

Accounting Firm

Master Performance To-date Report
for week 11

As at last review date 20 September 2008

Accounting Firm

Master Performance To-date

RESULTS TO-DATE

Contribution
Accumulated

ANALYSIS OF RESULTS

Overall Contribution
Performance by Tracking Unit of Activity
Invoices of Note

RECOMMENDATIONS

RESULTS TO-DATE

Week No: 11 13/09/2008 - 19/09/2008

Reporting from
week 4 to 11

Contribution

	Actual	Objective	Variance
Accumulated	79,460	83,590	-4,130

Tracking Unit: Principal

Accumulated

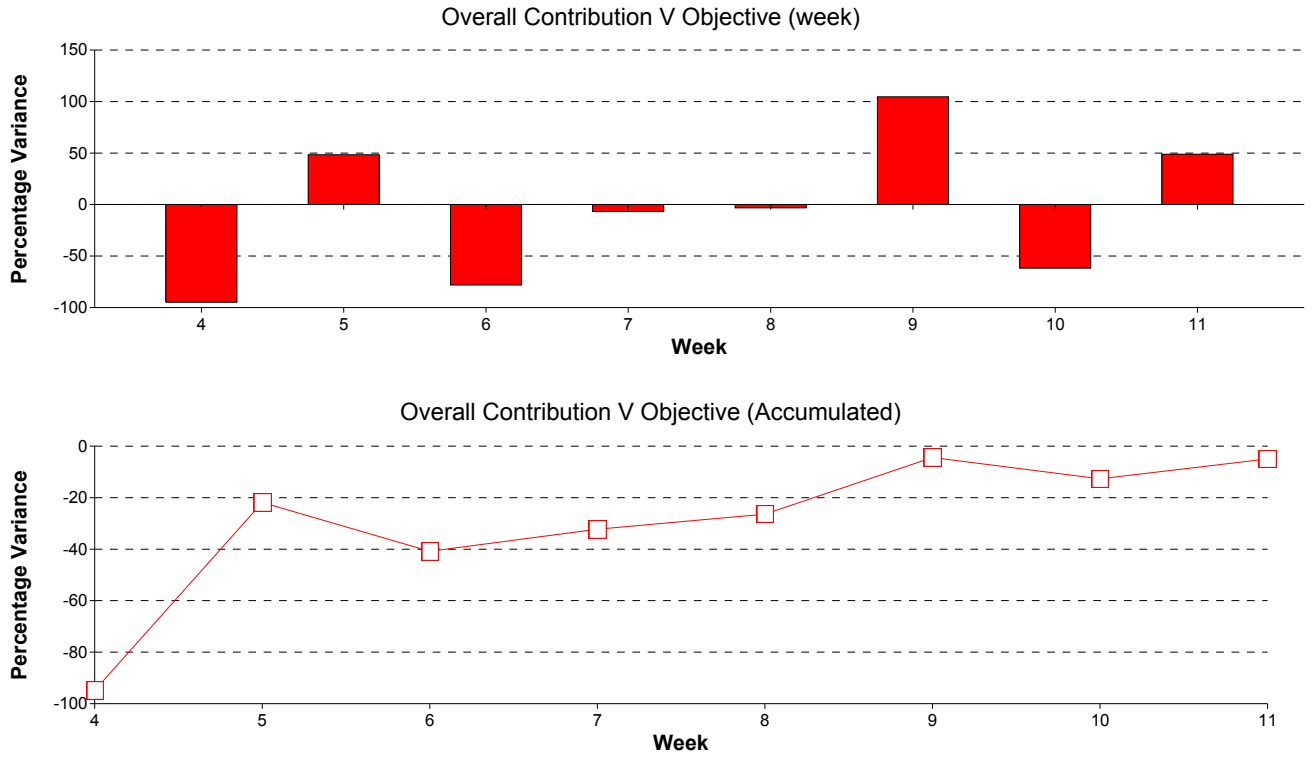
	Actual	Objective	Variance
Contribution:	35,839	30,928	4,911
Units:	220	192	28
Contribution Per Unit:	163		
Available Capacity:	292	320	-28

