

ProfitCents University

Building Advisory Beyond the Numbers

—
SPRING 2022

COURSE
300



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Presentation Agenda

1

Presenters

Get to know your Client Success Team

2

Client Service

Define your CSP

3

Client Needs

Learn the keys to successfully add firm value

4

Getting Started

Answer the qualifying questions

5

Key Takeaways

Parting thoughts for success

Today's Presenters



Paul Savage

Director of Client Services

I work extensively with firms on cash flow scenarios, so I gravitate to the projection tool.



Cindy Thompson

Client Success Manager

Industry data is a great ice breaker and opportunity to get a full overview of an industry.



Natalie Hamilton

Senior Client Success Manager

The narrative report connects the dots between financial statements and financial health.

Client Service Plan

Roadmap that defines the specific actions and processes around a firm's client service objectives and related professional responsibilities.



Client Service Plan

Keys Tips for a Meaningful Client Service Plan



Opportunity

Foresight to identify opportunity



Pairing

Matching opportunity to firm resources, etc.

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Value

Drives client-centric value



Relationship

Not just deliverables

Client Service Plan

Moving your Client Service Plan forward



Identification

Determining underserved clients

Opportunity

System or processes to identify opportunity

Incentivize

Encourage staff to identify opportunities

Client Service Plan

A well-constructed client service plan should lay a foundation for purposeful and sustainable future growth



Adding Value



Hindsight

Oversight

Insight

Foresight

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Industry: 722511 - Full-Service Restaurants
 Sales Range: All Sales Ranges
 Location: All Areas [What's my region?](#)
 Prepared On: 5/26/2022

INDUSTRY FINANCIAL DATA AND RATIOS

[View Formula Key](#)
Average by Year (Number of Financial Statements)

Financial Metric	Last 12 Months (1,547)	2021 (1,822)	2020 (4,587)	Last 5 Years (25,370)	All Years (75,032)
Current Ratio	4.81	4.68	3.85	3.12	2.62
Quick Ratio	4.04	3.90	2.94	2.25	1.79
Gross Profit Margin	62.92%	63.31%	61.16%	60.97%	59.24%
Net Profit Margin	13.53%	13.60%	-0.60%	2.76%	2.13%
Inventory Days	15.31	15.76	16.37	14.49	14.7
Accounts Receivable Days	0.65	0.67	0.56	0.52	0
Accounts Payable Days	13.28	13.65	13.64	13.57	
Interest Coverage Ratio	17.72	17.41	5.99	10.21	
Debt-to-Equity Ratio	2.72	2.81	3.20	2.94	
Debt Service Coverage Ratio	10.09	9.80	3.89	6.08	
Return on Equity	84.08%	83.41%	46.05%	55.43%	
Return on Assets	43.46%	43.00%	12.01%	23.02%	
Gross Fixed Asset Turnover	4.25	4.21	3.68		
Sales per Employee	\$64,077	\$60,988	\$40,488		
Profit per Employee	\$14,170	\$11,083	(\$54)		
Growth Metric	Last 12 Months	2021	2020		
		(604)	(2,880)		

Leveraging Industry Data

Providing technology-drive, real-time HINDSIGHT

Creating Company Comparisons

Peer-based **OVERSIGHT**

Report prepared for: Savage Pharma
Industry: 446110 - Pharmacies and Drug Stores
Sales Range: Yearly sales \$10 Million to \$50 Million
Comparing To: Private Company Data
Current Location: All Areas

INDUSTRY FINANCIAL DATA AND RATIOS

Green: Company metrics highlighted in green are within the top 20% of the industry.

Red: Company metrics highlighted in red are within the bottom 20% of the industry.

Industry Data

(Number of Financial Statements)

[View Formula Key](#)

Financial Metric	Company Data	Recent 12 Months (38)	Distance from Industry	2021 (42)	2000-Present (2065)
Current Ratio	26.69	3.32	704%	3.61	3.20
Quick Ratio	15.99	2.01	695%	2.28	1.75
Gross Profit Margin	27.95%	26.71%	5%	26.77%	24.75%
Net Profit Margin	9.56%	3.38%	183%	4.56%	3.52%
Inventory Days	11.70	32.61	-64%	32.22	34.27
Accounts Receivable Days	9.27	23.83	-61%	24.07	24.73
Accounts Payable Days	0.56	27.22	-98%	25.54	26.81

