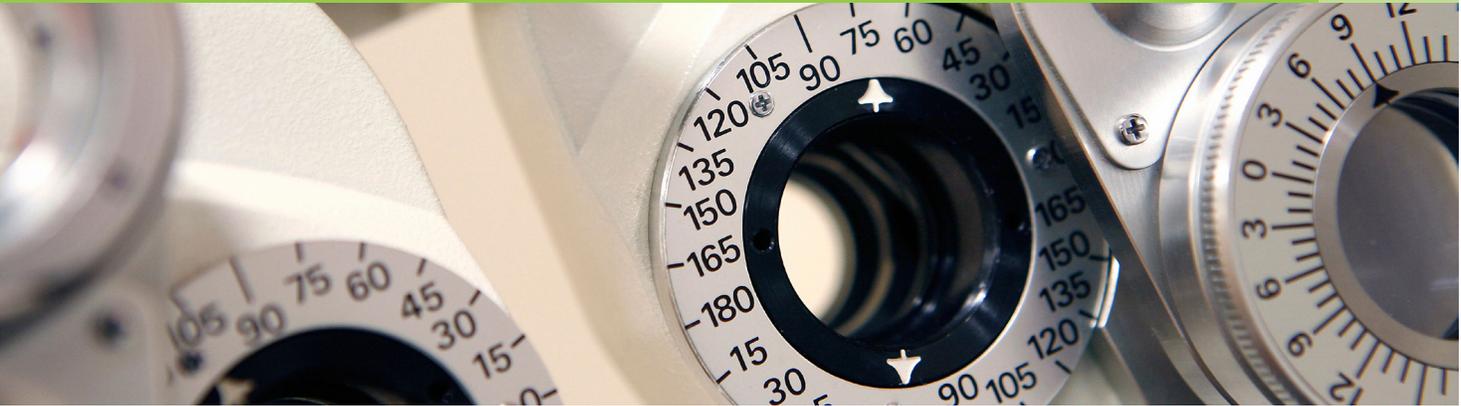




Deloitte's Global Benchmarking Center

Let us help you see through walls



Deloitte's Global Benchmarking Center (GBC) is dedicated to helping clients assess their performance compared to their peers and quantify opportunities for improvement.

Why compare your organization to a peer group if that peer group isn't relevant to you?

While there is value in cross-industry comparisons, our data is organized and benchmarked by industry. Through tailored back-office and operational industry-specific process benchmarking memberships, products, and services, we can provide our clients with the relevant data comparisons often needed to make informed business decisions.

Through our flexible benchmark capabilities and technology, we have compiled a database of more than 25,000 metrics. These metrics are derived from proprietary cost, staff, transaction volume, and cycle time data from over 4,500 clients.

Relevant comparative analytics

Leveraging proprietary, publicly available, and validated 3rd party data, we specifically handpick peer organizations with demographics and operational characteristics closest to our clients rather than just going with pre-determined, generic peer groups. These peer groups can then be refined by process, geography, size, revenue, and other demographics to form the comparators that will be most relevant to your organization.

This process is known as comparative analytics. For our clients, comparative analytics can result in a directionally correct assessment that shows where in your organization you can take corrective action such as:

- Quantifying opportunities for improvement and helps with prioritization
- Identifying the gap between where the client is now and what they want to achieve

Our heat map is designed to highlight potential process category gap opportunities when compared against the peer group

Performance gap heat map by process category relative to the Financial Services (\$US M)—illustrative data

Gap/Advantage vs. Financial Services Median (\$US M)	Transaction processing	General accounting external reporting	Controls	Tax and treasury	Performance management	Total
Labor rate differential	(0.44)	(1.53)	0.35	3.51	(3.48)	(1.59)
Staffing efficiency	3.02	1.23	3.49	(0.85)	3.71	10.60
Outsourcing	2.22	2.40	(1.64)	(2.96)	(0.83)	(0.81)
Total	4.80	2.10	2.20	(0.30)	(0.60)	8.20

■ Company A below comparator level, and value at least 15% of the size of the total gap

■ Company A better than comparator level, and value at 15% of the size of the total gap

Taxonomy

Given the extent of our continually-growing, proprietary database, it is our structured approach and methodology that enables relevant comparison development. At the heart of this methodology are our taxonomies. We collect all our benchmark data according to standard comprehensive taxonomies that:

- Enable peer and cross-industry “apples to apples” comparisons regardless of a client’s organizational structure
- Enable both external peer group comparisons as well as internal organization comparisons (geography, business unit, shared services)

As seen in the finance function example below, the structure of our benchmark taxonomies enable “apples to apples” client data comparisons from the function to the sub-process level

Function — Level 0	Process category — Level 1	Process — Level 2	Sub-process — level 3	Activity — Level 4
Finance	Transaction processing	Accounts payable	Invoice receipt and validation	<ul style="list-style-type: none"> • Process incoming paper invoices within accounts payable • Scan documents specific to accounts payable • Receive invoice by electronic media (EDI, XML, Tape, CD, email, etc.) • Match supplier invoice to purchase order and /or receipt acknowledgment • Verify approval signature manually
		<ul style="list-style-type: none"> • Accounts receivable • Billing • Collections • Cost accounting • Credit • Fixed assets accounting • Freight payable • Project accounting • Revenue accounting • Travel and entertainment 	<ul style="list-style-type: none"> • Invoice processing • Payment processing • Supplier relationship management • Management reporting specific to accounts payable • Compliance • Outsourcing • Set up and maintain accounts payable data 	
	General accounting/ external reporting			
	Controls			
	Tax and treasury			
	Performance mgmt.			

Dedicated team and tailored tools

Our global, dedicated team adheres to a dual-shore model, with work performed around the clock, and consists of:

- Subject-matter Advisors in study design, data validation, and analysis
- Specialized Analysts for data collection and interpretation

Deloitte utilizes tailored data collection, validation, analysis, and reporting tools in all benchmarking and custom studies. These tools help guide our clients through the benchmarking process while supporting our efforts to provide relevant peer comparisons.

Our benchmarks can deliver the relevant peer comparisons needed to understand your cost reduction opportunities, where you have investment opportunities, how your function investments compare to those of your peers, and what is driving the difference.

The functions we benchmark include:

- Finance
- Industry-Specific Operations
- Legal & Compliance
- Human Resources
- Sales & Marketing
- Supply Chain
- Information Technology
- Sales, General, & Administrative (SG&A)

Our database currently spans 18 industries:

- Aerospace & defense
- Insurance
- Public Sector
- Automotive
- Medical Device
- Retail & Wholesale Distribution
- Banks
- Oil, Gas, & Mining
- Software & IT Services
- Broadcasting & Telecommunications
- Pharmaceuticals
- Technology—Hardware
- Consumer Products
- Process & Industrial Products
- Transportation
- Hospitals
- Professional Services
- Utilities

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Benchmarking is a critical step to understanding the cost gaps that drive competitive performance. To learn more about how Deloitte can help, visit www.deloitte.com/us/benchmarking or contact us directly.

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