Tracking Unit: Professional/Support

Accumulated

	Actual	Objective	Variance
Contribution:	43,621	52,662	-9,041
Units:	455	568	-113
Contribution Per Unit:	96		
Available Capacity:	1,116	1,176	-60

Overall Contribution

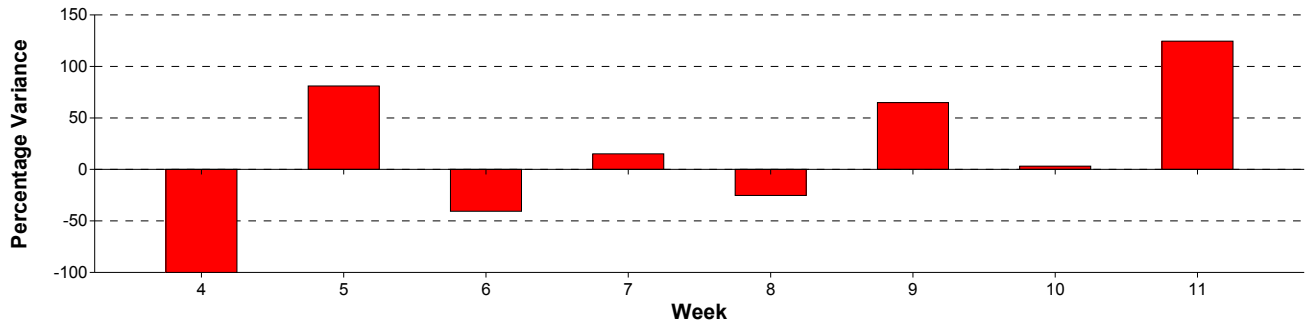


Comments

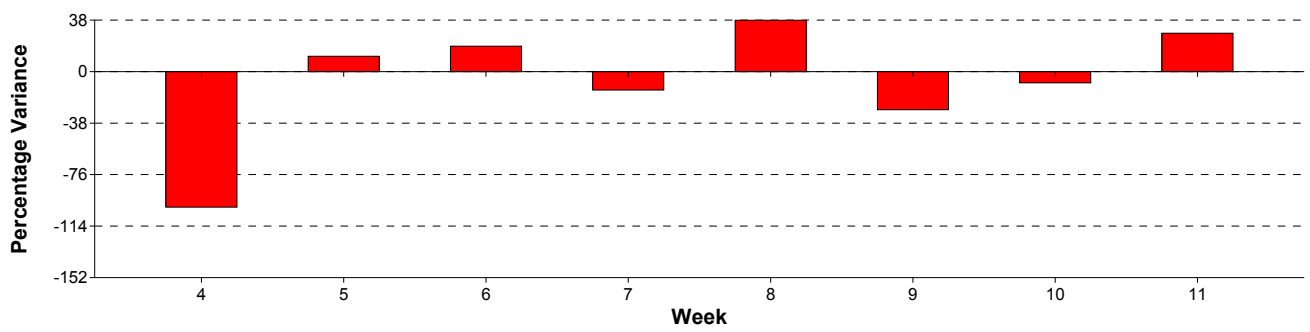
These results indicate that the Contribution has been lifting through 8 weeks, pretty much since this review process began. This is the main objective and it looks very good indeed since the Contribution Objective was set fairly high at the start and it would appear that this objective is being attained.

