Deltek
Speed. Clarity. Control.

Next-Level Planning: Using Insights to Drive A&E Success

Course # GOSCONF26-109

Megan Miller | Sr. Director, A&E Industry Insights Lead | Deltek

CONTINUING EDUCATION
AIA

ROG+ Partners
40119227

Credit(s) earned on completion of this course will be reported to AIA CES for AIA members. Certificates of Completion for both AIA members and non-AIA members are available upon request.

This course is registered with AIA CES for continuing professional education. As such, it does not include content that may be deemed or construed to be an approval or endorsement by the AIA of any material of construction or any method or manner of handling, using, distributing, or dealing in any material or product.

Questions related to specific materials, methods, and services will be addressed at the conclusion of this presentation.

Deltek

CONTINUING EDUCATION AIA

Course Description

The pace of change in the architecture and engineering (A&E) industry has never been faster. Disruptive technologies, evolving client expectations and increasing competition demand that firms move beyond tradition to make data-driven decisions at every level. In this forward-looking session, attendees will explore how to craft a resilient business strategy using real-time insights, benchmarking data, and emerging trends. Whether you're navigating a digital transformation, evaluating market expansion or strengthening operational efficiency, this session will show how to turn raw data into meaningful action. Leaders will learn to assess their firm’s performance, align goals with shifting market conditions, and build a strategy that supports both innovation and sustainable growth.

Deltek

CONTINUING EDUCATION AIA

Learning Objectives

At the end of this course, participants will be able to:

1. Discover which KPIs and Deltek Clarity benchmarks matter most for strategic growth in today's A&E environment
2. Learn how to connect firm-wide data to market trends, client behaviors, and competitive positioning
3. Build a modern planning framework that integrates financial, operational, and talent insights
4. Explore real-world examples of firms transforming strategy using dashboards, scenario modeling, and forecasting tools

Deltek

CONTINUING EDUCATION AIA

Today's Speaker



Megan Miller

Sr. Director, A&E Industry

Deltek

- 12 years with Deltek Clarity Insight
- Product Marketing Leader at Deltek
- 11 years in the A&E Industry
- Active member of SMPS

© Deltek, Inc. All Rights Reserved.

How Data-Driven is Your Firm's Strategy Today?

Think About Your Firm's Strategy Today…







Deltek

Think About Your Firm's Strategy Today...



Deltek

More than 60%...

© Deltek, Inc. All Rights Reserved.

Common Pitfalls

- Only contains financial estimates for projections; unbalanced view of the business
- Not linked to long-term goals or no alignment on long-term strategy
- Lack of clean, actionable data to drive decisions
- Lack of owners/champions for strategy/action items
- Lack of a story for why this matters to the business



Deltek

© Deltek, Inc. All Rights Reserved.

The Evolution of Intelligent Firm Management

Where is your business and where are your business units on the continuum?

Most firms are here



Phase 1: Reactive

Decisions run on gut feel and history. Visibility into cost, schedule and pipeline is thin.

Example: Planning for next year solely with last year's data and financials; PM review variance only when issues arise.



Phase 2: Operational

KPIs are tracked by function, without a view across the business. Accountability structure minimal.

Example: Financial metrics are shared in leadership meetings and targets are established; PMs monitor project performance monthly.



Phase 3: Intelligent

Clean data, consistent processes and AI provide forecasting, early risk signals, automated insights that drive action.

Example: PM flagged on future project staffing risk that will impact cost; financial anomalies flagged before month-end close to be addressed.

Deltek

© Deltek, Inc. All Rights Reserved.

Where is your firm?

Reactive | Operational | Intelligent



Key Industry Metrics and Trends

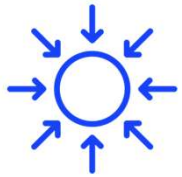
What's Happening in the A&E Industry Today?



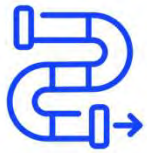
Financials Normalizing



Backlogs Softening



Margins Tightening



Cautiously Optimistic Pipeline



Workforce Evolving



Tech Accelerating



Deltek Clarity A&E Industry Study

- 47th year
- 896 A&E firms in U.S. and Canada
- Based on 2025 fiscal data
- In collaboration with ACEC, AIA and SMPS

#DeltekClarity

Where are Firm Financials Today?

More Revenue Per Person, but Profit Numbers Down

	2024	2025
Operating profit	21.4%	16.7%
Backlog (months)	9.00	6.33
Utilization rate	61.1%	58.9%
Net revenue per employee	$180,852	$186,681

- Firms earned more per person and kept less of it
- 16.7% is still solid, but the record years are behind us
- Planning on last year's results no longer works
- Financials are normalizing, but require closer attention

Source: 47th Annual Deltek Clarity A&E Industry Study. Operating profit is on net revenue.

© Deltek, Inc. All Rights Reserved.

The Evolution of Intelligent Firm Management

Where is your business and where are your business units on the continuum?



