PRISM**HR**

ClientSpace Client Profitability

How your clients contribute to your bottom line

ClientSpace R151

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Contents

Chapter 1

ClientSpace Profitability Report

The ClientSpace Profitability Report automatically calculates the net profit margin for each client, showing their contribution to your bottom line. With insight into gross revenue for each SMB and your cost of service to support them, you can make smarter, data-driven decisions during the renewal process.

Benefits

- Understand the profitability of each client
- Gain insight into the cost of service to support each client

Features

- Provides a detailed view of the cost to support each of your clients and the net profit margin. You can see costs and net profit margin displayed for the current period, annualized, and per worksite employee.
- Provides a service snapshot for each client, including client service cases, client visits, workers' compensation claims, and unemployment claims. You can see details on volume, total cost, and hours spent managing each event type.
- Discloses the variance between a client's actual gross payroll, worksite employee count, and loss ratio and the respective estimates when the contract was signed.
- Provides gross revenue details—including gross payroll, administrative fees, workers' compensation margin, and tax margin—displayed for the current period, annualized, and per worksite employee.

Note: As of Release 89, you cannot import the historical payroll batch data. Please engage with ClientSpace Professional Services for an interim solution.

Data

Much of the data for gross profitability comes directly from PrismHR. We will look at a Payroll Batch and the many Billing Vouchers within the batch. Let's use the client Fairfield Financial for our example.

Note: Historical data may not be available as of Release 89. Please engage with ClientSpace Professional Services for an interim solution.

To view the data that drives the process:

1. Go to the client's workspace landing page.
2. Move to the end of the page, and search for **payroll**.
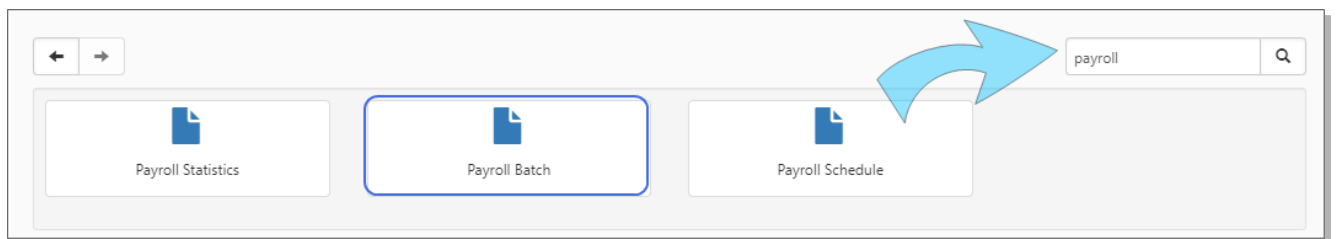
3. Click **Payroll Batch**.
   The Payroll Batch list displays, showing records for multiple pay dates. These entries are payroll runs, showing the Pay Date.
4. Double-click a record to open and view the Payroll Batch.
   You see Pay Date, Pay Group (could have multiple Pay Groups), Period End Date, and Employee Count.
5. In the **Action Center**, click **Billing Vouchers**.
   Each Payroll Batch has multiple Billing Voucher records. These are line items for the invoice to include Gross Wages, FICA, State taxes, Administrator fees, and Workers' Compensation.

6. Open a Billing Voucher record to see Billing Amount. If there is a related cost, such as Workers' Compensation, you also see the Billing Code and Cost Amount.

Implementing the report

Note: As of Release 89, currently, you cannot import the historical payroll batch data. Please engage with ClientSpace Professional Services for an interim solution.

Overview of things to do

1. Before you can implement the Client Profitability Report, contact the ClientSpace Professional Services team.

2. When you have an implementation strategy, then activate the Merge record and the report links.

3. After you address these items, you are ready to generate the report.

Activating the Client Profitability Merge record

Before you can generate the Client Profitability report, you must activate the merge record. The merge record is set up for you; the only thing you have to do is to activate it.

To activate the merge record:

1. Go to **System Admin** ⚙ > **Outputs** > **Merges**.
   The Merge Admin dashboard opens.

2. In **More** Search, select **Archived** and click **Search**.
   A list of archived merges displays. You should see Client Profitability in the list.

3. Open **Client Profitability** (🗗 **Open**).
   The Merge Admin Detail form opens. You should see the following fields and values.

Name	Client Profitability
Template File	ClientProfitability_MergeTemplate. This is the Excel template that formats your data. **Note:** There is a newer version of the Client Profitability Merge template named **ClientProfitability_MergeTemplate_PayGroupBelow** available beginning with ClientSpace Release 149 that includes the fields used to calculate the **Average EE Count**. The **Average EE Count** calculation is not dependent on receiving the new template. The new template simply displays the fields used in the calculation. The newer template is available

	by request. Please contact your ClientSpace representative or log an extranet case to receive the new template.
Type	Excel
Procedure	peo_merge_client_profitability

4. Select **Active** to enable the merge record.
5. Click **Save**.

Activating the Report Link

The next step is to activate the report link so that it is available on the Client Master in the Action Center.