Performance by Week

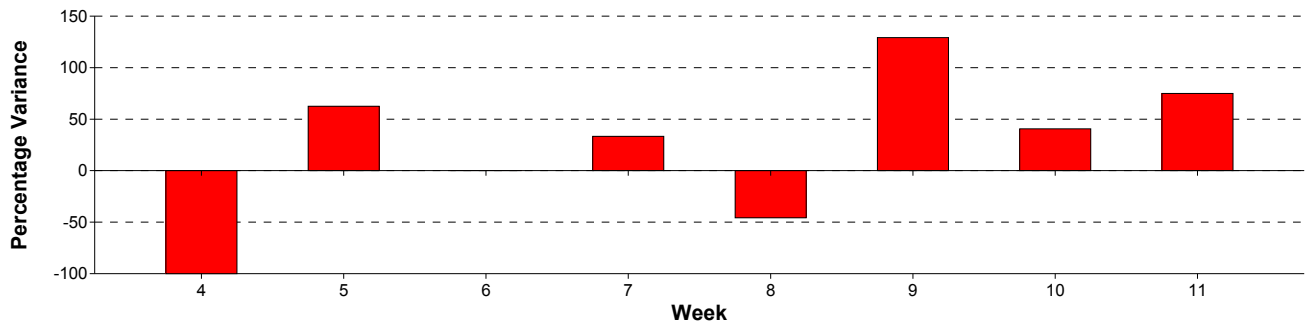
Contribution



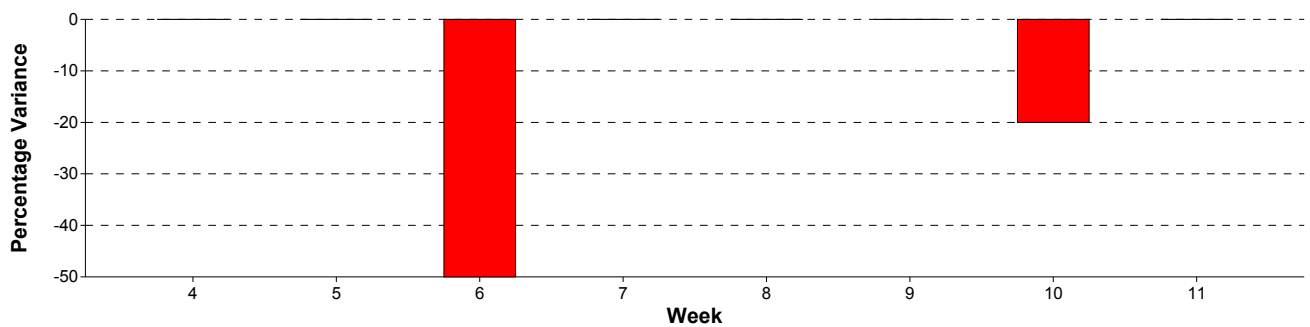
Contribution per Unit



Productivity

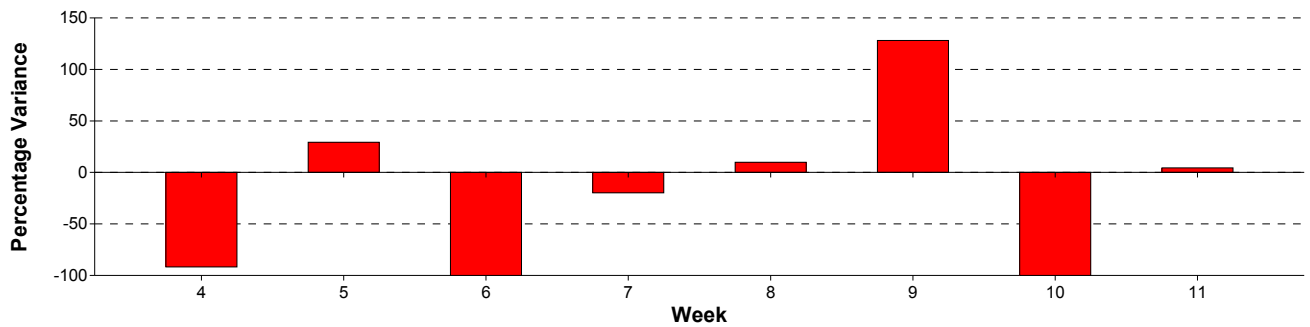


Capacity Available

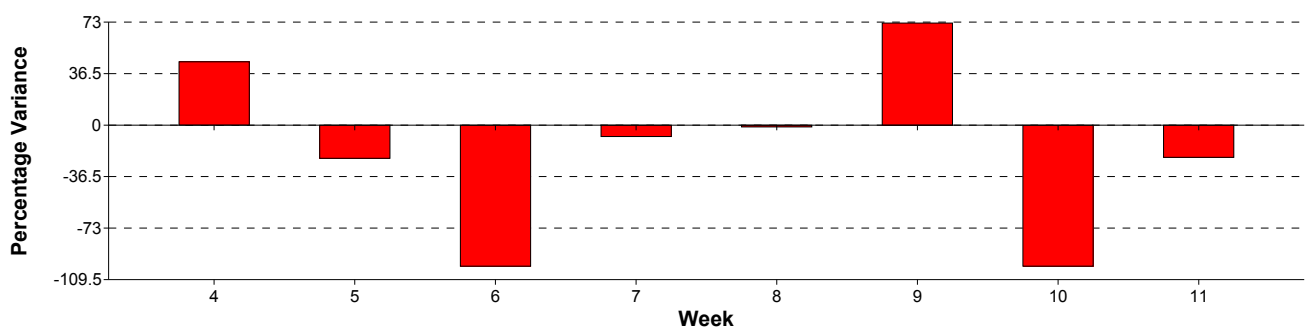


Performance by Week

