

FreshWorks Studio Operations Assistant Selection Test

Leah Forbes, Aug. 29th, 2019

Time to complete: 3.5 hrs (approximate)

Deliverables: #1

Completed April invoice for the Time & Materials projects on the Selection Test Data Google Sheet.

A	B	C	D	E
Project Name	Contract Type	April Invoice Amount:	Invoice Currency	Notes
A Place for Mom	Time and Materials	\$59,350.05	USD	Invoice for April only
Sailing	Fixed Price	\$48,620.25	CAD	Invoice was for March and April combined
Hootsuite (GMB)	Fixed Price	\$12,600.42	USD	
Mines	Time and Materials	\$75,949.80	CAD	

Process:

- Identify each person who worked on the project by Activity Code
- Multiply their total hours worked on that project in April by their bill rate, according to their role on the Employee Salaries tab and the bill rate for that role on the Rate Card tab
- Total up the billable amount for all employees that worked on that project in the month
- In the case of A Place for Mom, multiply the total by .75 to convert to USD

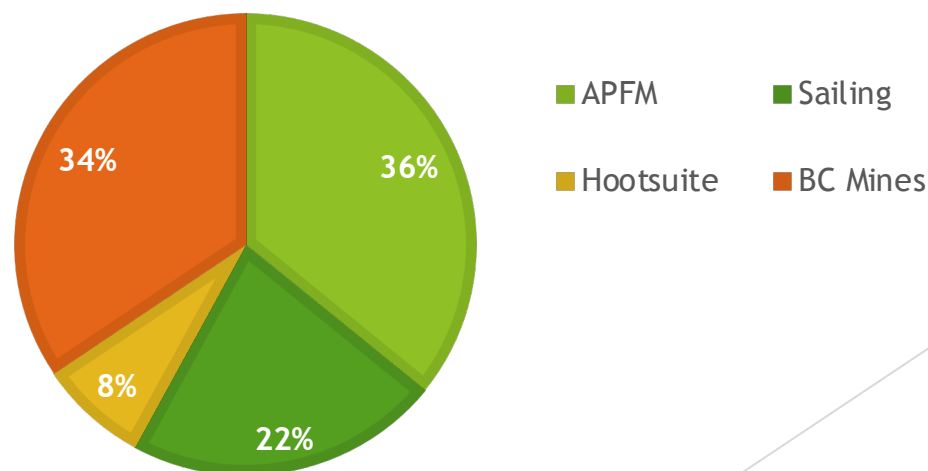
Deliverables: #2

Gross profit for all four projects on the Selection Test Data Google Sheet, represented as a dollar value, as a percentage of total revenue for the individual project, and as a percentage of the gross profit for all four projects.

Project	Amount Billable (CAD)	Amount Payable (CAD)	Gross Profit (CAD)	% Gross Profit
A Place For Mom	\$79,133.40	\$23,554.30	\$55,579.10	70.23%
Sailing	\$24,310.13	\$12,551.22	\$11,758.91	48.37%
Hootsuite (GMB)	\$16,800.56	\$12,737.17	\$4,063.39	24.19%
BC Mines	\$75,949.80	\$21,001.89	\$54,947.91	72.35%

Total Gross Profit: \$126, 349.31

Gross Profit per project as a % of the total:



Process:

- Determine employees' hourly pay rate by dividing annual salary by 2080 hours
- Split projects into separate tabs, multiply hours worked on each project by employee hourly pay
- Subtract the total amount paid to employees from the total amount billed to client (convert those billed in USD to CAD for consistency/ease of comparison) to determine gross profit
- Express gross profit as a % of total income per project
- Show total gross and each project as a % of whole

Deliverables: #3

Sample Time & Materials Invoice

Information needed to...

- ▶ Create & send: Billable costs and hours according to the company's contract with FreshWorks, invoice date, A/P email and/or instructions for preferred method of submission
- ▶ Request payment: Purchase order or job number if necessary, any receipts/work orders/supporting documentation required, A/P contact information, portal login if used
- ▶ Follow up w/client: Contact information for point person on the account, summary of outstanding charges, understanding the client's payment cycle, remittance terms in FreshWorks' contract with the company
- ▶ Receive payment: Credit card or banking information depending on the client's preferred method of payment, what invoice/service they are paying for, how to log it in FreshWorks' internal invoicing system

FreshWorks Studio

101-736 Broughton St
Victoria, BC V8W 1E1

(250) 412-3470
contact@freshworks.io

Invoice

Bill To BC Mines
221 B Baker St
Victoria, BC V8R 3E5

Invoice Number 2001321
Date 2019-08-28
PO# 80808

Description	Quantity	Unit price	Amount
Intermediate Developer (Hourly)	623.13	\$100.00	\$62,313.00
Quality Assurance (Hourly)	151.52	\$90.00	\$13,636.80

Subtotal \$75,949.80

GST \$3,797.49

PST \$5,316.49

Total \$85,063.78

Deliverables: #3 (Contd.)

