

Deltek Maconomy Essentials[®] 2.4.5

Solution for Professional Services
Organizations

*Using the DFME Solution to Manage and Optimize
Your Company*

April 21, 2020

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Overview

The Solution Description describes the Deltek First Maconomy Essentials cloud-based solution for businesses that deliver project intense knowledge-based services to their end customers. In this document, Deltek First Maconomy Essentials will be described as Maconomy Essentials.

Thanks to a unique combination of general ledger, accounts payable and receivable, project management and role-based workflows, Maconomy Essentials is one of the industry's most advanced finance and project management solutions for small to midsize organizations whose main objective is to deliver project-based services to their end customers. Maconomy Essentials is:

- Customized to address the needs within specific industries such as IT, Management and Technical Consultancies, Architects, Counseling, Accounting and other organizations that provide expert knowledge to their clients on a project basis. Intended to provide immediate business benefit by providing support for the value-adding processes within the organization.
- For organizations that typically adapt to a set of roles with different responsibilities to be performed using our solution including workforce planning, information, reminders, and reporting.
- Standardized and pre-configured with the intention to enable fast implementation with a minimal need for consultative support during the installation.
- Provided as Software as a Service (SaaS), meaning that the operation and maintenance of the solution are provided exclusively by the manufacturer.

Your Solution Scope

The Maconomy Essentials solution is a fully integrated solution, which consists of a set of modules accompanied by a strong reporting suite (BPM).

- **Finance:** Managing the finances includes Accounting, Accounts Receivable, Accounts Payable, Electronic Invoicing (for certain regions), Bank and Payment, Fixed Assets and Financial Budgeting.
- **Sales:** Managing opportunities from identification to winning new businesses including Contact Company, Contact Persons, Customers, Opportunities and Pipeline.
- **Project management:** provides full support to all stages and processes in the project lifecycle including Creating New Projects, Estimating Budget, Purchases, Cost Control, Forecast Management, Invoicing and Follow-up.
- **Time and expense registration:** Ensures accurate and timely time and expense collection including Time Registration, Mobile Time Registration, Expense Registration and Approval of Time and Expenses.
- **Decision making support:** Support of real-time decision making including Roll-based Reports and Analysis.
- **Order & Contract:** Managing of Order- and Contract Invoicing.

You can extend this core solution with a number of add-ons, which are integrated into your core Maconomy solution. This solution description includes one add-on:

- **Maconomy CRM** — A Maconomy module delivering basic capabilities for relationship and pipeline management tightly integrated to Maconomy.

Additionally, if you purchase the Flex add-on, a number of items can be configured in the solution. These are described in the Extension Options section.

The Maconomy Essentials Solution comes with three different Maconomy user interfaces:

- **The Workspace Client** is a rich client providing the user with all the standard Maconomy functionality in a user-friendly interface designed for the advanced user with data-intensive tasks.
- **iAccess** is the browser-based interface to Maconomy supporting the slightly less advanced user doing his daily tasks on a laptop or tablet.
- **Touch** is the smartphone app that supports the mobile user doing his simple daily tasks on the road.

The three user interfaces are designed to match the diverse needs of the role and not all Maconomy functionality is available in each user interface.

Managing a Professional Service Organization

Running a successful business and increasing profits is essential for all Professional Service Organizations. This section outlines some of the Key Success Factors that provide a crucial foundation for reaching these results. The Maconomy Essentials solution provides you with core financial processes, as well as a solution that enables you to run a profitable business.

The following sections present a number of recommendations and initiatives that have helped other Professional Services Organizations to achieve those Key Success Factors.

Key Performance Indicators Leading to Success

To understand the ways in which you can increase profitability, look at the Key Performance Indicators (KPIs) by which a Professional Services business measures performance and success.

The central success criteria in any PSO are:

- The clients you have
- The people who execute your services
- The projects your people deliver

The Key Performance Indicators are centered on these areas. In addition, you need financial transparency across all of the three areas to ensure success.

There are other criteria that are relevant, but these four are central to this solution offering because these are the areas in which Maconomy Essentials has helped other clients achieve their goals. In the following figure, you can see how these four success criteria align with the most important KPIs of a Professional Services Organization.



Focus on Clients

The first important KPI in terms of managing the top line is to ensure a steady stream of new order wins, both from existing clients as well as new clients. You achieve this by setting a strong focus on pipeline

management. Underneath this, you need to initiate many different initiatives to grow the pipeline, but Maconomy Essentials ensures that you can stay on top of your pipeline.

Another important KPI is client profitability; that is, know which of your clients are profitable, and which are not. You need cross-company transparency of your client engagements to ensure profitability.

Focus on People

The most important asset in any PSO is people. Traditionally, KPIs measure your success at assigning people to billable projects. In most companies, the focus is on actual utilization, but in our experience, the focus is also on planned utilization, since this allows you to be proactive and adjust to performance. You achieve this through corporate resource overviews.

Another important KPI for people optimization is to ensure that you bill as many hours as possible at the highest possible rate, which is realization.

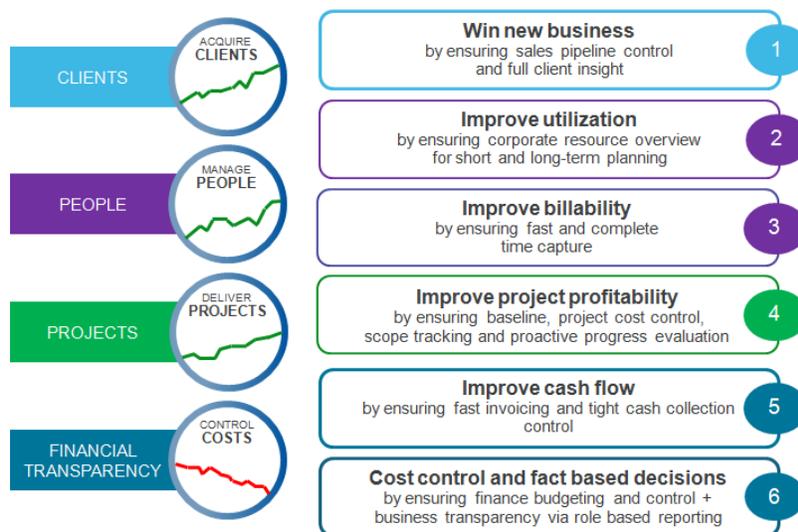
Focus on Projects

Profitable projects are the cornerstone of a PSO. Project profitability expresses the margin on the projects and is extremely important on fixed-price projects, where project overruns compared to baseline hits the bottom-line directly, and where project write-offs express billable hours that are written off and not invoiced to the client—again resulting in loss for the company.

Focus on Financial Transparency

Financial transparency is about ensuring that you have a complete overview of corporate financial processes and are in control of your cash position, which is expressed by your cash flow. You must also be in full control of your overhead costs, which are expressed and controlled by your finance budget compared to actual.

To meet increased performance within the selected KPIs, this solution centers around areas that can help you improve these KPIs; that is, Key Success Factors.



Each of the key success factors is related to certain parts of the solution delivery. This means that “improve project profitability” is closely related to the way you manage your project workflows.

Role-based Solution

Role Setup

The Maconomy Essentials Solution is delivered with a set of pre-configured roles. The roles determine user access to functionality and business processes.

When creating an employee, assign the employee to a role. The employee gains access to the functionality specified for that role, including a predefined menu that reflects the access to functionality and processes.

To-Dos and Alerts

The Workspace Client includes a To-Do menu that displays notifications to users. In iAccess notifications are available through the notification icon. A To-Do could be a reminder to the employee that he or she needs to submit a time sheet, a warning for a Department Manager notifying that a number of time sheets have not been submitted, or a list of projects with budget overruns. This means that information is automatically pushed to the employee, eliminating the need for manual searches. The notifications can also be distributed as email, using Maconomy Email Alerts.

Access Setup

While the Maconomy Essentials solution is role-based, providing users with tailored menus, the solution also enables you to configure access levels by restricting the data to which each person has access.

For instance, a particular access level might only allow users to see and access data for a certain project or company.

Standard Roles in Maconomy Essentials

The following roles are preconfigured in the solution. Note that some roles may be unnecessary in some organizations. Only relevant roles will be linked to the employees at the introduction stage of the implementation. A user can be associated with multiple roles in order to assign multiple responsibilities. It is only possible to reconfigure the roles with regards to which menus each role should have access to if you have the Flex add-on.

Role in Maconomy	Description	Responsibilities
Employee	Employees use the system to enter their time and expenses incurred working on given projects.	<p>Employees must submit time sheets and expense entries in accordance with company policy.</p> <p>Therefore, the Employee can:</p> <ul style="list-style-type: none"> ▪ Create and submit time and expense sheets and mileage sheets. ▪ View assignments on projects and To-Dos ▪ Create and Submit Per Diem sheets (Sweden only) ▪ Request absence
CRM Management	This role is for managing existing customers and potential customers. It covers creating new opportunities and budgets, and pipelines. Normally this role is a part of the account manager role.	<p>CRM Management is responsible for ensuring ongoing control of existing customers and potential new customers. This role also gives access to create new projects based on an opportunity.</p> <p>The CRM management is thus able to:</p> <ul style="list-style-type: none"> • Run all reports that include CRM such as pipeline and opportunities. • Generally analyses the company's performance in terms of customer, project, and employee utilization.
Project Manager	<p>A Project Manager manages given projects on a daily basis. A Project Manager may be responsible for one or more projects within the company.</p> <p>The project is handed over to the Project Manager from the Sales Department. Subsequently, the Project Manager handles the project from creation to delivery.</p> <p>During the project execution phase, the Project Manager creates projects, creates and manages budgets, attends project meetings with</p>	<p>Project Managers are responsible for delivering the project on time with appropriate quality and price.</p> <p>Therefore, the Project Manager can:</p> <ul style="list-style-type: none"> ▪ Create projects ▪ Create project budgets ▪ Manage purchases. ▪ Approve time and expense entries on the projects for which they are the Project Manager

Role in Maconomy	Description	Responsibilities
	<p>customers, and attends internal meetings with the project team. In addition, the Project Manager controls project costs as well as the employees who are assigned to the project.</p>	<ul style="list-style-type: none"> ▪ Determine the progress of the projects for which they are responsible ▪ Create alternatively approved customer invoices (the finance department will typically execute the final approval). ▪ Run Project Manager reports
<p>Project Administrator</p>	<p>The Project Administrator supports the Project Managers in the daily administrative tasks.</p> <p>The Project Administrator is typically a more system-oriented person who has access to more complex tasks.</p>	<p>The Project Administrator is responsible for the administrative tasks related to projects.</p> <p>Therefore, the Project Administrator can:</p> <ul style="list-style-type: none"> ▪ Perform the same activities as the Project Manager ▪ Follow up on project details ▪ Perform project accruals, revenue recognition, project reallocations, and batch invoicing
<p>Executive</p>	<p>A user assigned to this role is normally a member of the management team in the company. The user is responsible for the daily management of the entire firm or a number of divisions.</p> <p>The management team primarily uses the solution for creating reports and getting an overview of how the business is running within a specific division or company.</p>	<p>The executive is responsible for the full P&L of the division or company.</p> <p>Therefore, the Manager is fully able to:</p> <ul style="list-style-type: none"> • Run reports across the company or department at P&L level to compare budgeted and actual figures. • Run manager reports showing customer profitability, project profitability, and employee utilization and realization.
<p>Department Manager</p>	<p>The Department Manager is the person whom the employees see as their daily manager in relation to personnel issues.</p> <p>This person takes care of assigning resources to projects in the company and is responsible for the daily management of the department.</p> <p>The Department Manager uses the system for reporting and to approve vendor costs and time and expense sheets for the employees in the department.</p>	<p>The Department Manager manages the department on a daily basis with full responsibility for the department's P&L. In addition, it is the Department Manager's responsibility to manage the employees in the department.</p> <p>Therefore, the Department Manager has access to:</p> <ul style="list-style-type: none"> ▪ Approve time and expenses for the employees in their department ▪ Approve absence requests ▪ Run Department Manager overview reports as well as customer and

Role in Maconomy	Description	Responsibilities
		project reports for the projects in the department
Account Manager	Account Managers generate new sales/business for the company. They meet with potential customers, demonstrating new products and services in order to create more sales and revenue for the company. The Account Manager conducts sales presentations and workshops together with other staff. During the sales phase, the Account Manager controls the sales phases.	The Account Manager is responsible for generating leads as well as creating proposals for and contracts with existing and new customers. Therefore, the Account Manager has access to: <ul style="list-style-type: none"> • Creating contact companies, contact persons and customers. • Register and manage opportunities. • Run reports on sales opportunities and pipelines.
Controller	The Controller reports directly to the CFO and is responsible for controlling and managing the finances within the organization on an operational level. The Controller uses the solution to run reports and analysis. The Controller has direct access to all financial modules of the solution such as accounts receivable, accounts payable, banking, fixed assets, etc. The controller is also able to deliver invoices electronically.	The Controller supports the CFO with financial strategic processes with special responsibility for the operational management and analysis of deviations, etc. The Controller also supports the finance and accounting department during closure. Therefore, the Controller is fully able to: <ul style="list-style-type: none"> • Run reports corresponding to the CFO's with possible restrictions on data access (access to specified companies within the firm). • Utilize all modules within the finance function such as accounts receivable and payable, accounting, fixed assets etc. <ul style="list-style-type: none"> ▪ Distribute invoices electronically. (available for Swedish and Norwegian Clients only)
Finance AR	Within the Finance and Accounting Department there may be various roles in which one person is responsible for A/R and another for A/P, etc. This role manages the accounts receivable and can be seen as a part of a bigger finance role together with Finance AP, Finance GL and Banking. A user can have access to one or more of these roles, which makes it possible to match	The person in charge of Finance AR is responsible for transaction management, reporting, and reconciliation regarding customers. The Finance AR responsible thus have access to: <ul style="list-style-type: none"> • Manage transactions. • Run reports. • Manage reconciliations. • Cash Collection functionality

Role in Maconomy	Description	Responsibilities
	operational responsibilities with accessibility in the solution.	
Finance AP	<p>Within the Finance and Accounting Department, there may be various roles in which one person is responsible for A/R and another for A/P, etc.</p> <p>This role manages the accounts payable and can be seen as a part of a bigger finance role together with Finance AR, Finance GL, and Banking. A user can have access to one or more of these roles, which makes it possible to match operational responsibilities with accessibility in the solution.</p>	<p>The person in charge of Finance AP is responsible for transaction management, reporting, and reconciliation regarding vendors.</p> <p>The Finance AP responsible thus have access to:</p> <ul style="list-style-type: none"> • Manage transactions. • Run reports. • Manage reconciliations.
Finance GL	<p>Within the Finance and Accounting Department, there may be various roles in which one person is responsible for A/R and another for A/P, etc.</p> <p>This role manages the general ledger and can be seen as a part of a bigger finance role together with Finance AR, Finance AP, and Banking. A user can have access to one or more of these roles, which makes it possible to match operational responsibilities with accessibility in the solution.</p>	<p>The person in charge of Finance GL is responsible for transaction management, reporting, and reconciliation regarding financial transactions and fixed assets transactions.</p> <p>The Finance GL responsible thus have access to:</p> <ul style="list-style-type: none"> • Manage transactions. • Run reports. • Manage reconciliations.
Banking	<p>Within the Finance and Accounting Department, there may be various roles in which one person is responsible for A/R and another for A/P, etc.</p> <p>This role manages the banking module and can be seen as a part of a bigger finance role together with Finance AR, Finance AP, and Finance GL. A user can have access to one or more of these roles, which makes it possible to match operational responsibilities with accessibility in the solution.</p>	<p>The person in charge of Banking is responsible for reconciliation regarding accounts receivable and payable, and the external bank account.</p> <p>The Banking responsible person thus has access to:</p> <ul style="list-style-type: none"> • Manage transactions. • Run reports. • Manage reconciliations. • Transfer files from Maconomy to the external account at the bank and vice versa.
Subcontractor	<p>A specific role is defined to handle subcontractors.</p> <p>Subcontractors can, therefore, be granted access to the solution in</p>	<p>The Subcontractor is responsible to report time on the current project.</p> <p>Therefore, the Subcontractor has the possibility to:</p>

Role in Maconomy	Description	Responsibilities
	order to report time on the selected projects.	<ul style="list-style-type: none"> • Create and submit timesheets.
HR	The HR manager utilizes the solution to administrate the employee's schedules, accessibility, etc.	The HR manager has access to: <ul style="list-style-type: none"> • Functions that enables them to administer employees and accessibilities. • In Sweden and Norway only they have access to create a Payroll Export
System Admin	System administrator has total access to the entire solution.	System Administrator has access to: <ul style="list-style-type: none"> • All modules and functionality.
Audit	The auditor has access to the entire solution with limitations to read access. The role can temporarily be assigned to an external auditor or equivalent.	The Auditor has access to: <ul style="list-style-type: none"> • All modules and functionality.
Order Management	This role is responsible for managing sales orders and thus acts as a support function to the sales department.	Order Management has access to: <ul style="list-style-type: none"> • Order administration and invoicing • Contract administration and invoicing.
Batch	The Batch role is not for normal users. This role is only to make sure that integration to other products can continue, e.g. integration to Business Objects. It is unwise to make any changes in this role.	Batch has access to: <ul style="list-style-type: none"> • All modules and all functionality.

