

# Variance reporting for a construction equipment distributor

## Client Spotlight



### Situation

A construction equipment company had a monthly variance reporting process that was misaligned between business partners and FP&A. The HQ FP&A team was responsible for explaining P&L results and didn't have a sufficient way to gather insights and explanations from their branches and sales teams.

This placed a high burden on the FP&A team and limited the insights available to understand the full picture behind business performance.



### Solution

We broke down the P&L to match the people with the most insight against their respective line items. Branches would report on OpEx, and the sales team would report on sales, COGS and gross margin.

Then, we created a tool to enable them to easily provide commentary on a set of high-priority comparisons. We even included automated 'suggested' explanations based on the top N items driving results.



### Results

The finance team saved time while also providing higher quality insights to business performance. By getting a more complete and accurate description of business performance, leadership is better positioned to make critical decisions.

Overall, a broader portion of the company could participate while reducing the overall burden on people's time and efforts.



A regional equipment solutions provider specializing in sales, rentals, and service of industrial and construction machinery. The company supports industries such as construction, landscaping, and utility installation with a focus on innovative and reliable equipment. Known for exceptional customer support and expertise in machinery solutions.

Tags: Variance reporting, construction, distributor, financial analysis

