



EVERPERFORM

RESEARCH

Performance Index Report

ACCOUNTING INDUSTRY

FEBRUARY 2025

The great balancing act

As we progress through the early months of 2025, and with the inevitable surge in workload leading towards the financial year-end, the Everperform Index highlights the critical importance of proactive risk management in accounting firms. Success in this demanding period hinges on a strategic, data-driven approach to workforce wellbeing.

Our analysis reveals that leading firms are empowering their HR leaders to anticipate and mitigate potential challenges by focusing on four pivotal metrics: Safety Risk, Engagement, Utilisation, and Productivity. These metrics provide crucial insights, enabling firms to move beyond reactive measures and proactively address emerging issues before they escalate.

These progressive firms recognise that the heightened workload during this peak period amplifies existing pressures, making it paramount to have clear visibility of leading risk indicators. By strategically leveraging people data, they are:

- Mitigating Safety Risks (Safety Risk metric): Proactively identifying and addressing psychosocial hazards that intensify under increased pressure, ensuring a mentally healthy work environment.
- Sustaining Engagement (Engagement metric): Maintaining high levels of connection, purpose, and growth, even as workload increases, to prevent burnout and maintain morale.
- Optimizing Utilisation (Utilisation metric): Ensuring that talent is effectively deployed on value-adding activities, maximizing efficiency and minimizing wasted effort during critical periods.
- Driving Productivity (Productivity metric): Setting clear goals, providing necessary support, and fostering a culture of focused performance, even under demanding circumstances.

The Everperform Index showcases how our clients are successfully implementing these strategies. Imagine HR leaders equipped with real-time insights into workload distribution, employee sentiment, and potential burnout triggers, allowing for timely interventions and targeted support. By shifting from reactive firefighting to proactive leadership, they are creating resilient and high-performing teams, ready to navigate the challenges of the peak season.

This proactive approach is not just about managing workload; it's about building a sustainable and thriving workforce. By focusing on leading indicators and continuously monitoring these four key metrics, firms are not only mitigating risks but also enhancing productivity, improving retention, and attracting top talent. We invite you to join us in exploring how these leading firms are setting new standards for workforce management, particularly as they navigate the increased pressures of the financial year-end. We look forward to sharing these valuable insights throughout 2025.

Warmest,



Wade Keenan,
Founder



The Methodology

The Everperform performance methodology is designed to provide a holistic view of employee performance and engagement within accounting firms. It goes beyond traditional metrics by capturing both objective and subjective data, offering a comprehensive understanding of individual and team contributions.

This research has revealed four key metrics that have become the core indicators for progressive accounting firms to measure, analyse and improve as part of their strategic focus and management operations.

By measuring, analysing and acting on these key metrics, firms experience a net improvement in their productivity rates of 22%, an increase in revenue per employee of 26% whilst reducing the safety risks in their firm by 28%.

Here's how it works:

1. Scoring Methodology:

Drawing on a database of in excess of 2,100 people and collating in excess of 40 billion data points, which creates over 250 measurements that we are then able to generate the four key metric scores. This unique scoring algorithm provides a clear and concise measure of individual and team performance, allowing for easy comparison and benchmarking against best practice firms.

2. Data Collection:

The data is collected and processed using Everperform's product. This involves the collection of two key data sets:

- Objective Data: Timesheet data is updated on a weekly basis which is sourced directly from the practice management systems used by each participating firm.
- Subjective Data: Weekly pulses completed by surveyed employees of each participating firm. These pulses contain questions that have specifically designed based on the last 6 years of research and data analysis of performance and risk in accounting firms.

3. Key Metrics:

Research conducted by Everperform utilises a proprietary set of algorithms to determine the scores for each of the key metrics below:

- Safety Risk - Ensuring compliance to regulatory requirements, reducing burnout and unplanned leave.
- Engagement - Improving retention, increasing productivity and effectiveness.
- Utilisation - Minimising lost capacity, increasing time in key contribution categories.
- Productivity - Increasing revenue per employee by working smarter, not longer.

4. How to read and interpret the results in this index

This index report primarily focuses on the four problematic areas that the accounting industry is currently experiencing. This index therefore highlights trouble-spots, why they are occurring and what needs to be done to resolve them. Interpretation of all data is provided in summary in each of the categories.

For maximum benefit it is recommended readers a) compare the data provided in this report with their own internal measures and b) track industry trends month by month through this monthly index report.