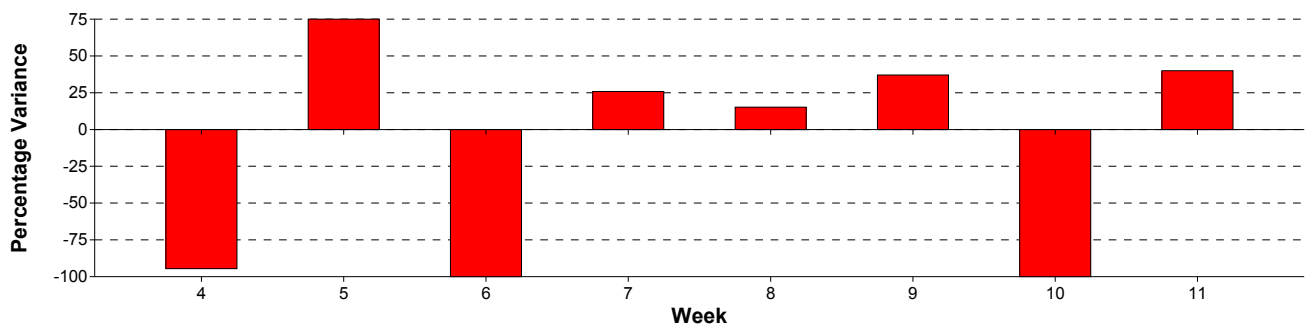
Contribution



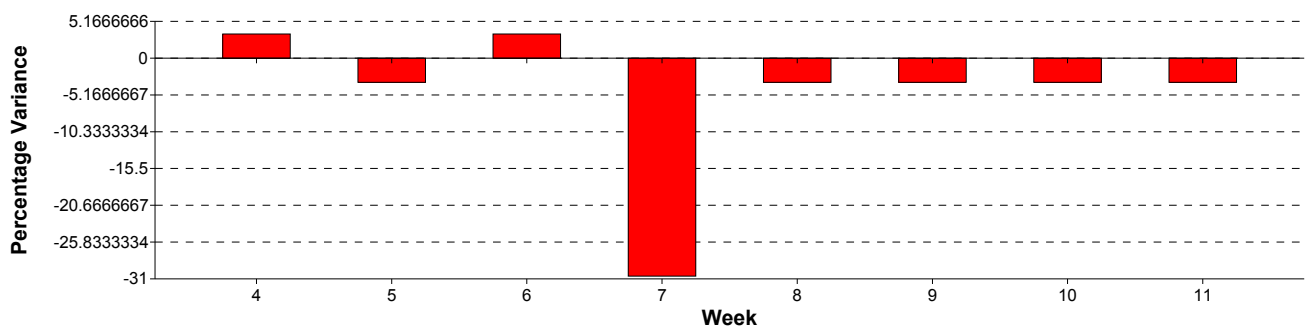
Contribution per Unit



Productivity

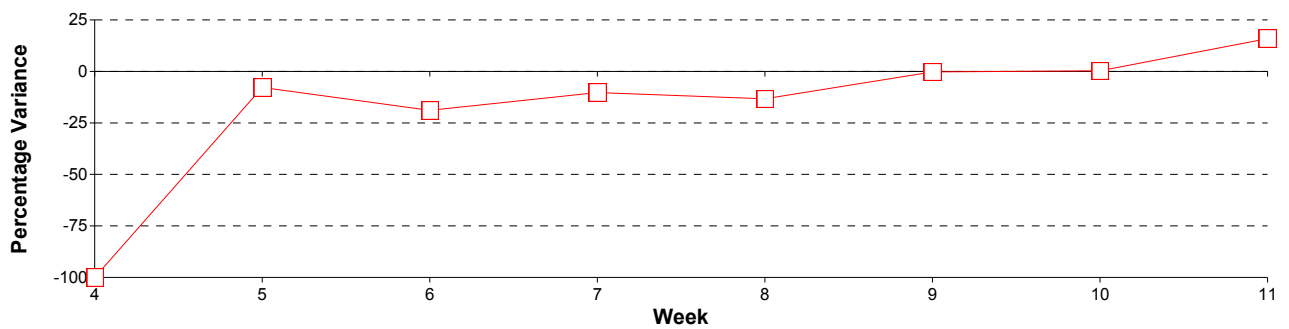


Capacity Available

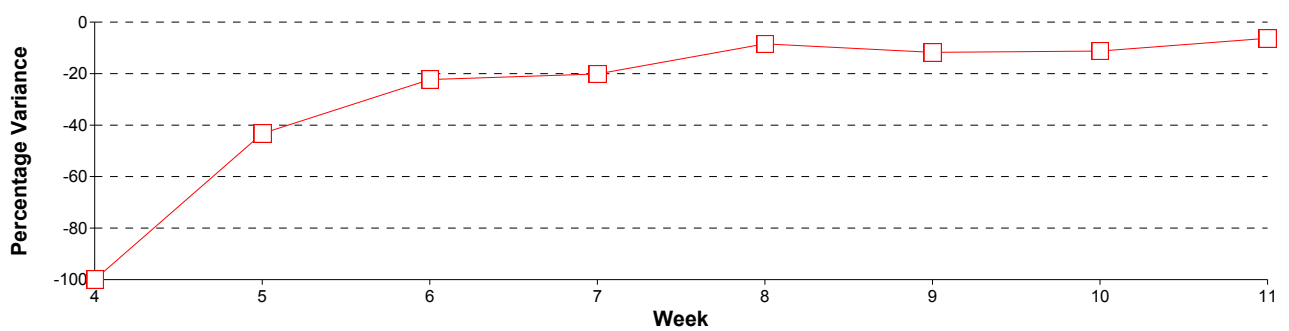


Performance by Accumulated