Phase 1: Reactive



Phase 2: Operational



Phase 3: Intelligent



What are we tracking and why?

© Deltek, Inc. All Rights Reserved.

Metrics for Data-Driven Strategy

It's more than just the numbers

- Operating Profit
- Net Labor Multiplier
- Utilization/Realization Rates
- Backlog
- Overhead
- Project Performance (schedule, budget)
- Project Profitability
- Win Rate/Capture Rate
- Growth Forecast
- Employee growth/turnover

© Deltek, Inc. All Rights Reserved.

Balancing the Metrics for Greater Firm Intelligence

- Are you looking at all aspects of the business?
- Are you looking at the data in a silo?
- Do you have a mix of leading and lagging indicators?
- What shape is your data in today?
- Do you have access to what you need to actually build intelligence?



Deltek

© Deltek, Inc. All Rights Reserved.

Moving From Reactive to Intelligent Firm Management



Where are you today?

Phase 1: Reactive

- Start with what you know and what you've done
- Where are you on track and where are you off the rails?
- How do you compare to industry benchmarks?
- What needs to change?

© Deltek, Inc. All Rights Reserved.

Northline Engineering

A Composite Hypothetical Firm

- ~200 employees in 4 offices in Midwest
- Serve public and private clients with majority of work in public infrastructure
- Revenue growth goal: 10% next year with flat headcount
- Constraint: backlog down to less than 6 months



© Deltek, Inc. All Rights Reserved.

The KPIs that reveal the gaps

Compare your firm with Deltek Clarity benchmarks

KPI	Northline Engineering	Deltek Clarity median	High performers
Operating profit on net revenue	18%	16.7%	24.1%
Net labor multiplier	3.26	3.11	3.54
Revenue backlog (months)	5.5	6.33	7.33
Win rate	45%	49%	54%
Employee turnover	14%	13.8%	12.0%

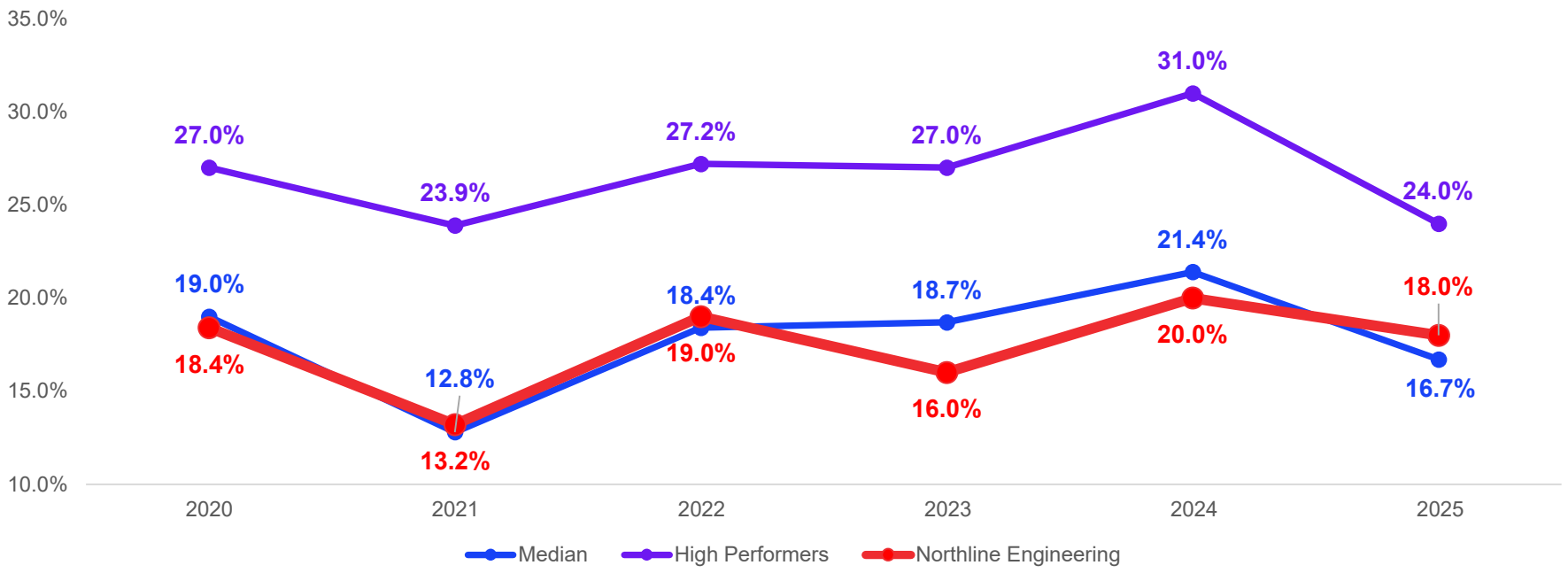
- Northline's Goal: Revenue growth goal: 10% next year with flat headcount

Source: 47th Annual Deltek Clarity A&E Industry Study. Northline Engineering values are fictional.

© Deltek, Inc. All Rights Reserved.

