INTERNATIONAL UNION OF ARCHITECTS

Appendix - III -

to the Recommended Guideline for the Accord Policy on the Development of Architects Compensation

Calculation of Hourly Rates in Architects Offices

Introduction

The first of the basic elements of any compensation calculation is

The Hourly Rate
for every member of the office

The hourly rate is composed of

- Individual fee-earning working hours per year
  Starting from the total 2.920 hours of a year (365 days à 8 hours) = 100%
  and after subtraction of Saturdays / Sundays / legal holidays, contractual holidays, days of illness (statistical average) and other paid non-working days which in some regions of the world amount to >40% of the initial 100%,
  additional not fee earning working hours are spent on
  - general office administration tasks
  - CPD
  - acquisition / architectural competitions
  - other not fee-earning activities
  which amount up to another <10% of the initial 100%.
  Finally only approx. 1.456 (<50%) of the initial 2.920 hours remain as effective fee-earning working hours of an average employee.
  These figures which resemble e.g. an European average will probably differ considerably in various regions around the world, due to different cultural, social and religious traditions and to different market conditions.

  In other traditions the usual starting figure already neglects the non-working days Saturday and Sunday which normally leads to 261 days à 8 h = 2.088 h = 100% (Variation 260 – 262 days).
  The respective percentages are:
  >17,5% non-working days due to working time- and social legislation,
  <12,5% working days with non fee-earning activities and a remaining
  <70% effective fee-earning working hours.

  The percentage of fee-earning working hours will decrease with growing experience and responsibilities of an employee. It will be considerably lower for the office principals and considerably higher for technical drafting personnel.

The individual share of any member of the office in the yearly total expense of the office (proportionate to her/his share in the total fee-earning working hours of the office)
consists of:

- the individual gross salary
- the individual social expense (legal + voluntary)
- a share in salaries and social expenses for non fee-earning office personnel
- a share in material expense for
  - office space
  - furniture
  - telecommunication
  - information technology
  - general working material
  - vehicles
  - transportation / travelling
  - acquisition / representation / entertainment
  - external consultation (tax, legal)
  - insurances
  - competence securing
  - fees to professional organisations
  - calculatory interest on capital
    (interest according to market conditions on 4 month expenses without owners salary)
  to mention only the main groups
- a share in the calculatory owners / principals salary

These five expense items represent the **net expense**

Calculation of Hourly Rates in Architects Offices

Introduction

On the net expense should be added

- a surplus for building up an investment reserve
- a surplus for risk + profit

The resulting rate per hour will be 200 - >240% of the hourly rate of the gross salary alone.

Mastering this basic of office management and keeping the necessary time- and book-keeping-records is an indispensable obligation for any architect who runs his own office.
Professional organisations should provide their members with appropriate IT based tools.

It has to be pointed out, that different traditions exist about handling these expenses. In some countries many of the above expense items belong to the reimbursable expenses and are reimbursed directly.

Use of the Calculation Sheets

General direction
Entries in the **Green Cells** in the Calculation sheets may be altered by the user
Furthergoing Adaptations should only be executed by experienced MS Excel users !

This file contains the introduction and 6 calculation sheets, linked to each other.

- **Legal Holidays**
  The example shows the situation for 2011 in Northern Germany
  Legal Holidays may be added or taken out according to the local situation
  Figures (results) in the last line 'Total' are linked to other sheets
  When adapting the Calendar for another year, this line must be preserved !
  For a leap year the 365 days/year in the headline must be adjusted to 366 !

- **Project Hours**
  In this sheet the effective fee-earning working hours for the different members of the office are calculated and linked to sheet 'Individual Data Personnel'
  Figures for payed holidays may be adapted to different legislation resp. to contract details
  Figures for days of illness and other individual paid absences from work show statistical averages for Central Europe and may be adapted to different regional experiences

- **Individual Data Personnel**
  The example shows 7 data boxes for employed personnel + 1 box for the owner
  1., 1.1 and 1.2 are linked to sheet 'Project Hours'.
  Figures for
  - Gross Salary
  - Legal social expense
  - Voluntary social expense

  may be altered individually
  The other cells contain formulas or links to other sheets and are blocked

- **Total Material**
  This sheet contains the list of all material expense.
  Expense items and figures may be altered
  The list may be reduced or expanded to meet individual situations
  (experienced MS Excel user only. Column E to be preserved !)

- **Total Expense**
  This sheet shows the result of all expenses from previous sheets. It is just for information, no individual alterations foreseen.

- **Total Personnel**
  This sheet shows the result of all expenses from previous sheets, allocated to the individual employees of the office, as well as some figures and relations of general mangement interest.
  Only variables are the percentages for risk + profit and for building up an investment reserve
  Column **'t'** shows the individual hourly rates, the essential result of the the whole calculation.

