

SC&H GROUP DATA ANALYSIS

SC&H Group is a nationally recognized management consulting, audit and tax firm serving clients from rapidly growing private sector businesses to Fortune 500 companies with global brands. They tasked us to look into employee utilization rates (the percentage of an employee's total working hours spent on work that can be billed to a client versus administrative tasks) operating under the notion that an 80% rate is ideal, and determine ways to improve the Group's profitability.

ANALYSIS + VISUALIZATION

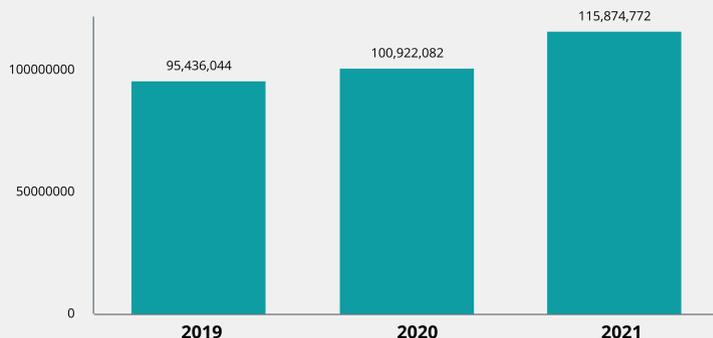
Considering actual billed amount and hours worked, employee utilization rates over time, medians of hours worked per week and bill rates, as well as profitable clients, this analysis aims to determine strategies for maximizing revenue and employee utilization rates.

TOTAL CLIENT BILLED AMOUNT

By Year

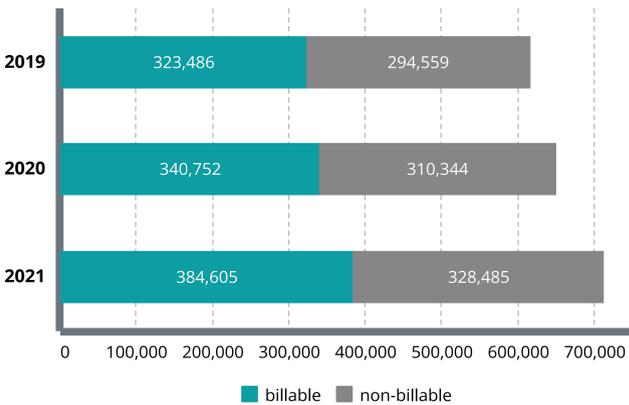
\$20,438,728

From 2019 to 2021 the amount of money billed by the company has increased by 20.5 million (18%). This led us to wonder if billable hours for the company increased at a similar rate.



TOTAL HOURS WORKED

Billable VS Non-Billable



50%

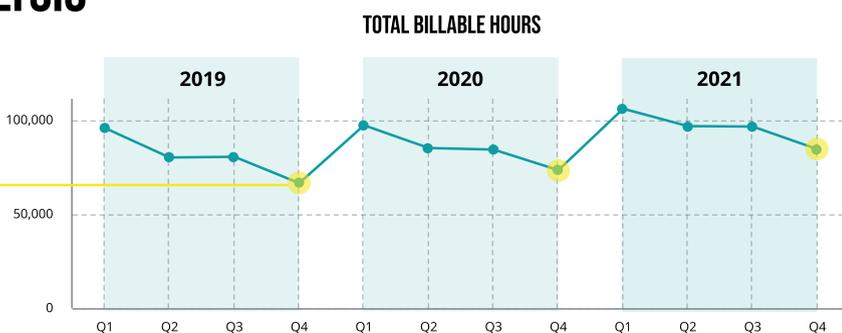
We discovered that the amount of billable hours has consistently increased alongside client revenue. However, the percentage of non-billable hours compared to billable has remained at roughly 50% over a three-year period.

This led us to question where the largest opportunities to increase billable hours were.

QUARTERLY ANALYSIS

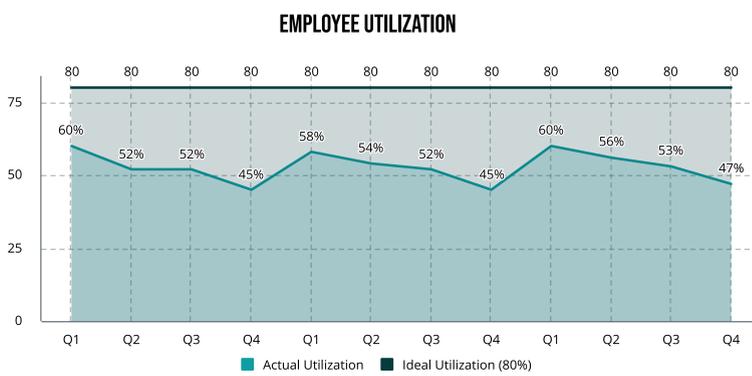
By Year

By looking at the year in quarters we discovered a trend in the data. Each year during Q4 there is a significant drop in billable hours.



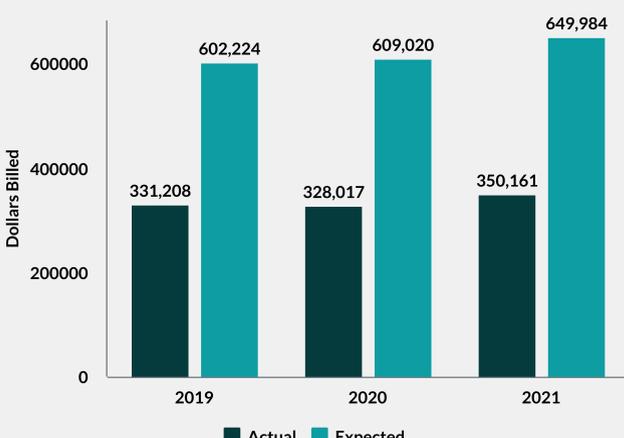
15%

We were curious how this dip in hours impacted employee utilization. In this graph we see that at the company's busiest time, overall utilization is at 60% and then drops to 45% in subsequent quarters.



EMPLOYEE REVENUE

Actual vs Ideal



Only 51 of 406 Employees had a utilization of 80% or more.

We were curious what impact an 80% utilization rate would have on company revenue. So, using each year's median bill rate, we created the "ideal" dollar amount of revenue per employee (assuming they worked 50 weeks a year). We then compared it to the median employee's billed total per year.

This shows there are opportunities to grow and improve. But how can we target clients who will boost our utilization rates overall?

TOP CLIENTS OF Q3 + Q4 2021

Based on Total Billed



This graph represents 25% of the dollars billed in the second half of 2021. These are clients who utilize non-tax season services, like Business Performance Management. We can see that Clients 3105, 3604, 3228, and 3801 were all billed over \$1,000,000. Targeting organizations similar to these companies would be a good way to increase employee utilization and profitability.

CONCLUSION

The analysis shows that SC&H group typically have a strong performance in the first quarter of the year, only to see a decline in both billable hours and revenue in the subsequent three quarters. The group clearly has diverse offerings beyond tax preparation, and ought to focus on clients who need these other services. The clients who bring in the largest revenue outside of tax season