Sample Fixed Price Invoice

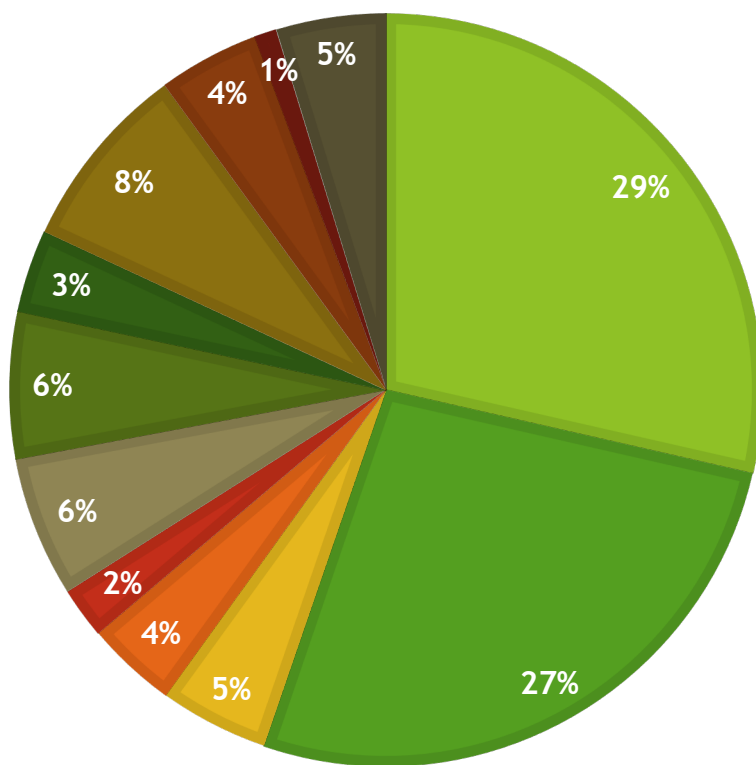
Information needed to...

- ▶ Create & send: Terms of payment according to the company's contract with FreshWorks, invoice date, A/P email and/or instructions for preferred method of submission
- ▶ Request payment: Purchase order or job number if necessary, any receipts/work orders/supporting documentation required, A/P contact information, portal login if used
- ▶ Follow up w/client: Contact information for point person on the account, summary of outstanding charges, understanding the client's payment cycle, remittance terms in FreshWorks' contract with the company
- ▶ Receive payment: Credit card or banking information depending on the client's preferred method of payment, what invoice/service they are paying for, how to log it in FreshWorks' internal invoicing system

FreshWorks Studio 101-736 Broughton St Victoria, BC V8W 1E1		Invoice	
(250) 412-3470 contact@freshworks.io			
<hr/>			
Bill To	Sailing 221 B Baker St Victoria, BC V8R 3E5	Invoice Number	2001321
		Date	2019-08-28
		PO#	80808
Description	Quantity	Unit price	Amount
Monthly Service Fee - 03/01/2019 - 03/31/2019	1	\$24,310.13	\$24,310.13
Monthly Service Fee - 04/01/2019 - 04/30/2019	1	\$24,310.12	\$24,310.12
		Subtotal	\$48,620.25
		GST	\$2,431.01
		PST	\$3,403.42
		Total	\$54,454.68

Deliverables: #4

Total salary expense for internal activities incurred by FreshWorks in the month of April, based on “Internal Activities - Jibble Reports for April,” broken down by activity.