A Business Model for Financial Transparency

Dimensions

The basic financial entry model and the organizational structure in the solution are defined by the use of entry dimensions. You add dimensions to any transaction across modules. The dimensions therefore help ensure that the right data can be extracted in Maconomy business reports.

The Maconomy solution has 24 generic dimensions and an additional 6 entry dimensions: Project, Customer, Vendor, Employee, Activity, and Task. You can track these items in the General Ledger module, and in the currently active module (such as Project Cost, A/P, or A/R).

The following dimensions are preconfigured in the Maconomy Essentials Solution.

Dimension	Description
Company	Describes which company the transaction concerns. (The solution can be set up with multiple companies within the same firm and with automatic intercompany invoicing).
Responsible Department	The department that is responsible for the project.
Executing Department	The department that is executing the project, i.e. which department an employee belongs to.
Project Type	Describes which project type the transaction concerns and is connected to the project (this is used to derive the project template at the project setup).
Business Area	The business area a transaction concerns, i.e. within which the customer operates. You can assign to each customer a specific business area that reflects the line of business, such as Consulting, Advertising, Marketing, or Audit.
Account	The Chart of Accounts is the primary entry unit in the finance system. Describes which account the transaction concerns.
Project	Any internal or external project that the transaction concerns,
Customer	The customer that the transaction concerns.
Vendor	Any third party from which external goods or services are purchased. Describes which vendor a transaction concerns.
Employee	An employee in the company. Describes which employee a transaction concerns.
Task	The lowest entry level in the project cost system. Describes which task a transaction concerns and derives activity at project transactions.

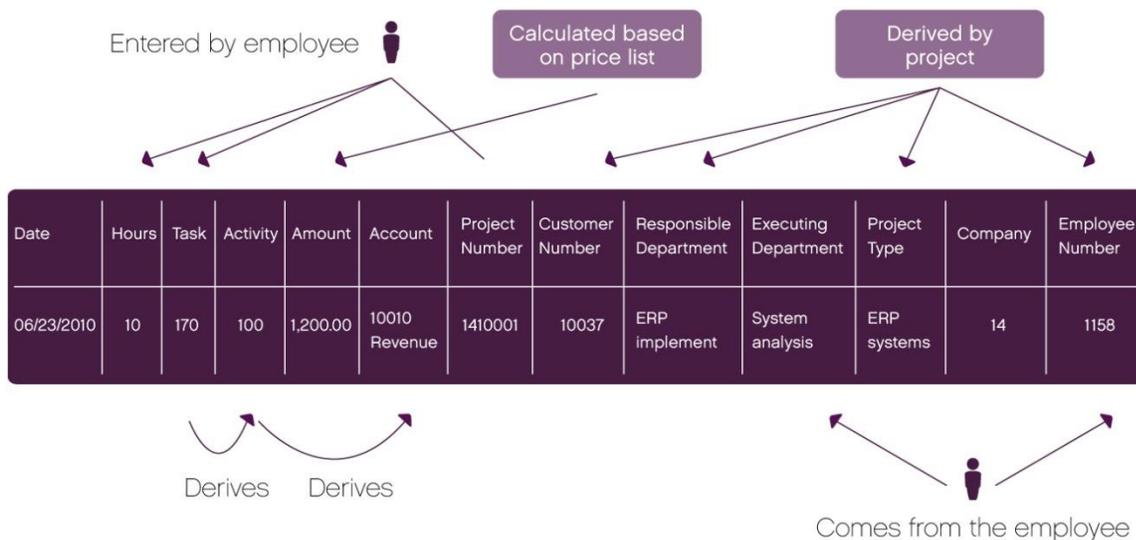
Dimension	Description
Activity	The link between the project cost system and the finance system. The activity is derived from the task. Each activity derives account postings in the finance system.
+ optional dimensions	May be used for additional need for follow-up and connects to optional object in the solution.

In addition to the above accounting, dimensions are a large number of statistical concepts (so-called Pop-up fields) available to manage statistical information such as customer, project, vendor, etc. These are not managed in the G/L but can be used in reports and analysis such as free search and sorting concepts.

Derived Dimensions (Automated Postings)

To ensure that every transaction is stamped with the right dimension data, the solution includes dimension derivation.

The following figure shows that when completing a time sheet, an employee selects a project (the project associated with the work) and a task (to indicate what kind of work has been done), and enters a number of hours.



The solution automatically derives an activity from the task. This contains the set of posting references that indicates where it should be posted in the chart of accounts, and thereby in G/L.

The department to which the project belongs, the customer, and the project type are derived from the project that the employee selected and indicated on all transactions.

Finally, the employee who enters information on the project belongs to an executing department and has an employee number, which is also indicated on the transaction.

This means the actual entry is very simple. However, the entry initiates a complex series of entries in the solution, providing advantages and flexibility for subsequent reporting.

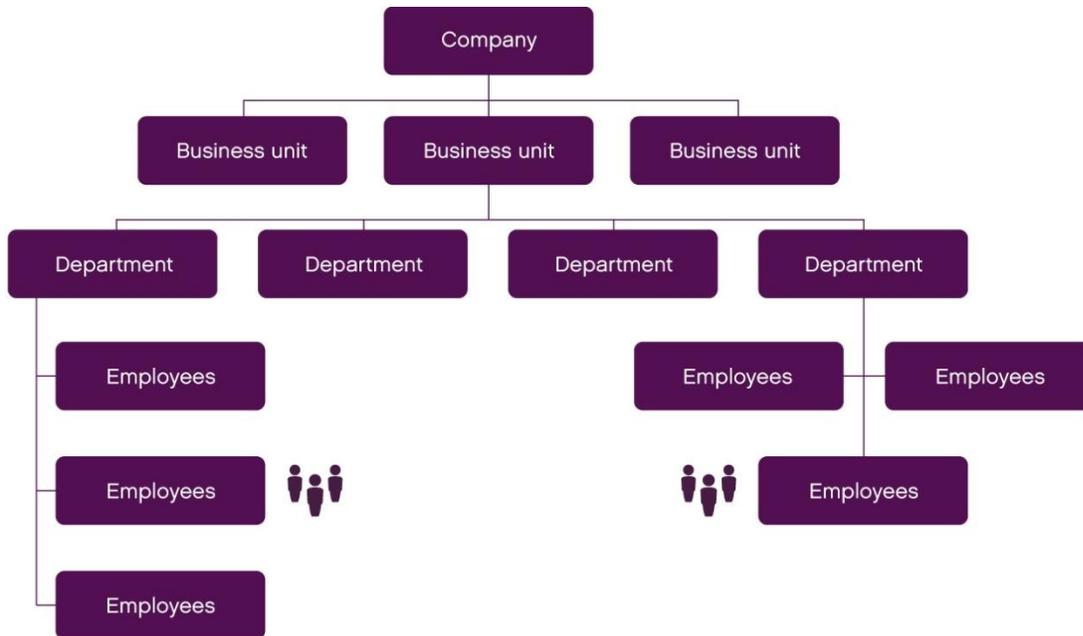
Reporting Structure Specific to Professional Services Organizations

To understand the structure of the Maconomy Essentials Solution and how to access data for different kinds of business reporting and control, you can view an organization from the following perspectives:

- Organizational perspective (People)
- Project perspective
- Customer perspective

Organization – Internal Perspective

The solution is set up with a default internal organization structure as shown in the following figure. This is a standard structure, but you can change it during implementation to fit your needs.



Companies

A company is a legal entity that has its own tax reporting unit, P&L, and balance sheet. A company can consist of several departments (which are defined during the implementation).

Departments

Departments also have P&L responsibility; the full P&L can be controlled at the department level.

The standard setup includes an executing department (the department to which the employee belongs) and a responsible department (to which the project belongs), allowing data to be analyzed from both perspectives.

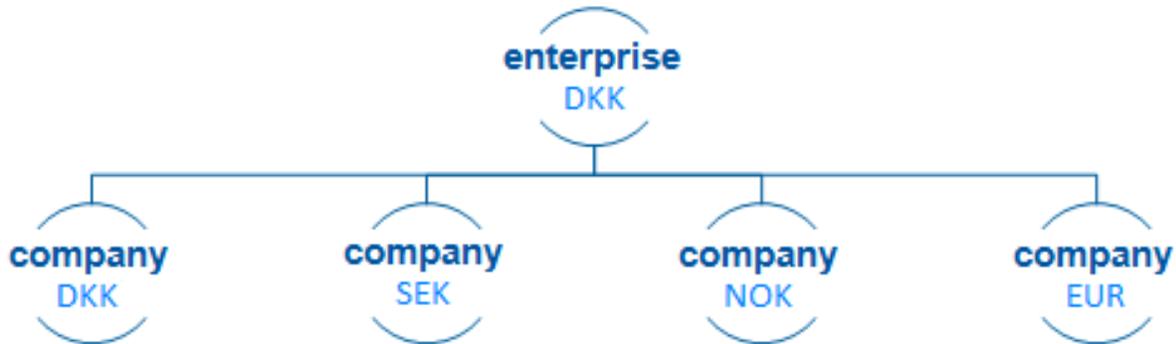
Employees

The lowest level of the organizational hierarchy is the employee who is linked to a certain department (executing department).

Organization – Legal

Legally, a PSO organization can consist of one or more legally independent owner/subsidiary hierarchies (called Companies in the solution). The solution allows you to create an unlimited number of companies to support this legal organizational structure.

Maconomy Essentials offers unique support for managing several companies in one common enterprise framework.



Maconomy Essentials offers support for:

- An unlimited number of legal entities in the same solution.
- Full transparency in all dimensions throughout the corporate structure.
- Smart management of corporate projects with automatic intercompany invoicing.
- Smart management of corporate costs.
- Multi-currency management – consolidation currency, enterprise currencies, account currency, ledger currencies, and transaction currencies.

Project Structure

The project reflects the specific work to be performed for a given customer. From our experience, there may be different criteria from company to company on what qualifies as a project.

The project reflects the specific work to be performed for a given customer. There may be different criteria from company to company on what qualifies as a project.

The top-level of a project is the main project. You can break a project down into subprojects if certain deliverables and responsibilities are dispersed among different departments and the revenue must follow the department that owns the project, or if you want to monitor a major project in minor parts. In addition, the breakdown into subprojects may affect revenue recognition and differ from subproject to subproject if required.

The task is the lowest level in the WBS. This is the level where the employee registers time and costs.

Main Project

The main projects may be created by the project managers which originate from a project type. The main project will be linked to a chosen customer, a pricelist and invoicing method, etc.

Subproject

Subprojects may be linked to the main projects. Normally, these projects share the same customer as the main project. However, it may have other rules such as time and material, even though the main project is set up as a fixed price project.

Additional order

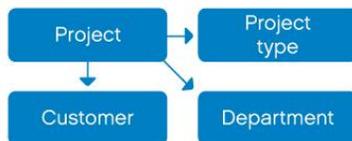
Special projects in form of additional order (change requests) may be linked to the main project. These are a variety of the subprojects and a particular task list may be linked.

Tasks

Within the project, subproject or additional order, specific tasks may be defined. These are local and relate only to specific projects. This enables the project manager to ensure that budgeting, reporting and invoicing are structured in a manner relevant to the project.

Control Units for the Project

When you create a project, you can assign a number of control units to the project, including project type, customer, and the department that is responsible. This ensures that these control units follow all entries that people make on the project, both in the Project Cost module and in the General Ledger module.



Customer

A project is always related to a customer. This allows you to manage the total project portfolio of the customer while making it easy to identify the customer to invoice. It also allows you to drill down from one customer to see all of the projects that relate to that customer.

Department

A project is related to a department, and the department belongs to a company. The department is the owner of the project, which means that the Department Manager of that department is responsible for assigning resources to the project and executing the project.

Project Type

The project type defines the project templates which are specific for the organization. To these project types, task lists and other information registers can be linked.

Customer Structure

Global Customers

The solution allows you to manage customers on a global basis. If a customer is specified in more than one legal entity (Company), the customer number is the same in all companies for which this customer is specified. Each company can still change information like payment terms and address at the company level. You can also break large customers down into several customers by using hierarchy functionality. The customer is the level at which invoices are created and projects are executed.



Company-specific Customers (Local)

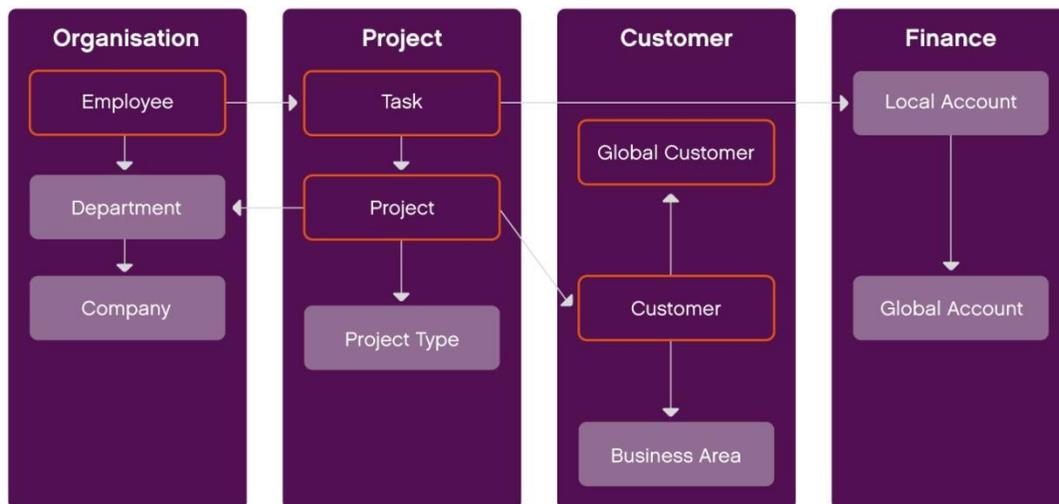
When a company makes a transaction with a customer (e.g. by creating a project), a local customer is related to a local, specific ledger for that company. The company-specific customer can be assigned particular tasks such as payment terms etc. This allows you to manage and follow-up on clients in an easier way on a global basis and at the same time allow local independence within each company.

Business Area

You can assign a specific business area to each customer to reflect the line of business. Standard reports included in the solution then allow you to identify which segments generate the most revenue and then focus your efforts on the most profitable segments.

Financial Model Overview

While the Maconomy Essentials solution combines the areas of organization, projects, and customers, it also provides a very detailed yet flexible financial model as illustrated in the following figure.



As shown in the preceding figure, the employee is assigned to two dimensions on the employee card: Department and Company. The project type is assigned to each project. The customer can be linked to a global customer, and the business area dimension is assigned to each customer. When entries are made in the Project Management module, the solution automatically derives all dimensions and entry units.

All entries in the Project Management module are reflected in the General Ledger module and are posted automatically to the relevant accounts. The solution is set up with one global set of Chart of Accounts, but could, as illustrated, be expanded with a local Chart of Accounts, such as by legal company.

When you measure Key Performance Indicators (KPIs), the solution offers full flexibility, allowing you to look at such items as customer profitability across companies, departments, or projects. You can also extract a P&L by customer, business area, and department. Think of the preceding figure as a matrix from which you can view data from all angles and drill down to the data at different levels.

It is important to mention that the employee only selects a project and task when entering time, and the solution automatically derives the rest.

Prices

The following table describes the prices that can be used in the solution.

