

Benchmarking Guide

Compare, rank and benchmark your companies, clients or franchisees...

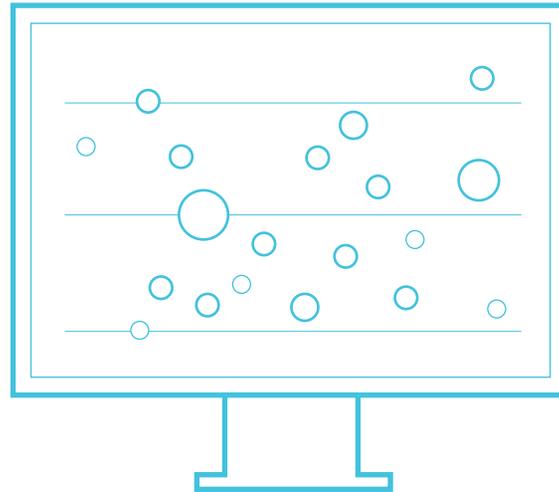


Table of Contents

OVERVIEW

03 Introduction

BENCHMARK SETTINGS

05 Benchmark setup

06 Step 1: Creating a benchmark group

07 Step 2: Segmentation

08 Step 3: Excluded KPIs

09 Step 4: Permissions

10 Step 5: Privacy

ANALYSIS

12 Analysis

13 Compare

14 On-the-fly benchmarking

17 Rank

18 Alerts

REPORTING

21 Benchmarking Reports (PDF)

22 Benchmarking Reports (Excel)

APPENDIX

23 Creating a KPI for benchmarking



OVERVIEW

Introduction

Fathom enables you to easily create your own benchmark studies. These features are useful for franchise groups, and multi-entity organisations. And also useful for advisors who wish to benchmark their clients. For advisors, a benchmark group may represent clients which operate in an industry vertical, or it could represent all clients.

Note: access to external benchmark data, or data from any other organisation is not provided.



Multi-entity organisations



Franchises



Advisors

Benchmark Settings



BENCHMARK SETTINGS

Benchmark setup

After importing and setting up your companies, the first step is to create a benchmark group. You can create a benchmarking group by clicking 'Create a Group' then 'Create a Benchmark Group'.

Note: only 'Administrator' users from your account can create benchmark groups.

The screenshot displays the Fathom dashboard interface. At the top, there is a search bar labeled 'find a company' and two buttons: '+ CREATE A GROUP' (highlighted with a hand cursor) and '+ ADD A COMPANY'. Below this is a table with columns for 'Companies and Groups', 'Source', 'Last accessed', and 'Last updated'. The table lists several benchmark groups and their associated companies.

Companies and Groups	Source	Last accessed	Last updated
Rams Group Benchmark Group	8	4 minutes ago	18th August
My Companies Benchmark Group	69	6 minutes ago	18th September
Lutebox Agency	Excel	21 minutes ago	2nd May
Bottleneck Craft Brewery	xero	-	2 hours ago
Jumbo Storage	xero	-	4 hours ago
Planet Paws Pet Supplies	qb intuit quickbooks.	-	10 hours ago
Acoustic Labs Consolidated Group	7	-	2nd October
My Consolidated Group Consolidated Group	10	-	2nd October
Vanderlay Industries Consolidated Group	2	-	28th September
ACME Constructions	qb intuit quickbooks.	-	27th September



BENCHMARK SETTINGS

Step 1: Creating a benchmark group

Start by adding companies to a benchmark group. Include the entities that you wish to compare by clicking the plus icon next to each entity.

Tip: You can create as many benchmark groups as you wish. A company can exist in multiple benchmark groups. A group can include up to 500 companies.

The screenshot displays the 'Benchmark Settings' interface for creating a new group. The page title is 'Benchmark Settings' with the subtitle 'Create a new Group'. A progress bar at the top indicates the current step is '1 Group Setup', with other steps being '2 Segmentation', '3 KPIs', '4 Privacy', and 'View Compare & Rank'. Below the progress bar, there is a 'Group Name' field containing 'My Benchmarking Group' and a red 'SAVE CHANGES' button. The main content area is titled 'Select the companies which belong to this benchmark group' and shows '6 companies selected'. On the left, there is a list of companies with a search filter and an 'Add All' button. A hand cursor is pointing to the plus icon next to 'Canvas Recruitment'. On the right, there is a list of selected companies with a 'Remove All' button.

Available Companies	Selected Companies
Breakdown Group	Acme Corporation
Canvas Recruitment	Acoustic Labs
Classic Style Homes	Allied Biscuits
Cloud Hosting	Anacott Steel
Colonial Movers	Axis Chemical Co.
Concepts Insolvency	Balance Capital
Corellian Engineering	
DataLight	
Demo Company (UK)	
Demo Company (UK): North	
Diamond Homes	
Donut Queen	
Eliminations	
Epilpe Technologies	
Extensive Enterprises	
FHL Construction	
Finwise Data	
Flowers By Irene	
Forsight Accounting	



BENCHMARK SETTINGS

Step 2: Segmentation

Next, decide how you wish to segment the companies in this group into subgroups. For example, you may wish to segment based on region, location, industry, ownership, size etc... Companies can be segmented into categories and associated category options.

Note: You can define up to 5 categories for each benchmarking group. Each category is limited to 10 options.