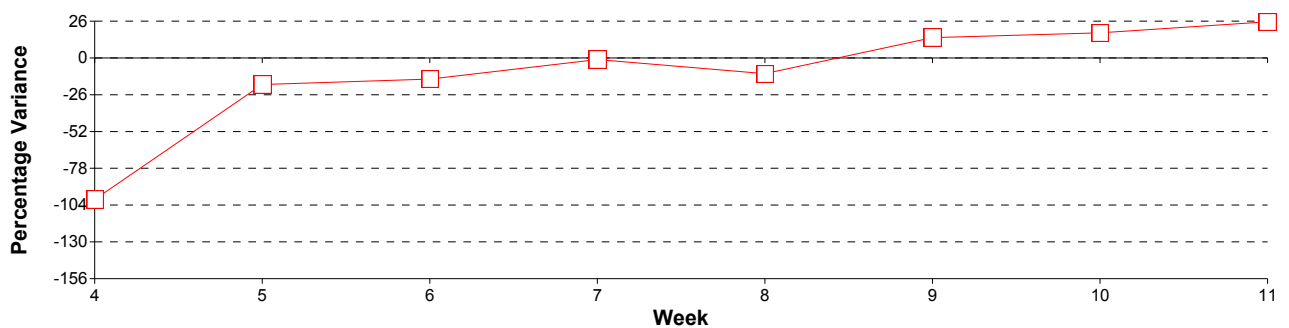
Contribution



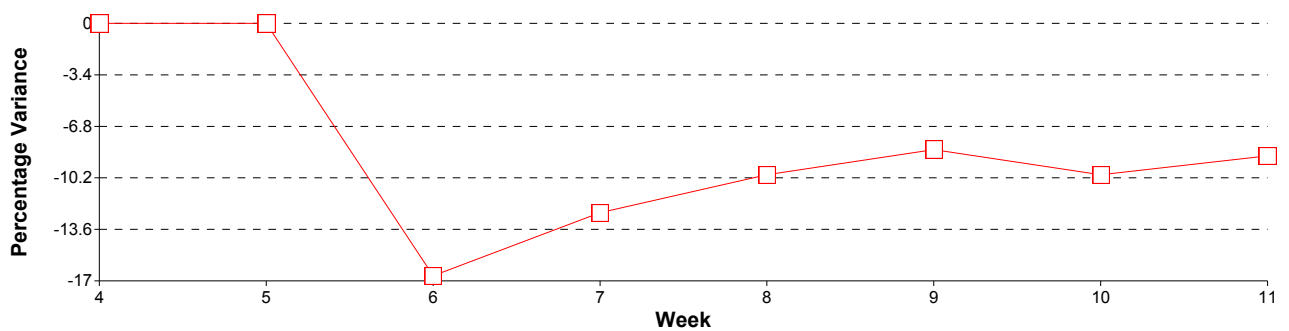
Contribution per Unit



Productivity

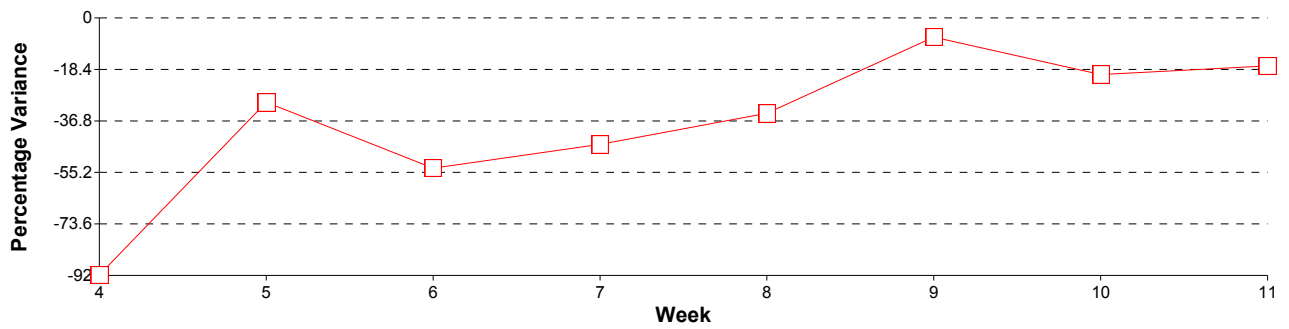


Capacity Available

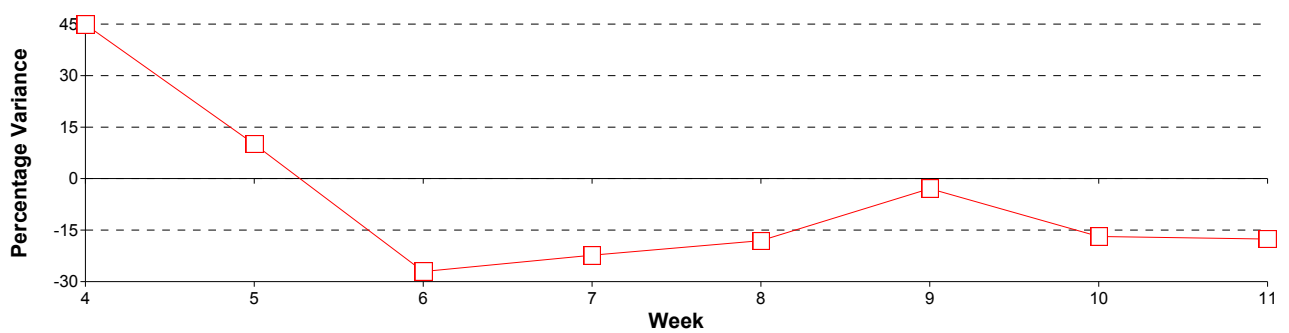


Performance by Accumulated