[Subscribe to the monthly Performance Index Report](#)

PERFORMANCE INDEX REPORT

1. Safety Risk.

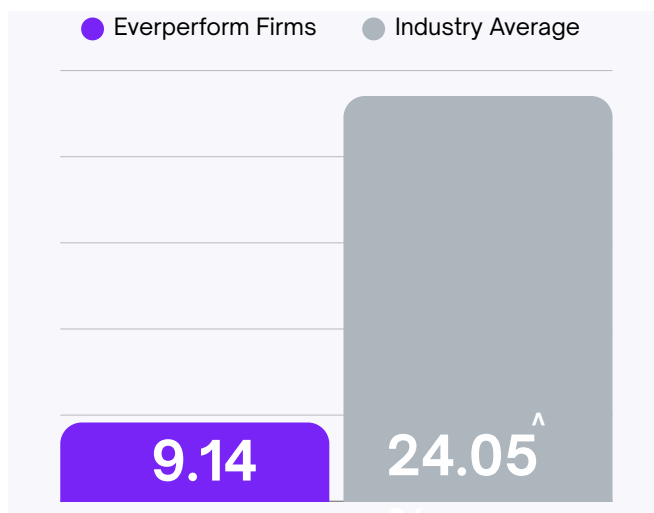
Safety Risk Overview.

The Everperform safety risk category provides crucial people-focused metrics that enable accounting firms to proactively address potential challenges before it's too late. The **safety risk signals** provide coverage across the key psychosocial hazards and lead indicators to resignation and exit. The lower the safety signals score, the better retention for the firm. There are 15 safety risk signals that are measured for employees every month, and we highlight the people below at higher risk than average (people with more than two safety signals).

Minimise safety risk.

Percentage of total employees with more than two safety risk signals.

Lower percentage of at-risk employees results in higher retention rates.



Attrition cost saving.

The average benefit of proactively addressing known risk signals to prevent attrition.

\$113,625*

*this calculation takes into account the average salary, recruitment, off/onboarding costs and lost production.

“The cost of replacing an individual employee can range from one-half to two times the employee's annual salary -- and that's a conservative estimate..”

Gallup

Insight.

Safety risk signals remain a critical indicator for firms to proactively manage and mitigate potential hazards. In February, we have seen an increase in these risks to 9.14% which is back to a similar level we observed in November 2024. A potential contributing factor is the workloads of employees and managers is back to the 'steady state' levels after the summer break, and therefore reflecting higher risk signals, particularly in the categories aligned to high job demands and low job resources, as referenced in the psychosocial hazards.

Client success story.

In a mid-tier Australian accounting firm, a manager's personal struggles were impacting her team's performance. Everperform's data revealed that half the team displayed multiple risk signals, coupled with low engagement scores. This prompted their HR leader to intervene. As a result, the manager took leave and focused on recovery. Everperform's proactive insights not only helped retain the entire team but also allowed for continued monitoring to ensure ongoing stability. By addressing the issue early, the firm averted a potential crisis and maintained a healthy and productive team.

Learn more about the **Psychosocial Hazard** framework [here](#)

[^] <https://floqast.com/blog/report-illustrates-burnout-in-the-accounting-industry/>
24% admitting medium-high or high levels of burnout.

2. Engagement.

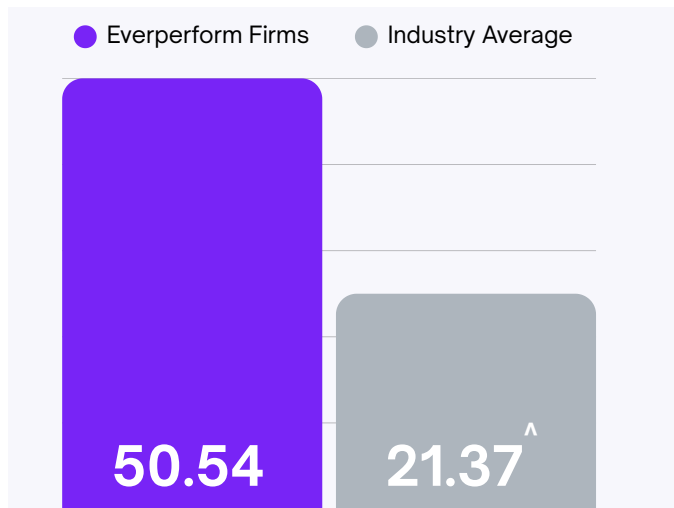
Engagement Overview.

The Everperform engagement category provides a metric to enable accounting firms to utilise a more timely reflection of engagement. Engagement is often measured in an annual or ad-hoc process, whereas Everperform client firms reduce the traditional time lag between data collection and action leading to a higher engagement result. The engagement score reflects those employees who are highly engaged, meaning their response rate is more than 60% to the weekly pulses. A higher engagement score often leads to a higher retention rate and higher productivity levels for employees.

Maximise engaged employees.

Percentage of total employees that are highly engaged..

Higher percentage of engaged employees results in higher retention and productivity.



Productivity increase.

