RIBA Business Benchmarking 2018

Report prepared for the RIBA by The Fees Bureau
Key 2018 benchmarks of RIBA Chartered Practices business performance show a profession which is continuing to grow. Total staff employment and total revenue are both higher than 2017. Since the very first survey in 2012, growth in revenue has continued to outpace employment growth, implying an ongoing increase in productivity. This pattern is very different from the experience of the UK economy as a whole.

The key indicator of average revenue per practice has trended up in all practice sizes, while average revenue per head is higher in all but one size. But expenditure is also higher this year in all practice sizes, and the rise in expenditure has been across all cost elements. The knock-on effect is that profits have fallen.

Staff salaries have increased, partly contributing towards the higher expenditure figures. In most cases salary rises have been ahead of inflation, suggesting practices are working hard to retain staff. Pay is also higher for Partners/Directors/Sole Principals, reversing last year’s fall, but the rise in pay is not universal. In some practices, specifically those with between 10 and <100 staff, the pay for Partners/Directors/Sole Principals fell compared with last year.

The amount of international work being carried out by Chartered Practices is higher this year than last, but its origin has been changing; Asia and the EU have both overtaken the Middle East as being the most important sources of work.
RIBA Chartered Practice revenue in 2018:

Chartered Practice revenue has DOUBLED since 2012

Private housing remains the largest revenue source for most practices

Staff numbers up by 20% since 2012

Average share of practice revenue:

- Private housing: 64% to 55%
- Commercial & mixed: 19% to 28%
- Public & others: 17% to 18%
Average expenditure for most practice sizes is higher this year...

£513 million of international work
More work comes from Asia and the EU

Average practice revenue soars with size

Average practice revenue ranges widely by practice size, from £51,000 for a 1 person practice to £28m for a practice with 100+ staff.
Key Benchmarks 2018 for each practice size

**Practice size 1**
- 800 practices
- 800 employed
- 2% of work is international

**Revenue** £51,000  
**Expenditure** £24,000  
**Profit** £27,000

- **Salary**  
  £27,000 Partner/Director/Sole Principal

- **Projects**  
  Number worked on during the year: 15  
  Bid success rate: 55%

**Practice size 2**
- 500 practices
- 1,000 employed
- 1% of work is international

**Revenue** £80,000  
**Expenditure** £43,000  
**Profit** £34,000

- **Salary**  
  £28,000 Partner/Director/Sole Principal

- **Projects**  
  Number worked on during the year: 21  
  Bid success rate: 63%

**Practice size 3 to <5**
- 700 practices
- 2,400 employed
- 3% of work is international

**Revenue** £158,000  
**Expenditure** £106,000  
**Profit** £54,000

- **Salary**  
  £36,000 Partner/Director/Sole Principal  
  £35,700 Architect 5+ years ARB

- **Projects**  
  Number worked on during the year: 29  
  Bid success rate: 59%

**Practice size 5 to <10**
- 800 practices
- 5,000 employed
- 4% of work is international

**Revenue** £355,000  
**Expenditure** £254,000  
**Profit** £99,000

- **Salary**  
  £46,000 Partner/Director/Sole Principal  
  £36,000 Architect 5+ years ARB

- **Projects**  
  Number worked on during the year: 49  
  Bid success rate: 54%
Key Benchmarks 2018 for each practice size

**Practice size 10 to <20**
- 500 practices
- 6,000 employed
- 2% of work is international

Revenue: £862,000
Expenditure: £635,000
Profit: £213,000

Salary:
- £62,000 Partner/Director/Sole Principal
- £39,000 Architect 5+ years ARB

Projects:
- Number worked on during the year: 76
- Bid success rate: 51%

**Practice size 20 to <50**
- 300 practices
- 8,000 employed
- 9% of work is international

Revenue: £2.4m
Expenditure: £2.5m*
Profit: £0.4m

Salary:
- £80,000 Partner/Director/Sole Principal
- £41,000 Architect 5+ years ARB

Projects:
- Number worked on during the year: 113
- Bid success rate: 43%

* expenditure based on incomplete sample

**Practice size 50 to <100**
- 80 practices
- 5,000 employed
- 16% of work is international

Revenue: £5.6m
Expenditure: £4.9m
Profit: £0.7m

Salary:
- £116,000 Partner/Director/Sole Principal
- £43,000 Architect 5+ years ARB

Projects:
- Number worked on during the year: 184
- Bid success rate: 38%

**Practice size 100+**
- 50 practices
- 12,000 employed
- 29% of work is international

Revenue: £28m
Expenditure: £25m
Profit: £3m

Salary:
- £175,000 Partner/Director/Sole Principal
- £43,000 Architect 5+ years ARB

Projects:
- Number worked on during the year: 459
- Bid success rate: 36%

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RIBA Business Benchmarking - 2018 Summary
Interact with the Benchmarking data at:
www.ribabenchmark.com

Learn more about the RIBA interactive Benchmarking Tool by watching the explanatory video:
https://www.architecture.com/knowledge-and-resources/resources-landing-page/business-benchmarking