Legal Holidays year 2011 **365 days/year**

			Sat/Sun	Holiday fixed	Holiday moving		**GER North**
CW 52/10	Sat	1-Jan	**1**	**New Year**			
	Sun	2-Jan	**1**				
CW 1	Mon	3-Jan					
	Tue	4-Jan					
	Wed	5-Jan					
	Thu	6-Jan		3 Kings			
	Fri	7-Jan					
	Sat	8-Jan	**1**				
	Sun	9-Jan	**1**				
CW 2	Mon	10-Jan					
	Tue	11-Jan					
	Wed	12-Jan					
	Thu	13-Jan					
	Fri	14-Jan					
	Sat	15-Jan	**1**				
	Sun	16-Jan	**1**				
CW 3	Mon	17-Jan					
	Tue	18-Jan					
	Wed	19-Jan					
	Thu	20-Jan					
	Fri	21-Jan					
	Sat	22-Jan	**1**				
	Sun	23-Jan	**1**				
CW 4	Mon	24-Jan					
	Tue	25-Jan					
	Wed	26-Jan					
	Thu	27-Jan					
	Fri	28-Jan					
	Sat	29-Jan	**1**				
	Sun	30-Jan	**1**				
CW 5	Mon	31-Jan					
	Tue	1-Feb					
	Wed	2-Feb					
	Thu	3-Feb					
	Fri	4-Feb					
	Sat	5-Feb	**1**				
	Sun	6-Feb	**1**				
CW 6	Mon	7-Feb					
	Tue	8-Feb					
	Wed	9-Feb					
	Thu	10-Feb					
	Fri	11-Feb					
	Sat	12-Feb	**1**				
	Sun	13-Feb	**1**				

Legal Holidays year 2011 **365 days/year**

			Sat/Sun	Holiday fixed	Holiday moving		**GER North**
CW 7	Mon	14-Feb					
	Tue	15-Feb					
	Wed	16-Feb					
	Thu	17-Feb					
	Fri	18-Feb					
	Sat	19-Feb	**1**				
	Sun	20-Feb	**1**				
CW 8	Mon	21-Feb					
	Tue	22-Feb					
	Wed	23-Feb					
	Thu	24-Feb					
	Fri	25-Feb					
	Sat	26-Feb	**1**				
	Sun	27-Feb	**1**				
CW 9	Mon	28-Feb					
	Tue	1-Mar					
	Wed	2-Mar					
	Thu	3-Mar					
	Fri	4-Mar					
	Sat	5-Mar	**1**				
	Sun	6-Mar	**1**				
CW 10	Mon	7-Mar			Carnival		
	Tue	8-Mar					
	Wed	9-Mar					
	Thu	10-Mar					
	Fri	11-Mar					
	Sat	12-Mar	**1**				
	Sun	13-Mar	**1**				
CW 11	Mon	14-Mar					
	Tue	15-Mar					
	Wed	16-Mar					
	Thu	17-Mar					
	Fri	18-Mar					
	Sat	19-Mar	**1**				
	Sun	20-Mar	**1**				
CW 12	Mon	21-Mar					
	Tue	22-Mar					
	Wed	23-Mar					
	Thu	24-Mar					
	Fri	25-Mar					
	Sat	26-Mar	**1**				
	Sun	27-Mar	**1**				

Legal Holidays year 2011 **365 days/year**

			Sat/Sun	Holiday fixed	Holiday moving		**GER North**
CW 13	Mon	28-Mar					
	Tue	29-Mar					
	Wed	30-Mar					
	Thu	31-Mar					
	Fri	1-Apr					
	Sat	2-Apr	**1**				
	Sun	3-Apr	**1**				
CW 14	Mon	4-Apr					
	Tue	5-Apr					
	Wed	6-Apr					
	Thu	7-Apr					
	Fri	8-Apr					
	Sat	9-Apr	**1**				
	Sun	10-Apr	**1**				
CW 15	Mon	11-Apr					
	Tue	12-Apr					
	Wed	13-Apr					
	Thu	14-Apr					
	Fri	15-Apr					
	Sat	16-Apr	**1**				
	Sun	17-Apr	**1**				
CW 16	Mon	18-Apr					
	Tue	19-Apr					
	Wed	20-Apr					
	Thu	21-Apr					
	Fri	22-Apr			**Good Friday**		**1**
	Sat	23-Apr	**1**				
	Sun	24-Apr	**1**		**Easter**		
CW 17	Mon	25-Apr			**Easter**		**1**
	Tue	26-Apr					
	Wed	27-Apr					
	Thu	28-Apr					
	Fri	29-Apr					
	Sat	30-Apr	**1**				
	Sun	1-May	**1**	**Labour Day**			
CW 18	Mon	2-May					
	Tue	3-May					
	Wed	4-May					
	Thu	5-May					
	Fri	6-May					
	Sat	7-May	**1**				
	Sun	8-May	**1**				

