

HIGH-VOLUME

WORKSHEET 2 OF 9

Quarterly Trend-vs-Benchmark Check

Compare your ratios against the IDX Summary Financial Ratio for your sector. Run once per quarter after financial statements close.



Complementary worksheet for
Financial Ratio Analysis
by Ibrahim Anwar

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What This Is For

A quarterly 60-minute check that positions your ratios against two external references simultaneously: your own prior year (to detect structural drift) and your industry sector (to detect whether your drift is business-specific or sector-wide). Most operators know their absolute ratio figures. Fewer know whether those figures are improving or declining relative to the previous same quarter. Almost none know whether the change tracks or diverges from what the rest of their industry is doing.

This worksheet separates those two questions. A current ratio that fell from 1.6x to 1.3x looks worse in isolation. If the IDX sector median for your industry also fell from 1.7x to 1.4x in the same period, the operational context is different from a business whose sector held flat while its own ratio deteriorated. The benchmark does not excuse the decline. It explains what part of the decline is within your control, which is the part that requires a response.

Benefits

What you get when you actually run this worksheet on a real situation:

- Separates business-specific deterioration from sector-wide deterioration — only the former requires an internal operational response.
- Provides the two data points an investor or bank credit officer independently calculates when reviewing your submission — arriving with the same analysis already done shifts the conversation.
- Builds the same-quarter year-over-year discipline that correctly isolates seasonal cycles from structural trends.
- Identifies ratios where your business is a negative outlier relative to peers before a credit application or board meeting surfaces them.
- Creates a quarterly record of peer positioning that can be cited in credit proposals and investor meetings.

Framework To Use

— Two-Axis Position Map

Every ratio sits on two axes: trending better or worse than your prior year, and better or worse than sector median.

<p>BETTER THAN PRIOR YEAR + ABOVE SECTOR MEDIAN</p> <hr/> <p>Strongest position. Maintain. No corrective action required — monitor to confirm it holds.</p>	<p>BETTER THAN PRIOR YEAR + BELOW SECTOR MEDIAN</p> <hr/> <p>Improving but still weak relative to industry. The gap to the sector median is the target to close.</p>
<p>WORSE THAN PRIOR YEAR + ABOVE SECTOR MEDIAN</p> <hr/> <p>Declining from a strong base. Watch whether the decline is seasonal or structural. Two consecutive quarters confirms structural.</p>	<p>WORSE THAN PRIOR YEAR + BELOW SECTOR MEDIAN</p> <hr/> <p>Weakest position. Declining and already below sector. Highest priority for investigation and response.</p>

How To Use

Follow these steps in order. Each one builds on the previous.

- 1** After the quarterly financial statements are closed, open the IDX Summary Financial Ratio by Industry publication for the closest sector. Download the current edition from idx.co.id — it is published with each quarterly reporting season.
- 2** Fill column 2 with your ratios for this quarter. Fill column 3 with the same ratios from the same quarter last year. The comparison must be same-quarter — comparing Q3 against Q2 mixes seasonal effects.
- 3** Fill column 4 with the IDX sector median for each ratio. Use the median, not the mean, if your business is significantly smaller than the listed companies in the sector.
- 4** Calculate the gap in column 5: your figure minus the sector figure. Positive means you are above the sector. Negative means you are below. For ratios where higher is worse (DER, DSO, DIO), mark negative gaps as favorable.
- 5** In column 6, write Action only for ratios that are (a) below sector median AND (b) worse than the same quarter last year. Those two conditions together indicate a business-specific structural problem, not a sector shift.
- 6** For any Action cell that is not blank: assign it to a named person with a specific response and a reporting deadline before this session ends.

Example Use

A consumer goods distributor with \$8 million in annual revenue runs the quarterly check after Q3 closes. It is the third consecutive Q3 check the owner has completed.