The screenshot shows a web interface for 'Benchmark Settings' under 'My Clients'. A progress bar at the top indicates the current step is '2 Segmentation', with other steps being '1 Group Setup', '3 KPIs', and '4 Privacy'. Below the progress bar, a text box explains that companies can be segmented into categories (subgroups) and that up to 5 categories can be defined for each group. A table below lists existing categories and their possible values:

Category	Possible Values	Delete
Region	North East South West add	
Industry	Service Retail Manufacturing struction Not for Profit add	
Location	Capital City Regional add	

At the bottom of the table is a blue button labeled 'ADD CATEGORY'. The footer of the interface shows the copyright information: '© 2016 Fathom Applications Pty Ltd · support@fathomhq.com'.



BENCHMARK SETTINGS

Step 3: KPIs

You can also specify which KPIs you wish to include in this benchmark analysis.

For example, you may wish to exclude financial KPIs and limit benchmarking to only non-financial KPIs.

Or perhaps you wish to limit the KPIs reported in the benchmarking to a small set of the KPIs which each company tracks. [Refer to the Appendix for instructions about creating KPIs for benchmarking]

Benchmark Settings
My Clients

1 Group Setup 2 Segmentation 3 KPIs 4 Privacy View Compare & Rank

Select the KPIs to be displayed in the compare and rank tools. 50 Included KPIs

KPIs Add All	These KPIs will be shown: Remove All
Asset Change	Accounts Payable Days
Asset Turnover	Accounts Receivable Days
Avg sales per customer	Activity Ratio
Avg sales per transaction	Breakeven Margin of Safety
Cash Flow Adequacy Ratio	Cash Conversion Cycle
Cash Flow Coverage	Cash Flow Margin
Cash on Hand	Cash Ratio
COS Change	Current Ratio
Customer Satisfaction	Debt Payback
Return on Capital Employed	Debt Service Ratio
Return on Equity	Debt to Equity
Work in Progress Days	Debt to Total Assets
Working Capital Absorption	Earnings Before Interest & Tax

Allow the following user roles to view ALL metrics in the compare and rank tools:

- 'Advisor' users
- 'Administrator' users

Select the primary metric for the dot size in the compare tool:

Revenue



BENCHMARK SETTINGS

Step 4: Permissions

Here you can share access and manage permissions. Permissions control which users (within your organisation) can access this benchmark group.

Simply select the individuals that you wish to access this benchmark group.

The screenshot shows the 'Benchmark Settings' interface for 'My Clients'. The 'Permissions' step is highlighted in red in the navigation bar. Below the navigation bar, there is a section for sharing access with management, staff, or clients, featuring a dropdown menu with the text '+ Select a person'. A hand cursor is pointing at the dropdown arrow. Below this is a table titled 'People who can access this benchmark group:' with columns for Person, Role, Permissions, and Remove. The table lists four users: Elaine Jones (Client, view only), Roger Smith (Admin, view and edit), Eugene Nigma (Admin, view and edit), and Helen Andersen (Admin, view and edit). At the bottom of the table, there are two links: 'Give access to all users' and 'Remove access from all users'.

Person	Role	Permissions ?	Remove
Elaine Jones (elaine@client.com)	Client	view only	Remove access
Roger Smith (roger@advisor.com)	Admin	view and edit	—
Eugene Nigma (eugene@advisor.com)	Admin	view and edit	—
Helen Andersen (helen@advisor.com)	Admin	view and edit	—



BENCHMARK SETTINGS

Step 5: Privacy

Finally, you can also setup the privacy controls for this group. This determines if a company will appear as identified or unidentified in the benchmark analysis. If privacy controls are “turned off”, then companies will appear named. If privacy controls are “turned on”, then companies will appear unnamed.

Note: if a user has shared access to a company, then the company will appear as named for this user.

Reveal company names
Within the benchmarking analysis, companies will appear as named. For example:

Rank	Company Name	Revenue
#37	Corellian Engineering	\$807,428
#40	Studio Designs	\$705,840
#42	Radian Earthw	\$679,504

Hide company names
Within the benchmarking analysis, companies will appear anonymously. For example:

Rank	Company Name	Revenue
Company #37	Company #37	\$807,428
Company #40	Company #40	\$705,840
Company #42	Company #42	\$679,504

Analysis



ANALYSIS

Analysis

Having created a benchmark group, analysis is available in two places:

1. Within the analysis (for a company which is part of a benchmark group) you will now have access to two additional analysis tool: the 'compare' and 'rank' tools.
2. The 'Compare' button on the 'My Companies' screen - enabling you to compare, rank and benchmark all your companies/clients/franchisees.

The screenshot shows the Fathom dashboard interface. At the top, there is a search bar labeled 'find a company' and two buttons: '+ CREATE A GROUP' and '+ ADD A COMPANY'. Below this is a table with the following columns: 'Companies and Groups', 'Source', 'Last accessed', and 'Last updated'. The table contains several rows of data, including 'Rams Group', 'My Companies', 'Lutebox Agency', 'Bottleneck Craft Brewery', 'Jumbo Storage', 'Planet Paws Pet Supplies', 'Acoustic Labs', 'My Consolidated Group', and 'Vanderlay Industries'. A hand cursor is pointing to the 'Compare' button in the 'My Companies' row.