The estimated increase in WIP generated when comparing an engaged employee versus a disengaged employee.

\$87,950*

*this calculation represents the effect of 'presenteeism' on disengaged employees.

"When a manager is transparent with their team, the likelihood that their team are highly engaged is boosted by 1.8 times"

Gartner Reimagine HR 2024

Insight

February saw employee engagement drop to 50.54%, a sharp decrease from January's result of 70.42%, demonstrating a back step from the strong start to the year. As mentioned above in the increase in Safety Risks, this may be a result of the increased workloads that employees and managers are facing, particularly in business services with the compliance deadlines in late February. This result is the lowest engagement score we have observed since November 2024.

Client Success Story

A mid-tier NZ firm transformed its performance process, empowering HR leaders to proactively shape the business. Instead of simply collecting data, HR partnered with leaders in weekly collaborative analysis sessions. This shift allowed HR to move beyond reactive problem-solving and work in a data-driven approach with leadership. The result? Dramatically increased pulse response rates, more meaningful conversations, and a noticeable boost in employee engagement. Surprisingly, this focused approach actually decreased the overall time spent on these discussions whilst increasing the ownership taken by the leaders.

How busy **managers** can impact engagement

3. Utilisation.

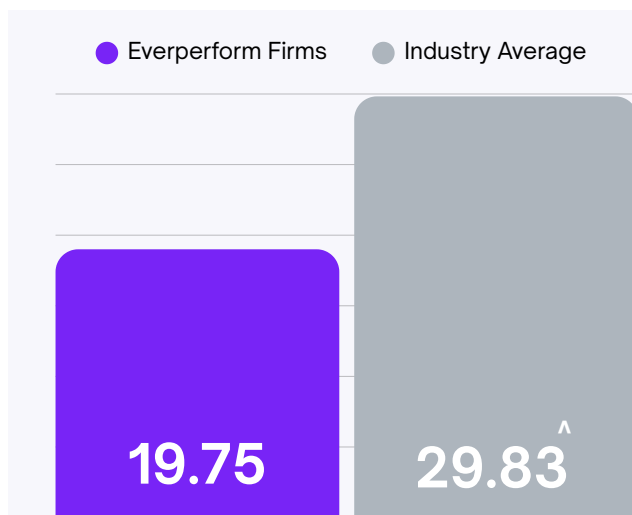
Utilisation Overview

The Everperform utilisation category provides a framework for where people are spending their most valuable asset, time. This provides an objective, data-driven view of the activity that people are performing in their roles, and is aligned to the key categories across the psychosocial hazards and key performance indicators. Time wasted reflects the actual time that employees are allocating to non-value add activities such as administration and provides firms with a key measure to determine what percentage of time that could otherwise be converted into effective capacity.

Minimise time wasted.

The percentage of available time spent on non-value added activities.

Lower percentage of time wasted results in higher productivity and lower risk.



Wasted capacity.

The estimated revenue opportunity in wasted capacity, when converted to chargeable time.

\$89,896

Per employee, per annum

“Administration and any general non-chargeable timesheet codes are where time goes to die”

Everperform Tom Boyd, Head of Performance

Insight.

February’s data indicates a slight decrease in time spent on non-value added activities, now at 19.75%. While this represents a marginal decrease from January, potentially influenced by the increased workloads and value added activity demands, firms are keeping a close eye on this metric. Focused efforts will continue into March to ensure this trend remains and productivity is maintained.

Client success story.

An 85-person firm conducted a waste audit to gain a deeper understanding of where time was being spent across the organisation. They then set intentional targets for all time contribution categories, not just chargeable hours, and diligently tracked their progress. This approach led to a significant shift in mindset and behaviour, resulting in a continued decline in administrative time firm-wide. By valuing all contributions and promoting mindful time management, the firm optimised efficiency and created a more productive work environment.

Request access to the **contribution** measurement framework categories

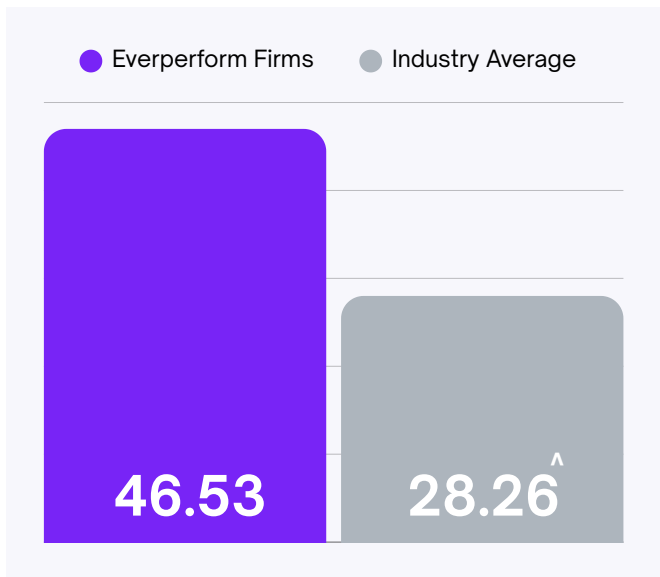
4. Productivity.