Price	Description
Cost Price	The cost price of the employee or third-party item. You set up the cost price of the employee on the employee. The cost price that a company enters depends on how much the company wants to allocate as costs. The cost can be calculated as the total of the base salary rate and an overhead rate. The solution automatically derives the cost price as the employee enters time.
Intercompany price	Intercompany prices are used in connection with trading between two companies in the solution.
Sales price	The actual sales price of the entered hours or the sales price of the third-party item. This is the price used to bill customers.
Standard billing price	A standard rate that provides the standard price (from a standard price list) on a certain task. This is posted in both the finance and the project management systems.

For each employee you set up a cost price, an intercompany price (optional), and a sales price.

You may set up different price lists on the customer, as well as project-specific price lists. The prices can be task-specific or employee-specific, and the price lists can be date-dependent.

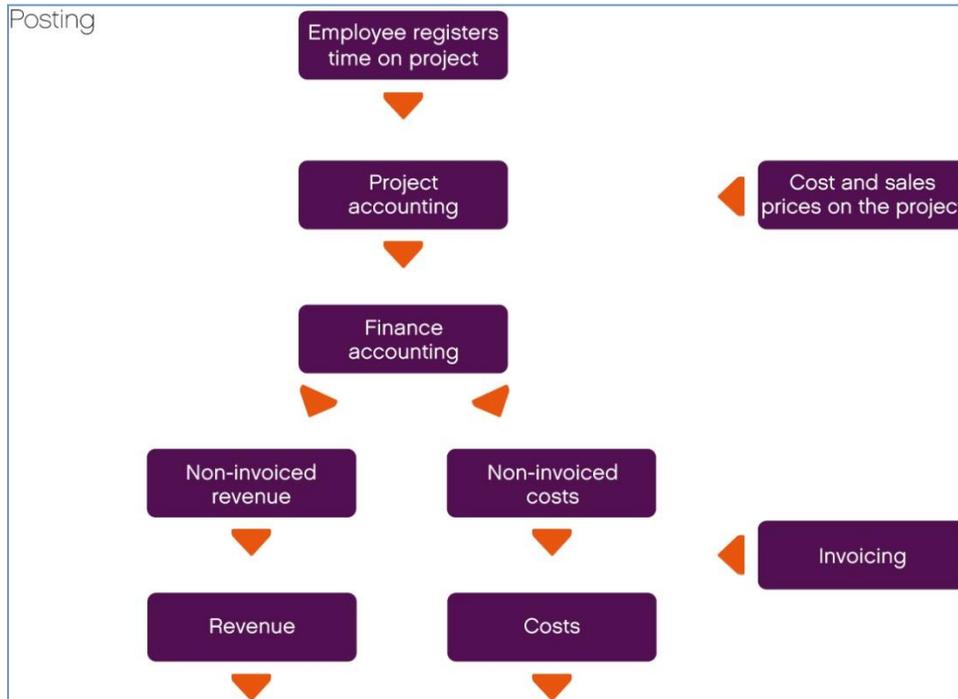
The Maconomy Essentials solution is set up to first check if a project-specific price list has been created, and second check if a customer-specific price list is created; otherwise, the prices are derived from the employee. These prices are also used for posting.

Revenue Recognition

The solution supports revenue recognition based on the production principle, and work in progress (WIP) is capitalized at sales price. You can also configure the solution to capitalize at-cost price if appropriate.

Revenue Recognition – Time & Materials

Revenue is recognized as work progress. For each entry unit (typically an hour), there must be an amount to be recognized. The integrated system means that when an amount is entered and approved in the Project Management module, it is automatically posted in the General Ledger module as well. This ensures that the P&L is always up-to-date with the entries from the Project Management module.



Revenue is recognized at the time of entry to an unbilled revenue account. The solution automatically changes the open revenue (for registered postings) to an actual revenue account at the time of invoicing as illustrated in the preceding diagram. Write-offs at the time of invoicing can be posted to separate accounts. This provides you with flexibility in your P&L to see what the registered revenue (WIP) and actual invoiced revenue are.

Revenue Recognition – Fixed Price

For fixed-price projects, revenue is also recognized when time and costs are entered. A budget is entered on the project as a baseline to reflect the fixed price.

As the project progresses, you must update a working budget to reflect the latest budget. When the working budget is updated and the Project Manager has evaluated the Estimate to Completion, the solution calculates the revenue to be recognized as the ratio between budgeted hours and the actual number of hours spent.

The Project Manager or Finance Department may adjust this revenue by percentage to completion as described in the *Management* section to update the revenue in the Project Management module and in the General Ledger.

Revenue Recognition – Subscription

For some companies, it is common to sell services or licenses invoiced as a monthly or annual subscription. In this case, revenue is not based on the project invoice, but on the subscription amount. Revenue can be handled in different ways, but most often the process is as follows:

- The subscription fee is billed on an annual basis in advance.
- The solution distributes the amount in advance into the periods of that year.
- Revenue is then split equally and recognized month by month according to the length of the subscription period (note that Subscription is an add-on to the solution).

Win New Business and Manage Clients – CRM

Keys to Success

There are two goals to focus on when it comes to ensuring a strong revenue stream and growing your business. The first is to win new business, and the second is to have profitable projects for existing clients.

Winning new business requires so much more than just having a solution that provides you with the right information. It is essential that you monitor client performance as well as your pipeline.

The following steps are essential when it comes to getting control of information related to growing your business.

Area	What To Do
1.Ensure client performance insights	Ensure that you have full visibility of clients and client segments to understand which segments are most profitable.
2.Capture sales opportunities	Ensure that you capture all leads in a structured way and can follow them through the sales funnel.
3.Control sales pipeline	Get complete visibility of your sales pipeline and know where the opportunities are in the process. Use pipeline as a follow-up tool and measurement for sales peoples' performance.
4.Ensure ability to deliver	Migrate your pipeline into your resource planning to ensure that you have available resources to deliver when projects are signed.
5.Bridge from sales to execution	Prevent scope creep during delivery by creating estimates on opportunities as the foundation for the project manager's baseline budget. This will enable you to reduce any loss from sales to execution.

Customer Relationship Management (CRM)

Deltek Maconomy offers a standard Maconomy module included in your Maconomy Essentials solution. This module provides CRM workflows in the workspace client and iAccess.

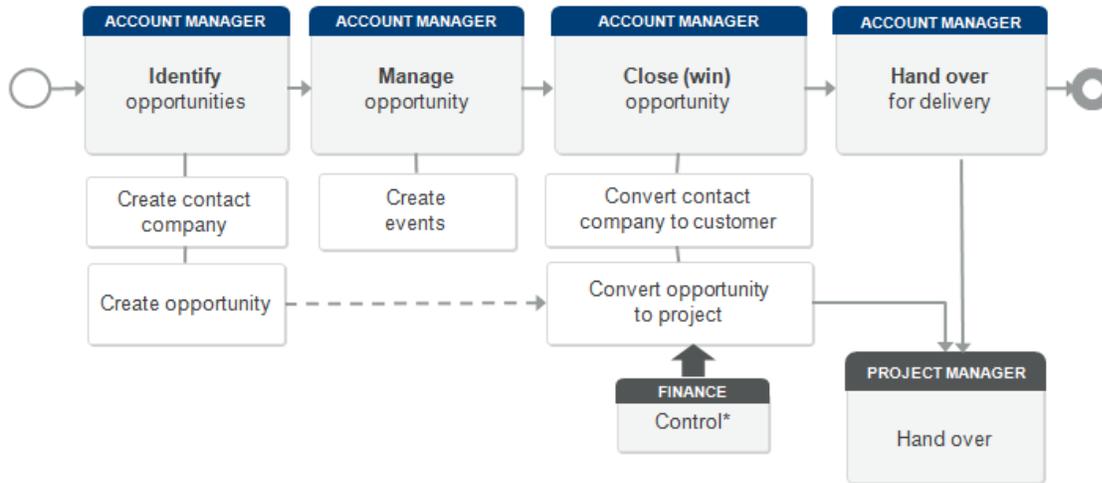
The Maconomy CRM module enables CRM users to manage relationships, contacts, opportunities, and pipeline for both existing and potential customers.

When an opportunity has reached a certain stage it is possible to create a project in Maconomy based on the CRM data which users can use for budgeting, resource assignments, time registration, and so on.

This section is a general description of the major workflows in the solution. Note that these workflows are not usually static which means that deviations may be made to adapt work procedures and routines for operational needs. Adjustments relating to workflows can be managed but is not covered in the service estimate for the standard implementation.

Opportunity, from First Contact to Won Opportunity

Below is an overview of the workflow for managing an opportunity, from the first customer contact to opportunity won.



In correlation with an opportunity, the account manager (sales) creates a new contact company to which the opportunity is linked (or connects the opportunity of an existing customer). Before each opportunity, a quotation estimate is created whereby price and margin are calculated based on current prices. During the sales process, events and activities are being registered to control possibilities in the growth tendency in the sales pipeline. When a business is won, the contact company is converted to a customer, the opportunity is converted to a real project and the quotation calculation is turned into a project budget. A formal handover to the consulting organization takes place in connection with this.

(*) If this is desired, the finance department controls the new customer before it is placed in operation.

Capture Opportunities

The solution enables you to capture opportunities easily for both existing customers and prospects (contact companies). Opportunities keep information about the estimated value, win probability, expected completion date, etc. to enable pipeline control at an aggregated level as well as by department. Budgets can also be entered at the opportunity stage to ensure it flows through to the Project once won. When budgeting information can be reused from previous calculations or completed projects.

Win New Business and Manage Clients — CRM

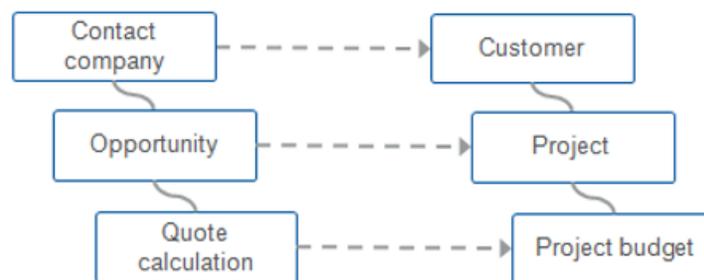
The screenshot shows a CRM interface for an Opportunity record. The main header indicates 'Show: DFME Implementation (8001), Cloud Customer 01'. Below this are navigation tabs: HOME, EVENTS, and BUDGETING. A secondary set of tabs includes INFORMATION, DOCUMENTS, and various action icons like 'Close as Won', 'Close as Lost', 'Reopen', and 'Convert to Project'. The main content area is divided into several sections:

- Opportunity:** Fields for Opportunity (DFME Implementation, 8001), Text, Status (Open), Phase (Unqualified lead), Sales Estimate (20,000.00 EUR), Weighted Sales Estimate (16,000.00 EUR), Probability % (80.00), Currency (EUR), Remark, Start Date (01/01/2020), Expected Closing Date (30/06/2020), and Closing Date. There is a checkbox for 'Include in Forecast'.
- Contact Company:** Fields for Contact Company (Cloud Customer 01, -0130712) and Value.
- Contact Persons:** Fields for Primary (Michiko Dy, 1840008), Contact Person 2, and Contact Person 3.
- Extra Fields:** A table with columns for Text and Date, containing Text 1 through Text 5.
- User:** Fields for Created (06/02/2020 by Gert Freeman), Changed, and Version (1).
- Relation:** Fields for Sales Rep. (James Grotto, 2009), Company (Company 10, 10), and Responsible Department (Department 1, 1010).
- Statistics:** A bar chart comparing 'Sales Estimate' (20,000) and 'Weighted' (16,000). Below it are five 'Popup' dropdown menus.
- Contact Persons Table:** A table with columns: Contact Person No., Name, Position, Phone, Mobile, Email, Role, and Primary. It lists one contact: Michiko Dy (1840008) with email michelledizon@deltek.com, marked as Primary.

Events can be recorded against Opportunities in order to manage and control activities that relate to the sales process. Documents may be saved to these events and the responsible people are stated and will receive reminders about upcoming activities.

Convert Opportunities to Projects

Won opportunities can easily be transferred to projects and the information about the quote calculation is transferred as a sales budget on the project. This facilitates the information transfer between the sales- and delivery organization. Thus, the risk for deviation between sales and project implementation is reduced which results in a minimized risk for reduced profitability at delivery.



Analyze Customer Profitability and Control Pipeline

Maconomy Essentials provides reporting support for analyzing profitability for each customer segment and customer. These reports are accessible for account managers and salespersons. It is also possible to analyze the pipeline by Company, Department and individual Managers.

Customer Profitability by Customer, Top



DKK

Hours

Customer No & Name	Sales Estimate			Hours		Gross Margin	
	Invoiced	Revenue Recognized	Cost Registered	Registered	Revenue Recognized/ Hours	GM	GM %
10020 Danske Bank	55,942.80	211,524.72	129,236.30	188.0	1,125.13	82,288.42	38.9%
10023 Maersk Medical A/S	37,050.00	37,050.00	12,497.00	15.3	2,429.51	24,553.00	66.3%
10024 Miljøstyrelsen	9,936.00	109,953.00	64,153.00	90.0	1,221.70	45,800.00	41.7%
Total:	102,928.80	358,527.72	205,886.30	293.3	1,222.60	152,641.42	42.6%

The Customer Profitability report above shows the most and least profitable customer within a chosen area of the organization. The report allows drill-down to the project level. This provides account managers with information about which customers give the greatest contribution to the development of the organization in terms of revenue and margin.

Sales Pipeline



DKK

Opportunity No. & Name	Sales Estimate		Quarters				Total
	Total	Weighted	Q3 2016	Q4 2016	Q1 2017	Q2 2017	
408000 Upgrade to new Version	800,000.00	640,000.00	0.00	800,000.00	0.00	0.00	800,000.00
408001 Portfolio management system	900,000.00	630,000.00	900,000.00	0.00	0.00	0.00	900,000.00
408003 Interface with other systems	1,500,000.00	1,350,000.00	1,500,000.00	0.00	0.00	0.00	1,500,000.00
408004 Upgrade to new Version	2,000,000.00	2,000,000.00	2,000,000.00	0.00	0.00	0.00	2,000,000.00
Total:	5,200,000.00	4,620,000.00	4,400,000.00	800,000.00	0.00	0.00	5,200,000.00

The Sales Pipeline report provides aggregated and detailed information about opportunities that are broken down by quarter.

Ensure Project Control and Improve Profitability

Keys to Success

Improve your project management with specific initiatives to achieve better project control. The following figure shows optimal project management.

Project	Baseline	Actual	ETC	New estimate at completion
Project 1	200	90	60	150
Project 2	150	120	100	220

These initiatives are described in the following table.

Initiative	Principle	Why?
Baseline	Include a baseline budget	All projects should include a baseline budget. A baseline budget shows your estimate at the time of contracting.
Actual	Track cost control against baseline	Project Control is about controlling the actual cost against the set baseline.
ETC	Project upcoming costs using ETC	Focus on estimate to completion (ETC). The addition of actual costs and ETC provides you with a total view of what your costs will be when you are done, which you can then compare to your baseline.
New Estimate	Proactive change management	ETC provides the foundation for change management and readily adapting to an evolved scope.

The Maconomy Essentials solution is targeted at addressing these key tasks of a Project Manager.

Note:

- Deltek Maconomy iAccess is designed for streamlined access to Project Management activities. The browser-based application is optimized for in-office as well as remote access use with both laptops and tablets.

