

### MANAGEMENT CONSULTING SERVICES AND OASYS

## CONSTRUCTION COMPANY GAINS VALUABLE DATA INSIGHTS THROUGH REVAMPED FINANCIAL REPORTING

Learn how Withum helped a commercial real estate artisan woodworking contractor strengthen the ROI of their current and future projects.

### EXECUTIVE SUMMARY

Withum's Financial Planning and Analysis with Services to Technology (FAST) Team allowed a high-end architectural woodworking and millwork contractor to have better insight into financial project performance for all commercial building projects. By creating a financial reporting dashboard that pulls data from the company's accounting system, the company's management and private equity ownership now have monthly and quarterly financial reports to effectively support future business decisions.



### THE CLIENT

The client is a West Coast licensed contractor focused on the fabrication, sourcing, and installation of custom high-end architectural woodworking and millwork for commercial building projects. An East Coast private equity firm recently purchased the client's parent company where Withum acted as a liaison between the two parties, facilitating the change in ownership. During this transition, Withum discovered that there was a need for a more robust and timely financial reporting mechanism to keep management and the private equity firm apprised of the company's operations.



### CASE BRIEF

**CLIENT:** High-end architectural woodworking and millwork contractor for commercial buildings on the West Coast

**STRENGTH:** Accurate tracking of projects and job performance

**CHALLENGE:** Inefficient reporting and lack of data visibility

**OPPORTUNITY:** Provide real-time insights on financial position against industry benchmarks

**OUTCOME:** Comprehensive monthly and quarterly financial reporting to help drive better business decisions





## THE CHALLENGE

During the transition period, after the client's acquisition, the Withum Team identified various financial reporting challenges impacting both ownership and company management. Existing financial reporting mechanisms did not support management decisions due to a lack of data visibility and tracking of relevant KPIs, such as break-even revenue. In addition to exploring alternative solutions for their accounting system, the client asked Withum to create a dashboard that showcased various performance metrics relating to the health of the business. This financial reporting dashboard would help the company:

- Use GAAP financial statements to pull out relative information onto an all-inclusive dashboard.
- Identify metrics that investors and lenders usually focus on when evaluating companies.
- Assist management with suggestions toward improving metric outcomes.



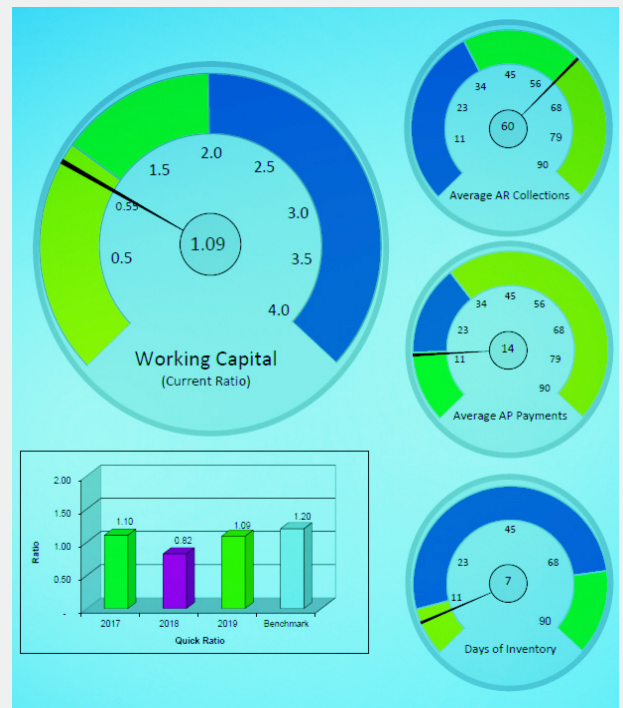
## THE APPROACH AND SOLUTION

The client and its private equity owner spoke with the Withum team about their current financial reporting challenges and agreed that Withum's Financial Planning and Analysis with Services to Technology (FAST) Team was the best fit for the project based on experience and recommended solutions. The FAST Team advised and helped create a tool that provided both a summary and in-depth analysis of the company's financial position in real-time.

The goal was to create actionable information that was helpful to everybody, from CPAs to those with non-finance or accounting backgrounds. With these goals in mind, the FAST Team created two financial reports: one for high-level monthly distribution and one that could be reviewed quarterly with additional details.

The monthly report provides stakeholders a snapshot of the monthly performance through a statement of financial position and summary P&L. The client can review their financials at summary and detail levels. The report allows a user to highlight variances related to operating expenses and show, in detail, how the company's major projects are progressing from a financial standpoint on a monthly basis.

The quarterly reports provide guidance on how the business is performing relative to the industry benchmarks and standards. These reports utilize gauges and dials to illustrate the various financial ratios and metrics important for business operations.





## THE RESULTS, ROI

The company's stakeholders were impressed with the valuable insights delivered by the dashboards that the Withum FAST Team built. The monthly report allows the company's management to:

- Get ahead of any variances from the budget or prior actuals.
- Anticipate and explain the monthly performance to the private equity owners and address any questions.

The quarterly report is invaluable to the company's management because they can:

- Gauge performance against industry standards.
- Identify problem areas and address them in real-time.

The reports provide valuable insights into the company's financial position, which is essential to the vested interest of the private equity firm. The private equity firm is now able to review management's performance on a monthly and quarterly basis and discover any variances or management oversights.

**Withum's continued work with the client alongside the collective set of FAST Dashboards ensures key initiatives are continually met and all aspects of the business are functioning optimally.**