY _____

1. Your inputs

INPUT	EXAMPLE	YOUR NUMBERS
A. Average hourly wage What you pay the people doing the work, averaged across the crew. If you are the one doing the work, use what you would pay someone to replace you.	\$20.00	_____
B. Payroll burden Employer payroll taxes (7.65% FICA plus state and federal unemployment), workers' comp, and any benefits, as a share of wages. 18% to 30% is common; your payroll reports show the real figure.	22%	_____
C. Paid hours per worker per year 2,080 for full time. Include paid time off, because you pay for those hours whether or not anyone bills them.	2,080	_____
D. Billable utilization The share of paid hours that land on an invoice. Drive time, training, callbacks, and slow days pull it down. 65% to 80% is typical for field service crews.	75%	_____
E. Billable workers People whose hours you bill to customers. Do not count office staff; they belong in overhead.	4	_____
F. Annual overhead Everything that is not direct labor or job materials: rent, vehicles, fuel, insurance, software, marketing, office staff, and a fair salary for the owner.	\$90,000	_____
G. Target net margin Profit left after every cost, including the owner's salary. 10% to 20% gives you a cushion for slow months and money to grow.	15%	_____

2. Your rate

RESULT	FORMULA	EXAMPLE	YOUR NUMBERS
H. Loaded hourly cost	$A \times (1 + B)$	\$24.40	_____
I. Billable hours per year	$C \times D \times E$	6,240	_____
J. Labor cost per billable hour	H / D	\$32.53	_____
K. Overhead per billable hour	F / I	\$14.42	_____
L. Break-even rate	$J + K$	\$46.96	_____
M. Price per billable hour	$L / (1 - G)$	\$55.24	_____

Why divide by (1 - margin)? Margin is measured against price. With a break-even rate of \$46.96, charging \$54.00 (a 15% markup) earns only a 13% margin. Dividing by 0.85 gives \$55.24, which earns the full 15%.

Check your current rate: $\text{margin} = 1 - (L / \text{your current rate})$. If the answer is negative, every billed hour loses money.

3. Quote a job

LINE	EXAMPLE	THIS JOB
Crew size	2	
Hours on site, per worker	3	
Drive and setup hours this job adds, per worker	0.5	
Labor hours (crew x total hours)	7	
Labor price (labor hours x M)	\$386.70	
Materials at cost	\$18.00	
Materials with 20% markup	\$21.60	
Other direct costs with markup (dump fees, rentals, subs)	\$0.00	
Quote	\$408.30	
Job cost at break-even (labor hours x L + materials + other)	\$346.69	
Profit on the job	\$61.60 (15%)	

How to use it

- Find your fully loaded labor cost.** Add payroll taxes, workers' comp, and benefits to the hourly wage. That is what an hour of labor really costs before anyone does any work.
- Divide by utilization.** Not every paid hour is billable. Divide the loaded cost by the share of hours you actually bill to get the labor cost behind each billable hour.
- Spread overhead across billable hours.** Divide annual overhead, including the owner's salary, by total billable hours for the year. Every billed hour has to carry its share.
- Add them for your break-even rate.** Labor cost plus overhead per billable hour is the rate where you neither make nor lose money. Anything below it loses money on every hour.
- Divide by one minus your target margin.** To keep a 15% net margin, divide the break-even rate by 0.85. Multiplying by 1.15 comes up short, because margin is measured against price, not cost.
- Quote jobs from the rate, then check them.** Multiply crew hours, including drive and setup time the job causes, by your rate. Add materials with markup. Compare the quote to the job's cost to confirm the profit is there.

The example is a hypothetical four-person cleaning crew, not a client. Your inputs will differ.

Prefer a spreadsheet? The Job Costing & Pricing Sheet does this math for you: pinstripeservices.com/service-pricing-calculator.

Want help with pricing? Our fractional CFO service builds pricing and margin reviews from your real numbers: pinstripeservices.com/services/fractional-cfo.

General financial guidance, not tax, legal, or accounting advice.

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