

## Visier® Business Solutions Cost to Serve Analysis



## Gain clarity on your true cost to serve & accelerate revenue growth

As the world of work goes through the Great Resignation and the aftermath of the pandemic, it is extremely important to buckle down on costs and maximize profits to outlast the turmoil. Gaining accurate insight into your cost to serve is vital for optimizing income and service offerings. Using net income measures to gain clear insights into ideal team make-up, size, and characteristics will allow you to strengthen your path to profitability and maximize sales and hiring planning.

### Challenge

Faced with continued disruptions to the work environment, it's imperative for organizations to reduce costs and ensure efficient operations. As they develop strategies to maximize their current resources and stay afloat, they're faced with new challenges to match their past success and adjust to fit ever-changing market conditions.

#### 1. Lack of accuracy & granularity

Calculating net income per customer can require guesswork to determine revenue generated by each customer versus the cost of the customer-facing teams. This is because the data is disaggregated, lies in many different systems, and isn't detailed enough in areas including individual salaries, revenue type, recurring value of a service, and portion of team time spent per customer.

#### 2. Tedious & time-consuming effort

Collecting and unifying data is tedious, time-consuming, and distracting for teams who need to focus on more strategic tasks. Additionally, the data potentially becomes unreliable and obsolete by the end of the lengthy analysis process.

#### 3. Manual calculation & spreadsheets

Spreadsheets and manual calculations leave room for human error and don't have proper security features for sensitive data. Calculating manually creates inconsistency from period to period which makes looking at historical data for comparison inaccurate as well as reporting and visualization extremely difficult.



## Solution

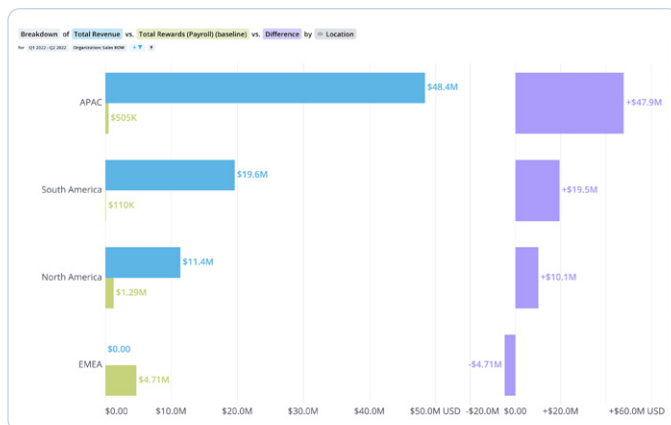
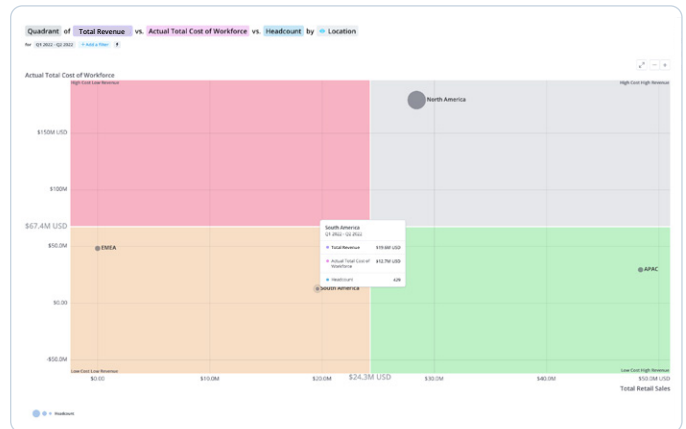
**Cost to Serve** provides you with an accurate net income value with a breakdown by customer and customer team. By bringing together income data and employee cost data (using on target earnings (OTE) and/or payroll earnings), you can unlock insights into key financial, revenue, and team performance metrics including services profitability, product and services income, cost of services, and team revenue.

HR teams, sales leaders, and other relevant stakeholders with appropriate security levels can easily access this solution. This solution enables a path to increase profitability and maximize employee team performance through the creation of revenue generating strategies. These strategies can help optimize costs, accurately calculate the profitability of the different services and lifetime value of customers, and properly allocate resources to current and projected revenue generating customers.

This solution empowers leaders with a detailed view of their revenue generation process, allowing them to zoom into business critical aspects of their client relationship management and growth strategies:

### Identify opportunity areas to align price & service levels

- Track cost spent on servicing a customer versus customer revenue
- Understand the impact of the team on the customer experience and renewal
- Improve team performance and efficiency (eliminating overload of time spent on customers) through the ability to drill down and compare team strategies, characteristics, and capabilities



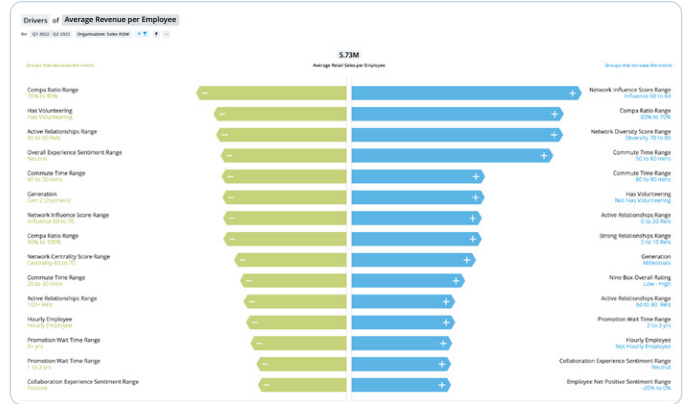
### Surface risks & areas to improve operational efficiency

- Pulling data from sales management system and revenue management system to gain estimated revenue versus actual revenue (considering how much was paid versus invoiced)
- Understand through deep analysis the current and future value of a customer
- Analyze income with accurate information to determine projected sales and allocate resources to where appropriate



## Identify optimal team structures & employee drivers impacting cost to serve

- Budget accuracy enhanced based on detailed historical data
- Using actual compensation data that takes into consideration base pay, variable pay, overtime data, etc. to gain a more accurate view of cost spent serving a customer
- View hours information from actual payroll data to determine hourly cost per employee per customer



## Key benefits



### Accurate net income & relevant KPIs

Combining revenue data with people data provides an accurate view of net income and helps determine what KPIs to focus on. Being able to bring in more reliable information on a granular level allows for better, data-informed decisions and identifies a clear path to increased profitability.



### Optimal team make-up insights

Drill down into specific teams, roles, locations, and individuals to understand the right make-up of an optimal team. Find patterns you can replicate for multiplied success, and determine the appropriate ratio of overall spend versus the revenue from each customer. Identify opportunities to prioritize teams that need support and individuals who may need further coaching.



### Key contributing employee traits & characteristics

See the patterns and results of key performers in your organization and encourage and nurture such traits and characteristics to increase team productivity and performance.



### Effective sales & hiring planning

Organizations who have the right sales team and a future plan for hiring will have a winning formula for increased income YoY. **Cost to Serve** grants you the ability to use data to analyze, predict, and budget sales as well as the headcount needed to support future business plans.

## Learn More

Please email [customsolutions@visier.com](mailto:customsolutions@visier.com), or contact your account representative to learn more about how Visier can help.