To activate the link:
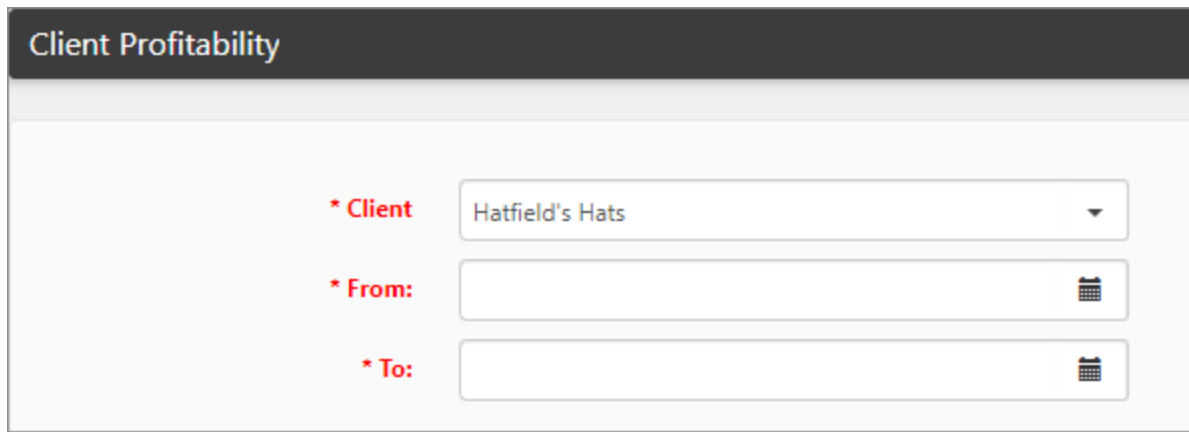
1. Go to **System Admin** ⚙ > **Advanced** > **Custom Links**.
    The Configure Links dashboard opens.
2. In **Search**, type **%profit** to find the targeted record. Optionally, you can sort the **Display Value** column and select **Client Profitability**.
3. Double-click the entry or click (⤢ **Open**).
    The Configure Links Detail form opens.
4. At the bottom of the page, select **Active** to activate the link.
5. Click **Save**.

Generating the Client Profitability Report

You generate the report from the Client Profitability link in the Action Center. This link is accessible from the Client Master.

To generate the report:

1. From the Client Master, in the **Action Center**, under **Reports**, click **Client Profitability**.
    The Client Profitability form opens.

Client Profitability

* Client	Hatfield's Hats ▾
* From:	📅
* To:	📅

1. Edit the fields as required:

Client	Default is the selected client from the Client Master or Workspace landing page.
From	Use the date picker to select the starting date, or type a date using the format: mm/dd/yyyy.
To	Use the date picker to select the ending date, or type a date using the format: mm/dd/yyyy.

2. Click **Execute**.
   The report generates and downloads as an Excel spreadsheet.

To view the report:

1. Locate your download files and open the spreadsheet.
2. Excel opens the report on the **Client Summary** tab. There are multiple tabs.

Fairfield Financial

Start Date	01/01/2019	
End Date	12/31/2019	
# Days		365
Total Checks Processed	3379	
Average EE Count	76.44	

Gross Revenue	Period	Annualized	Per EE
Gross Payroll	$6,191,606	$6,191,606	$81,000
Administrative Fees	$292,878	$292,878	$3,831
Work Comp Margin	$20,984	$20,984	$275
Tax Margin	$2,280	$2,280	$30
Gross Margin	$316,142	$316,142	$4,136
Gross Margin %	5.106%		

Cost of Service	Period	Annualized	Per EE
Case Management	$3,375	$3,375	$44
Client Visits [1]	$21,340	$21,340	$279
Work Comp Claims [2]	$77,739	$77,739	$1,017
Unemployment Claims [3]	$23,719	$23,719	$310
Cost of Service	$126,172	$126,172	$1,651
Net Profit Margin	$189,970.18	$189,970.18	$2,485

Service Details	Count	Total Cost	Hours Spent
Client Service Cases	27	$3,375	22.91
Client Visits	3	$6,640	88.00
Work Comp Claim	23	$77,739	18.32
Unemployment Claims	11	$23,719	11.87

Contract Vs Actual	Gross Payroll	EE Count	WC Losses
Contract	$4,451,000	59.00	$19,398
Actual	$6,191,606	76.44	$76,823
Variance	-$1,740,606	(17.44)	$57,425
Variance %	-39%	-30%	296.04%

| Client Summary | Contract Info | Payroll_New | Client Service | WorkComp | Unemployment | ⊕ |

The example shows the date range from January 1 to the end of the year, December 31. The Gross Margin and Cost of Service are highlighted, along with the Net Profit Margin. In this example, while the profit is very positive, there are many costs associated with maintaining this client.

Client Summary

This tab presents a summarized view of the data. This part of the report reveals what it costs you to administer the client compared to your gross margin. The Contract vs. Actual show any variance between the contracted amounts and actual costs.

Contract Info

This tab presents the contract costs – the costs incurred by the company to fulfill the terms of the contract. A summary of the contract data is also presented in the Client Summary tab.

Payroll_New

This tab presents the payroll batch and bill code records. We viewed this data in the Payroll Batch runs and the Billing Voucher records.

Client Service

This tab presents costs associated with visits, cases, and tasks. For tasks, cases, and visits you can see basic information for each record, which also includes time records if applicable. The sum of the total

time spent is included in the Cost of Service total on the first tab, Client Summary.

WorkComp

This tab presents the costs associated with Workers' Compensation. It lists the claims that fit your date range. Additionally, if you are tracking time in the claim, the Time Spent column shows much time your staff spent on this activity.

Unemployment

This tab shows the costs of unemployment by employees for the selected date range. Time Spent captures time tracking from ClientSpace.

Learning how: Client Profitability report

Watch the video about Client Profitability Report.