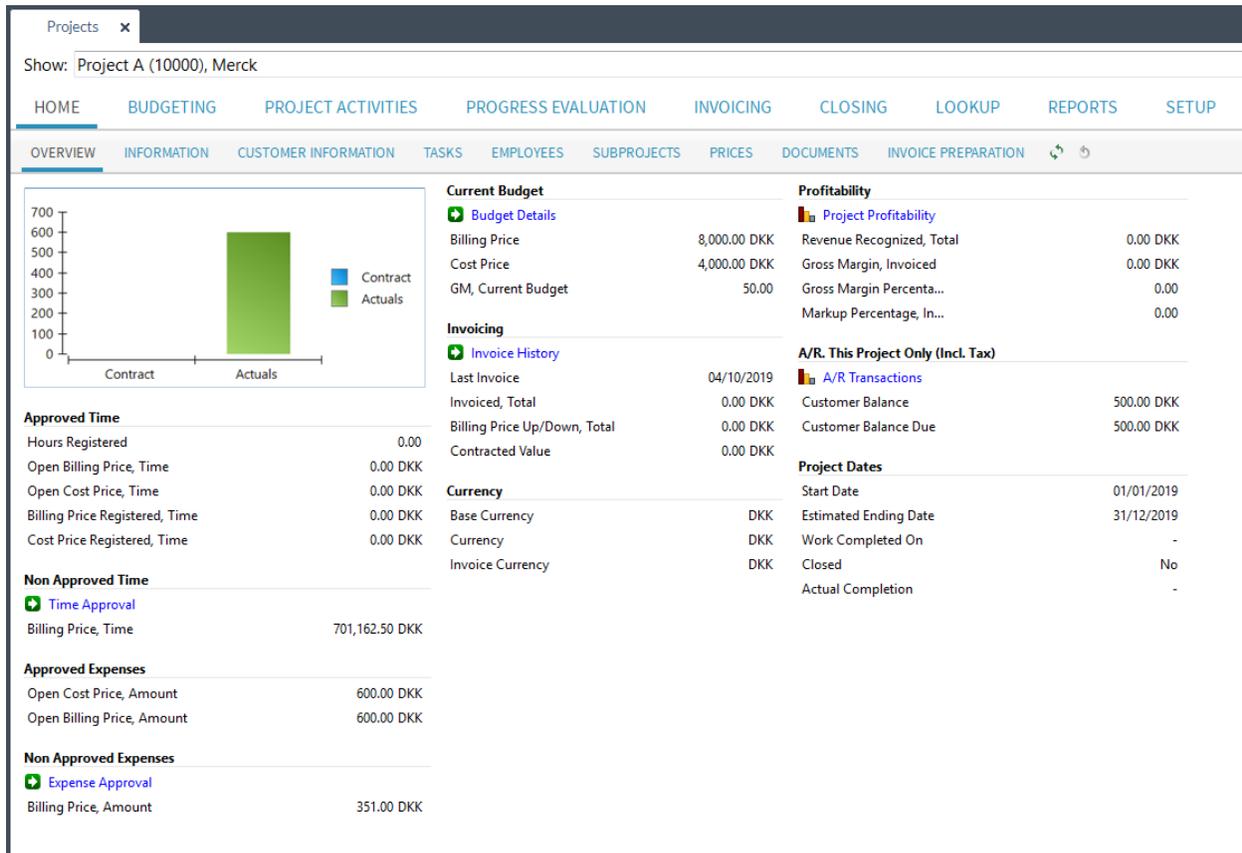
Not all standard Maconomy functionality is available in iAccess.

One Project Area for Project Control

Within the Workspace Client Project Managers (PM) have one workspace in which they can access all relevant information for the project. The challenge of project managers is often that they need to search in

Ensure Project Control and Improve Profitability

different areas to get a complete overview of a project. With the Project workspace, a PM can now monitor the different phases / processes of the project from a single workspace.

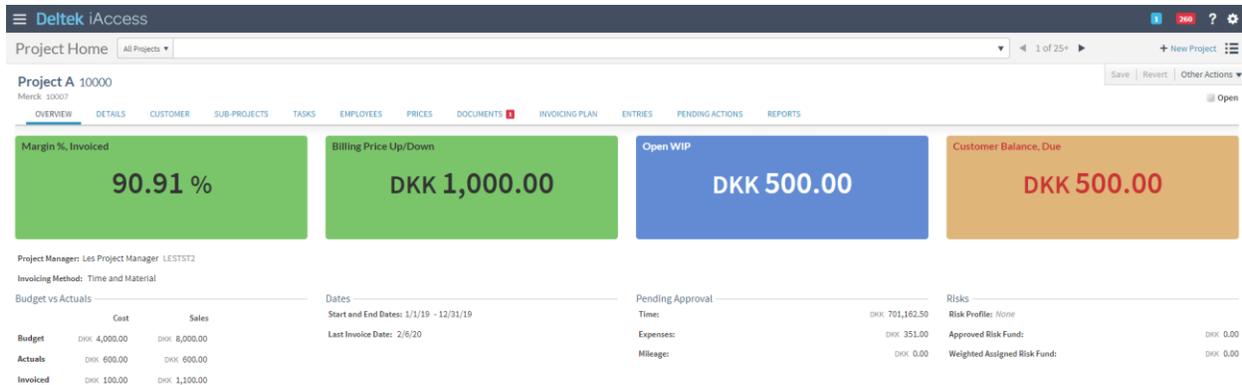


The following workspace areas support project management:

- **Home** — An overview of key information about the project, like contracted values, change requests, prices, task lists, employee information, and so on.
- **Budgeting** — Where you can set the budget (baseline) for the project as your control point for cost. This also covers risk management.
- **Project Activities** — Here the project manager can approve time and expenses for the project and see project-related purchase processes.
- **Progress Evaluation** — The project manager can register a forecast for the project in terms of time/costs to completion with the purpose of proactively predicting budget overruns and delays.
- **Invoicing** — It is the responsibility of a PM to invoice the client. In this part of the workspace, you can view how much should be invoiced, create the invoice, and review previous invoices.
- **Closing** — Where you can see the pending actions preventing the project from closing and close the project.
- **Lookup** — Here the project manager can get an overview over all the entries on a project in a specific period, e.g. hours, cost, billing price, dimensions, employee, task.
- **Reports** — Here the project manager can get an overview over different kinds of reports, e.g. project balance list, WIP aging, WIP transactions.

Ensure Project Control and Improve Profitability

Within iAccess Project Managers (PM) have one area in which they can access all workspaces and all relevant information for the project. The challenge of project managers is often that they need to search in different areas to get a complete overview of a project. With the Project area in iAccess, a PM can now monitor the different phases / processes of the project from a single workspace.

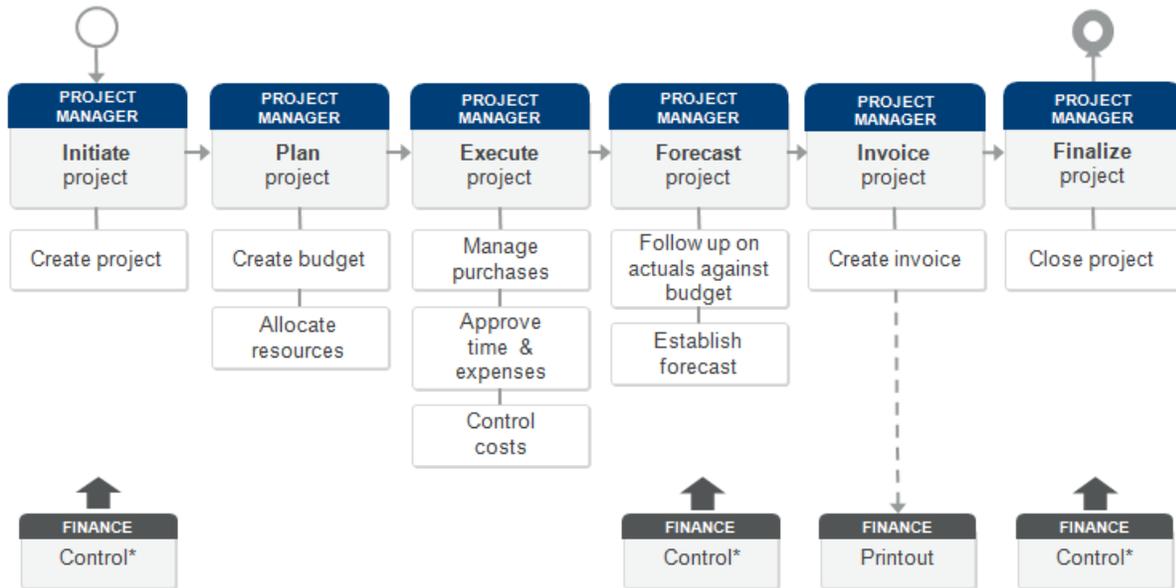


The following workspaces in iAccess support project management:

- **Project Home** — An overview of key information about the project, like contracted values, change requests, prices, task lists, employee information, and so on. From here you can close the Project. This is also where look-up windows are located.
- **Budgeting** — Where you can set the budget (baseline) for the project as your control point for cost.
- **Risk Management** – Where you can log and record any potential risks to a Project.
- **Progress Evaluation** — The project manager can register a forecast for the project in terms of time/costs to completion with the purpose to proactively predicting budget overruns and delays.
- **WIP Invoice** — It is the responsibility of a PM to invoice the client. In this part of the workspace, you can view open entries on a project and decide which should be invoiced, written off or carried forward to the next invoice cycle.
- **Invoice on Account** – In this part of the workspace, you can create on account invoices.

Project, From Initiation to Completion

We will look at how a Project Manager can use the solution to manage the steps throughout project execution. The typical tasks of a PM are illustrated in the following process flow:



Project Creation

A project is typically initiated by the Project Manager or the Department Manager based on a selected template, or by an initial phase during the sales process in which a project is converted from an opportunity.

Project Creation can take place in either the Workspace Client or iAccess. A wizard guides you through project creation. Based on the template that you select, a new window appears where you enter information in the required fields to create the project.

After selecting the template/project type the project manager is asked to add information about which customer the project concerns, which department owns the project, which principle for revenue recognition (Project Group) should be used (time and material projects, time & material with cap, internal, etc.) and who is responsible for the project.

The selected project, combined with the current customer derives information regarding price list, payment terms, task list, suggested budget structure, etc. This can later be altered by the project manager.

The projects are normally put in status “Order” meaning that they are invoiceable. The project manager can change the status to “Quote” in order to prevent that the invoicing is done at the project’s initial phase.

After you create the project, you are forwarded to the Projects workspace. In this area, you access the most relevant master data of the project; you can enter key project data in line with company policy.

Project Budgeting

After you create a project, the first step in managing the project is to ensure that you have a process for setting the baseline for the project. The baseline is your control point for controlling costs. It is recommended that a baseline budget is set regardless of whether the project concerns a fixed-price engagement or a time and material engagement.

Set a Baseline Budget

After the project has been created the project manager should create a baseline budget that reflects the commitment to the customer. This baseline budget can later be a control point and enable follow-up for costs (time, mileage, expenses and vendor costs).

Many companies struggle with inducing project managers to create baseline budgets in their ERP-system. It is often believed to be too time-consuming and complicated which results in that budgeting is done in Excel instead. Therefore, Deltek First has focused on enabling a solution that is simple to use.

There are three budget types: Baseline, Working Budget, and Sales Estimate. For all budget types, the project manager can complete the budget with information about budgeted hours per category and enter costs for the project.

In the Workspace Client, the tab Budgeting consists of four sub-tabs: Budget, Periodic Budget, Registers, and Budget Revisions.

Budget

This tab consists of three sub-tabs: Time, Amount and Full Budget. Time shows only hours, Amount shows only costs, Full Budget shows hours and costs. You can budget on employees and employee categories. A task is mandatory.

Ensure Project Control and Improve Profitability

The screenshot displays the 'Budget' section of the software. It includes a navigation bar with tabs like 'HOME', 'BUDGETING', 'PROJECT ACTIVITIES', etc. Below this, there are buttons for 'Submit Budget', 'Approve Budget', 'Copy Budget', 'Reopen Budget', 'Delete Budget', and 'Remove Zero Lines'. The main area is divided into 'Information', 'Billing Price Deviations', 'Budget, Currency', and 'Overview'. The 'Overview' section contains a bar chart comparing 'Billing Price' (26,000) and 'Cost' (22,000). Below the chart is a detailed budget table with columns for Description, External Description, Line Type, Employee Category No., Employee No., Employee Name, Task, Quantity, Billing Price, Cost, Total Billing Price, Total Cost, and GM.

Description	External Description	Line Type	Employee Category No.	Employee No.	Employee Name	Task	Qua...	Billing Price, Curr	Cost, Base	Total Billing Price, Currency	Total Cost, Base	GM, Base
1	Time to be Spent	Time to be Spent	Sum/Text				60.00	133.33	66.67	8,000.00	4,000.00	4,000.00
2	Research	Research	Time	40001	MD - Approver	100	40.00	200.00	100.00	8,000.00	4,000.00	4,000.00
3	External Assistance	External Assistance	Time			200	20.00	0.00	0.00	0.00	0.00	0.00
4	Costs	Costs	Sum/Text				0.00	0.00	0.00	18,000.00	18,000.00	0.00
5	Materials	Materials	Amount			205	100.00	150.00	150.00	15,000.00	15,000.00	0.00
6	Travel	Travel	Amount			220	2.00	1,500.00	1,500.00	3,000.00	3,000.00	0.00

It is possible to change/adjust the employee categories currently used on the project.

It is furthermore possible to change/adjust the price per employee category and hour. This updates only the budget of the project, not the actuals. However, detailed prices can be entered directly in the project price list information and this will have an effect on actuals.

When the project manager is done with the budget, the budget should be submitted and approved.

Please note that you can copy budgets from other projects. In cases where forecasting should be done on the project, a copy is made and transferred to the "Working Budget". This is done by a simple click on the button "Copy Budget" after the Budget Type has been changed to "Working Budget" in the island "Information".

Periodic Budget

The functionality here is similar to that in the tab Budget. When filling out the period in the island Show Periods, the table part will adjust corresponding to this. In a Periodic Budget, you can allocate hours, cost- and billing prices to different periods, like months or quarters.

Register

Use this area for Risk Management.

Budget Revisions

This tab shows the approved revisions for each budget type. Every time a change in an approved budget is made, Maconomy will automatically create a new budget revision. In this way, history is maintained. The structure is the same as in the tab Budget, meaning there are the same sub-tabs.

Ensure Project Control and Improve Profitability

Projects x

Show: Project A (10000), Merck

HOME BUDGETING PROJECT ACTIVITIES PROGRESS EVALUATION INVOICING CLOSING LOOKUP REPORTS SETUP

BUDGET PERIODIC BUDGET REGISTERS BUDGET REVISIONS

Now showing 1 - 2 of 2 results << Prev Next >>

Budget Type	Revision Code	Revision No.	Responsible	Date Submitted	Submitted by	Revision Remarks
1	Baseline	1	jw	08/10/2019	MD - PM	
2	Baseline	2	jw	06/02/2020	Administrator	

BUDGET

Information

Budget Type	Revision No.	Revision Remarks	Currency	Hours	Cost	Billing Price	GM	GM %
Baseline	2		DKK	60.00	4,000.00	8,000.00	4,000.00	50.00 %
				Time	Amount	Amount	0.00	0.00 %
				Total	22,000.00	26,000.00	4,000.00	15.38 %

Description

-

TIME AMOUNT FULL BUDGET

Show All Levels

Description	Employee Category No.	Employee No.	Task	Qua...	Billing Price, Curr.	Cost, Base	Total Billing Price, Currency	Total Cost, Base	GM, Base
1				60.00	133.33	66.67	8,000.00	4,000.00	4,000.00
2		40001	100	40.00	200.00	100.00	8,000.00	4,000.00	4,000.00
3			200	20.00	0.00	0.00	0.00	0.00	0.00
4				0.00	0.00	0.00	18,000.00	18,000.00	0.00

Picture 36: Budget Revisions.

The budget offers the following functionalities:

- Simple and intuitive support to create a budget.
- Possibility to use parallel budget types and version management of budgets with full traceability.
- When the budget is created, it is possible to follow up on the project's outcomes against the budget which enables proactive project management during the implementation.

The functionality in the budget and planning component includes:

- Ability to use various budget types, such as baseline and working budgets.
- Revision history functionality to keep track of changes made to the budget.
- Budget approval functionality so that a budget approver can be included in the project.
- More advanced budget functionality that can be enabled by using a full WBS.

Control Costs – Project Execution

Step 1 – Control Purchases

On the project, you can create a purchase order for external purchases, and thereby control that extraordinary costs are not paid without approval, such as from the Line Manager.