Total Expense for Internal Activities: \$17,954.21

■ Learning & Development	- \$5,128.71
■ Project Management	- \$4,790.87
■ Marketing General	- \$843.26
■ HR & Recruitment	- \$698.87
■ Administrative Meetings	- \$393.29
■ Android General	- \$1,087.39
■ Operations	- \$1,124.92
■ iOS General	- \$639.08
■ BA General	- \$1,450.26
■ Frontend General	- \$784.14
■ Sales	- \$170.88
■ RFP General	- \$842.54

Process:

- Add employees' hourly rates in a column beside each of their internal activities on the Jibble report spreadsheet
- Multiply hours spent on each by hourly rate
- Create additional column for each activity, add total paid out to each employee to corresponding column (see next slide for spreadsheet)
- Total up columns and show as a percentage of total expenditure

Deliverables: #4 (Contd.)

Name	Activity Name	Totals	Hourly Rate	Total Cost	L&D	PM	MG	HR&R	AM	AG	Ops	iOS Gen	BA Gen	FE Gen
Adam Dubicki	Total	6.49												
	Learning & Development	6.49	\$ 30.05	\$ 195.01	\$ 195.01									
Alexa Rowe	Total	71.93		\$ -										
	Project Management	71.93	\$ 34.13	\$ 2,455.30		\$ 2,455.30								
Billin Yu	Total	47.53		\$ -										
	Learning & Development	33.82	\$ 24.04	\$ 812.98	\$ 812.98									
	Marketing General	13.71	\$ 24.04	\$ 329.57			\$ 329.57							
Brendan Walker	Total	30.28		\$ -										
	Learning & Development	30.28	\$ 26.44	\$ 800.67	\$ 800.67									
Gyanesh Mishra	Total	8.67		\$ -										
	Learning & Development	5.5	\$ 31.25	\$ 171.88	\$ 171.88									
	HR & Recruitment	2.5	\$ 31.25	\$ 78.13				\$ 78.13						
	Administrative Meetings	0.67	\$ 31.25	\$ 20.94					\$ 20.94					
Ian Myrfield	Total	48.04		\$ -										
	Android General	22.39	\$ 26.44	\$ 592.04						\$ 592.04				
	Learning & Development	19.63	\$ 26.44	\$ 519.06	\$ 519.06									
	Administrative Meetings	2.65	\$ 26.44	\$ 70.07					\$ 70.07					
	Operations	2.59	\$ 26.44	\$ 68.49							\$ 68.49			
	HR & Recruitment	0.78	\$ 26.44	\$ 20.63				\$ 20.63						
Icaro Oliveira	Total	4.92		\$ -										
	iOS General	4.92	\$ 32.21	\$ 158.48								\$ 158.48		
JP DuBouchard	Total	21.31		\$ -										
	HR & Recruitment	16.91	\$ 24.04	\$ 406.49				\$ 406.49						
	Operations	1.84	\$ 24.04	\$ 44.23							\$ 44.23			
	Administrative Meetings	1.66	\$ 24.04	\$ 39.90					\$ 39.90					
	Learning & Development	0.67	\$ 24.04	\$ 16.11	\$ 16.11									
	BA General	0.22	\$ 24.04	\$ 5.29									\$ 5.29	
Jared Jewitt	Total	32.74		\$ -										
	Frontend General	32.74	\$ 23.08	\$ 755.54										\$ 755.54
Jason Verbitsky	Total	10.33		\$ -										
	Operations	9.93	\$ 22.60	\$ 224.38							\$ 224.38			
	Administrative Meetings	0.4	\$ 22.60	\$ 9.04				\$ 9.04						
Jon Sharman	Total	33.07		\$ -										
	Learning & Development	33.07	\$ 24.04	\$ 794.95	\$ 794.95									
Judy Lee	Total	20.77		\$ -										
	Learning & Development	18.75	\$ 22.12	\$ 414.66	\$ 414.66									
	Marketing General	2.02	\$ 22.12	\$ 44.67			\$ 44.67							
Karen Bao	Total	19.93		\$ -										
	Learning & Development	14.78	\$ 24.52	\$ 362.39	\$ 362.39									
	Marketing General	5.14	\$ 24.52	\$ 126.03			\$ 126.03							
Kendall Olsen-Maier	Total	3.86		\$ -										
	Learning & Development	3.86	\$ 38.46	\$ 76.92	\$ 76.92									

Modified Jibble Report Spreadsheet of April Internal Activities

Deliverables: #5

Recommendation as to whether FreshWorks Studio should or should not pursue either Time & Materials or fixed price contracts exclusively in future.

Recommendation: FreshWorks continue to offer both pricing models to clients, with the stipulation that some projects, at FreshWorks' discretion (dependent upon the scope and nature of the work), may be offered exclusively on one or the other.