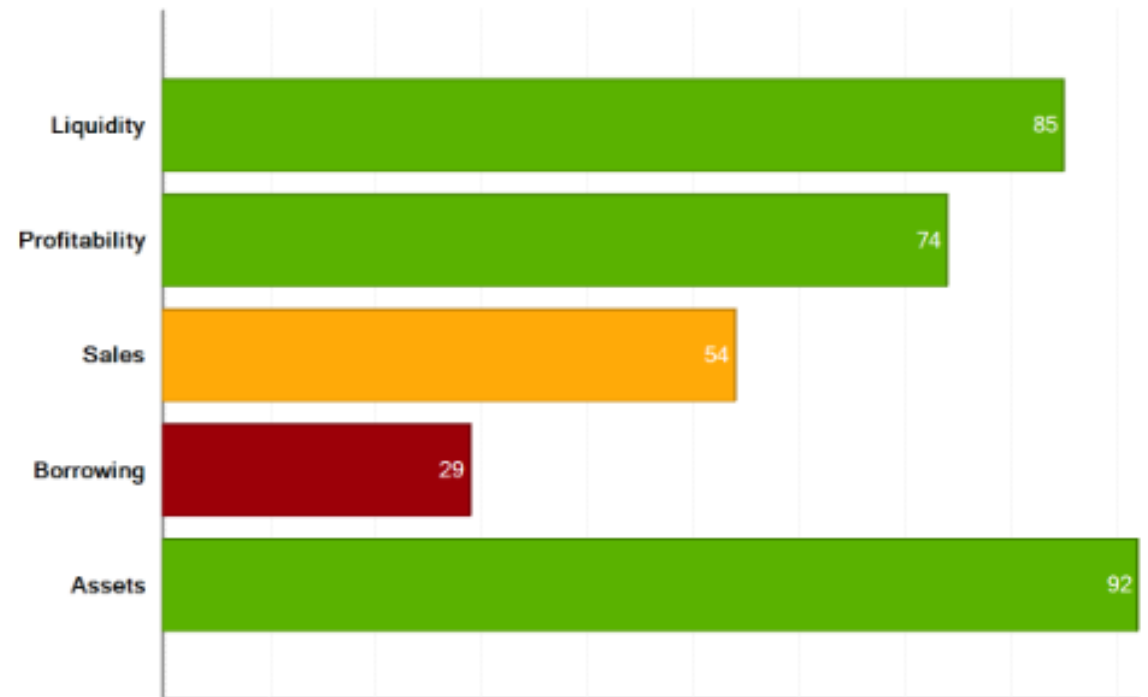
Utilizing the Narrative Report

Deliver value-added *INSIGHT*

Savage Pharma Narrative Report

Industry: 446110 - Pharmacies and Drug Stores
Sales Range: Yearly sales \$10 Million to \$50 Million
Periods: 12 months against the same 12 months from the previous year

Report Summary



Modeling Projections

Provide critical *FORESIGHT*

Savage Pharma

Take a snapshot of a projection and perform a what-if scenario on the current projection using the projection controls.

Initial
12/31/2022

Current Projection
12/31/2022

<< Take Snapshot

Income Statement

Income Statement

- Sales (Income)
- Cost of Sales (COGS)
- Gross Profit
- Overhead or S,G,& A Expenses
- EBITDA
- Net Income

Balance Sheet

- Cash (Bank Funds)
- Total Current Assets
- Net Fixed Assets
- Total Assets
- Total Current Liabilities
- Total Long Term Liabilities
- Total Equity

Balance Sheet

Valuation

- Company Value

Projection Control Panel

X

Projection Type
Projection Dials
Account Projections
Formatting
Log A Purchase

		Industry Averages
Sales Growth (Annual)	<input type="text" value="15"/> %	7.59%
Gross Profit Margin	<input type="text" value="27.90"/> %	24.18%
Gross Profit	<input type="text" value="\$ 4,889,885"/>	
Overhead Growth (Annual)	<input type="text" value="-1.22"/> %	
Net Profit Before Taxes	<input type="text" value="\$ 2,231,037"/>	
Accounts Receivable Days	<input type="text" value="9.7"/> days	24.69 days
Accounts Payable Days	<input type="text" value="1"/> days	25.28 days
Inventory Days	<input type="text" value="11.9"/> days	31.43 days