Companies and Groups	Source	Last accessed	Last updated
Rams Group Benchmark Group	8	4 minutes ago	18th August
My Companies Benchmark Group	69	6 minutes ago	Compare
Lutebox Agency	Excel	21 minutes ago	2nd M
Bottleneck Craft Brewery	xero	-	2 hours ago
Jumbo Storage	xero	-	4 hours ago
Planet Paws Pet Supplies	mutual quickbooks	-	10 hours ago
Acoustic Labs Consolidated Group	7	-	2nd October
My Consolidated Group Consolidated Group	10	-	2nd October
Vanderlay Industries Consolidated Group	2	-	28th September



ANALYSIS

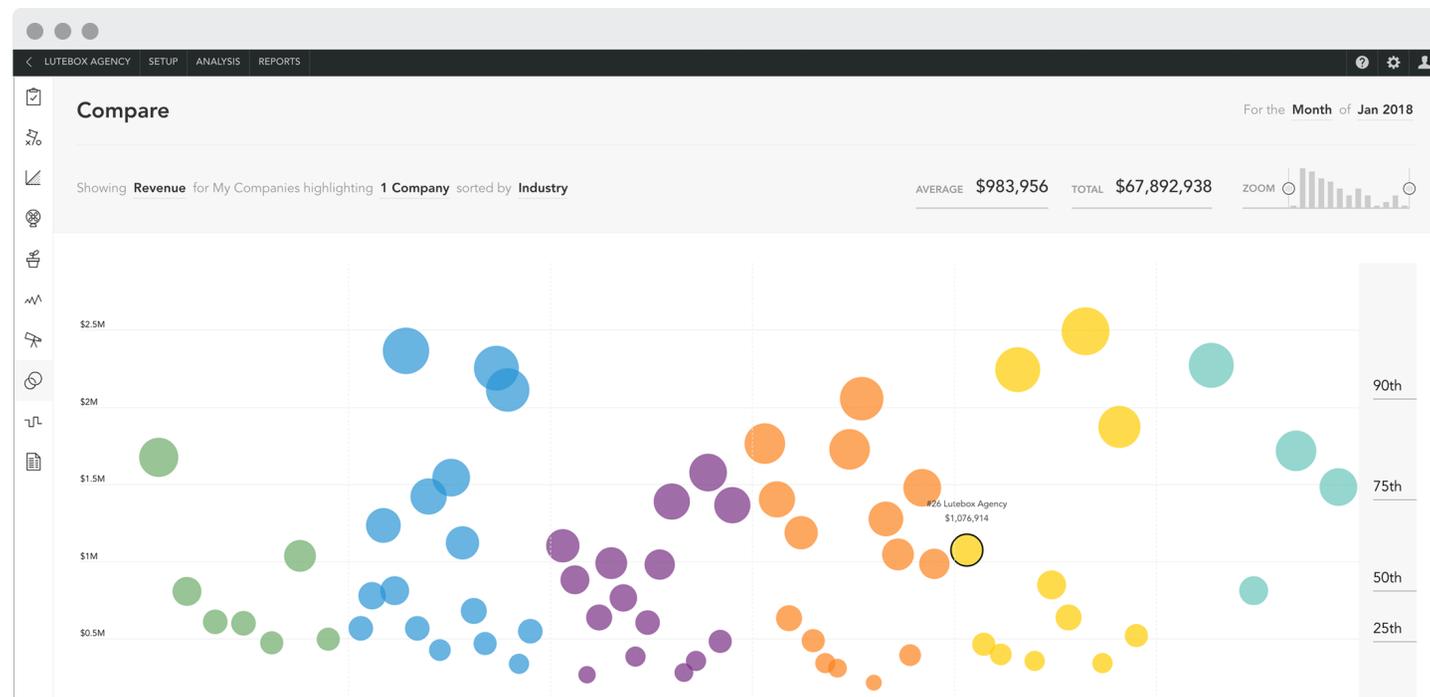
Compare

This tool shows a comparative view of all companies in a benchmark group. Each dot represents a company. (or store, or school, or franchise).

The **vertical position** of the dot represents the company's performance relative to its peers.

The **horizontal position** represents the grouping of the company, by segment category.

The **size of the dot** represents total revenue (or another primary metric).

