



Leading Indicators

For Print, Mail, Fulfillment, and Marketing Services

Frequently Asked Questions

What is Leading Indicators?

Leading Indicators is a financial benchmarking program for providers of printing, mailing, fulfillment, and marketing services. The program focuses on what's most important—those “vital few” metrics that measure revenue, costs, efficiency, profitability, and other essentials. The 12 vital metrics Leading Indicators tracks:

- Paper/Sales
- Value Added/Sales
- Spoilage-Rework Percentage
- Cost of Goods Sold/Sales
- Gross Profit/Sales
- Sales per Employee
- Payroll/Sales
- EBITDA/Sales
- Value Added per Employee
- Factory Payroll/Sales
- Receivables Days Outstanding
- Sales per Salesperson

Do I have to be an Idealliance member to participate?

No, non-members can participate. But only Idealliance members can break results out by company type, size, and other relevant criteria.

Is there a charge for participating?

No.

What are the participation requirements?

There are two. First, participants must complete a company profile that includes primary business, location, products and services offered, and revenue composition. Second, each month they must provide the following raw data, which are required to calculate the 12 vital metrics: gross sales, paper costs, other chargeable materials, outside services, cost of goods sold, payroll, factory payroll, gross profit, EBITDA, spoilage-rework, accounts receivable, number of employees, and number of sales personnel. (Precise definitions are provided to ensure data are consistent from participant to participant.)

Why are data collected monthly?

Because our industry is changing too rapidly to benchmark less frequently. The goal of Leading Indicators is to anticipate critical trends, not simply identify them. Benchmark less than monthly and we will always be playing catch-up. And no one makes it in our industry anymore by constantly playing catch-up.

How do I submit data? Are my data confidential and secure?

All data (including the company profile) are submitted at the secure Leading Indicators website. No one would ever see your data—or even know that you participate—except the program's administrators.

How long does data entry take?

Only a few minutes per month to enter.

If I don't track a particular indicator, can I still participate?

Yes. You may skip indicators that you do not currently track. But you will not see trend results for those indicators.

What if I miss a month or want to revise figures previously submitted?

Leading Indicators stores all your data, so you can enter months you missed or revise figures at any time.

What results can I expect?

All participants can access the following for each of the 12 vital metrics: monthly averages, year-to-date averages, and comparisons of the one-month, three-month, and six-month trends in their results versus the group at large. As mentioned earlier, Idealliance members can also break results out by company type, size, and other relevant criteria.

How soon after I enter data can I see results?

Immediately. Leading Indicators is real time. Whenever a participant adds or revises data, the application immediately updates all results.

Where do I access results?

At the Leading Indicators website, where you enter data. The program is fully Web-based—there are no paper reports or surveys.

Can nonparticipants access Leading Indicators results?

No.

I don't benchmark against other companies. Why should I participate?

Effective benchmarking isn't just about comparing ourselves with others. It's also about closely examining ourselves—Where are we trending up? Trending down? Flatlining?—and challenging ourselves to do even better in an industry where we either get better or fall behind. As one participant in our research says so well, "We have to challenge how and what we are doing—in all aspects—on a daily basis." Leading Indicators helps us do exactly that.

Can I interact with other Leading Indicators participants?

All participants can join the private Leading Indicators Community. The community reinforces that Leading Indicators is an ongoing process—not the occasional check of "where we stand"—through which participants continue to learn from each other, act on what they learn, and challenge themselves to improve even further.

How do I get started?

To view a sample survey and results or to apply for participation in Leading Indicators, visit research.Idealliance.org, or contact Leslie Karhoff, Idealliance, lkarhoff@Idealliance.org, (703)-837-1091.