While fixed price contracts offer ease of budgeting and billing for both FreshWorks and the client, they do not offer the same flexibility of T&M contracts. The client may be concerned that if a project takes less time than originally thought, they are overpaying. If a project takes more time than forecasted, the company ends up undercharging the client.

Time & Materials allows the company to charge, and the client to pay for, exactly the amount of work put in, no more, no less. While the client may be more comfortable with a fixed budget, the fixed price model does not allow for changes or additions to the product during development without rewriting their contract. The initial contract, therefore, must be extremely precise in detailing the desired outcome, which may pose a challenge if the customer is not familiar enough with software development to accurately describe their vision. Time & Materials contracts allow for this vision to evolve, with input from both the client and developers.

Some larger/more challenging projects may be very difficult to forecast, and would be unwise to bill at fixed price. However, I believe that smaller/simpler projects (ie. ones that could be based on a framework already created for another project) should be billed at fixed price, since the efficiency with which you can create a quality product does not degrade its quality, and billing such projects on Time & Materials would result in a loss of revenue for the same level of quality.

In summary, I would recommend that FreshWorks continue to offer whichever pricing model the client is most comfortable with for projects that fall in the middle of the spectrum of complication/resources required, but allow themselves the freedom to limit projects that fall to one end or the other to be billed under either payment structure exclusively.

Process:

- Put myself in the mindset of both FreshWorks the client
- Consider my past experiences with both models
- Based on what I know about the services offered by FreshWorks, try to determine which model would be most fair to the client, most profitable for the company, and most beneficial from an organizational standpoint
- Get a notepad and brainstorm a Pros and Cons list (see next slide)

Deliverables: #5 (Contd.)

	TIME & MATERIALS		FIXED PRICE	
	PRO	CON	PRO	CON
FRESHWORKS	<ul style="list-style-type: none"> - YOU WILL BE PAID FOR ALL TIME/EXPENSE INCURRED NO MATTER HOW LONG PROJECT TAKES - FLEXIBILITY IN WORKING W/ CLIENT TO CREATE BEST POSSIBLE PRODUCT - EASIER EMPLOYEE AUDITION 	<ul style="list-style-type: none"> - MAY LEAD TO MORE CUSTOMER DISPUTES, MOST CUSTOMERS WILL NOT UNDERSTAND WHAT GOES INTO MAKING AN APP - MORE COMPLICATED TO BILL, HARDER TO FORECAST REVENUE 	<ul style="list-style-type: none"> - EASE OF BILLING & FORECASTING INCOME - CREATES INCENTIVE FOR EFFICIENCY - MORE EFF = MORE PROFIT - GOOD FOR SMALL PROJECTS THAT ARE EASY TO FORECAST 	<ul style="list-style-type: none"> - IF A PROJECT TAKES MORE TIME/ RESOURCES THAN EXPECTED IT CUTS IN TO PROFIT - SOME PROJECTS MAY BE VERY DIFFICULT TO ACCURATELY ESTIMATE TIME/ COST
CLIENTS	PRO	CON	PRO	CON
	<ul style="list-style-type: none"> - TRANSPARENT BREAKDOWN OF COSTS ON INVOICE - YOU ONLY PAY FOR THE TIME & RESOURCES USED, NO MORE - ALLOWS FOR ALTERATION OR ADDING FEATURES DURING DEVELOPMENT W/OUT CHANGING TERMS OF CONTRACT 	<ul style="list-style-type: none"> - MONTHLY OR TOTAL COST TO MAKE PRODUCT MAY EXCEED BUDGET - LESS CERTAINTY ON MONTHLY FEE / COMPLETION RATE 	<ul style="list-style-type: none"> - EASY TO BUDGET - NO UNEXPECTED VARIATIONS ON MONTHLY INVOICE - MORE ACCURATE COMPLETION DATE 	<ul style="list-style-type: none"> - DOESN'T ALLOW FOR CHANGES/ADDITIONS TO DESIRED PRODUCT W/OUT CHANGE OF CONTRACT / COST OF SERVICE - IF COMPLETION TAKES LESS TIME THAN EXPECTED, YOU PAY THE SAME REGARDLESS - INITIAL CONTRACT MUST BE VERY PRECISE

Old-fashioned Pro/Con list for each pricing model, from the standpoint of FreshWorks and the client.

(I'm not sure why a handwritten list helps me think! It just does.)

Thank you for taking the time to review my work!