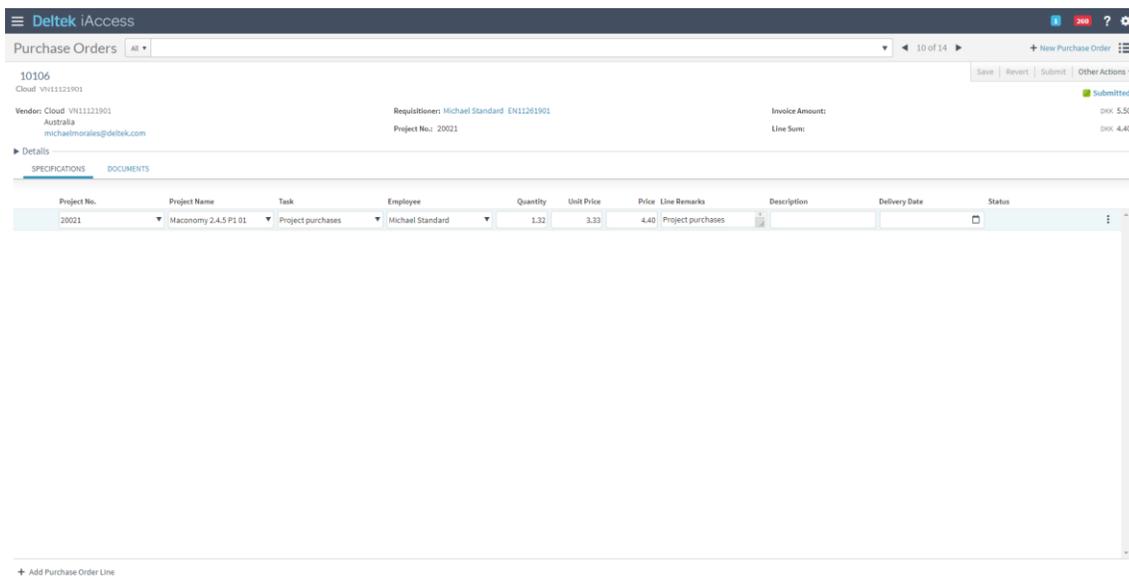
Ensure Project Control and Improve Profitability

You can apply more advanced purchase processes, but we typically recommend a simple purchase process, where the PM or others can create a Purchase Order that someone else approves before the actual purchase takes place. Your approval hierarchy determines who the approver is.

In the Workspace Client in the tab “Purchase Processes” under the main tab “Project Activities” the project manager has the opportunity to create purchases to external parties. These purchases may relate to goods, products or external services that are intended to be consumed within the project. This enables the project manager to have control over costs in terms of external vendor costs that will charge the project (for possible customer invoicing). Furthermore, this facilitates the approval of incoming vendor invoices which can be attached to the purchase order.

Purchase orders are processed via an attest flow where the manager approves the purchase order that exceeds the defined net amount.

Purchase Orders can also be entered in iAccess and approved in both iAccess and Touch.



Step 2 – Control External Costs

Appropriate stakeholders are able to allocate incoming vendor invoices in the Workspace Client or iAccess. In iAccess, the person responsible for Invoice allocation opens the invoice allocation workspace and will see any invoices in their “My Invoices for Allocation” list. On opening an Invoice for Allocation they can view the vendor invoice and associated image and then allocate as appropriate.

Ensure Project Control and Improve Profitability

The screenshot displays the Deltek iAccess 'Invoice Allocation' interface. At the top, the invoice number 'INV_002' and supplier 'Supplier A -0120000' are shown. The interface includes a summary table with columns for 'Invoice', 'Allocated', and 'Unallocated' amounts. A 'MESSAGES' pane on the right shows a preview of a vendor invoice document with a table of line items and a total amount of 967.00.

Invoice	Allocated	Unallocated
Amount Excl. Tax DKK 1,000.00	DKK 1,000.00	DKK 0.00
DK-25% DKK 250.00	DKK 250.00	DKK 0.00
Amount Incl. Tax DKK 1,250.00	DKK 1,250.00	DKK 0.00

DESCRIPTION	AMOUNT
Laundry service (Memo from April 2011 (42 x \$11))	\$ 462.00
Laundry service (memo from April 2011 (11 pieces x \$ 30))	36.00
Laundry service (memo from April 2011 (10 pieces x \$ 7))	70.00
TOTAL	\$ 568.00

Using the Messages pane users can instigate conversations around a Vendor Invoice for Allocation including pinging other users to notify them of assistance or actions needed from them.

The screenshot shows a message notification in the Deltek iAccess system. The message is dated Monday, February 3, 2020, and is addressed to James Grotto, asking for invoice allocation.

Participants: James Grotto, Gert Freeman + Add Participant Unsubscribe

MONDAY, FEBRUARY 3, 2020

@James Grotto - please allocate this invoice. Thanks!

Gert Freeman

The project manager or other appropriate stakeholders have the possibility to approve incoming vendor invoices that will charge the project. When a vendor invoice is received and allocated, the project manager is notified in the Workspace Client via the "To Do – Approve Invoice Allocation Line" and in iAccess via the Approval Center.

In the Workspace Client, the project manager clicks on the link and views the invoice, and then, either approves or rejects it. If the vendor invoice was attached as a pdf-document earlier, the project manager can see the invoice before approving by clicking on the button View Document.

In iAccess, the project manager clicks on the details button in the approval center, views the Vendor Invoice and any associated image, and then either approves or rejects it.

Ensure Project Control and Improve Profitability

Vendor Invoice

Vendor: [Supplier A -0120000](#) Entry Date: 2/3/20
 Invoice No.: INV_001 Invoice Date: 2/1/20
 Company: Company 10 10 Due Date: 2/16/20
 Project: None Amount Incl. Tax: DKK 1,565.00
 Description: Supplier A Purch. Order No.: 0
 Submitted By: Administrator

ALLOCATION DOCUMENTS 1

Project	Task	Employee	Remarks	Quantit	Unit Price
Rekvirenter	205			1.00	DKK 501.00
				1.00	DKK 751.00

Invoice Allocation

Vendor Name: **INVOICE**
 Vendor Address: Anytown, USA 00000 DATE: July 8, 2011
 Tax ID: xx-xxxxxx INVOICE #: 4
 FOR: Laundry Service
 Bill To: WLU-GARF, 18 E. 84th St. New York, NY 10028

DESCRIPTION	AMOUNT
Laundry service (Linens) from April 2011 (42 x \$11)	\$ 462.00
Laundry service (bowls) from April 2011 (71 pieces x \$5.50)	35.50
Laundry service (Aprons) from April 2011 (10 pieces x \$7)	70.00
TOTAL	\$ 567.50

Make all checks payable to Vendor Name
 Please pay on receipt.

THANK YOU FOR YOUR BUSINESS!

Reject Approve Close

Picture 39: Approval of a vendor invoice by the project manager.

In both the Workspace Client and iAccess, the project manager is also able to view those vendor invoices that have already **charged** the project. Here vendor invoices can also be viewed in detail by re-printing them or viewing them on the screen (PDF). It is a good idea to delimit to Invoice reallocation in the field Origin in the island Selection Criteria.

Projects x Deltek

Show: Project A (10000), Merck

HOME BUDGETING PROJECT ACTIVITIES PROGRESS EVALUATION INVOICING CLOSING LOOKUP REPORTS SETUP

FINANCIAL PROJECT CARD PROJECT CARD SHOW PROJECT REALLOCATION JOURNAL Open Project Analyser

Show Entries: Period, Currency Type, Currency, Project Currency, Base Currency

Selection Criteria: Show Lines, Origin, Entry Type, Show Accrual Entries, Activity Type, Cost Type, Employee No., Exec. Company No., Activity No.

Links: All Entries in Detail

Revenue Recognition

	Opening	Change	Closing
Revenue Recognized	0.00	1,100.00	1,100.00
Hereof Revenue Adj.	0.00	0.00	0.00
Cost, Inv.	0.00	100.00	100.00
Billing Price, Inv.	0.00	1,100.00	1,100.00
Work in Prog.	0.00	500.00	500.00

Registration/Invoicing

	Opening	Change	Closing
Cost, Reg.	0.00	600.00	600.00
Billing Price, Reg.	0.00	600.00	600.00
Cost, Open	0.00	500.00	500.00
Billing Price, Open	0.00	500.00	500.00
Cost, Inv.	0.00	100.00	100.00

ENTRIES: View Vendor Invoice Document

Entry Details	G/L Entry Date	Entry Date	Act. No.	Task	Empl.	Empl. Cat.	Description	Quantity	Cost, Reg.	Billing Price, Reg.	Revenue Recognized	Quantity, Inv.	Cost, Inv.	Billing Price, Inv.	Quantity, Up/Down	Billing Price, Up/Down	Standard Bill Price
1 Entry Details	30/09/2019	30/09/2019	400	205	2009		materialer	3.00	450.00	450.00	100.00	0.67	100.00	100.00	0.00	0.00	
2 Entry Details	30/09/2019	30/09/2019	400	205	2009		materialer	1.00	150.00	150.00	0.00	0.00	0.00	0.00	0.00	0.00	
3 Entry Details	06/02/2020	06/02/2020	900	800			Revenue Adjustment	0.00	0.00	0.00	1,000.00	1.00	0.00	1,000.00	1.00	1,000.00	

Picture 41: Lookup tab in Projects workspace (Workspace Client)

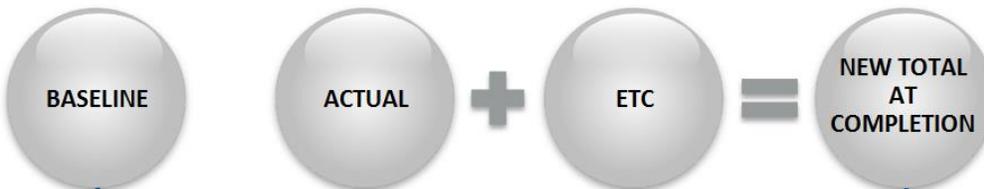
Thus, full control is ensured regarding the external vendor costs that charge the project.

Step 3 – Control Hours

A major part of project costs relates to hours, and it is a PM's responsibility to ensure that hours spent are within budget. In the Financial Job Card, you can see the hours entered on your project, and in Time Approval you can see the hours awaiting your approval. In addition, BPM provides a range of reports that support project follow-up.

Progress Control – Evaluating Progress and ETC

Actual costs spent on a project are important to a PM. Assessing the estimated time to completion enables you to proactively adjust the plans before it is too late.



PMs update the Estimate to Complete (for example) monthly as part of a project control procedure, based on employees' entries in the time sheet.

You can receive a suggested ETC value based on an employee's time sheet, if an employee has informed you of any shortfall on the employees' part of the project.

You can:

- Change the calculated ETC on each task to show project progress
- Get a historical view of previous ETCs
- Make automatic revenue recognition adjustments based on a calculated percentage to completion

Based on your estimate, the Controller can adjust the final percentage to completion in order to ensure a correct revenue adjustment compared to progress.

From Order to Cash – Improve Billability and Cash Flow

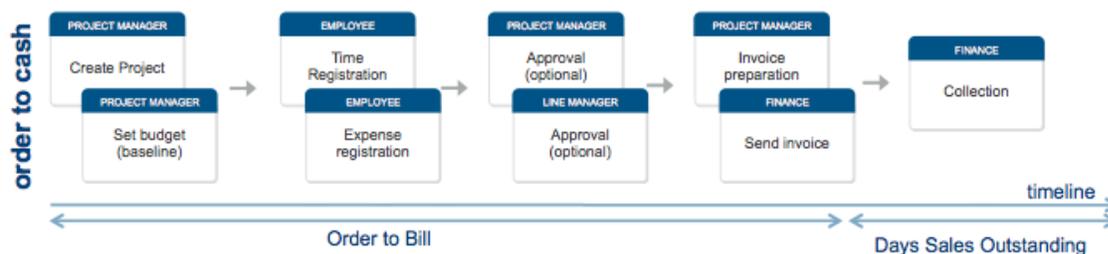
Keys to Success

Step 1 in implementation of an ERP solution is about ensuring a good flow from order to cash, making sure that all hours are entered and you invoice as much as possible.

The following table outlines some of the key initiatives needed to improve cash flow.

Initiative	Description
1. Capture time efficiently	Enter billable time in close connection with execution (as soon as possible) to prevent loss of billable time. (People tend to quickly forget, or understate, hours spent on projects.)
2. Ensure invoicing as soon as possible by those in charge	Invoice clients as soon as possible after completion to improve cash flow. Also, maximize the amount invoiced. Thus, invoicing should be conducted by the people who control the projects: PMs.
3. Manage small work orders efficiently	PSOs often consist of small jobs, delimited in time/scope. You should manage these jobs differently compared to large-scale projects. You can often invoice them upon order to improve cash flow.
4. Tight control on collection	Management and employees who are responsible for invoicing should keep track of WIP and A/R from an aging perspective to monitor that all billable time is billed and that all invoices are paid on time.

The following figure illustrates a typical process from the point when the order is signed until the invoice is sent and money is collected. Some steps shown below are optional.

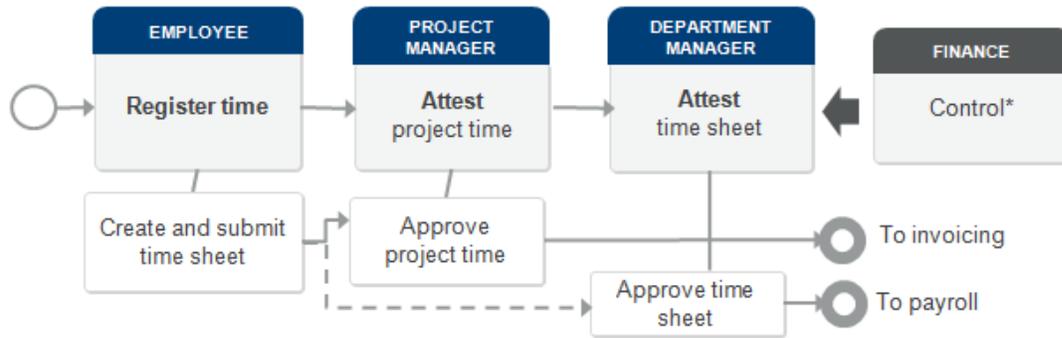


If you followed the preceding steps, “create project” and “set budget” repeat what we have already described. The following description begins with time entry.

Time and Expense Entry

An intuitive and user-friendly time and expense module is available for end-users, allowing employees to easily enter time on a weekly or daily basis.

Below is an overall workflow of registration and attestation of **time**.



Note:

- Deltek Maconomy Touch is a mobile application that employees can use to easily enter time via their mobile phones.
- Deltek Maconomy iAccess is designed for streamlined access to time and expense activities. The browser-based application is optimized for in-office as well as remote access use with both laptops and tablets.

Not all standard Maconomy functionality is available in iAccess and Touch.

Employees (or subcontractors) register time in any of the User Interfaces (Workspace Client, iAccess or Touch) by selecting the relevant project and task that they are working on.

When an employee submits a time sheet, either the Line Manager or the PM can approve it.

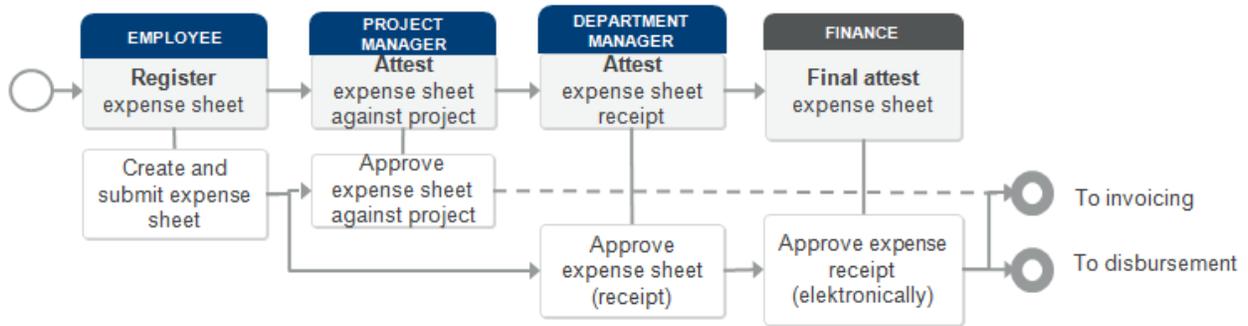
To help the employee complete the time sheet as quickly and smoothly as possible, the solution includes:

- “Favorite” capability, allowing employees to create their own favorites for easy access.
- Permanent lines, allowing employees to select frequently used lines. These lines are shown automatically when a time sheet is created
- Search-as-you-type for easy retrieval of relevant projects and tasks
- You can propose a number of hours to be invoiced. For instance, if you enter eight hours per day you can specify that only six hours should be invoiced.

When a time sheet is submitted, the project manager approves the time for own projects. This means that time is forwarded for invoicing. The department manager for which the employee belongs approves the timesheet.

Expense Entry

The following describes the overall workflow for registering and approval of **expense sheet**.



Note:

- Deltek Maconomy Touch is a mobile application that employees can use to easily enter expenses via their mobile phones.
- Deltek Maconomy iAccess is designed for streamlined access to time and expense activities. The browser-based application is optimized for in-office as well as remote access use with both laptops and tablets.

Not all standard Maconomy functionality is available in iAccess and Touch.

Access to an expense sheet is available within the employee workspaces, enabling entry of expenses and employee reimbursement.