Operating Profit on Net Revenue

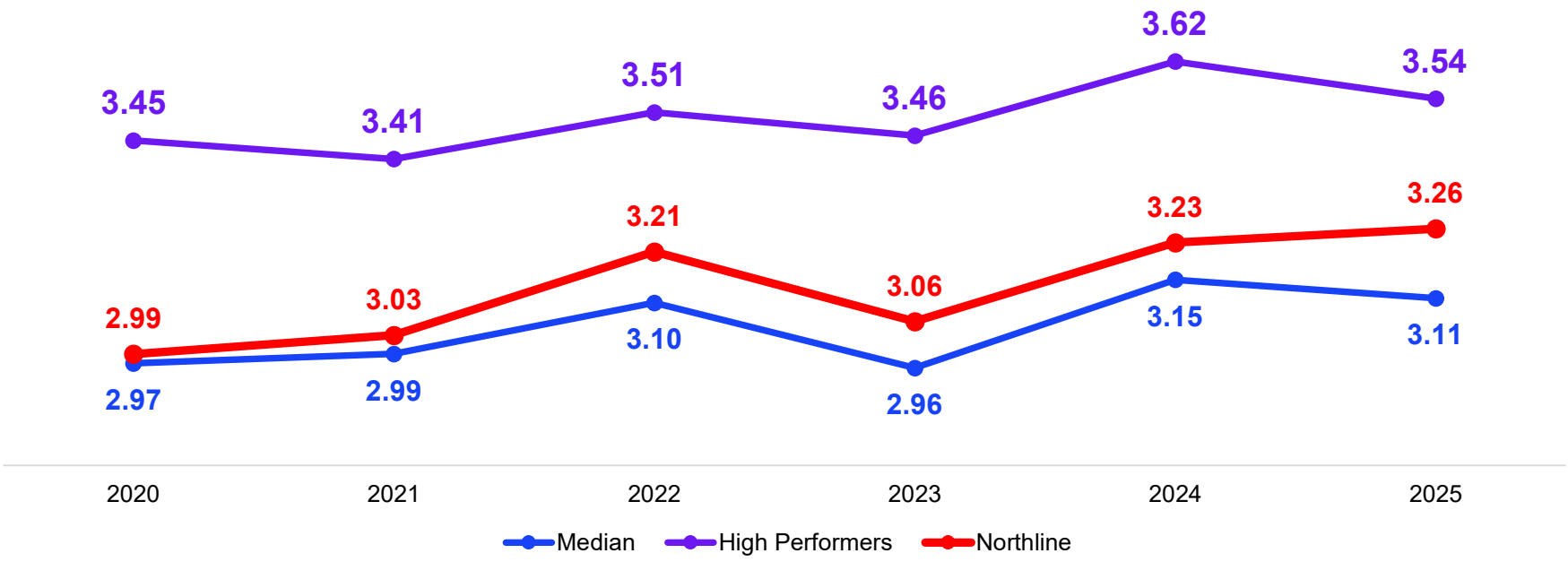
How is your firm trending?



© Deltek, Inc. All Rights Reserved.

Net Labor Multiplier

How is your firm trending?