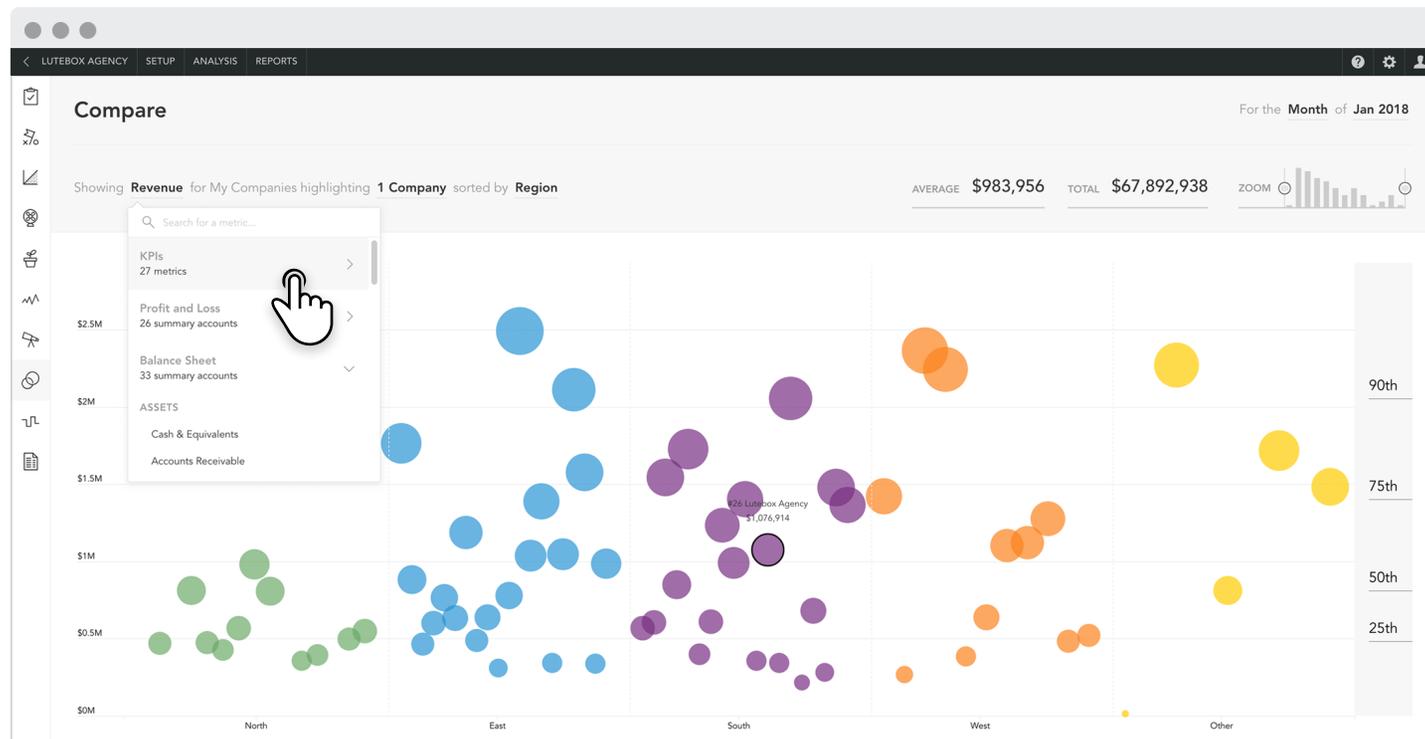




ANALYSIS

On-the-fly benchmarking

You can view results for any KPIs which were selected for inclusion in the benchmark group by selecting it from the side panel. You can also view results for any period, and change the results from one period to another.

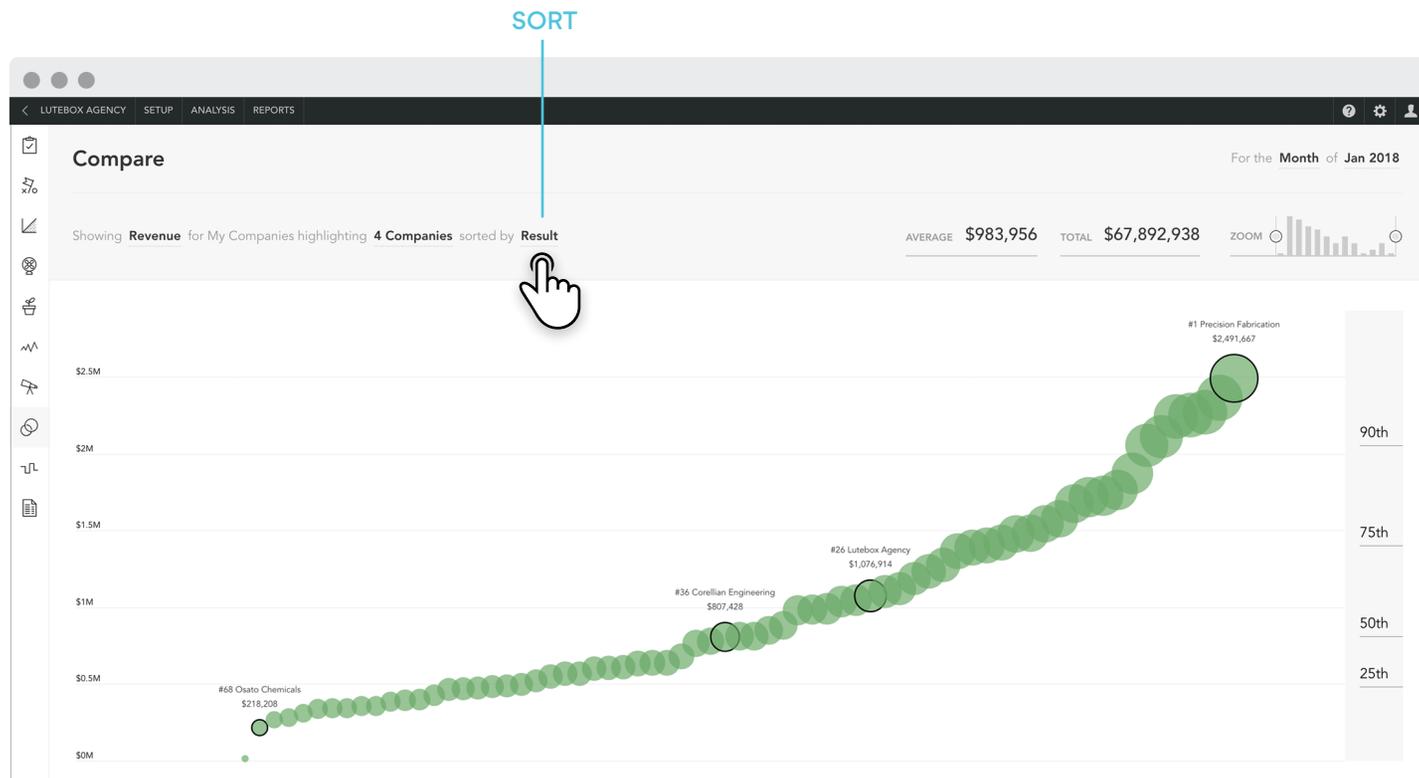




ANALYSIS

On-the-fly benchmarking

You can also sort by result, or sort by any other category. You can quickly focus on one segment, or select multiple segments. (tip: Hold CTRL and select the segments on the horizontal axis).