Start Over

Ok

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Let's take a quick tour



Questions to Answer



Expertise and Experience

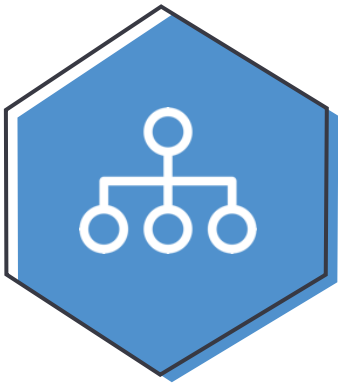


Resources



Relationship Building

Keys to Success



Approach



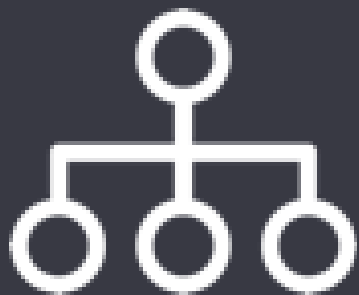
Engage



Coach



Interpret



Approach



Clear, defined direction



Execution by designated users



Client results

Engage

- ✓ Focus on type 2 services
- ✓ Revenue potential
- ✓ Client attraction



Engage Your Clients

Key Ways to Engage Your Clients



Loyalty

Strengthen your bonds with existing clients



Relationships

Focus on the relationship, not the transaction

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Collaborate

Communicate internally on ways to service customers



Network

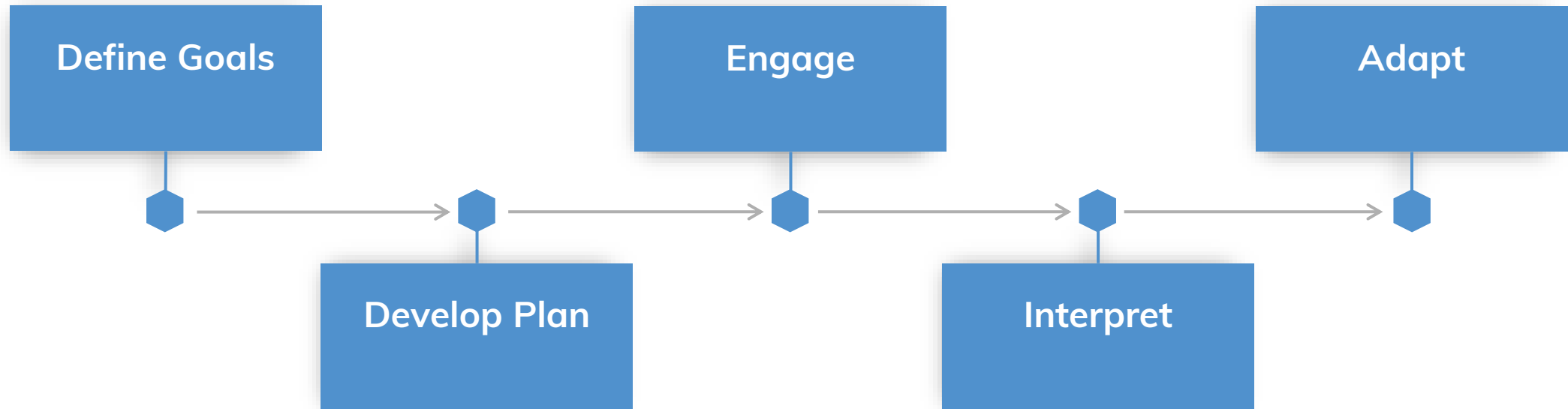
Find or create opportunities in your community

Interpret

Monitor your client deliverables and engagements.



Keys to Success



Qualifying

Steps to qualifying the client and their needs





Who?



New clients



Existing clients



Classifying clients

Who?

- **New Clients**

- Cultivate healthy relationships from the beginning

- **Existing Clients**

- Grow the relationship by cross-selling additional services
- Focus on services provided to top tier or "A" clients



What?



Don't overpromise



Emphasize your expertise



Identify services

What?

1

Develop an industry niche or advisory specialty and focus on clients that can benefit

2

Showcase how you've helped clients, calling to attention your impact

3

Clients need insight that you can provide





Where?



CRM



Outreach

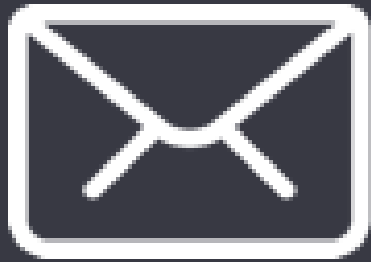


Client Workshops



Where?