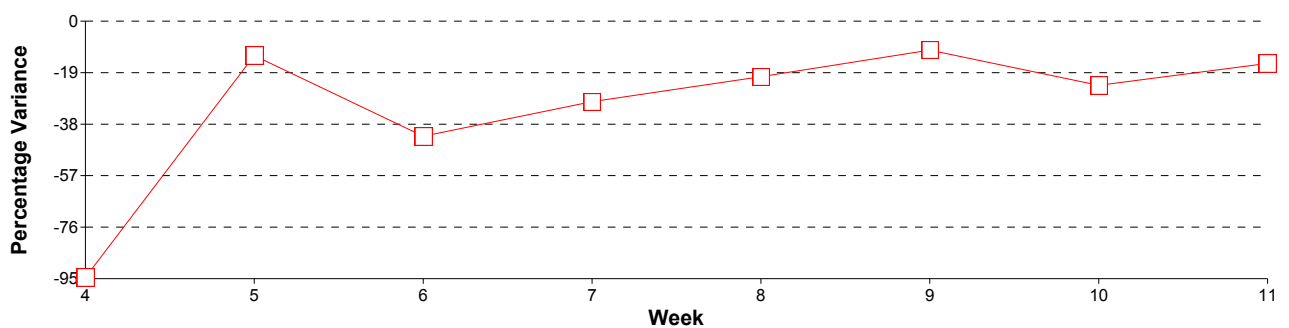
Contribution



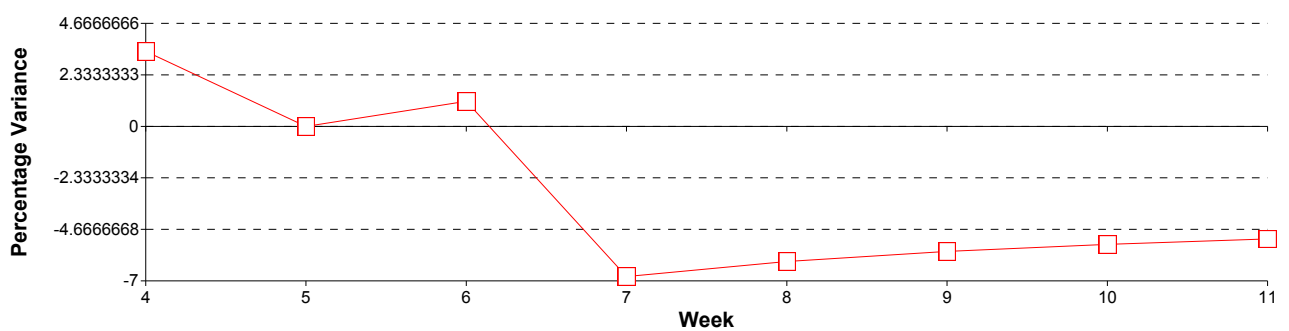
Contribution per Unit



Productivity



Capacity Available



Comments

The Principal has consistently lifted the Contribution per week and even the Accumulated Contribution for the period from week 4 through to week 11 inclusive is 16% above the Objective. This has been done by improving Productivity by 26% above Objective and also by improving the Contribution per Unit so that it stands at only 6% below objective. The Principal is achieving more than was expected.