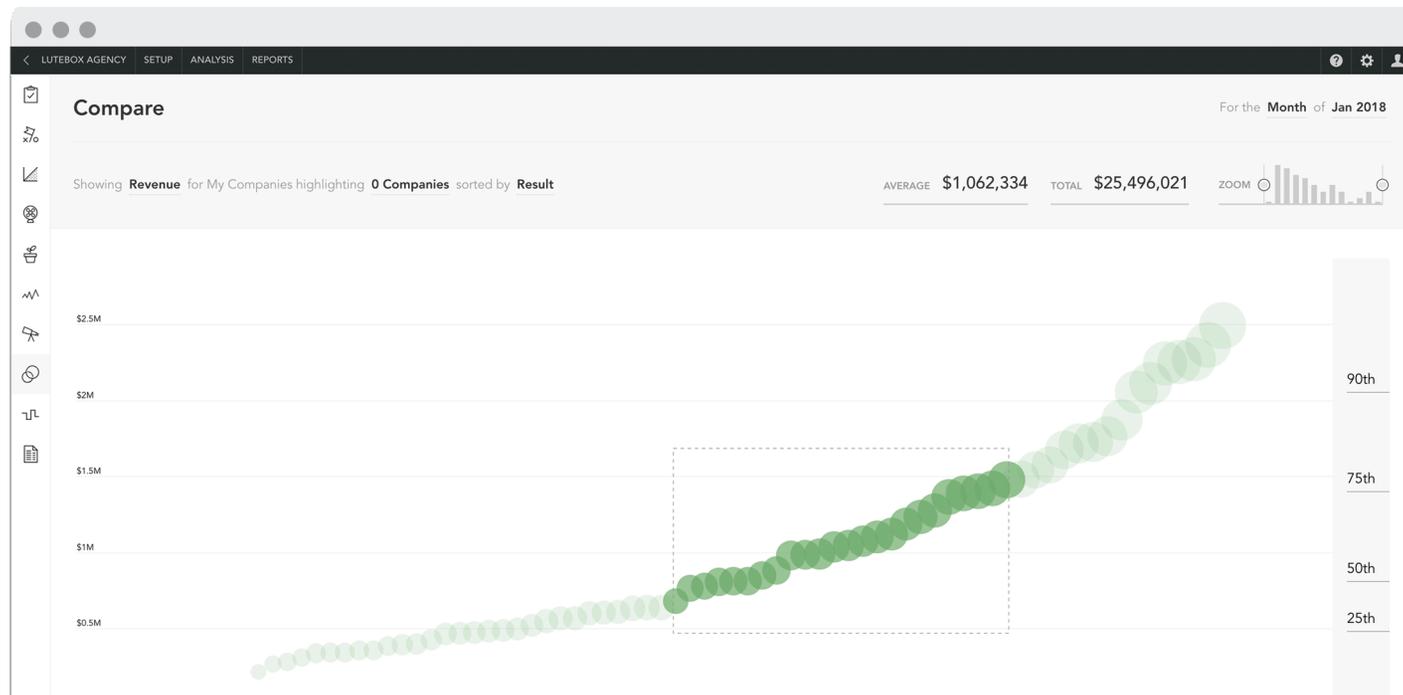


ANALYSIS

On-the-fly benchmarking

You can exclude outliers from the analysis and reshape your field of analysis. You can also quickly focus on companies above or below a percentile by dragging and selecting this area on the chart.

Tip: If you wish to investigate a specific result, you can double-click on a dot to drill down into the context of this company, for this period, for this metric. You can then investigate this result further.