- ✓ Develop customer profiles, analyze relationships and communication
- ✓ Develop a touch program that makes sense to your client base
- ✓ Build on your "expert" role by creating workshops or webinars



When?



Routine client meetings



Understanding busy periods



Marketing efforts



When?

- ✓ Intentional and routing client meetings, constantly communicating your service offerings
- ✓ Make sure you understand your client's busy periods and help them with strategy and plan development
- ✓ Communicate value through your marketing efforts, as well as using it deliver service updates



How?



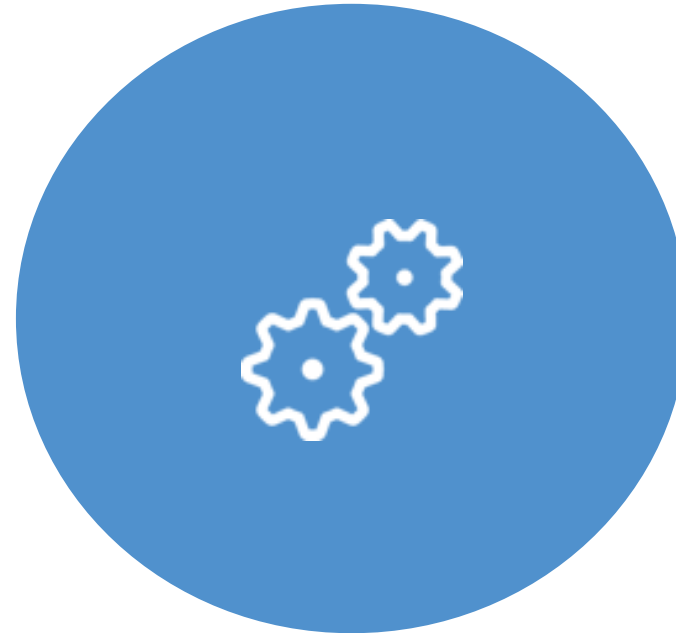
Client Service Plans



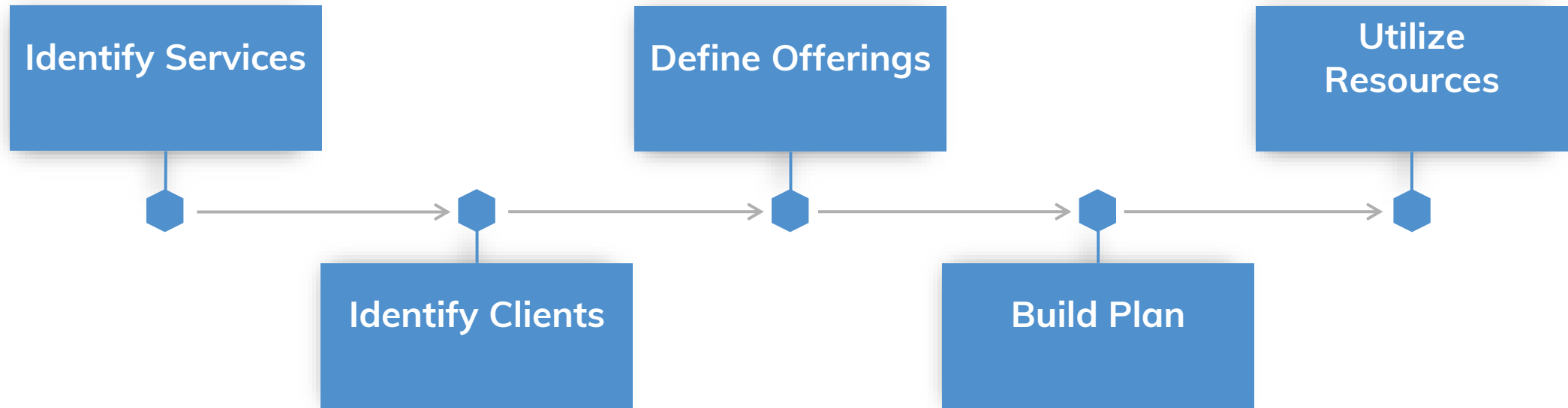
Leverage technology

Why?

- Churn
 - Costs of obtaining new clients
 - Unable to be full-service
 - Competition
 - Relationship building



Cross-selling Services



Thank You



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