Legal Holidays year 2011 **365 days/year**

			Sat/Sun	Holiday fixed	Holiday moving		**GER North**
CW 19	Mon	9-May					
	Tue	10-May					
	Wed	11-May					
	Thu	12-May					
	Fri	13-May					
	Sat	14-May	**1**				
	Sun	15-May	**1**				
CW 20	Mon	16-May					
	Tue	17-May					
	Wed	18-May					
	Thu	19-May					
	Fri	20-May					
	Sat	21-May	**1**				
	Sun	22-May	**1**				
CW 21	Mon	23-May					
	Tue	24-May					
	Wed	25-May					
	Thu	26-May					
	Fri	27-May					
	Sat	28-May	**1**				
	Sun	29-May	**1**				
CW 22	Mon	30-May					
	Tue	31-May					
	Wed	1-Jun					
	Thu	2-Jun			**Assumption**		**1**
	Fri	3-Jun					
	Sat	4-Jun	**1**				
	Sun	5-Jun	**1**				
CW 23	Mon	6-Jun					
	Tue	7-Jun					
	Wed	8-Jun					
	Thu	9-Jun					
	Fri	10-Jun					
	Sat	11-Jun	**1**				
	Sun	12-Jun	**1**		**Pentecost**		
CW 24	Mon	13-Jun			**Pentecost**		**1**
	Tue	14-Jun					
	Wed	15-Jun					
	Thu	16-Jun					
	Fri	17-Jun					
	Sat	18-Jun	**1**				
	Sun	19-Jun	**1**				

Legal Holidays year 2011 **365 days/year**

			Sat/Sun	Holiday fixed	Holiday moving		**GER North**
CW 25	Mon	20-Jun					
	Tue	21-Jun					
	Wed	22-Jun					
	Thu	23-Jun			Corpus Christi		
	Fri	24-Jun					
	Sat	25-Jun	**1**				
	Sun	26-Jun	**1**				
CW 26	Mon	27-Jun					
	Tue	28-Jun					
	Wed	29-Jun					
	Thu	30-Jun					
	Fri	1-Jul					
	Sat	2-Jul	**1**				
	Sun	3-Jul	**1**				
CW 27	Mon	4-Jul					
	Tue	5-Jul					
	Wed	6-Jul					
	Thu	7-Jul					
	Fri	8-Jul					
	Sat	9-Jul	**1**				
	Sun	10-Jul	**1**				
CW 28	Mon	11-Jul					
	Tue	12-Jul					
	Wed	13-Jul					
	Thu	14-Jul					
	Fri	15-Jul					
	Sat	16-Jul	**1**				
	Sun	17-Jul	**1**				
CW 29	Mon	18-Jul					
	Tue	19-Jul					
	Wed	20-Jul					
	Thu	21-Jul					
	Fri	22-Jul					
	Sat	23-Jul	**1**				
	Sun	24-Jul	**1**				
CW 30	Mon	25-Jul					
	Tue	26-Jul					
	Wed	27-Jul					
	Thu	28-Jul					
	Fri	29-Jul					
	Sat	30-Jul	**1**				
	Sun	31-Jul	**1**				

Legal Holidays year 2011 **365 days/year**

			Sat/Sun	Holiday fixed	Holiday moving		**GER North**
CW 31	Mon	1-Aug					
	Tue	2-Aug					
	Wed	3-Aug					
	Thu	4-Aug					
	Fri	5-Aug					
	Sat	6-Aug	**1**				
	Sun	7-Aug	**1**				
CW 32	Mon	8-Aug					
	Tue	9-Aug					
	Wed	10-Aug					
	Thu	11-Aug					
	Fri	12-Aug					
	Sat	13-Aug	**1**				
	Sun	14-Aug	**1**				
CW 33	Mon	15-Aug		Mary Assumption			
	Tue	16-Aug					
	Wed	17-Aug					
	Thu	18-Aug					
	Fri	19-Aug					
	Sat	20-Aug	**1**				
	Sun	21-Aug	**1**				
CW 34	Mon	22-Aug					
	Tue	23-Aug					
	Wed	24-Aug					
	Thu	25-Aug					
	Fri	26-Aug					
	Sat	27-Aug	**1**				
	Sun	28-Aug	**1**				
CW 35	Mon	29-Aug					
	Tue	30-Aug					
	Wed	31-Aug					
	Thu	1-Sep					
	Fri	2-Sep					
	Sat	3-Sep	**1**				
	Sun	4-Sep	**1**				
CW 36	Mon	5-Sep					
	Tue	6-Sep					
	Wed	7-Sep					
	Thu	8-Sep					
	Fri	9-Sep					
	Sat	10-Sep	**1**				
	Sun	11-Sep	**1**				

Legal Holidays year 2011 **365 days/year**

			Sat/Sun	Holiday fixed	Holiday moving	GER North	
CW 37	Mon	12-Sep					
	Tue	13-Sep					
	Wed	14-Sep					
	Thu	15-Sep					
	Fri	16-Sep					
	Sat	17-Sep	**1**				
	Sun	18-Sep	**1**				
CW 38	Mon	19-Sep					
	Tue	20-Sep					
	Wed	21-Sep					
	Thu	22-Sep					
	Fri	23-Sep					
	Sat	24-Sep	**1**				
	Sun	25-Sep	**1**				
CW 39	Mon	26-Sep					
	Tue	27-Sep					
	Wed	28-Sep					
	Thu	29-Sep					
	Fri	30-Sep					
	Sat	1-Oct	**1**				
	Sun	2-Oct	**1**				
CW 40	Mon	3-Oct		**National Day**		**1**	
	Tue	4-Oct					
	Wed	5-Oct					
	Thu	6-Oct					
	Fri	7-Oct					
	Sat	8-Oct	**1**				
	Sun	9-Oct	**1**				
CW 41	Mon	10-Oct					
	Tue	11-Oct					
	Wed	12-Oct					
	Thu	13-Oct					
	Fri	14-Oct					
	Sat	15-Oct	**1**				
	Sun	16-Oct	**1**				
CW 42	Mon	17-Oct					
	Tue	18-Oct					
	Wed	19-Oct					
	Thu	20-Oct					
	Fri	21-Oct					
	Sat	22-Oct	**1**				
	Sun	23-Oct	**1**				

