Demo - SERP - Job Costing Module

Preparation

1. Download the latest Standard ERP US version and import the provided demo data.
2. Login with: Standard ID: sample@hansaworld.com; Password: Sample99
3. Open the Resource planner and Project 2001009 and make sure the members each have a few activities set up that are visible.

Script

In a business within the service industry, the utilization of the employees' time is vital for the success of the company. A non-billed hour is lost and can never be recovered. The key to profitability is the constant and systematic administration of projects, hours worked, and the billing of the hours.

Standard ERP's Job Costing module provides a fully integrated solution for managing projects in various industries such as: Advertising, Media and Printing Houses, Construction, Architects and Engineering Companies, as well as Lawyers, Consulting, and other professional services.

The Job Costing module in Standard ERP covers both, project management and project accounting.

Let's see how easy it is to manage the whole process from quotation to the final invoicing stage.

> ACTION: Login with sample@hansaworld.com and password: Sample99
> Open the Mailbox. Open the first unread email "Re: Confirmation of Quotation 1058"
> Open the Workflow Overview, and filter by customer name Sonata Ltd.

I have just received an email from this company approving the last quotation I have sent to them. This customer is purchasing concert organization services.

> ACTION: Open Quotation 1058. Mark Quotation as accepted & Save. Press Create>Project.
> Add a description: 'Jazz festival concert'. Add class: Concert. Save.

Here is the Quotation. Once it is confirmed, we can create a Project from it. The description will give an understanding of what it is about. Selecting the class would allow me to report on the profitability of certain project types: like "concerts".

> ACTION: Click on the 'Members' tile. Add members: AM,BK,EK,SJ.

I'm also going to allocate the staff members that are actually going to work on this project.

> ACTION: Go to the 'Down Payments' tile. Fill in the matrix: Date = today; Sum/Retn % = 2000 EUR; Comment = Down Payment. Save the Project. Click on Create>Create Downpayment Invoice. OK and Save the Invoice. Close the Invoice record window.

Besides, my customer agreed to give us a 2000 EUR deposit. I can raise the Invoice directly from the Project.

> ACTION: In the Project 2001009 record window, click on 'Link Manager' to open the linked Quotation.

An important part of project management is the Project Budget. I am going to create it from the same Quotation. As all related records are linked to each other, it is very easy to navigate within the system.

> ACTION: Once the Quotation is open, click on Create>Project Budget.

As you can see, the system has filled in all details for me. Once Project Budget is created, I can now keep track by reporting on it against the actual figures.

> ACTION: Highlight the matrix row: 'Subcontracted services'. Close the Project Budget record.
> In the NC, click on the link Register: Purchase Orders' on the Persona Desktop.
> Click Create>>New Purchase Order. Choose Supplier 1011 "Sound industries'.
> Add Item 80301 qty 5 and 80302 qty 25. Add the Project Nr. 2001009. OK and Save.
> Click Create>>Email. Show PDF attachment in the newly created email. Close all windows to go back to the Navigation Center.

My project includes some services that would be provided by the subcontractor. So, I am going to raise a necessary Purchase Order. There are 5 hours of installation and 25 hours of Tuning off the instruments. Now I just need to allocate his Purchase Order to the project Jazz Festival Concert, and authorize it. I can also send it to the supplier by email directly from the Standard ERP.

> ACTION: Open the Expense on the Personal Desktop and point at the Project Nr. on Tab B.
> Next open the Purchase Invoice on the Personal Desktop to show the Project Nr. on Tab B.
> Open the Delivery record on the Personal Desktop and show the Project Nr. In the Header.
> Open Time Sheet 1 and show the Project number.
> (Keep all 4 windows open with the Project field highlighted). Close all to go back to the NC.

All project-related costs are captured in different Standard ERP modules such as Expenses, Purchases, Deliveries, and Timesheets.

> ACTION: In the NC, click on the link 'Report: Project Purchase Orders' on the Personal Desktop.
> Select 'Detailed' and run the report for all projects. Close the report window.

At any time I can run reports that would show me against what level of budget I had, how much cost has actually been committed to the project, what kind of cost I received supplier invoices for, and whether I have invoiced out to my client any of these costs.

> **ACTION: Show the Navigation Center window.**

When we come to do the scheduling process, staff members can plan and book their time directly in the calendar.

> **ACTION: Log-off and log-in with the user AM; Password Sample99**
>   **Open the Calendar.**

Let's log in as Alex.

> **ACTION: Select 'New Activity'. Add the Text 'Musical instrument tuning'. Choose Activity type 8001**

Based on the project deadlines and his workload, Alex can create Calendar Activity for the planned work. Activity Type represents a specific job or task and could be used in many reports.

> **ACTION: Enter 'Start Time' and 'End Time'. Choose Project 2001009 from the paste special list.**

Linking activities directly to the Project will allocate time spent on the Project.

> **ACTION: Select the tile Alarm. Select Notification. Save. Close all to go back to NC.**

Alex can also set a reminder to be sure he won't miss it.

> **ACTION: Log off and log in with the user SJ; Password Sample99**

Let's go back to the manager's account.

> **ACTION: From the NC, open the Resource Planner. Double-click on Project 2001009. Open SJ's**
>   **Activity, show details and close it. Drag and drop it to someone else on another date.**

The manager is able to look at the work of all the team. Any of these colored bars represent a task that needs to be done. I can double-click on it and see the underlying information. If I decide to assign this work to someone else, I can easily use drag and drop to reschedule.

> **ACTION: Open the activity. Mark it as done. Save and close all to go back to the NC.**

When the actual work is performed, it simply needs to be marked as done. This will automatically allocate time spent on the project.

ACTION: In the NC, click on the link 'Report: Project Status' on the Personal Desktop. Select the Project 2001009, select Specify>Quantities and Function>Item/Person. Run.

As a project manager, I am interested in how the project hours are working out against the budget. At any point, I can run the Project Status report for my project and see how this is coming along. I will run it in hourly quantity rather than in value. Looking at it I can see there is one overrun here. That is on Alexs' time.

ACTION: Click on invoiceable hours '8.00' in the row with the overrun. A new report window of Project Transactions opens. Click on Item '80405' in the second row. The project Transaction window opens. Change Inv. Qty from 8 to 1.
Save and close all to go back to the NC.

I can drill into the underlying transaction record and make changes if needed. I know the customer very well, so, I am sure he is not going to pay for 5 hours for an overrun. I will reduce the quantity that I am going to invoice.

ACTION: From the NC go to Module>>Job Costing>Routines>Maintenance>'Create Project Invoices' Choose Project 2001008. Run then close. (Note- yes, we choose 2001008 this time)

When it comes to invoicing, I can run the Maintenance that would automatically create invoices for all projects or any selection. This time I will run it only for my Orchestra concert project. That is all I need to do.

ACTION: From the NC select the report 'Project Profit & Loss'. Choose project 2001008, Function 'Detailed'. Run; then close.

As you can see, all project cost and income are automatically booked in the Nominal Ledger and instantly visible in a Profit and Los report.

With Standard ERPs' fully integrated Job Costing module, you are in full control of delivering your projects on time and within the budget, making your customers happy, your workforce efficiency, and your projects profitable.

For more information, please contact your local HansaWorld representative.