Professional/Support has been working marginally below full capacity for the last 5 weeks and over the period has been 5% down from Objective. Productivity has been rising strongly but is still at 16% below Objective accumulatively. The Contribution per Unit has also been improving but is still 18% below Objective. These three aspects explain the improving Contribution per week but the fact that the Contribution is 18% below objective accumulatively. Perhaps these results have been skewed by poor results in week 10 and 11.

Clearly, the Objectives set for Professional/Support may have been set too high but they are improving outcomes.

Invoices of Note

Invoice No: **00013**

Tracking Unit: **Principal**

Customer: ABC

Sale Value: 8,852

Contribution: 8,722

Contrib. Per Unit: 208

Invoice Analysis

Answer

Has the Contribution per Tracking Unit fallen from the required level?

No. On the contrary the Contribution per Tracking Unit is very high and the Contribution was high. This was an audit. The Principal is able to leverage very high returns from audit work.

Have you reduced your price(s)?

Have the variable costs involved in the Cost of Sale increased abnormally?

Have you sold a different mix of products than expected?

Has your Productivity fallen?

Was there a public holiday this week?

Has the Contribution per Tracking Unit for a specific Customer fallen below the Objective?

Has the Contribution per Tracking Unit for a specific Customer tracked down from one sale to the next?

Has the Contribution per Tracking Unit for a specific Product fallen below the Objective?

Has the Contribution per Tracking Unit for a specific Product tracked down from one sale to the next?

Is the Cost of Sale high in relation to the Sale Value?

Does the Cost of Sale as a percentage of Sale Value drop markedly with increased volume?

Invoices of Note

Invoice No: **S0387**

Tracking Unit: **Professional/Support**

Customer: XYZ

Sale Value: 2,300

Contribution: 2,300

Contrib. Per Unit: 50

Invoice Analysis

Answer

Has the Contribution per Tracking Unit fallen from the required level?

Yes it has. Why has the Contribution per Unit fallen from objective of 93 down to 50 for this invoice? Has customer XY got some special deal? Poor quoting or sloppy billing?

Have you reduced your price(s)?

Have the variable costs involved in the Cost of Sale increased abnormally?

Have you sold a different mix of products than expected?

Has your Productivity fallen?

Was there a public holiday this week?

Has the Contribution per Tracking Unit for a specific Customer fallen below the Objective?

Has the Contribution per Tracking Unit for a specific Customer tracked down from one sale to the next?

Has the Contribution per Tracking Unit for a specific Product fallen below the Objective?

Has the Contribution per Tracking Unit for a specific Product tracked down from one sale to the next?

Is the Cost of Sale high in relation to the Sale Value?

Does the Cost of Sale as a percentage of Sale Value drop markedly with increased volume?

RECOMMENDATIONS

Both the Principal and the Professional/Support have been improving the Contribution per week over the last 8 weeks. And so the primary objective is being met.

Upon further analysis of the invoicing it has been shown that the Principal is earning a higher Contribution than expected from the audit work he is involved in. This work seems to also involve a high Contribution per Unit. So if it is possible to expand this part of the firm's business without disrupting the normal operations, a distinct improvement can be made.

The Capacity of the Professional/Support team is down from Objective and the Productivity is rising. It is still too early to recommend changes and whilst the Productivity and the Contribution per Unit are rising, continue to strive for improvement here. There has been a dip in the billing for this group and this should be monitored more carefully. Has the Principal been too involved with audit work and not paid enough attention to overseeing the activities of the Professional/Support team and ensured their billing has occurred on time?

Perhaps the Principal could re-set his Objectives for the year ie lift the bar!