Legal Holidays year 2011 **365 days/year**

			Sat/Sun	Holiday fixed	Holiday moving		**GER North**
CW 43	Mon	24-Oct					
	Tue	25-Oct					
	Wed	26-Oct					
	Thu	27-Oct					
	Fri	28-Oct					
	Sat	29-Oct	**1**				
	Sun	30-Oct	**1**				
CW 44	Mon	31-Oct		Reformation Day			
	Tue	1-Nov		All Saints' Day			
	Wed	2-Nov					
	Thu	3-Nov					
	Fri	4-Nov					
	Sat	5-Nov	**1**				
	Sun	6-Nov	**1**				
CW 45	Mon	7-Nov					
	Tue	8-Nov					
	Wed	9-Nov					
	Thu	10-Nov					
	Fri	11-Nov					
	Sat	12-Nov	**1**				
	Sun	13-Nov	**1**				
CW 46	Mon	14-Nov					
	Tue	15-Nov					
	Wed	16-Nov			Day of Penance		
	Thu	17-Nov					
	Fri	18-Nov					
	Sat	19-Nov	**1**				
	Sun	20-Nov	**1**				
CW 47	Mon	21-Nov					
	Tue	22-Nov					
	Wed	23-Nov					
	Thu	24-Nov					
	Fri	25-Nov					
	Sat	26-Nov	**1**				
	Sun	27-Nov	**1**				
CW 48	Mon	28-Nov					
	Tue	29-Nov					
	Wed	30-Nov					
	Thu	1-Dec					
	Fri	2-Dec					
	Sat	3-Dec	**1**				
	Sun	4-Dec	**1**				

Legal Holidays year 2011 **365 days/year**

			Sat/Sun	Holiday fixed	Holiday moving	GER North	
CW 49	Mon	5-Dec					
	Tue	6-Dec					
	Wed	7-Dec					
	Thu	8-Dec					
	Fri	9-Dec					
	Sat	10-Dec	**1**				
	Sun	11-Dec	**1**				
CW 50	Mon	12-Dec					
	Tue	13-Dec					
	Wed	14-Dec					
	Thu	15-Dec					
	Fri	16-Dec					
	Sat	17-Dec	**1**				
	Sun	18-Dec	**1**				
CW 51	Mon	19-Dec					
	Tue	20-Dec					
	Wed	21-Dec					
	Thu	22-Dec					
	Fri	23-Dec					
	Sat	24-Dec	**1**	Christmas Eve			
	Sun	25-Dec	**1**	**1. Christmas**			
CW 52	Mon	26-Dec		**2. Christmas**		**1**	
	Tue	27-Dec					
	Wed	28-Dec					
	Thu	29-Dec					
	Fri	30-Dec					
	Sat	31-Dec	**1**	New Years Eve			
	Total		**105**			**2**	**4**

Calculation of Hourly Rates in Architects Offices
Calculation of average project hours / year

Year: 2011 **Region:** Northern Germany

Architect Owner / Partner

a	b	c	d	e	f
No.		days	h per day	total h	%
1.1		365	8	2,920	140.38%
1.2	Saturdays / Sundays [1]	105	8	840	40.38%
1.0	**Calendaric Workingtime**	**260**		**2,080**	**100.00%**
2.11	Legal Holidays [1]	6	8	48	2.31%
2.12	Paid Holidays [2]	20	8	160	7.69%
2.13	Illness [3]	5	8	40	1.92%
2.14	Other [3]	2	8	16	0.77%
2.1	**Non-Workingdays due to Calendar and general human reasons**	**33**		**264**	**12.69%**
2.0	**Remaining effective workingtime**	**227**		**1,816**	**87.31%**
3.1	General Office Organisation	15	8	120	5.77%
3.2	CPD	7	8	56	2.69%
3.3	Acquisition / Competition	50	8	400	19.23%
3.4	Profess. Politics Activities	15	8	120	5.77%
3.5	other non fee-earning	7	8	56	2.69%
3.0	**Workingtime non fee-earning**	**94**		**752**	**36.15%**
4.0	**Remaining workingtime fee-earning**	**133**		**1,064**	**51.15%**

[1] Depends on national and regional regulations
[2] Depends on partnership contract or similar
[3] statistical median

30.09.2010/ Sven Silcher

Calculation of Hourly Rates in Architects Offices
Calculation of average project hours / year

