

7

KPIS EVERY ACCOUNTING FIRM SHOULD BE TRACKING

Key performance indicators (KPIs) are metrics tracked to measure your firm's performance. Follow these crucial accounting KPIs to support your business objectives—and help you get closer to meeting them.



1

Accounts receivable.

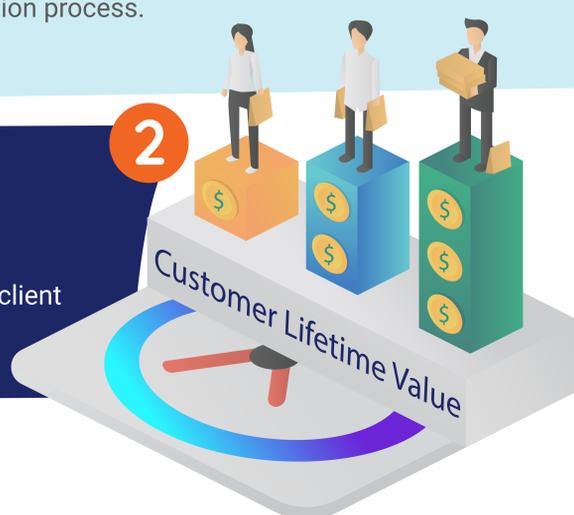
Keep your accounts receivable as close to zero as possible with incentives to have clients pay early and on time. Use this data to track who pays late to strategize your bill collection process.



2

Client lifetime value.

Utilize reporting and analytics software to determine client value and how much revenue they've generated.



Client retention rate.

Aspire to keep more clients than you lose. High client retention indicates they're happy with your services. And happy clients recommend you to others, which creates free advertising for your CPA firm.



3

4

Cost of client acquisition.

Calculate how much more each new client costs versus retaining existing ones. Use this to see if you need to change how you generate and convert leads.



5

Monthly Recurring Revenue (MRR).

Apply your guaranteed monthly revenue to predict your future growth and manage your budget.



Realization rate.

This rate calculates the difference between hours worked against hours paid. Utilize time tracking software to break down how long each task takes.

6



7

Write up and write down rate.

Hours billed don't mean hours worked. This data highlights the gap in your staff's productivity, so you know if you need to change your procedures to boost profitability.



7

Implement performance accounting software to track key performance indicators for your CPA firm.

Robust accounting firm reporting tools make KPIs easy to understand and quantify to provide clarity on your goals.



Mango's accounting firm practice management software includes [strong reporting and analytics features](#) that break down the crucial KPI data you need to improve your CPA firm. Our tools are made by accountants, for accountants, so they're easy to implement in your day-to-day routines.