The owner pulls the Q3 numbers: current ratio 1.31x, DSO 68 days, DIO 58 days, DER 1.44x, GPM 21.4%, NPM 5.2%.

From the Q3 prior year: current ratio was 1.48x, DSO was 61 days, DIO was 54 days, DER was 1.38x, GPM was 22.1%, NPM was 5.6%.

From the IDX sector median for consumer goods distribution: current ratio 1.55x, DSO 52 days, DIO 47 days, DER 1.62x, GPM 19.8%, NPM 4.3%.

Reading the gaps: current ratio is below sector median (gap -0.24x) AND worse than prior year (down from 1.48x). DSO is above sector median (gap +16 days, unfavorable) AND worse than prior year (up from 61 days). DIO is above sector median (+11 days, unfavorable) AND worse than prior year (+4 days). GPM is above sector median (+1.6 pp, favorable) and marginally worse than prior year (-0.7 pp). NPM is above sector median (+0.9 pp, favorable) and slightly worse than prior year.

Actions: the owner writes two entries. For DSO: the 16-day gap above sector and 7-day deterioration year-on-year indicates a collection system problem, not a market problem. The accounts team lead is assigned to map the top 10 accounts by outstanding days within the next week. For DIO: the 11-day gap above sector and 4-day deterioration needs inventory-level review for slow-moving lines. The warehouse team lead reviews aged stock above 90 days by the next monthly meeting.

Current ratio is watched but not yet actioned — it is below sector but the DER is also below sector, which reduces the urgency. GPM and NPM are above sector and that strength partially explains why current ratio has not created a bank-credit pressure yet.

The Worksheet

Tear this out, copy it onto a fresh sheet, or fill it in directly.

Quarterly Trend-vs-Benchmark Check

Compare your ratios against the IDX Summary Financial Ratio for your sector. Run once per quarter after financial statements close.

RATIO	YOUR Q (THIS YEAR)	YOUR Q (PRIOR YEAR)	SECTOR MEDIAN (IDX)	GAP VS SECTOR	ACTION?

Reflection Prompts

After filling in the worksheet on the previous page, work through these.

1. Row labels: Current Ratio · Quick Ratio · DSO (days) · DIO (days) · DER · ICR · GPM (%) · NPM (%). Sector median: IDX Summary Financial Ratio by Industry, current quarterly publication. Gap = your figure minus sector figure. For ratios where higher is worse (DER, DSO, DIO), a positive gap means you are weaker than sector — note direction in the margin.

2. For any ratio where your figure is weaker than sector median AND worse than the same quarter last year: these are the two conditions that confirm a business-specific structural problem, not a sector shift. Write one concrete cause and the earliest point at which a corrective action could take effect. The Action column is for decisions with named owners, not plans.

3. After completing the table: count the ratios in each quadrant of the two-axis position map (better/worse vs prior year; above/below sector). A business with three or more ratios in the worst quadrant has a systemic problem, not a ratio-by-ratio problem — write what the common cause is.

Tips and Traps

TIPS

- Use the sector median, not the sector mean, when comparing against IDX. Large listed companies skew the mean; median gives a more comparable midpoint for a mid-sized distribution business.
- Run this check for the same quarter every year, not against the most recent prior quarter. Q3 vs Q3 eliminates Ramadan seasonality, harvest cycles, and year-end accounting effects from the comparison.
- Download the IDX publication on the same day every quarter, before you run the worksheet. If you use an older edition, the sector median may have shifted and your gap calculation will be wrong.
- When explaining a gap to an investor or bank, lead with the two-axis analysis: 'Our DSO is 16 days above sector median, but the sector's own DSO has been lengthening for two years — so approximately 8 days of our gap reflects macro conditions and 8 days is specific to our business.'