Year: 2011 **Region:** Northern Germany

Experienced Employed Architect, executive functions

a	b	c	d	e	f
No.		days	h per day	total h	%
1.1		365	8	2,920	140.38%
1.2	Saturdays / Sundays [1]	105	8	840	40.38%
1.0	**Calendaric Workingtime**	**260**		**2,080**	**100.00%**
2.11	Legal Holidays [1]	6	8	48	2.31%
2.12	Paid Holidays [2]	25	8	200	9.62%
2.13	Illness [3]	10	8	80	3.85%
2.14	Other [3]	3	8	24	1.15%
2.1	**Non-Workingdays due to Workingtime- and Social Legislation**	**44**		**352**	**16.92%**
2.0	**Remaining effective workingtime**	**216**		**1,728**	**83.08%**
3.1	General Office Organisation	10	8	80	3.85%
3.2	CPD	5	8	40	1.92%
3.3	Acquisition / Competition	15	8	120	5.77%
3.4	other non fee-earning	3	8	24	1.15%
3.0	**Workingtime non fee-earning**	**33**		**264**	**12.69%**
4.0	**Remaining workingtime fee-earning**	**183**		**1,464**	**70.38%**

[1] Depends on national and regional regulations
[2] Depends on working contract resp. tariff
[3] statistical median

30.09.2010/ Sven Silcher

Calculation of Hourly Rates in Architects Offices
Calculation of average project hours / year

Year: 2011 **Region:** Northern Germany

Experienced employed Architect 3/4 time

a	b	c	d	e	f
No.		days	h per day	total h	%
1.1		365	6	2,190	140.38%
1.2	Saturdays / Sundays	105	6	630	40.38%
1.0	**Calendaric Workingtime**	**260**		**1,560**	**100.00%**
2.11	Legal Holidays [1)]	6	6	36	2.31%
2.12	Payed Holidays [2)]	25	6	150	9.62%
2.13	Illness [3)]	10	6	60	3.85%
2.14	Other [3)]	3	6	18	1.15%
2.1	**Non-Workingdays due to Workingtime- and Social Legislation**	**44**		**264**	**16.92%**
2.0	**Remaining effective workingtime**	**216**		**1,296**	**83.08%**
3.1	General Office Organisation	10	6	60	3.85%
3.2	CPD	5	6	30	1.92%
3.3	Acquisition / Competition	15	6	90	5.77%
3.4	other non fee-earning	3	6	18	1.15%
3.0	**Workingtime non fee-earning**	**33**		**198**	**12.69%**
4.0	**Remaining workingtime fee-earning**	**183**		**1,098**	**70.38%**

1) Depends on national and regional regulations
2) Depends on working contract resp. tariff
3) statistical median

30.09.2010/ Sven Silcher

Calculation of Hourly Rates in Architects Offices
Calculation of average project hours / year

Year: 2011 **Region:** Northern Germany

Standard Technical Employee

a	b	c	d	e	f
No.		days	h per day	total h	%
1.1		365	8	2,920	140.38%
1.2	Saturdays / Sundays	105	8	840	40.38%
1.0	**Calendaric Workingtime**	**260**		**2,080**	**100.00%**
2.11	Legal Holidays [1)]	6	8	48	2.31%
2.12	Payed Holidays [2)]	25	8	200	9.62%
2.13	Illness [3)]	10	8	80	3.85%
2.14	Other [3)]	3	8	24	1.15%
2.1	**Non-Workingdays due to Workingtime- and Social Legislation**	**44**		**352**	**16.92%**
2.0	**Remaining effective workingtime**	**216**		**1,728**	**83.08%**
3.1	General Office Organisation	6	8	48	2.31%
3.2	CPD	5	8	40	1.92%
3.3	Acquisition / Competition	10	8	80	3.85%
3.4	other non fee-earning	3	8	24	1.15%
3.0	**Workingtime non fee-earning**	**24**		**192**	**9.23%**
4.0	**Remaining workingtime fee-earning**	**192**		**1,536**	**73.85%**

1) Depends on national and regional regulations
2) Depends on working contract resp. tariff
3) statistical median

25.08.2010/ Sven Silcher

Calculation of Hourly Rates in Architects Offices
Calculation of average project hours / year

Year: 2011 **Region:** Northern Germany

Secretary 1/2 time

a	b	c	d	e	f
No.		days	h per day	total h	%
1.1		365	4	1,460	140.38%
1.2	Saturdays / Sundays	105	4	420	40.38%
1.0	**Calendaric Workingtime**	**260**		**1,040**	**100.00%**
2.11	Legal Holidays [1]	6	4	24	2.31%
2.12	Payed Holidays [2]	25	4	100	9.62%
2.13	Illness [3]	10	4	40	3.85%
2.14	Other [3]	3	4	12	1.15%
2.1	**Non-Workingdays due to Workingtime- and Social Legislation**	**44**		**176**	**16.92%**
2.0	**Remaining effective workingtime**	**216**		**864**	**83.08%**
3.1	General Office Organisation	45	4	180	17.31%
3.2	CPD	2	4	8	0.77%
3.3	Acquisition / Competition	7	4	28	2.69%
3.4	other non fee-earning	5	4	20	1.92%
3.0	**Workingtime non fee-earning**	**59**		**236**	**22.69%**
4.0	**Remaining workingtime fee-earning**	**157**		**628**	**60.38%**

[1] Depends on national and regional regulations
[2] Depends on working contract resp. tariff
[3] statistical median

30.09.2010/ Sven Silcher

Calculation of Hourly Rates in Architects Offices
Calculation of average project hours / year