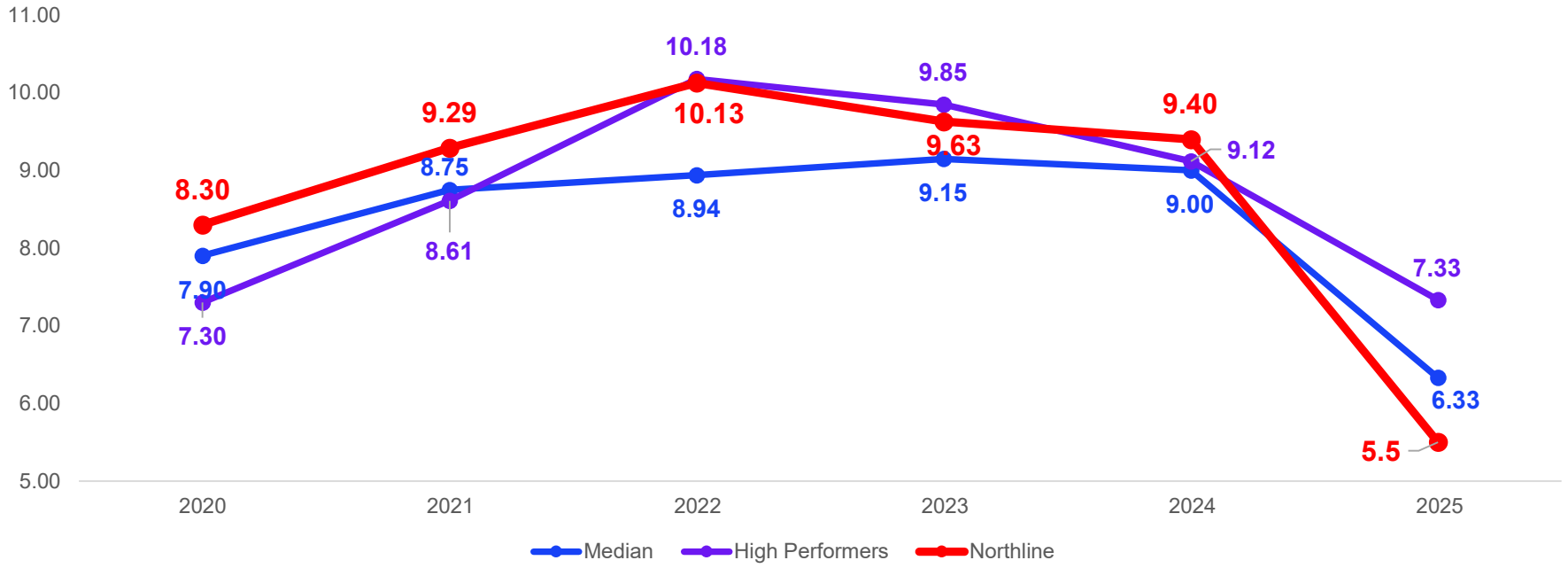


Deltek CLARITY

© Deltek, Inc. All Rights Reserved.

Backlog in Months

How is your firm trending?



© Deltek, Inc. All Rights Reserved.

Northline's Client and Pursuit Signals



Win Rate @ 45%

Branching into more competitive markets and new clients; lower win rates expected last year, but attention needs to shift on how to best position to win



High Proposal Volume

Proposal volume up 30%, which aligns with industry uptick, but not honoring true pursuit strategy and go/no go



Client Mix

Traditionally mostly public infrastructure work and looking to diversify more to include more site design and aviation work

© Deltek, Inc. All Rights Reserved.

What is shifting around us?

What shifts require us to change the plan?



Economic uncertainty

Now the top business development challenge, making pipeline planning harder.



Shorter backlogs

Backlog fell from 9.00 to 6.33 months, leaving less room for error.



Lower capture rates

Capture rates fell to their lowest level since 2019 while number of proposals submitted jumped significantly



AI & Technology

70% of firms use AI and machine learning; 38% report measurable benefits.

© Deltek, Inc. All Rights Reserved.

Financials alone miss the story

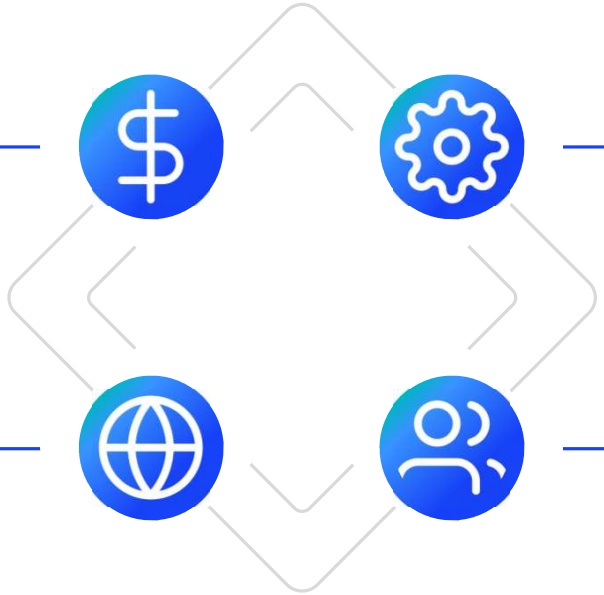
A shift from reactive to intelligent

Financial

Profit, multiplier and overhead show results, but only after the fact.

Operational

Utilization, backlog and delivery explain why results move.



Client and market

Client behavior, competitors and the economy shape which work to chase.

People

Turnover and staff growth set how much work the firm can deliver.

© Deltek, Inc. All Rights Reserved.

The Evolution of Intelligent Firm Management

Where is your business and where are your business units on the continuum?



Phase 1: Reactive



Phase 2: Operational



Phase 3: Intelligent

Building a Plan of Accountability

© Deltek, Inc. All Rights Reserved.

Building a Framework for Your Firm

One plan that joins financial, operational and people targets



Goal

One growth goal in plain terms, such as 10% growth with flat headcount.



Targets

Three to five targets across financial, operational and people, set against Clarity benchmarks.



Owners

Each target has a named owner and a date for review.



