

### Departmental Profitability Review: Pets department

Most companies measure departmental performance at a sales and margin level only, as often being able to allocate all other company costs is a difficult and time consuming thing to do. Whilst it can take time to allocate all costs e.g. direct/indirect/fixed costs that appear below gross margin - why not take a practical approach? and invest time to capture the key direct costs that will give you a good guide as to the profitability of a department - see the below example.

### Departmental Profitability Review: Pets

Pets		Sales		Margin		Store Payroll		Contribution (Margin-Store Payroll)		Average Per Store		
		£ per week		£ per week	%	£ per week	% of sales	£ per week	%	Sales	Payroll	Contribution
<b>Total</b>	<b>104 Stores</b>	929,343		550,683	59.26%	489,985	52.72%	60,698	6.53%	8,936	4,711	584
<b>Profitable</b>	<b>72 Stores</b>	707,583		420,377	59.41%	342,455	48.40%	77,922	11.01%	6,804	3,293	749
<b>Non Profitable</b>	<b>32 Stores</b>	221,760		130,306	58.76%	147,530	66.53%	(17,224)	-7.77%	2,132	1,419	(166)



Top 10 Stores		
	Contribution	Payroll % Sales
MANSFIELD	3,907	34.22%
NOTTINGHAM	3,600	35.33%
MANCHESTER	3,506	35.05%
CARLISLE	2,827	39.59%
BATTERSEA	2,797	38.50%
ABERDEEN	2,601	39.29%
GLASGOW	2,507	36.09%
NEWCASTLE	2,397	40.29%
NEWCASTLE 2	2,349	41.02%
RYDE	2,296	36.62%

Bottom 10 Stores		
	Contribution	Payroll % Sales
MILTON KEY	(1,827)	97.97%
MANSFIELD 2	(1,309)	86.59%
NATFIELD	(1,075)	75.27%
HARTLEPOOL	(1,050)	78.35%
SURRY	(986)	74.60%
BURNLEY	(831)	65.98%
BURNLEY 2	(787)	69.88%
GATWICK	(680)	68.66%
LONDON 2	(670)	66.31%
EDINBURGH	(607)	67.02%