Year: 2011 **Region:** Northern Germany

Apprentice

a	b	c	d	e	f
No.		days	h per day	total h	%
1.1		365	8	2,920	140.38%
1.2	Saturdays / Sundays	105	8	840	40.38%
1.0	**Calendaric Workingtime**	**260**		**2,080**	**100.00%**
2.11	Legal Holidays [1]	6	8	48	2.31%
2.12	Payed Holidays [2]	25	8	200	9.62%
2.13	Illness [3]	10	8	80	3.85%
2.14	Other [3]	2	8	16	0.77%
2.1	**Non-Workingdays due to Workingtime- and Social Legislation**	**43**		**344**	**16.54%**
2.0	**Remaining effective workingtime**	**217**		**1,736**	**83.46%**
3.1	General Office Organisation	10	8	80	3.85%
3.2	Technical College	60	8	480	23.08%
3.3	Acquisition / Competition	5	8	40	1.92%
3.4	other non fee-earning	10	8	80	3.85%
3.0	**Workingtime non fee-earning**	**85**		**680**	**32.69%**
4.0	**Remaining workingtime fee-earning**	**132**		**1,056**	**50.77%**

[1] Depends on national and regional regulations
[2] Depends on working contract resp. tariff
[3] statistical median

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Calculation of Hourly Rates in Architects Offices

Expenses in Architects Office

Year 2011

Individual Data Personnel

User may alter figures in green Cells

Name: Owner / Partner

		per month	month	per year
1.	Total Hours	173.33	12.0	2,080
1.1	Project Hours (calc.)	89	12.0	1,064
2.1	Gross Salary	5,750.00 EUR	12.0	69,000.00 EUR
2.2	Old age Insurance	575.00 EUR	12.0	6,900.00 EUR
2.3	Health insurance	431.25 EUR	12.0	5,175.00 EUR
2.	**Total**	6,756.25 EUR		**81,075.00 EUR**

Name: Architect 1 **Time Factor 100.0%**

Experienced, Executive Functions

		per month	month	per year
1.	Total Hours (contract)	173.33		2,080
1.1	Payed Holidays (contract)	16.67		200
1.2	Project Hours (calc.)	122		1,464
2.1	Gross Salary	3,750.00 EUR	13.0	48,750.00 EUR
2.2	Legal social expense	825.00 EUR	13.0	10,725.00 EUR
2.3	Voluntary social expense	90.00 EUR	13.0	1,170.00 EUR
2.	**Total**	4,665.00 EUR		**60,645.00 EUR**

Name: Architect 2 (3/4 Time) **Time Factor 75.0%**

<5 years experience

		per month	month	per year
1.	Total Hours (contract)	130.00		1,560
1.1	Payed Holidays (contract)	12.50		150
1.2	Project Hours (calc.)	92		1,098
2.1	Gross Salary	1,600.00 EUR	13.0	20,800.00 EUR
2.2	Legal social expense	352.00 EUR	13.0	4,576.00 EUR
2.3	Voluntary social expense	90.00 EUR	13.0	1,170.00 EUR
2.	**Total**	2,042.00 EUR		**26,546.00 EUR**

Name: Architect 3 **Time Factor 100.0%**

>5 years experience

		per month	month	per year
1.	Total Hours (contract)	173.33		2,080
1.1	Payed Holidays (contract)	16.67		200
1.2	Project Hours (calc.)	122		1,464
2.1	Gross Salary	2,900.00 EUR	13.0	37,700.00 EUR
2.2	Legal social expense	638.00 EUR	13.0	8,294.00 EUR
2.3	Voluntary social expense	90.00 EUR	13.0	1,170.00 EUR
2.	**Total**	3,628.00 EUR		**47,164.00 EUR**

Calculation of Hourly Rates in Architects Offices

Expenses in Architects Office

Year 2011

Individual Data Personnel

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Name: **Technical Employee 1**
>5 years experience

Time Factor **100.0%**

		per month	month	per year
1.	Total Hours (contract)	173.33		2,080
1.1	Payed Holidays (contract)	16.67		200
1.2	Project Hours (calc.)	122		1,464
2.1	Gross Salary	2,250.00 EUR	13.0	29,250.00 EUR
2.2	Legal social expense	495.00 EUR	13.0	6,435.00 EUR
2.3	Voluntary social expense	90.00 EUR	13.0	1,170.00 EUR
2.	**Total**	2,835.00 EUR		**36,855.00 EUR**

Name: **Technical Employee 1**
<5 years experience

Time Factor **100.0%**

		per month	month	per year
1.	Total Hours (contract)	173.33		2,080
1.1	Payed Holidays (contract)	16.67		200
1.2	Project Hours (calc.)	128		1,536
2.1	Gross Salary	1,800.00 EUR	13.0	23,400.00 EUR
2.2	Legal social expense	396.00 EUR	13.0	5,148.00 EUR
2.3	Voluntary social expense	90.00 EUR	13.0	1,170.00 EUR
2.	**Total**	2,286.00 EUR		**29,718.00 EUR**