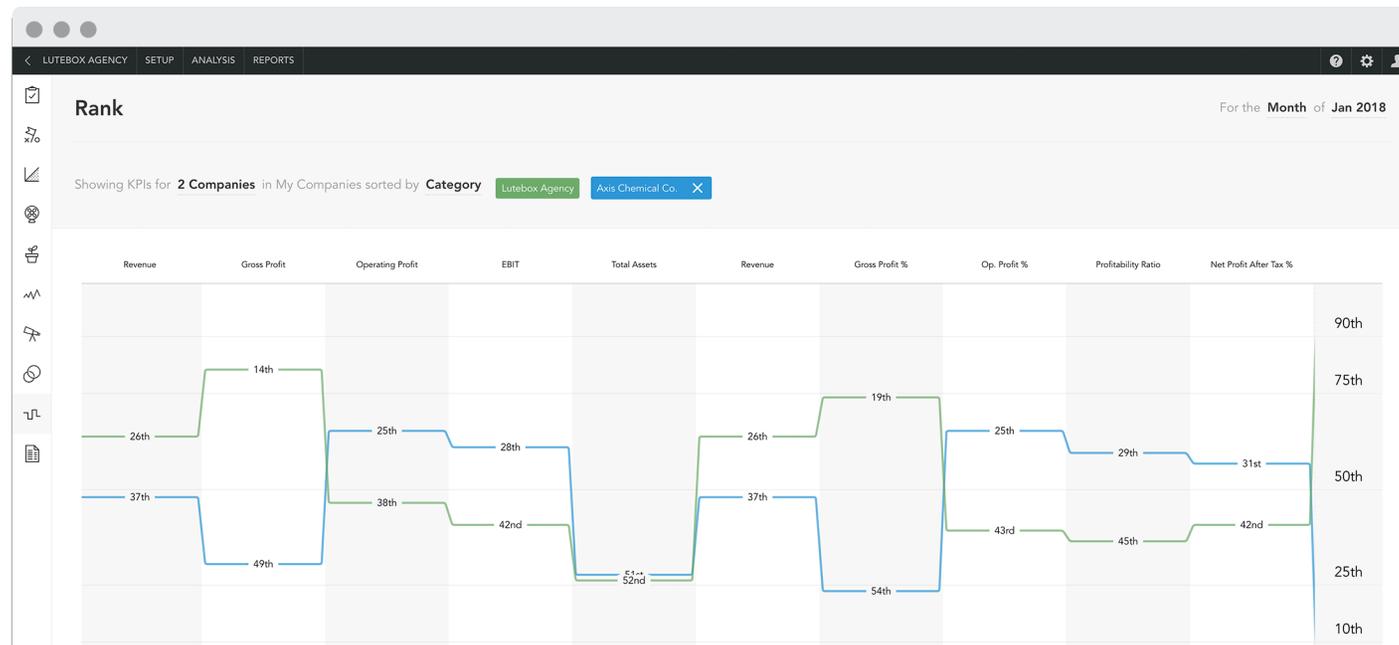


ANALYSIS

Rank

The “Rank” tool helps to rank the performance of each company/client/franchisee relative to its peers. Across the top of the screen are the selected financial and non-financial KPIs for this group. For each KPI a leader board shows the relative rank of each company, for a period. When a company is ranked in first place, this represents that they are the best performer in the group. When a company is ranked in last place, this means they are the worst performer for this metric, in the group.

Tip: You can select more than two entities, but the visual may become less meaningful.

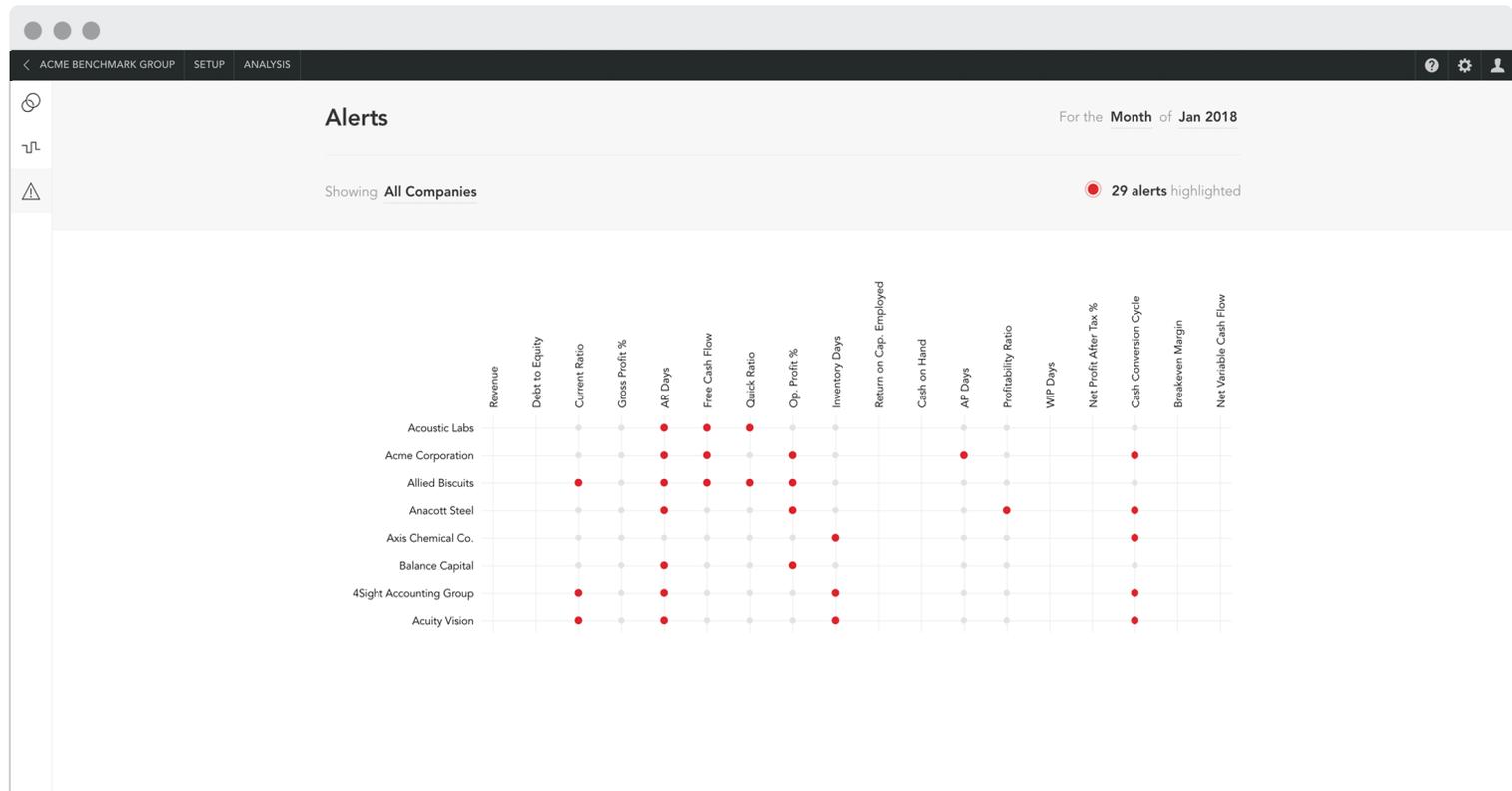




ANALYSIS

Alerts

The Alert dashboard presents a “heat map” of all the alerts for the companies in a group. It enables you to monitor performance and identify areas of concern. For advisors, it helps to proactively identify opportunities to offer advice to clients.



