

## Benchmark Surveys

A large foodservice manufacturer was interested in comparing their practices and performance across the Order-to-Cash (OTC) process, to those of peer companies. They were frustrated at the lack of data for the foodservice channel, and contacted Franklin Foodservice Solutions to seek our advice.

We suggested that together we could target and recruit selected companies to participate in a detailed OTC Benchmark Survey. The company agreed with this idea, and invited us to spend a day interviewing all of their departments involved in the OTC process. As a result of these interviews, we identified Benchmarking Questions across the following areas:

- Demographics (company sales volume, number of PO's, etc.)
- Price Structures, Policies, and Practices
- Order Management
- Forecasting, Service Levels, and Product Handling
- Invoicing, Collections, and Cash Application
- Past Due Performance, Trade, and Deductions
- Miscellaneous

We then created a Project Prospectus, contacted the selected peer companies and invited them to participate. The nine companies who agreed to participate were given an opportunity to submit additional questions before the final survey was fielded.

The 103-Question Survey was fielded electronically, giving participants the opportunity to log on and complete various sections as time and information became available. As each participant completed their survey, we reviewed the results and took note of areas that were unclear or suggested a misunderstanding. We then conducted a one-hour conference call with each participant to go through their results and validate or adjust all appropriate data.

Once the data was validated, we created a 76-page Report which presented the information graphically. Although the participating companies were identified, the data was presented in such a manner that individual results could not be linked to individual participants, protecting sensitive information. The Report also featured a calculation of Key Ratios (such as Number of PO's : Number of Customer Service Employees) to help participants rate their own performance. We added our observations and perspectives where appropriate.

Finally, we held followup conference calls with each participant to answer questions and provide our perspectives on results.

The participants were very appreciative of the opportunity to see previously-unavailable information, and have expressed interest in follow-up studies.