Name: **Secretary (Half Time)**

Time Factor **50.0%**

		per month	month	per year
1.	Total Hours (contract)	86.67		1,040
1.1	Payed Holidays (contract)	8.33		100
1.2	Project Hours (calc.)	0		0
2.1	Gross Salary	1,050.00 EUR	13.0	13,650.00 EUR
2.2	Legal social expense	231.00 EUR	13.0	3,003.00 EUR
2.3	Voluntary social expense	90.00 EUR	13.0	1,170.00 EUR
2.	**Total**	1,371.00 EUR		**17,823.00 EUR**

Name: **Apprentice**

Time Factor **100.0%**

		per month	month	per year
1.	Total Hours (contract)	173.33		2,080
1.1	Payed Holidays (contract)	16.67		200
1.2	Project Hours (calc.)	0		0
2.1	Gross Salary	450.00 EUR	13.0	5,850.00 EUR
2.2	Legal social expense	99.00 EUR	13.0	1,287.00 EUR
2.3	Voluntary social expense	40.00 EUR	13.0	520.00 EUR
2.	**Total**	589.00 EUR		**7,657.00 EUR**

Calculation of Hourly Rates in Architects Offices

Expenses in Architects Office

Year 2011

Individual Data Personnel

User may alter figures in green Cells

Expenses in Architects Office
Material Expenses

	Rent	15,000.00	
	Heating etc.	1,920.00	
	Cleaning	2,600.00	
	Window cleaning	540.00	
	Electricity, gas, water	1,440.00	
	Other costs of office space	500.00	
1.0	**Cost of office space**		**22,000.00**
	Working tables	450.00	
	Conference Table	250.00	
	Chairs	325.00	
	Seating Furniture	450.00	
	Shelves	437.50	
	Drawing Storage	375.00	
	Pinwall	100.00	
	Archive Furniture	380.00	
	Safe	250.00	
	other	382.50	
2.0	**Furniture (annuity)**		**3,400.00**
	Telephone Equip.	1,200.00	
	Facsimile Equip.	120.00	
	Telephone Cost	1,500.00	
	Use of Internet	360.00	
3.0	**Cost of Telecommunication**		**3,180.00**
	IT Central Unit, Net	1,600.00	
	Computer 1 (CAD, Text, Calculation, Quantity Surv., Graphic, Internet)	7,500.00	
	Computer 2 (Text, Calculation, Quantity Surv., Internet)	1,500.00	
	Printer / Copying (Toner / Ink incl.)	1,200.00	
	Scanner	100.00	
	Plotter (Toner / Ink incl.)	1,200.00	
	Maintenace	1,000.00	
	Sofware-Updates etc.	1,500.00	
4.0	**Cost of Information Technology**		**15,600.00**
	Paper	600.00	
	Writing- and Drawingmatierial	500.00	
	Despatching material	200.00	
5.0	**General Working Material**		**1,300.00**
	Vehicles, amortisation	14,000.00	
	Vehicles, gas / oil	3,600.00	
	Vehicles, maintenance, repair	1,500.00	
	Vehicles, tax	550.00	
	Vehicles, insurance	2,500.00	
6.0	**Cost of vehicles**		**22,150.00**
	Travelling	1,870.00	
	Postage	800.00	
	Courier service	1,200.00	
7.0	**Cost of Transportation**		**3,870.00**

Expenses in Architects Office
Material Expenses

	Restaurants	1,600.00	
	Presents	1,200.00	
	PR material	800.00	
	Brochures	1,400.00	
8.0	**Cost of Acquisition / Representation**		**5,000.00**
	Accounting	1,800.00	
	Tax consultant	4,500.00	
	Legal consultant	2,700.00	
9.0	**Cost of External Consultation**		**9,000.00**
	Fire insurance	600.00	
	Theft insurance	800.00	
	Accident insurance	1,200.00	
	Life insurance	2,400.00	
	Professional Liability insurance	30,000.00	
10.0	**Insurances**		**35,000.00**
	Material Cost CPD	1,500.00	
	Professional Literature	800.00	
	Professional Magazines	600.00	
11.0	**Cost of Competence Securing**		**2,900.00**
	Fees to Chamber	1,000.00	
	Fees to Professional Organisations	1,000.00	
	Fees to other Organisations	600.00	
12.0	**Fees to Professional Organisations**		**2,600.00**
	Calculatory Interest on Capital		
	(4 months expenses without owners salary)		
	8%	9,719.55	
13.0	**Calculatory Interest on Capital**		**9,719.55**
	Total		**135,719.55**