TRAPS

- Comparing against the IDX mean when your business is far smaller than listed companies — a Rp 8 billion distributor does not have the revolving credit access that changes how large listed companies manage DSO. The comparison is not apples-to-apples.
- Taking comfort from being 'in line with sector' on a ratio that has been deteriorating at the same pace as the sector for three consecutive years. Both can be moving in a bad direction together — sector direction is context, not safety.
- Writing 'sector conditions' as the cause for every negative gap without investigating whether there is an internal component. Sector-wide DSO lengthening explains half the gap; the other half may be specific to your credit policy.
- Skipping the check in a quarter where business looks stable. The benchmark comparison is most valuable in stable quarters because it catches gradual drifts before they become urgent.

Appendixes

Appendix A – IDX Sector Code Reference for Common Operator Sectors

Consumer Goods Distribution	: Sector 15 (Consumer Cyclical) or Sector 19 (Consumer Non-Cycl
Construction Materials	: Sector 23 (Basic Materials – Building Products)
Industrial Equipment	: Sector 21 (Capital Goods)
Agribusiness / Food Processing	: Sector 13 (Consumer Non-Cyclicals – Food)
Healthcare Distribution	: Sector 35 (Healthcare)
Technology / IT Services	: Sector 55 (Technology)

Source: IDX Sectoral Classification (idx.co.id, updated quarterly)

Note: UMKM businesses are not listed on IDX. Use the sector average as directional reference only – not as an absolute benchmark. Adjust for scale when reading DER and current ratio; listed companies have revolving credit access that changes their working capital dynamics relative to unlisted businesses.

Appendix B – Same-Quarter Year-over-Year Comparison Template

Run this table once per year to build the same-quarter trend series:

Ratio	Q3-2022	Q3-2023	Q3-2024	Direction (3-yr)
Current R				
Quick R				
DSO				
DIO				
DER				
ICR				
GPM %				
NPM %				

Three consecutive same-quarter readings in the same direction = structural trend.
One reading is a data point. Two is an indication. Three is confirmation.



WHERE THIS WORKSHEET COMES FROM

Financial Ratio Analysis

Read Your Own Financial Statements Before the Bank Reads Them for You

by Ibrahim Anwar

This worksheet is one of nine in the *Financial Ratio Analysis* companion worksheet pack. The full pack is grouped into three categories: high-volume worksheets you can run weekly, niche-search worksheets for rare but high-value situations, and specific-case worksheets that walk you through a single concrete scenario.

Every framework, decision filter, and figure used in these worksheets is drawn from the chapters of the source book. The book sets the diagnosis, the worksheets give you the form to act on it.

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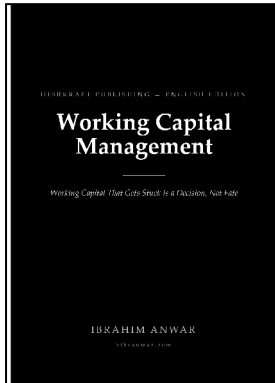
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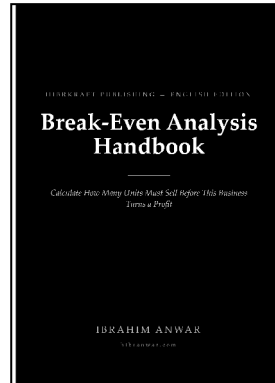
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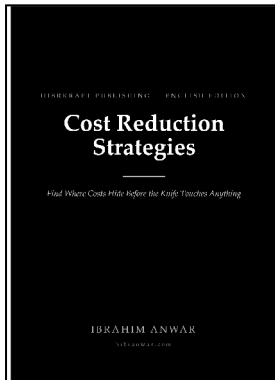
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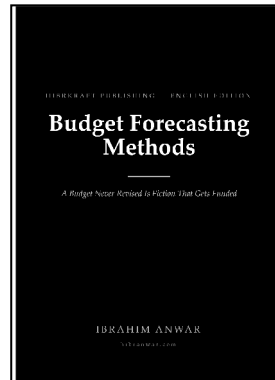
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