The expenses are assigned to a project and relevant tasks on the selected project.

Because Maconomy is a multi-currency solution, you can enter expenses in any currency. Using exchange rate tables, the finance functionality in the solution is available in project, enterprise, and local currency.

Employees are reimbursed for their expenses when expenses have been checked and approved by a Department Manager and the Finance Department. If desired, the project manager will approve the expenses that relate to the specific project in order to control overall project expenses.

Expense sheet functionality includes:

- Expense sheet lines prepopulated with information from the time sheet line for quick completion.
- Task lists showing only expense-related tasks available on the project.
- Mandatory expense justification.
- For expenses in foreign currencies, the system suggests an exchange rate, but the employee can enter the exchange rate manually.
- The ability to scan receipts and attach them to the expense sheet for documentation.
- The ability to enter mileage.

Mileage Entry

Mileage sheets are registered via the Workspace Client or iAccess. The employee enters the project number concerning the transportation, type of vehicle, and quantity of miles or kilometers (depending on how the pricing is done). The compensation is automatically calculated according to determined compensation levels.

Per Diem Entry (Sweden Only)

For Customers based in Sweden, we also support the entry of Per Diem sheets in both the Workspace Client and iAccess.

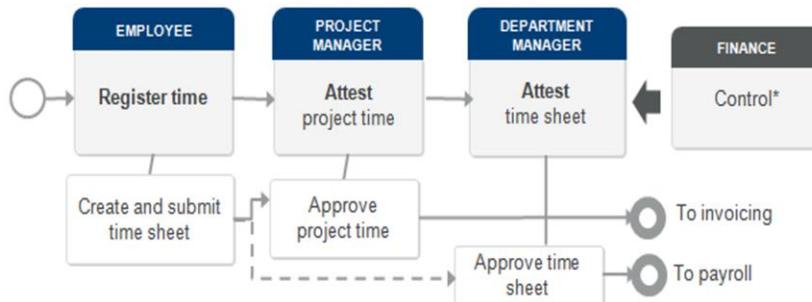
Per Diem sheet functionality includes:

- Auto calculation of maximum deduction based on location, start and end date and start and end time of work.
- Auto calculation of deduction to Employee based on the number of included meals / accommodation entered by Employee.

Project and Time Sheet Approval

The approval flow for project time is partially configurable. However, the project manager is normally responsible for approving time. This approval is required so that time is possible to invoice. In addition, the department manager will approve the time sheet as a whole. The purpose of this approval is to control that all time has been registered and that the relation between external time and internal time/absence is acceptable.

The PM receives a notification or email with information about outstanding actions. The project manager can then view those entries that are awaiting approval. If the PM rejects any of the hours or expenses, a notification appears for the relevant employee.



Time entries are not shown in the project until they have been approved.

The Line Manager can receive a full overview of all relevant employees. The Line Manager can view submitted time sheets and those not yet submitted (see the following figure). In the same view, the Line Manager can either approve the time sheets or drill down to the single time sheet entries before approving the time sheet.

External Costs for Approval

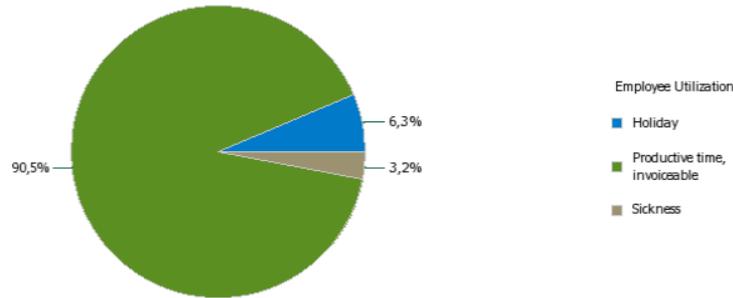
In addition to the hours and expenses, external costs may appear on the project. These can be entered for payment in the A/P part of the solution and automatically appear on the project after the approval workflow has been completed.

Analyze Utilization and Realization

Both manager roles and the individual employee have the possibility to review measures of performance such as utilization and average price.

Utilization, by Employee

Hourly Split



DKK

Employee	Utilization Degree		Billing Price		Hours							
	Inv. / Reg.	Inv. / Fix.	Reg.	Average	Fixed	Reg.	Reg. Work.	Invoiceable	Prod.	Non-Prod.	Absence	
101 Jan Williams	100,0%	6,9%	127.800,00	1.800,00	1.029,0	71,0	71,0	71,0	71,0	0,0	0,0	
102 Arthur Riise	61,5%	3,5%	27.000,00	750,00	1.029,0	58,5	43,5	36,0	36,0	0,0	0,0	
106 Gertrud Friestad	100,0%	7,0%	45.975,00	634,14	1.029,0	72,5	72,5	72,5	72,5	0,0	0,0	
114 Markus Madsen	100,0%	3,5%	28.800,00	800,00	1.029,0	36,0	36,0	36,0	36,0	0,0	0,0	
Total:	90,5%	5,2%	229.575,00	1.065,31	4.116,0	238,0	223,0	215,5	215,5	0,0	0,0	

For Department managers it is also possible to analyze the realization for those employees that they are responsible for. Unlike utilization, realization describes hours/incomes that really are invoiced.

Realization, by Employee

DKK

Hours

Employee	Realization			Billing Price			Open		
	Realization	Invoiced	Registered	Realization	Invoiced	Registered	Inv. %		Billing Price
102 Arthur Riise	61,5 %	36,0	58,5	100,0 %	27.000,00	27.000,00	100,0 %	0,0	0,00
Total:	61,5 %	36,0	58,5	100,0 %	27.000,00	27.000,00	100,0 %	0,0	0,00

Picture 56: Report describing the realization per employee.

Improve Cash Flow

Inefficient routines and deficient system supports around customer invoicing and control of accounts receivable affect the cash flow within the organization significantly. Therefore, it has an effect on the organization’s ability to finance its own short-term operations.

In order to improve cash flow, a good flow from order to cash and effective procedures are required to ensure that the accounts receivable are paid on time. Also, fewer commitments, which often can be invoiced in conjunction with, or even before execution, should be managed in a simple and easy manner. This is described in section 12 below. This section also describes item based invoicing and contract invoicing.

Based on Deltek’s experience of how invoicing and monitoring of accounts receivables is managed within project-intense knowledge-based organizations, the following cornerstones have been defined as critical for improving the cash flow.

- **Ensure invoicing as soon as possible** by supporting decentralized invoicing combined with transparency around non-invoiced items.

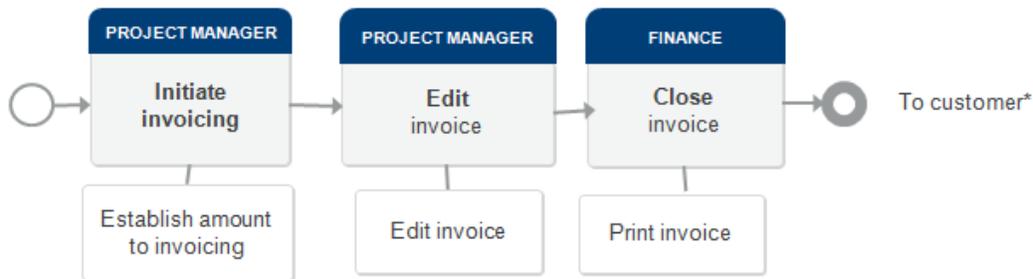
- **Ensure effective management of outstanding accounts receivables** by ensuring information transparency around outstanding receivables from an aging perspective, combined with flexible support for remainders.

Project Invoicing

The final part of the order-to-invoice workflow is invoicing.

Below is an overview of the invoicing workflow. The invoicing may be decentralized or centralized.

A) DECENTRALIZED INVOICING

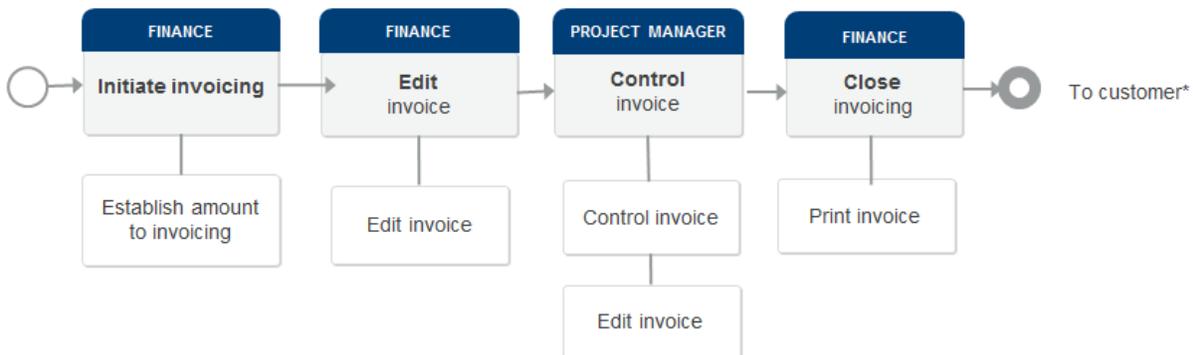


When using decentralized invoicing (above), the project manager manages the main invoicing flow. Either Based on the invoicing plan, the invoicing is initiated and the invoiced amount is established or based on the actual entries to the Project Manager creates a draft invoice. Thereafter, the invoice format (appearance) is edited and eventually marked as completed. The finance department will approve and print the invoice and send it to the customer by mail, email (PDF) or e-invoice.

Please Note: E-invoicing is available in Sweden and Norway ONLY including integration to Pagaro.

When using centralized invoicing (below), the finance department manages the invoicing, sets the amount to be invoiced and edits the invoice format (appearance) if necessary. Subsequently, the invoice will be approved by the project manager (which may also adjust the invoice appearance). Finally, the invoice is marked as finished and the finance department will print the invoice as indicated above.

B) CENTRALIZED INVOICING



Please Note: For Customers in Sweden and Norway we offer an integration to Pagaro. For these regions it is only possible to send and receive e-invoices if an agreement with Pagaro, has been made. Please contact your sales representative in Deltek for further information.

Decentralized Invoicing

Project managers are given information about which projects that need to be invoiced by the filter list in the Projects workflow in either the Workspace Client or iAccess. In this tab the projects, the project manager is responsible for, are shown (button My Open Projects). It is possible to order by Project Group, e.g. Time and Material (T/M) Projects or Fixed Price Projects (first column in screenshot below). Information is given about the budget and amount that is to be invoiced. More columns are available.

Project Group	Project No.	Project Name	Customer	Responsible Department	Project Manager No.	Project Manager Name	Fixed Price, Currency	Hou...	Reg. Cost, Base	Reg. Billing, Base	Fac...	Fac...	Hou...	Bud. Cost, Base
Time & Mat...	1120023	MD - Project NS...	Zymbio AS	1010	2009	James Grotto	0.00 NOK	55.00	20,440.18 NOK	132,145.18 NOK	14.54	14.54	0.00	0.00 NOK
Time & Mat...	1120024	MD - PageroNO	Zymbio AS	1010	2009	James Grotto	0.00 NOK	21.00	33,538.00 NOK	41,833.00 NOK	1.25	1.25	0.00	0.00 NOK
Time & Mat...	1820010	MD - PageroSE ...	Probi AB	1010	2009	James Grotto	0.00 SEK	18.00	3,900.00 SEK	40,758.00 SEK	14.65	14.69	0.00	0.00 SEK

The project manager opens the project that needs to be invoiced and opens the Invoicing tab where the entries are shown in detail in the tab Invoice Selection (In iAccess use the workspace WIP Invoicing). Adjustments can be made in regards to up- and down writing. Furthermore, entries can be forwarded to the next invoicing cycle.

Available	For Invoicing	Carry Forward	Billing Price	Up/Down
0.00	0.00	0.00	0.00	0.00
500.00	500.00	0.00	500.00	0.00
500.00	500.00	0.00	500.00	0.00

Level 1: Employee	Level 2: Task	WIP Available	Quantity	Billing Price to Inv.	Invoice Quantity	WIP for Invoicing	Carry Forward	Write-Up/...	Action	Close Balance	Billing Price Inv., Currency	Billing Price, Up/Down, Currency	Reallocate
1 2009 - James Grotto	205 - materialer	500.00	3.33	500.00	3.33	500.00	0.00	0.00	Invoice	<input checked="" type="checkbox"/>	100.00	0.00	<input type="checkbox"/>

Once entries are selected, a draft invoice can be printed out and edited. At this stage lines can be deleted or added, text can be freely edited, etc. To further simplify the management of invoicing, invoice layout rules are used which give suggestions to specific details of the invoice as well as the layout per task, per

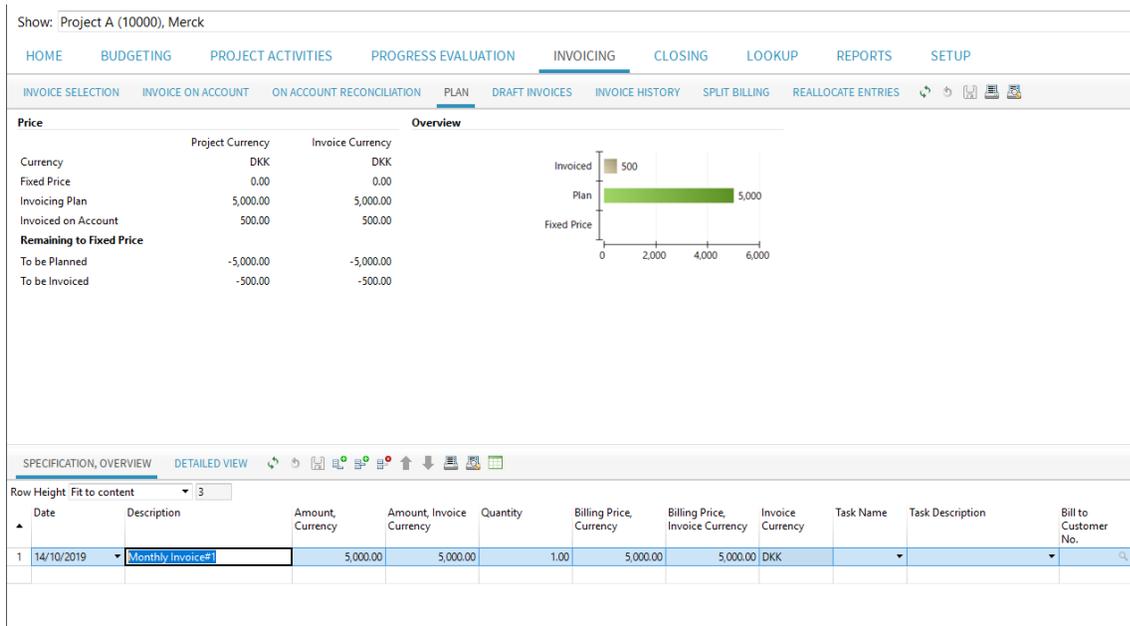
From Order to Cash — Improve Billability and Cash Flow

employee, per task and employee, per transaction etc. This rule is transferred from the customer, but can also be changed for the specific project and even between different invoicing occasions in the same project.

In the case of blanket invoicing, entries from several different projects are gathered together in order to only generate one invoice.

The project manager ends the editing, which makes it possible to print out an invoice via the financial department (or directly by the project manager).

The invoicing of fixed-price projects is managed in a similar way. However, invoices are instead sent as invoices on account, usually with a payment plan as a base. In this case, the Invoice Plan should be used.



Invoicing functionality includes:

- Time and materials invoicing, including the ability to invoice, write off, or carry forward to the next period.
- Invoice plans that show a payment plan agreed to by the customer and subsequently invoiced on account.
- The ability to base invoice plans on invoicing dates or milestones.
- Draft printing functionality for PMs.
- The ability for the Finance Department to post and print all invoices approved in one batch.
- The ability for PMs to view previously printed invoices sent to the customer on the project at any time.
- Invoice layout rules to determine how the entries should be sorted and presented on the customer invoice.