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Total Expenses in Architects Offices

a	b	c	d	e
No.	Type of expense	Expense	% of Total Expense	Direct Expense
		EUR / year	%	EUR / year
1.11	Calculatory salary owner	69,000.00 €	15.57%	69,000.00 €
1.12	Old age insurance owner	6,900.00 €	1.56%	0.00 €
1.13	Health Insurance owner	5,175.00 €	1.17%	0.00 €
1.1	**Total expense personnel owner**	**81,075.00 €**	**18.29%**	**69,000.00 €**
1.21	Expense personnel architects	107,250.00 €	24.20%	0.00 €
1.22	Expense personnel technical employees	52,650.00 €	11.88%	0.00 €
1.23	Expense personnel secretaries	13,650.00 €	3.08%	0.00 €
1.24	Expense personnel apprentices	5,850.00 €	1.32%	0.00 €
1.25	Expense personnel other	0.00 €	0.00%	0.00 €
1.2	**Total expense employees**	**179,400.00 €**	**40.48%**	**0.00 €**
1.31	Legal social expense employees	39,468.00 €	8.91%	0.00 €
1.32	Voluntary social expense employees	7,540.00 €	1.70%	0.00 €
1.3	**Total social expense employees**	**47,008.00 €**	**10.61%**	**0.00 €**
1.1 -1.3	**Total Expense Personnel**	**307,483.00 €**	**69.38%**	**69,000.00 €**
2.0	Cost of office space	22,000.00 €	4.96%	0.00 €
3.0	Furniture	3,400.00 €	0.77%	0.00 €
4.0	Telecommunication	3,180.00 €	0.72%	0.00 €
5.0	Information Technology	15,600.00 €	3.52%	0.00 €
6.0	Working Material	1,300.00 €	0.29%	0.00 €
7.0	Vehicles	22,150.00 €	5.00%	0.00 €
8.0	Transportation	3,870.00 €	0.87%	0.00 €
9.0	Acquisition /Representation	5,000.00 €	1.13%	0.00 €
10.0	External Consultation	9,000.00 €	2.03%	0.00 €
11.0	Insurances	35,000.00 €	7.90%	0.00 €
12.0	Competence Securing	2,900.00 €	0.65%	0.00 €
13.0	Fees to professional organisations	2,600.00 €	0.59%	0.00 €
14.0	Calculatory interest on capital	9,719.55 €	2.19%	0.00 €
2.0-14.0	**Total Expense Material**	**135,719.55 €**	**30.62%**	**0.00 €**
1.0-14.0	**Total expenses**	**443,202.55 €**	**100.00%**	**69,000.00 €**

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Indirect Expense
EUR / year
0.00 €
6,900.00 €
5,175.00 €
12,075.00 €
107,250.00 €
52,650.00 €
13,650.00 €
5,850.00 €
0.00 €
179,400.00 €
39,468.00 €
7,540.00 €
47,008.00 €
238,483.00 €
22,000.00 €
3,400.00 €
3,180.00 €
15,600.00 €
1,300.00 €
22,150.00 €
3,870.00 €
5,000.00 €
9,000.00 €
35,000.00 €
2,900.00 €
2,600.00 €
9,719.55 €
135,719.55 €
374,202.55 €

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Calculation of Hourly Rates in Architects Offices

Basis : Total Expense Personnel

Surplus on net expense for building up an investment reserve: **4.80%**

Surplus on net expense for risk + profit: **10.00%**

a	b	c	d	e	f	g	h	i	k	l	m	n	o	p	q	r	s	t	u
No.	Name	Project h/year	% of tot. h	Salary €	% of tot. sal.	Social Expense €	% of ind. salary	% of tot. soc. exp.	Calc. Ent. Salary €	% of tot. ent. sal.	Material Expense €	% of tot. mat. exp.	Net Exp./h €	Risk/ Profit €	% of net cost/h	Investm. Reserve €	% of net cost/h	**Hourly Rate €**	% of gross salary / h
1	Architect 1	1,464	16.67%	48,750.00	27.17%	11,895.00	24.40%	25.30%	13,515.58	16.67%	22,625.08	16.67%	66.11	6.61	10.00%	3.17	4.80%	**75.89**	227.92%
2	Architect 2	1,098	12.50%	20,800.00	11.59%	5,746.00	27.63%	12.22%	10,136.68	12.50%	16,968.81	12.50%	48.86	4.89	10.00%	2.35	4.80%	**56.09**	296.11%
3	Architect 3	1,464	16.67%	37,700.00	21.01%	9,464.00	25.10%	20.13%	13,515.58	16.67%	22,625.08	16.67%	56.90	5.69	10.00%	2.73	4.80%	**65.32**	253.67%
4	Techn. Empl. 1	1,536	17.49%	29,250.00	16.30%	7,605.00	26.00%	16.18%	14,180.28	17.49%	23,737.78	17.49%	48.68	4.87	10.00%	2.34	4.80%	**55.89**	293.47%
5	Techn. Empl. 2	1,536	17.49%	23,400.00	13.04%	6,318.00	27.00%	13.44%	14,180.28	17.49%	23,737.78	17.49%	44.03	4.40	10.00%	2.11	4.80%	**50.55**	331.82%
6	Secretary	628	7.15%	13,650.00	7.61%	4,173.00	30.57%	8.88%	5,797.67	7.15%	9,705.29	7.15%	53.07	5.31	10.00%	2.55	4.80%	**60.92**	280.28%
7	Apprentice	1,056	12.02%	5,850.00	3.26%	1,807.00	30.89%	3.84%	9,748.94	12.02%	16,319.73	12.02%	31.94	3.19	10.00%	1.53	4.80%	**36.66**	661.83%
8	Total / Median	8,782	100.00%	179,400.00	100.00%	47,008.00	26.20%	100.00%	81,075.00	100.00%	135,719.55	100.00%	49.94	4.99	10.00%	2.40	4.80%	**57.33**	280.66%

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