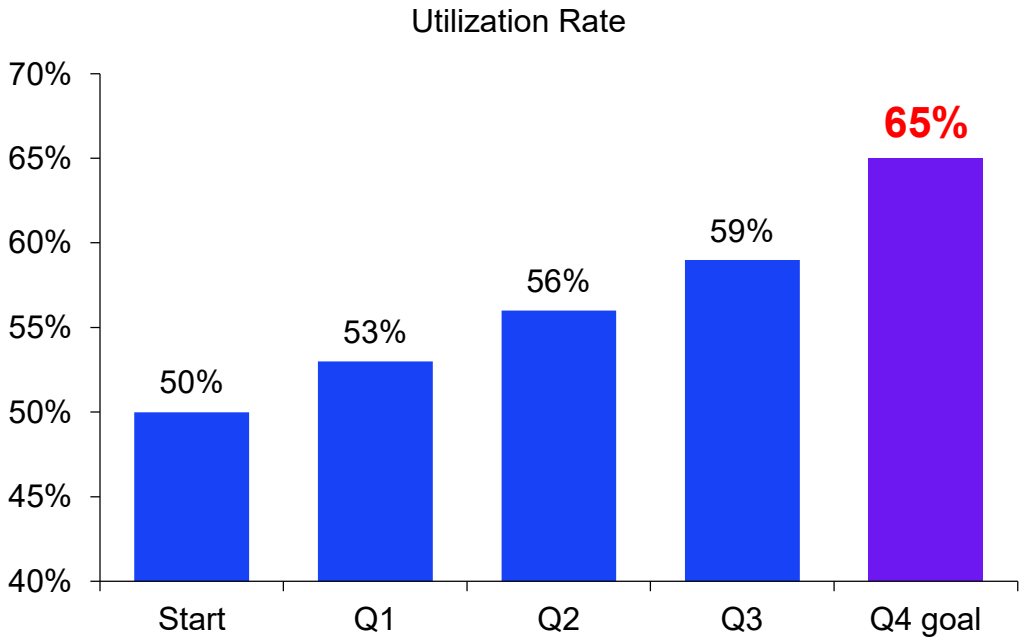
Levers

Each target has the actions the firm will pull to move it.

© Deltek, Inc. All Rights Reserved.

Set targets you can reach

Build: start, goal and quarterly steps



- Too easy or too hard: both kill motivation.
- Know the starting point, the end goal and the steps between.
- Establish a clear timeline and milestones
- Be realistic about what is achievable and by when
- Check how one target affects the others, such as BD time.

Deltek

© Deltek, Inc. All Rights Reserved.

Every target needs a champion



Champion

Pick someone who wants the work, not just someone available.



Timeline

Treat the target like a project with milestones and a deadline.



Team and tools

Name the team, the tools and any outside help needed.