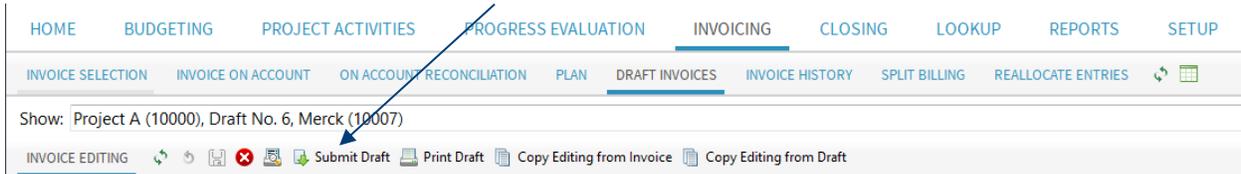
Centralized Invoicing

An alternative to the previously described workflow is that the finance department initiates the invoicing and that the invoices (if preferred) are sent to the project manager for an overview. This workflow is

From Order to Cash — Improve Billability and Cash Flow

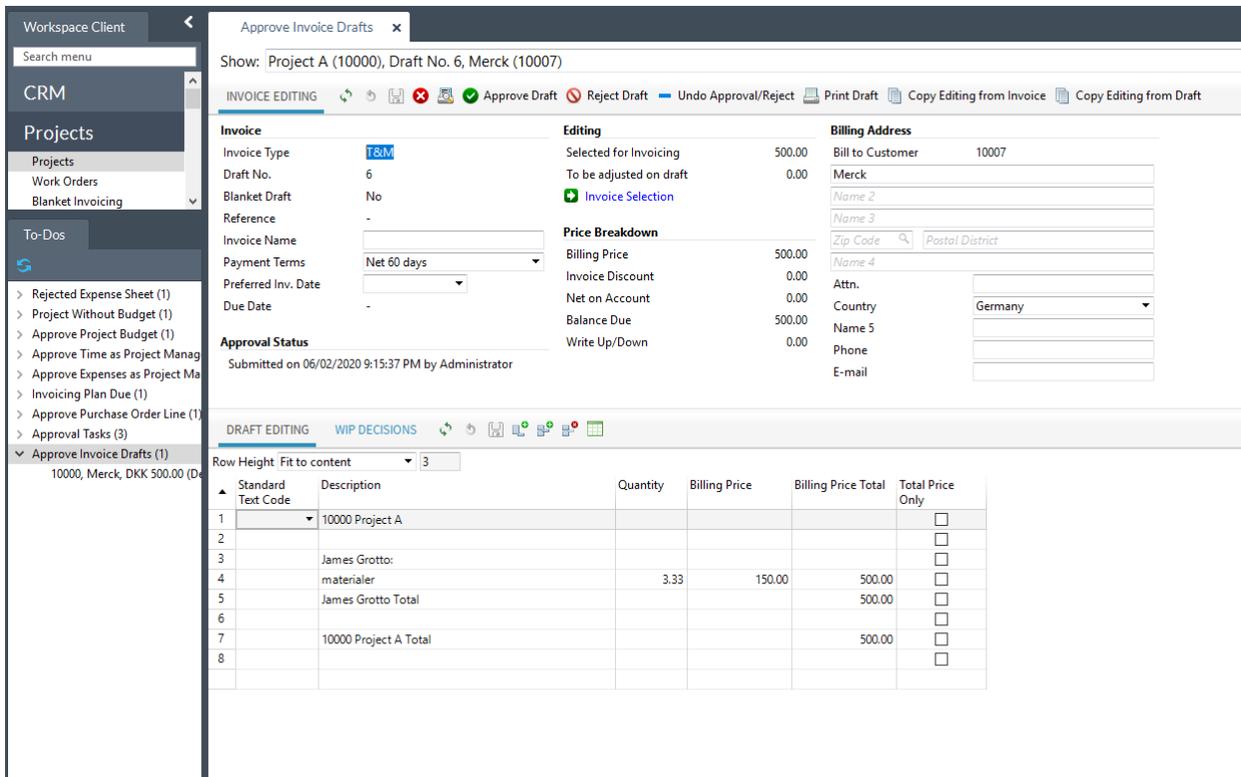
appropriate for relatively simple invoicing or if the project manager, because of policy reasons, should not be given the possibility to adjust the amount for invoicing.

The finance department initiates the invoicing as shown in 9.1.1, but instead of printing the invoice, the draft invoice must be submitted first. This can be done by hitting the button  in the tab Draft Invoices.



Picture 60: Submitting a draft invoice.

This will activate an approval hierarchy where the project manager subsequently will receive a to-do “Approve Invoice Drafts” in wither the Workspace Client or iAccess.



The project manager can print draft invoices and also edit the invoice content as desired. Finally, the project manager approves the invoice for printing. This means the invoice is ready to be printed, in this case by the finance department.

Please notice that the approval of invoices is a possibility, but the setup of the approval hierarchy is not a part of the standard setup. In order to get this functionality working, please contact your implementing consultant.

Cash Collection

When invoices are sent out it is the job of the A/R department to ensure that money is collected.

Maconomy's reminder and interest functionality can support the cash collection process. For overview purposes, the PM has access to invoice history and to the status of the cash individual invoices. A/R and others have access to A/R aging reports, providing them with a good view of the aging of unsettled payments.

AR Transactions											Deltek Know more. Do more.™	
USD												
10003 Bank of America Corp.												
Dates		Transaction			Balance			Original				
Entry Date	Due Date	No.	Type	Entry Text	Current	Due	Not Due	Days Due	Currency	Amount		
31-01-2012	10-02-2012	10400003	Invoice	Customer Invoice	13.150,00	13.150,00	0,00	64	USD	13.150,00		
28-02-2012	09-03-2012	10400004	Invoice	Customer Invoice	20.995,00	20.995,00	0,00	36	USD	20.995,00		
31-03-2012	10-04-2012	10400005	Invoice	Customer Invoice	21.395,00	21.395,00	0,00	4	USD	21.395,00		
Total:					55.540,00	55.540,00	0,00					

Credit Control

The solution includes functionality that supports the process of pursuing accurate and timely payments from your customers. The cash collections process begins with a dedicated workspace in the Workspace Client, Credit Control. This workspace lists all of your customers. You can filter it to show customers based on a number of criteria, including those with disputed invoices. You can use this filter, shown in the following figure, as a launching point to enter a particular client to see all of the details related to the open AR and open/unreconciled payments.

Client No.	Name	Open Amount	No. of Open Inv.	No. of Inv. Under Dispute	Amount Under Dispute	Follow Up Date	Credit Limit, Company Level	Blocked	Client Manager No.	Sales Rep. No.	Email
1	110059 test sub	0.00	1	0	0.00		1,000,000.00				
2	110060 Agape Escape	1,550.00	2	0	0.00		1,000,000.00		1006	1013	michelledizon@deltek.com
3	20000 Acme Cleaning	83,691.00	9	0	0.00	1/1/2019	1,000,000.00		1001	1027	RaymondJames@AcmeCleaning.com
4	20001 Mid-Atlantic	15,043.00	6	0	0.00		1,000,000.00		1001	1027	JamesEsquire@Mid-Atlantic.com
5	20002 Aaron Bradley	49,131.00	6	0	0.00		1,000,000.00		1001	1027	AaronThompson@AaronBradley.com
6	20003 Davis Co.	0.00	2	0	0.00		1,000,000.00		1001	1027	AlfredFletter@DavisCo.com
7	20004 ACE Ticket	110,248.00	21	0	0.00	4/5/2014	1,000,000.00		1001	1027	DavidPatrick@ACETicket.com
8	20005 ACE Ticket Cambridge	0.00	2	0	0.00		1,000,000.00		1001	1027	HowardMendell@ACETicketCambridge.com
9	20006 ACE Ticket Newton	0.00	2	0	0.00		1,000,000.00		1001	1027	MartinFish@ACETicketNewton.com
10	20007 Roberts Inc.	0.00	2	0	0.00		1,000,000.00		1001	1027	AmandaMichelle@RobertsInc.com
11	20008 Marine Science	109,549.00	15	0	0.00		1,000,000.00		1001	1027	JohnVot@MarineScience.com
12	20009 Marine Avation	0.00	2	0	0.00		1,000,000.00		2004	1027	BryanRichards@MarineAvation.com
13	20010 Marine Costal	0.00	2	0	0.00		1,000,000.00		2004	1027	KarenConners@MarineCostal.com
14	20011 Thompson Inc.	13,855.00	6	0	0.00		1,000,000.00		1001	1027	ScottCooper@ThompsonInc.com
15	20012 American Group	31,200.00	5	0	0.00		1,000,000.00		1001	1027	LindaThomas@AmericanGroup.com
16	20013 American Fastner	0.00	2	0	0.00		1,000,000.00		1006	1027	ChrisMiller@AmericanFastner.com
17	20014 David Tocci, LLP	0.00	2	0	0.00		1,000,000.00		1006	1027	Richard@GibsonDavidTocciLLP.com
18	20015 Arch	0.00	2	0	0.00		1,000,000.00		1006	1027	NicholasCash@Arch.com
19	20015 Arch	94,060.00	4	0	0.00		1,000,000.00		1006	1027	NicholasCash@Arch.com
20	20016 Anderson Inc.	13,350.00	5	0	0.00		1,000,000.00		1006	1027	RobertParker@AndersonInc.com
21	20017 Legal Services	4,750.00	5	0	0.00		1,000,000.00		1006	1027	DavidPotter@LegalServices.com
22	20018 Ackers	0.00	2	0	0.00		1,000,000.00		2004	1027	JohnNewton@Ackers.com
23	20019 Atlantic Inc	0.00	2	0	0.00		1,000,000.00		2004	1027	RonaldFender@AtlanticInc.com
24	20020 Winthrop Davis	0.00	2	0	0.00		1,000,000.00		2004	1027	MargaretTaylor@WinthropDavis.com

Reporting

Maconomy Essentials provides complete information about work in progress as well as outstanding receivables. This information is not limited to the finance department and is thus given directly to those involved with the project and affected by the information, such as department and account managers.

From Order to Cash — Improve Billability and Cash Flow

Below is an illustration of a report describing work in progress per customer from an aging perspective. The information may be given per company (within the operation), customer and project. This gives an opportunity for those who are responsible for customers and projects to influence the situation.

WIP Aging

DKK

Customer No. & Name	Invoice On Account Net	Balance		Aging			
			Total	0-30	31-60	61-90	91+
10000 Testina Customer	100.000,00		3.200,00	0,00	0,00	0,00	3.200,00
10001 Ammeral Beltech Modular A/S	496.520,00		159.308,00	0,00	800,00	0,00	158.508,00
10003 Testina Customer	0,00		10.108,90	0,00	0,00	0,00	10.108,90
10114 Herlev Kommune	0,00		7.318,00	0,00	0,00	0,00	7.318,00
Total:	596.520,00		179.934,90	0,00	800,00	0,00	179.134,90

Below is an illustration of a report describing outstanding accounts receivable from an aging perspective. Again, internal stakeholders are given the possibility to act against customers who fail to pay on time.

AR Aging

DKK

Company No. & Name	Balance			Aging				DSO
	Total	Due	Not Due	0-30	31-60	61-90	91+	
10 Our Company 1	10.291.477,70	10.217.258,95	74.218,75	0,00	363.110,14	1.375.827,31	8.478.321,50	103,8
20 Our Company 2	1.684.859,57	1.684.859,57	0,00	0,00	0,00	0,00	1.684.859,57	110,3
Total:	11.976.337,27	11.902.118,52	74.218,75	0,00	363.110,14	1.375.827,31	10.163.181,07	

In the AR Aging report, it is possible to drill down to each customer, e.g. like customer 10000.

In addition, there is full support for reminder management and interest invoicing to manage outstanding accounts receivables in a structured manner.

Fact-Based Decisions – Reporting

Keys to Success

Many Controllers spend a lot of time gathering information for management and others to ensure that they have the right information at hand.

This often results in a package of reports whose recipients do not always know their significance, and as a result, they do not see the full value of the data in the report. Sometimes it is –extremely difficult to extract the correct data from disparate solutions.

The following table provides recommendations for providing your organization and its users with the correct information.

Area	What To Do
1. Define the right KPI framework	Make sure that you define a KPI framework that is aligned with the strategic objectives of the company.
2. Apply this KPI framework to your registration model	Make sure to implement a business information model that supports your KPIs, and make sure that your Maconomy Essentials solution gives you the ability to reach the data behind these KPIs.
3. Reflect the KPI framework in peoples’ performance matrix	Implement a framework where people’s performance is measured on the KPIs, and make sure that they have the ability to reach their goals. This increases the focus on the objectives and the reports themselves.
4. Apply a role-based reporting package	The Maconomy Essentials role-based reporting package is targeted at the different roles in your company so that employees in each role get the information that they need—nothing more, nothing less.

The Core Business Model for Financial Transparency topic presented the foundation in terms of providing the right entry model—that is, ensuring that you define the right dimensions, right revenue recognition principles, and so forth.

This topic focuses on how we have approached step 4, by delivering a role-based reporting package, which meets the needs of the different roles in your company.

BPM

The Maconomy Essentials solution is delivered with a number of role-based and real-time reports available through Maconomy Business Performance Management (BPM).

With Maconomy Essentials, more than 60 standard BPM reports are available within Finance Reporting, Project Reporting, Employee Reporting, CRM Reporting, Customer Reporting, Vendor Reporting, and Bank Reporting.

The reports offer the following functionality:

- Drill-down functionality. The reports allow you to drill down from a high level (for example, from company) to a lower level (for example, entry-level).
- You can print all reports or save them as PDFs.
- All reports are web-based and can be run embedded in the Workspace Client, taking advantage of single sign-on or silent sign-in for seamless access.

- All reports run in real-time against the database.
- Maconomy’s reporting solution is based on Business Objects.

Standard Reports – Project Management (BPM)

The following standard project reports are targeted toward the Project Manager role. The reports show information about projects and activities on the projects.

Project Profitability Summary (and Summary by Job)

This report provides Finance Controllers, Account Managers, Project Managers, and management with a high-level overview of the financial status of active projects. The report shows summary information on actual versus budgeted costs, WIP, billings, and purchases. From this report, you can drill down to project status details.

Project Profitability Budget (and Budget by Task)

This report provides Project Managers with a status of actual versus budget figures on the projects. The report can be created for a given project or a range of projects. You can see the baseline budget and compare it with actual figures.

Job Profitability Budget, by Task 

USD

Task	Budget				Actuals				
	Revenue	Cost	Purchase Committed	Qtr	Qtr %	Revenue	Cost Reg.	Qtr	Qtr %
Action planning[Actpr]	1,500.00	800.00	0.00	700.00	46.7%	1,800.00	1,170.00	480.00	26.7%
Analysis[Anlss]	3,400.00	2,000.00	0.00	1,400.00	41.2%	3,300.00	1,950.00	1,760.00	53.3%
Analysis[Anlss-01]	1,700.00	1,000.00	0.00	700.00	41.2%	1,800.00	890.00	960.00	53.3%
Benchmarking[Bnchn]	3,000.00	1,800.00	0.00	1,400.00	46.7%	3,000.00	1,400.00	1,600.00	53.3%
Consultancy[Consl]	3,000.00	1,800.00	0.00	1,400.00	46.7%	3,000.00	2,000.00	2,200.00	53.3%
Customer events[Csstr]	1,700.00	1,000.00	0.00	700.00	41.2%	3,060.00	1,560.00	1,500.00	49.0%
Execution[Exctr]	3,000.00	1,800.00	0.00	1,400.00	46.7%	3,000.00	2,200.00	800.00	26.7%
External meetings[Extrn]	3,800.00	2,000.00	0.00	1,800.00	47.4%	3,040.00	1,440.00	1,600.00	52.6%
Free of Charge[FOC]	3,000.00	1,800.00	0.00	1,400.00	46.7%	3,000.00	1,400.00	1,600.00	53.3%
Hotel[Hotl]	5,000.00	3,000.00	0.00	0.00	0.0%	2,400.00	2,400.00	0.00	0.0%
Implementation[Imple]	3,400.00	2,000.00	0.00	1,400.00	41.2%	3,600.00	1,680.00	1,930.00	53.3%
Internal meetings[Intnl]	3,400.00	2,000.00	0.00	1,400.00	41.2%	7,600.00	2,680.00	4,000.00	52.6%
Management processes[Mngmt]	3,700.00	3,000.00	0.00	2,700.00	47.4%	3,750.00	1,750.00	2,000.00	53.3%
Meals[Meals]	2,000.00	2,000.00	0.00	0.00	0.0%	1,300.00	1,200.00	0.00	0.0%
Meetings with management[Mtng]	3,800.00	2,000.00	0.00	1,800.00	47.4%	3,800.00	1,800.00	2,000.00	52.6%

Project Profitability Periodic

This report provides central profitability figures for the selected period and for a specified number of periods preceding it. The budget figures are taken from the latest approved revision of the periodic job budget.