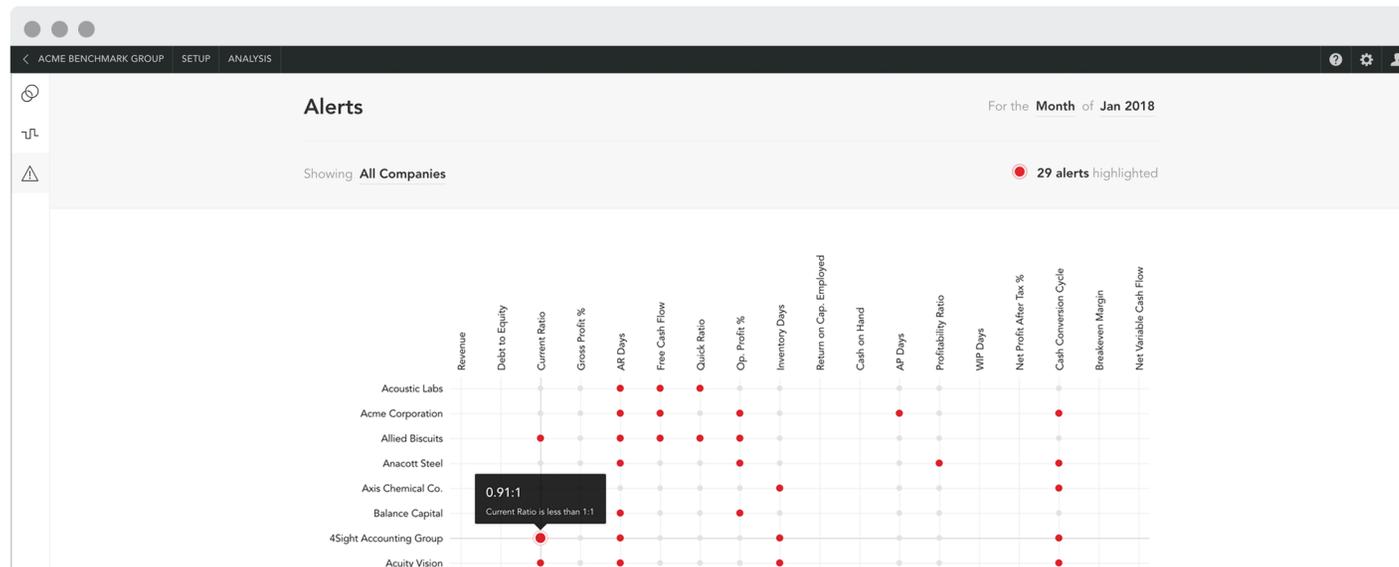


ANALYSIS

Alerts

Listed on the left are the companies in this group. Across the top are KPIs which you are tracking alerts for. Each red dot represents an alert that has been triggered, for this period. A grey dot represents that an alert is monitored but not triggered. An alert is triggered when a result for a KPI exceeds the set alert threshold. Alerts for each company are setup in 'Step 6' of the setup for each company.

Hovering over a red dot will reveal a tooltip which shows the result and alert threshold. If you click on this red dot, it will drill down into the company, for the selected period, for this metric, and immediately show more detail.