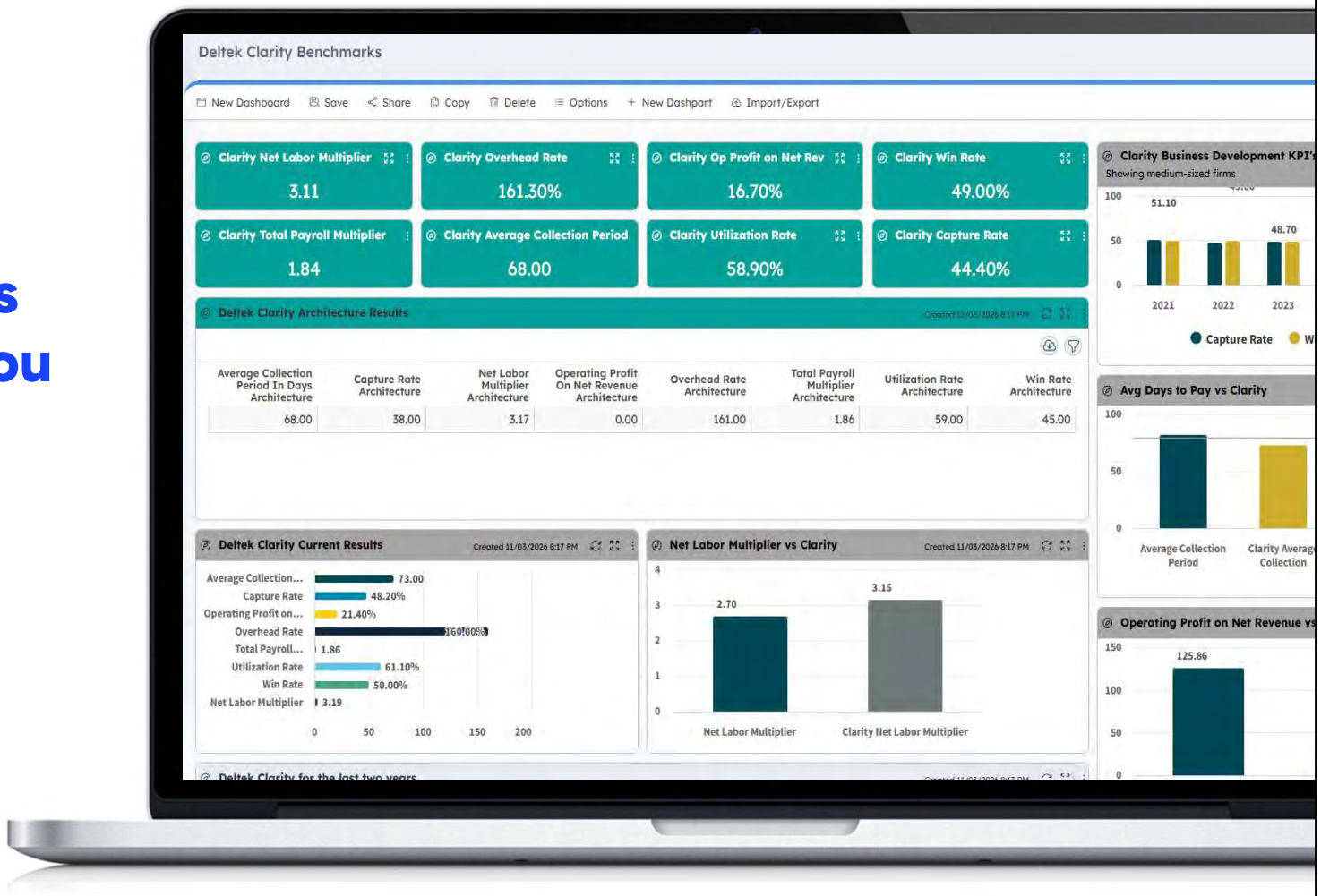


Authority

Decide what the champion can say no to, so the time is real.

© Deltek, Inc. All Rights Reserved.

Keep targets in front of you



© Deltek, Inc. All Rights Reserved.

From Reviewing to Prompting Decisions

- **Data foundation:** clean, reliable data to drive insights
  - Clear definitions for each KPI across systems and leaders
- **Workflows and automation:** eliminate data challenges, lagging insight and information breakdowns
  - Look for one workflow that is inefficient today and creates data problems. How can you fix it now?
- **Signals that prompt decisions:** flag risks early and prompt action
  - Leverage AI to be your always-on coworker looking for what needs attention and suggest actions

Better Data

Clear Workflows

Signals that Prompt Action

Deltek

© Deltek, Inc. All Rights Reserved.

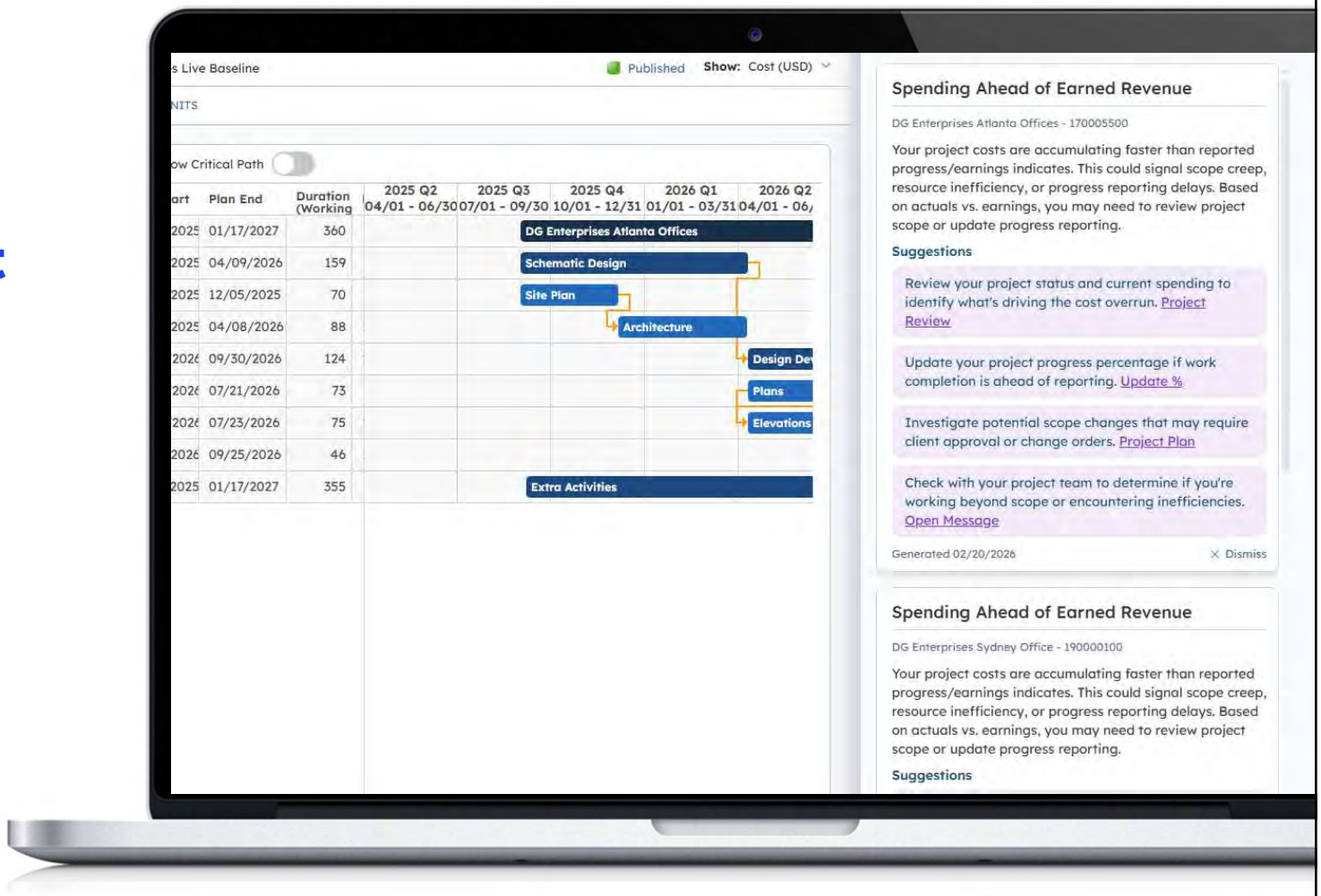
The Same Tuesday...