Productivity Overview.

The Everperform productivity category profiles the productivity levels of every individual against their target level of productivity. By focusing on individuals, the metric can reveal the true performance profile of each team and service line, as well as the firm overall. This score is the percentage of total employees that are meeting their productivity target each month. Increasing this percentage will often lead to an increase in revenue per employee and a healthier balance of contributors, meaning workload is being performed by more people.

Increase productive employees.

Percentage of billable employees that are meeting their individual productivity target.
Higher percentage of productive employees results in higher productivity.



Revenue increase.

This is the average increase in revenue generated per performing employee.

\$70,902

Per employee, per annum

“Employees who are not engaged or who are actively disengaged cost the world \$8.8 trillion in lost productivity. That’s equal to 9% of global GDP..”

Gallup State of the Global Workplace: 2023 Report

Insight.

The results in February represent a strong rebound from the January data, with an 8% increase in the percentage of performers meeting their productivity target month on month. This result, in combination with the results above indicate that the increase in productivity had both positive impacts and negative impacts on the 3 other key metrics above. Although this is to be expected, the intent is to achieve productive outcomes in a sustainable way, and therefore we will be watching this trend with interest into March and beyond.

Client success story.

An Australian firm with 120 employees saw a significant jump in managers engaging in regular conversations with their teams. For the first time, managers had clear scorecards with access to their team's targets and progress, fostering transparency and accountability. This data-driven approach allowed HR to implement a quarterly process focused on employee growth and career development. As a result, the firm experienced a surge in employee engagement and performance, demonstrating the power of effective communication and goal setting.

[Read more client success stories](#)

[^] Everperform analysis of firms not on the index from 2022-2024

PERFORMANCE INDEX REPORT

Performance Index

Scorecard Overview

These four key metrics are the focus of this index research report series and will be the key scorecard of success for firms to succeed as we progress through 2025 and beyond.

February 2025

Everperform Firms
Index average

Everperform Benchmark
Top quartile

Industry Average
External sources

Safety

Minimise safety risks.
Improve retention and engagement.

9.14

1.89

24.05

Engagement

Maximise engaged employees.
Improve retention and productivity.

50.54

97.5

21.37

Utilisation

Minimise wasted time.
Improve productivity and revenue.

19.75

5.92

29.83

Productivity

Maximise productive employees.
Increase sustainable firm value.

46.53

87.5

28.26

The Performance Index is underpinned by an extensive data set that covers a much broader range of metrics that firms utilise to help benchmark themselves against. This is released every month upon request, along with the monthly performance index report.

Request access to the **performance index data sheet**



EVERPERFORM

Predicting Employee Risks.

As we navigate the complexities of 2025, Australian firms face an evolving regulatory landscape demanding a proactive stance on employee wellbeing, particularly concerning psychosocial hazards. Anticipated increases in burnout necessitate a shift from reactive measures to preventative and proactive strategies.

Three Key Proactive Strategies for 2025:

To effectively address employee risks and ensure regulatory compliance, firms and their leaders should implement the following strategies:

1. Leverage Lead Indicators to Predict Risks:

- Shift from lagging indicators (e.g., burnout rates, absenteeism) to lead indicators (e.g. workloads, communication patterns, employee sentiment).
- Utilise data analytics to identify early warning signs of potential psychosocial hazards.
- This empowers firms to intervene before issues escalate, preventing burnout and fostering a healthier work environment.

2. Implement Frequent and Consistent Measurement:

- Move beyond annual or semi-annual surveys to implement frequent, real-time measurement of employee wellbeing.
- Utilise tools and platforms that provide continuous insights into employee sentiment, stress levels, and engagement.
- This allows for agile responses to emerging issues and ensures that mitigation strategies are effective.

3. Integrate Psychosocial Risk Management into Monthly/Quarterly Management Processes:

- Incorporate discussions of employee wellbeing and psychosocial risk into regular management meetings.
- Establish clear accountability for addressing identified risks and implementing mitigation strategies.
- This ensures that employee well-being is a core business priority, not an afterthought.

Take the first proactive step.

To prepare your organisation for the challenges and opportunities of 2025, it is crucial to adopt a proactive approach to employee well-being. By leveraging lead indicators, implementing frequent measurement, and integrating psychosocial risk management into your core business processes, you can build a resilient and thriving workforce.

Value from this report?

Subscribe to receive this index report next month