Reporting

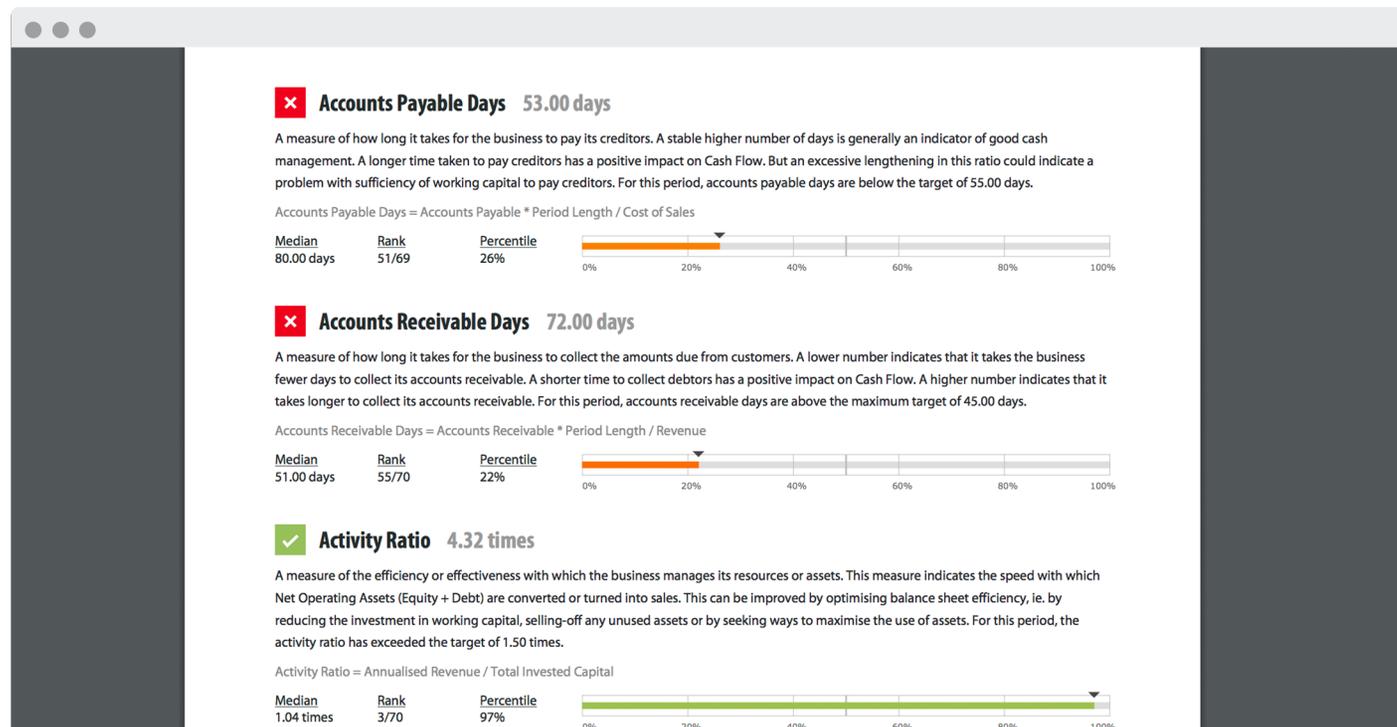


REPORTING

Benchmarking reports (PDF)

PDF reports which highlights benchmark results are also available for each company in a benchmark group. See the “Benchmark reports” located in the ‘Reports’ for each company.

For all selected KPIs, these report highlights the performance of a company vs the benchmark group. A report can be created for any month, quarter or year.





REPORTING

Benchmarking reports (Excel)

Two Excel benchmark reports are also available for each company in a benchmark group. The “Benchmark Results” report and the “Benchmark Ranking” report. These reports include all results data from the benchmark analysis.

	A	B	C	D	E	F
1	My Clients					
2	Jan 2018					
3		Accounts Payable Days	Accounts Receivable Days	Activity Ratio	Breakeven Margin of Safety	Cash Conversion Cycle
4	75th Percentile	120.0 days	70.0 days	2.25 times	416,623.94	62.0 days
5	Median	80.0 days	52.0 days	1.05 times	177,110.06	7.0 days
6	25th Percentile	49.0 days	40.0 days	0.49 times	26,005.94	-32.0 days
47	Ontime Legals	102.0 days	44.0 days	3.59 times	34,144.18	-41.0 days
48	Osato Chemicals	205.0 days	70.0 days	0.73 times	50,315.92	17.0 days
49	Pepper's Bar	42.0 days	61.0 days	0.73 times	502,404.73	255.0 days
50	Pinpoint Agency	101.0 days	19.0 days	2.23 times	512,318.53	-82.0 days
51	Precision Fabrication	0.0 days	0.0 days	1.23 times	565,537.82	0.0 days
52	Radian Earthworks	59.0 days	70.0 days	2.63 times	(471,126.86)	55.0 days
53	Sandstone Agency	58.0 days	5.0 days	0.09 times		-48.0 days
54	Scotts Metals	263.0 days	48.0 days	0.24 times	877,517.30	-191.0 days
55	Slamtown Newsagent	249.0 days	74.0 days	2.7 times	88,285.61	-123.0 days
56	Soho	79.0 days	48.0 days	1.81 times	(88,483.26)	47.0 days
57	Spade and Archer	119.0 days	52.0 days	0.33 times	186,818.04	74.0 days
58	Spark Marketing	48.0 days	20.0 days	1.31 times	184,779.76	-28.0 days
59	Spring Shield	200.0 days	278.0 days	0.5 times	(580,085.15)	148.0 days
60	Studio Designs	47.0 days	47.0 days	0.68 times	179,993.70	10.0 days
61	Surfmist Retail	63.0 days	50.0 days	1.3 times	616,519.49	72.0 days
62	Team Labs	96.0 days	66.0 days	0.99 times	341,601.01	86.0 days
63	Thinkfold	128.0 days	66.0 days	0.73 times	234,142.41	-59.0 days
64	Tower Network	64.0 days	37.0 days	8.02 times	1,355,525.41	-21.0 days
65	Transworld Consortium	27.0 days	16.0 days	4.86 times	49,028.58	16.0 days
66	Tyrell & Co	115.0 days	67.0 days	3.79 times	398,420.41	-30.0 days
67	Universal Exports	71.0 days	60.0 days	0.41 times	424,074.75	-2.0 days
68	Vanderlay Industries	53.0 days	72.0 days	4.32 times	421,430.51	90.0 days
69	Versarchy	28.0 days	28.0 days	0.89 times	450,933.45	20.0 days
70	Verve	0.0 days	0.0 days	0.94 times	75,191.60	0.0 days
71	Vine Gallery	185.0 days	156.0 days	0.21 times	278,824.88	42.0 days



APPENDIX

Creating a KPI for benchmarking

Important Tip: When creating a KPI for a company (See ‘Step 4’ of the company setup), it is important to consider if you wish to compare results for this KPI with other companies. If so, then it is important to select ‘Add this KPI to my KPI Library’. This will ensure that this KPI is available for use in other companies.

After another company selects to track this KPI from the Library, it is possible to compare the results for this KPI in the benchmarking tools.

Future changes or updates to the KPI can be made from the KPI Library.
Any changes will update all companies which use this KPI.



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