Northline Engineering

	Phase 2: Operational	Phase 3: Intelligent
What happens	The monthly financial report shows operating profit slightly below plan	An alert several months ago: three projects for the same client type all running 6 points below planned margin
When it surfaces	After month-end close, once variance is large	Early in month or previous month while it can still be corrected
Investigation	Someone digs through the numbers spending hours trying to find the cause	Dashboard and Insights show where hours and costs diverged and how margin compares to Clarity benchmark
Decision	React: absorb variance and adjust forecast	Adjust staffing, tighten controls, etc. and then update forecast
Role of AI	None	Flags risk, spots pattern and prompts question

© Deltek, Inc. All Rights Reserved.

Insights that Prompt Action



CONFIDENTIAL © Deltek, Inc. All Rights Reserved.

Always-on signals, regular conversations

Sustain: signals show where to look, owners decide what to do

Always on
Signals show where to look

On plan
Visible, no action needed.

Watch
Trend moving off plan. The owner is notified.

Act
Off threshold. Owner and leader decide this week.

A flag triggers the conversation

Check-ins
Owners decide what to do

Monthly
Owner and leader review flags and agree next actions.

Quarterly
Re-forecast, then adjust levers, owners and resources.

Annually
Reset targets against the latest Clarity benchmarks.

Every check-in: Where are we? What changed? What action? What do you need?

Deltek

© Deltek, Inc. All Rights Reserved.

Make Signals Earn Trust

Keep always-on signals useful

Keep the conversation

Avoid Letting signals replace check-ins

Do **Use signals to shorten check-ins and focus them on exceptions**

Show on plan too

Avoid Showing only problems

Do **Show what is on plan so owners see and celebrate progress**

Claim only what you watch

Avoid Implying every target is monitored

Do **Say which risks are watched and check the rest by hand**

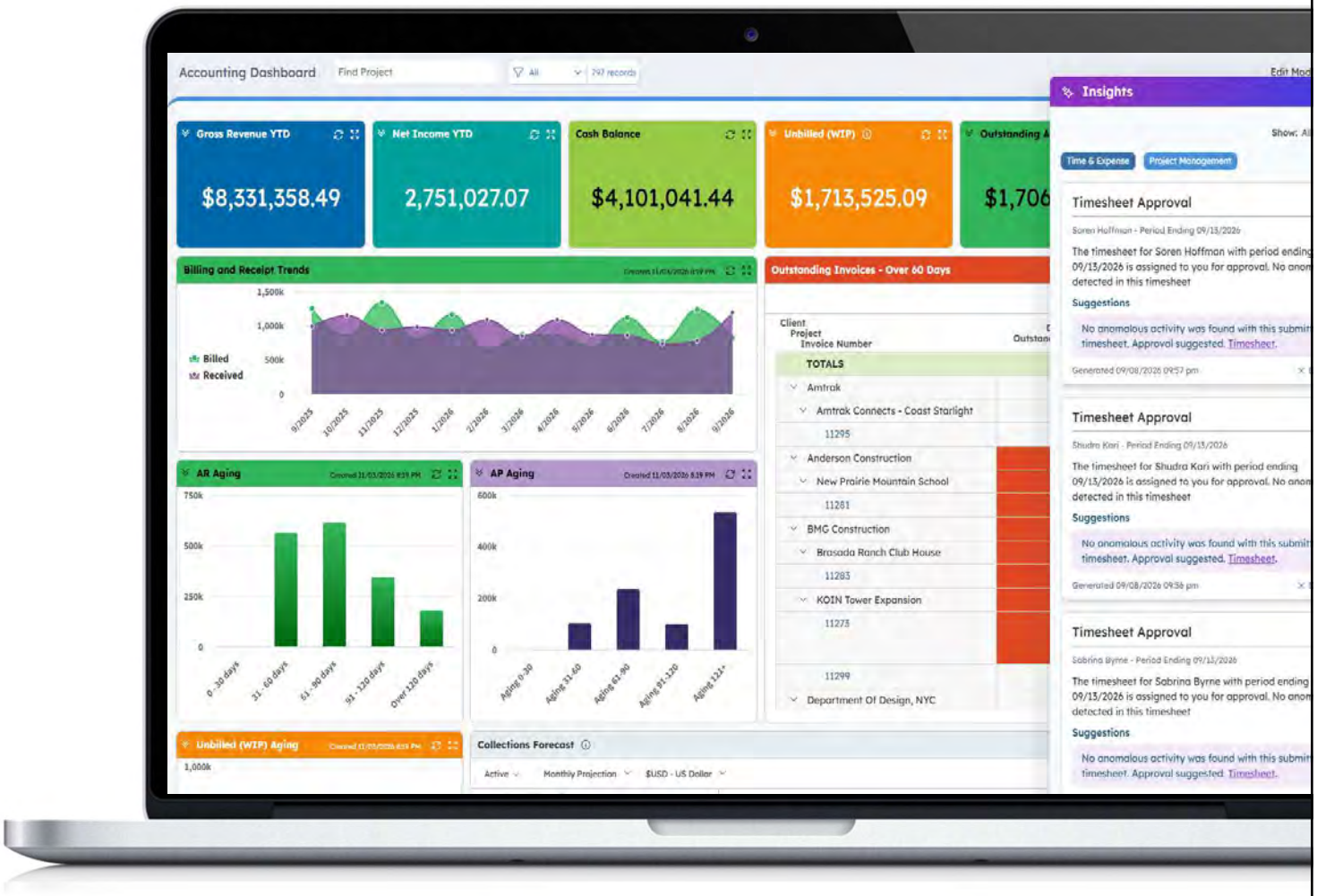
Tune the thresholds

Avoid Flagging everything, so nothing gets read

Do **Set thresholds so flags stay few and worth acting on**

© Deltek, Inc. All Rights Reserved.

Monitor the Metrics that Matter



Deltek

© Deltek, Inc. All Rights Reserved.

Keep Benchmarks Front and Center

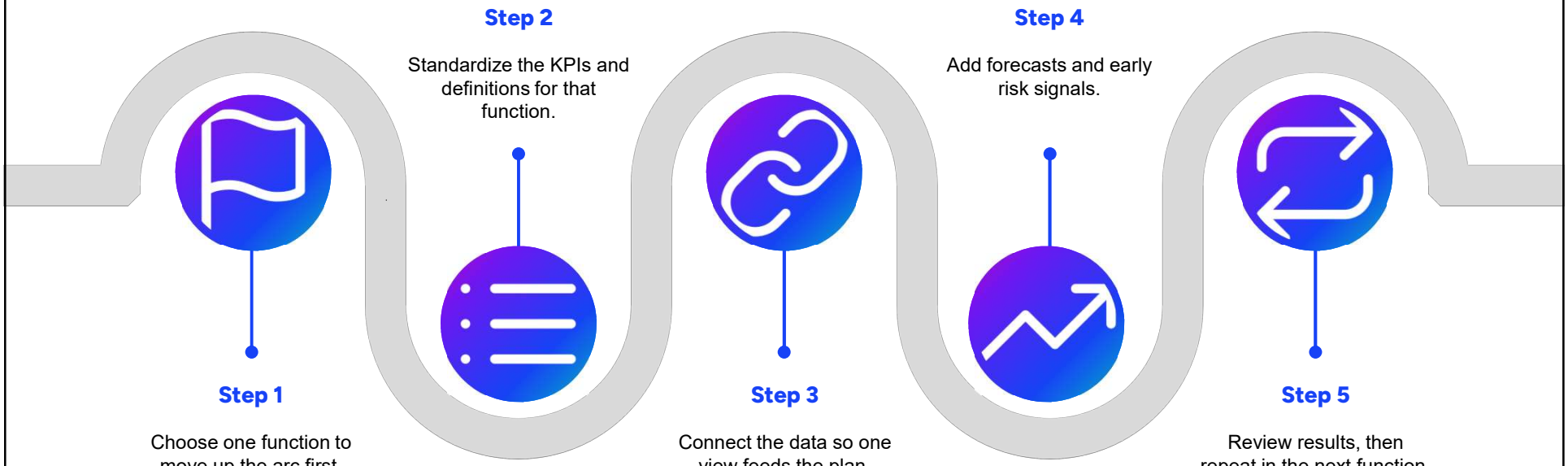


Deltek

© Deltek, Inc. All Rights Reserved.

Moving From Reactive to Intelligent

One Function at a Time

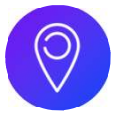


Deltek

© Deltek, Inc. All Rights Reserved.

Where to Start

Pick one or two this month, not all four



Place each area of business on the intelligence continuum

Pursuits, projects, finance, people

Where are we reactive without realizing it?



Define your KPIs and plot against benchmarks

Agree on one definition and compare to industry standards

Would two leaders define them the same?



Check your data quality

Look at one KPI – is it accurate, complete, current?

Do we trust the number enough to act on it?



Map your workflow

Map one workflow that feeds data and see where it breaks

Where does data get re-keyed, arrive late or stall?

© Deltek, Inc. All Rights Reserved.

Download the Latest Deltek Clarity Report



https://bit.ly/DeltekClarity47

Questions


Deltek
Speed. Clarity. Control.

This concludes The American Institute of Architects
Continuing Education Systems Course



Deltek