Project Profitability Transactions

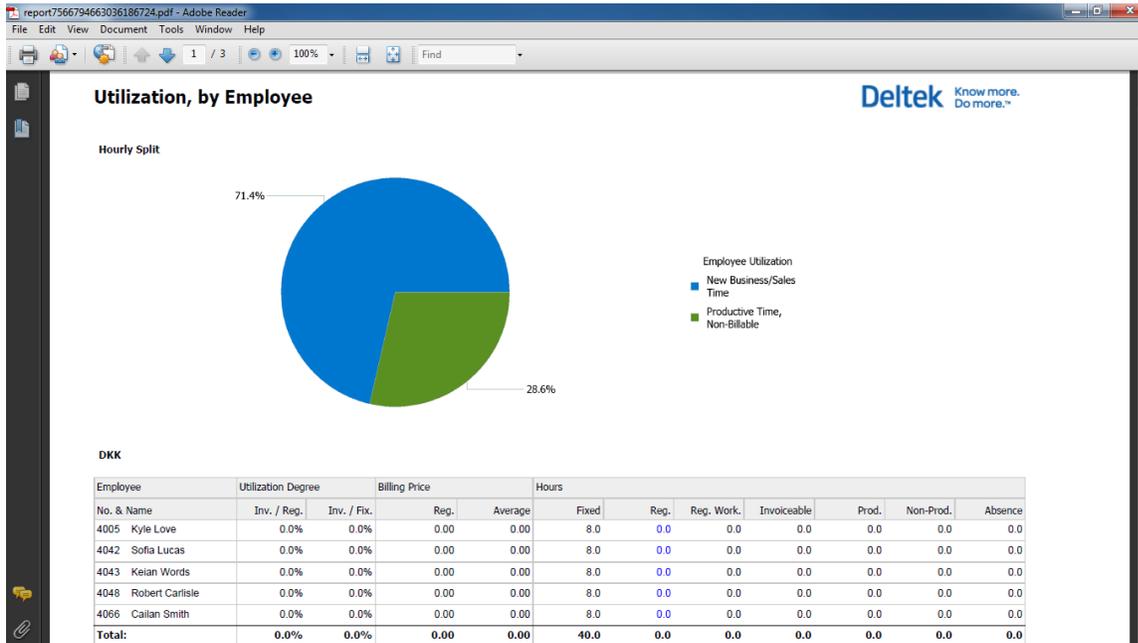
This report provides detailed information about transactions and entries on the projects for which you are responsible.

Standard Reports – Department Management (BPM)

The information in the manager reports is intended for Managers, Department Managers, and Finance roles. The content of the reports is based on P&L key figures, customer profitability, employee utilization, employee realization, and so on.

Resource Utilization

This report enables the Department Manager and management to monitor resource utilization. The report summarizes at the company and department level and allows you to drill down to the different departments and view the utilization by employee (for example, the sales price per hour, hours on internal and external projects, and so forth). You can also drill down to the individual employee level to see how he or she performed on different projects to reach the utilization shown on the previous level.



In addition, the following set of reports is available:

- **Customer profitability** — This report provides managers with an overview of the profitability of each customer. The profitability can be measured in terms of such items as “Revenue,” “Gross Margin I,” “Gross Margin II,” and “Write-ups/Downs.”
- **Sales pipeline** — This report shows the pipeline based on entered opportunities accrued over time. This report requires the CRM add-on.
- **Realization** — This report provides an overview of realized numbers for individual employees in terms of hours for invoicing, invoiced hours and values, adjustments up and down and earnings per employee.

Standard Finance Reports (BPM)

The standard finance reports are used by the Finance Department, especially controllers and CFOs. The data in these reports focus on financial data, and to some extent data from the Project Management solution. The following set of financial reports are available in addition to those mentioned previously.

Report	Description
AP Aging	Shows aging unpaid transactions for individual vendors down to single transactions, including aged numbers by month.
AR Aging	Shows aging unpaid transactions for individual customers for separate projects down to the single transaction. Typically shows numbers aged by month and including DSO.

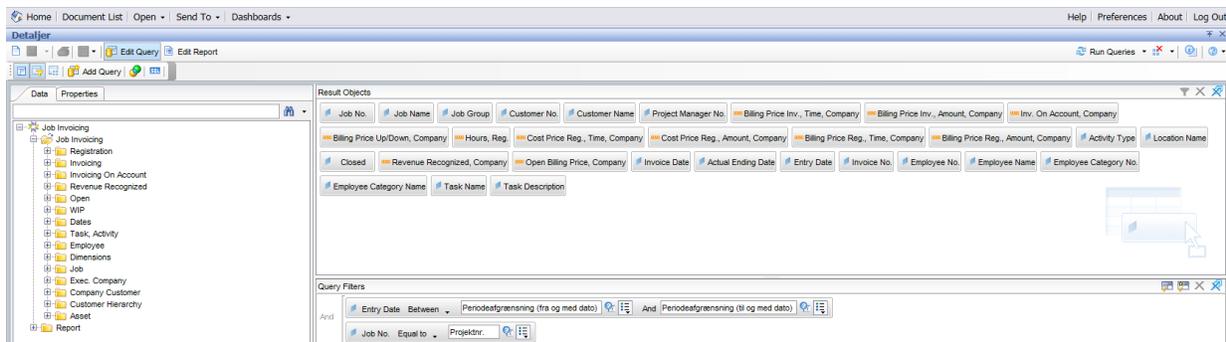
Report	Description
WIP Aging	Shows the value of the work in terms of work in progress (WIP), both on revenue and cost, including invoiced and recognized revenue in total. It also provides the ability to show accrued WIP. This can be grouped by company, customer, project, project manager, and so on.
WIP Aging Transactions	Shows the balance between what has been entered (or revenue recognized) and what has been invoiced and aged over time.
Profit & Loss	Displays the financial postings of all profit and loss accounts, summarized for the chosen fiscal periods. One view compares the periodic amounts to the year-to-date amounts, and another compares the periodic amounts to the amounts from the corresponding fiscal periods for another year. This report compares all actuals with budgeted amounts, based on a budget model.
Profit & Loss Periodic	Shows company or department performance, month-by-month, comparing actuals to budget on an account basis structure.
Profit & Loss Fiscal Year	Shows P&L performance numbers month-by-month for the full fiscal year.
Profit & Loss Dimension	Uses the same format as the P&L report, but does not compare the period data to data of other periods. It groups data by an additional, selected dimension and is aligned in columns. For example, you can have the report group data by department and present one column for each department
Balance Sheet	Displays the financial balances of all balance sheet accounts, summarized for the selected fiscal periods: One view compares the periodic amounts to the year-to-date amounts, and another compares the periodic amounts to the amounts from the corresponding fiscal periods for another year. The year-end closing account displays the total retained earnings. This amount is based on the year-end closing amount from the previous year plus the total amount of current-year earnings (profit & loss) for the selected fiscal periods.
Trial Balance	Displays all financial postings summarized for the selected fiscal periods for each account. Both profit and loss and balance sheet accounts are included.
Trial Balance Analysis	This report is the same as the Trial Balance report, but with drilling over the dimension grouping levels.
Trial Balance No Grouping	This report is the same as the Trial Balance report, except that it displays two columns—Account No and Account Name—instead of the hierarchical structure provided by the dimension grouping.
Finance Transactions	<p>Displays detailed information about the financial transactions for selected fiscal periods, as well as specified restrictions by account, company, and so on.</p> <p>You can display amounts in account, company, or enterprise currency, or using a selected reporting currency. Amounts are grouped by currency, company, and account.</p>

Report	Description
Cash Flow Statement	<p>Provides an overview of cash flow actual amounts for a selected set of fiscal periods.</p> <p>The report consists of three main sections:</p> <ul style="list-style-type: none"> ▪ Opening Balance — This section includes only one summary line for all accounts selected. ▪ Closing Balance — This section includes only one summary line for all accounts selected. ▪ Movement — This section has a table in which each line displays information about the actuals posted to the corresponding group of accounts. The structure of this section uses the first two levels of the dimension grouping. Totals for the section display as a separate line named Net movement.
Cash Flow Statement, By Dimension	<p>Provides an enhanced version of the Cash Flow Statement, which provides an overview of cash flow opening, movement, and closing balances as of a selected period.</p>
Cash Flow Forecast	<p>Provides an overview of cash flow budget data for a selected set of fiscal periods.</p>
Bank Reconciliations	<p>Displays the financial bank reconciliations performed for each bank account. Both reconciled and outstanding amounts are displayed.</p>

Create Your Own Reports

It is possible to adjust existing reports and/or create your own reports for publication. This is managed directly via Deltek BPM Reporting, which is based on Business Objects InfoView.

Reports are created against predefined report universes where the information is grouped in a logical way.



If you have the Maconomy Essentials Flex add-on you are given a dedicated Development Environment in which Custom Universes and Custom Reports can be created and updated.

Ad-hoc Analysis

The Analyzer is a standard reporting tool available in most modules in the Workspace Client. With this powerful ad hoc reporting tool, you can define rows and columns by selecting database fields directly in the database. You can view the output of the reports as tables, pie charts, bar charts, or exported content to Excel.

Fact-Based Decisions — Reporting

For each report that you create, you can set selection criteria from report to report. Reports can be saved for each user, and the reports can be exchanged between users.

G/L Entries	
Report Name	A_...UA:FINANCEENTRIESV1 Date 22.07.2018
User name	Arend Jan Barneveld Time 11:09:53AM
Employee No.	101, 102
Project No.	1020000, 1020002, 1020008, 1020011, 1020011-01
P&L/Balance Sheet	P&L

Account No.	Account Name	Responsible Department Desc.	Executing Department Desc.	Project No.	Project Name	Debits	Credits	Balance in Base
30100	Revenue - hours	Department 1	Department 1	1020011	DFME Implementation	0,00	27.000,00	-27.000,00
30300	Open revenue - hours	Department 1	Department 1	1020011	DFME Implementation	27.000,00	27.000,00	0,00
30400	Open revenue - costs	Department 1	Department 1	1020002	Gertrud's project	0,00	200,00	-200,00
40300	Open cost hours	Department 1	Department 1	1020011	DFME Implementation	27.000,00	0,00	27.000,00
40390	Open cost hours - intercompany	Department 1	Department 1	1020011	DFME Implementation	27.000,00	27.000,00	0,00
40400	Open direct project related costs	Department 1	Department 1	1020002	Gertrud's project	200,00	0,00	200,00
51595	Offset account cost of hours	Department 1	Department 1	1020011	DFME Implementation	0,00	27.000,00	-27.000,00
						81.200,00	108.200,00	-27.000,00

Secure Financial Control

Introduction

In the sections *The Core Business Model for Financial Transparency* and *Fact-Based Decisions — Reporting*, the core principles of the solution were described, in terms of dimension setup, revenue recognition principles, pricing, and so forth. This topic focuses on the modules that are used by different finance persons, such as A/R, A/P, General Ledger, Fixed Assets, and Finance Budgeting.

The following processes relate to back-office functions and are only relevant to the Finance Department.

Accounts Receivable

The Maconomy Essentials Solution has a fully integrated Accounts Receivable (A/R) module.

In the A/R module the Finance Department can handle the following processes:

- Set up approval hierarchies for new customers and changes to customer data.
- If you run a multi-company setup (with multiple legal companies in the Maconomy database), you can share the same customer number and still manage customer data by a legal company
- Control cash collection to ensure your cash flow.
- Set up interest charge principles and run a total interest charge selection posted in the General Ledger and A/R and subsequently printed as interest charge notices.
- Create reminder selections and print out a batch of all reminders to customers.
- Reconcile customer payments.
- Print standard reports for balance and aging lists, as well as open customer entry statements.
- Look up customer entries.

Accounts Payable

The Maconomy Essentials Solution has a fully integrated Accounts Payable (A/P) module. The module is preconfigured, but you typically make relevant changes to this configuration during the implementation, for example, to set up correct payment terms, vendor groups, currencies, countries, and so forth.

In the A/P module the Finance Department can handle the following processes:

- Set up approval hierarchies for new vendors and changes to vendor data.
- Handle requisitions and purchase orders as described in the *Improving Project Management* section.
- Set up approval hierarchies for vendor invoices to comply with company purchase policies.
- Enter and post vendor invoices including pre-entered invoices.
- Reallocate vendor invoices.
- Reconcile vendor invoices against manual payments.
- Communicate around the allocation of Vendor Invoices directly in iAccess using the conversation functionality.
- Print standard reports for balance and aging lists, as well as open vendor entry statements.

- Look up vendor entries.
- For Customers in Sweden, we also have the ability to integrate to Readsoft Online for AP invoice entry.

General Ledger

The General Ledger module is included and preconfigured in the solution. Because the modules are fully integrated, there are no balance differences between the General Ledger and the other modules in Maconomy. This saves time for the Finance Department.

The functionality in the General Ledger module allows you to:

- Create an unlimited number of legal entities in the same database. Each legal entity can have a different currency.
- Create and structure the Chart of Accounts and the 26 dimensions.
- Set up different fiscal years for each legal entity.
- Post manual entries through a general journal, post on all 26 dimensions, and make postings across the Accounts Receivable and Accounts Payable modules.
- Copy and automatically reverse general journals.
- Use templates for general journals.
- Reallocate entries in batches.
- Perform finance reconciliations on selected accounts.
- Set up G/L allocation combinations (to restrict the postings on accounts).
- Set up company allocation combinations (to restrict the postings on different companies if multiple legal companies exist).
- Handle tax setup using tax tables for each legal entity.
- Handle tax settlements for each legal entity.
- Perform the year-end closing for each legal entity, which you can run several times for a fiscal year.
- Handle the intercompany balance between two legal entities by creating and printing physical invoices. You can decide whether these invoices should include VAT. The solution can also calculate interest on each intercompany balance, allowing invoicing of interest amounts.
- Look up information at the account ledger, dimension ledger, or even G/L entry-level.
- Use standard reports for trial balances, tax reports, and so forth.

Finance Budgeting

The solution includes a Finance Budget module where the finance budgeting takes place at least once a year. This is typically done by executive management, as they set strategic goals for the upcoming fiscal period. Based on these goals, the Department Managers are responsible for creating detailed budgets to match the strategic goals. The budget is typically revised on a quarterly basis.

The Finance Budget module is not meant to be used for simulating data. Spreadsheets like MS Excel are much better tools for that purpose. Accordingly, the Finance Budget module is mainly used for storing budget data after the budget has been approved by management and the board.

Typically, most companies provide the finance budgets in Excel and import them into Maconomy's budget module using standard APIs.

In the Finance Budget module the Finance Department can handle the following processes:

- Create budget models (for example 2020, 2021)
- Work with budget types such as Forecast 1 - 2020, Forecast 2 - 2020, and so on
- Budget on all dimensions
- Import/export data using spreadsheets
- Print standard reports for budget inspections and so forth
- Look up budget entry history

Reports are then available for tracking performance against the set budget as shown in the following figure, which displays a P&L for a department by month, quarter, and year-to-date.

Profit and Loss, Periodic												
USD												
10 Trifolium Consulting NY Inc.												
Account	2020-01			2020-02			2020-03			2020-04		
	Movement	Budget	Variance									
Net Income												
Result Before Tax												
Result Before Tax and Financial Costs												
40000 Commissions	-124	-111,780	111,656	-161	-177,610	177,449	-97	-97,850	97,753	-107	-99,120	99,013
40010 Uninvoiced fees	-35	0	-35	-26	0	-36	-23	0	-33	-15	0	-14
40020 Fees	-17,831	-16,027,742	16,009,911	-23,124	-25,466,324	25,443,150	-13,909	-14,029,650	14,015,741	-15,289	-14,210,272	14,194,992
40040 Licenses	-3,221	-2,943,872	2,940,601	-4,252	-4,677,486	4,673,234	-2,551	-2,576,874	2,574,323	-2,807	-2,610,052	2,607,245
40060 Maintenance	-921	-441,588	441,097	-528	-701,636	700,998	-283	-386,544	386,161	-521	-391,530	391,109
40070 Revenue other	-5	0	-5	-1	0	-1	0	0	0	-7	0	-7
41100 Revenue intercompany	-21	-59,942	59,871	-23	-95,246	95,153	-53	-52,474	52,411	-60	-53,158	53,098
50020 External Consultants (freelancers)	21	18,568	-18,547	27	29,506	-29,479	16	16,260	-16,244	18	16,476	-16,458
51000 Open direct project related costs	16	0	16	17	0	17	15	0	15	14	0	14
51010 Production costs	5,123	4,657,500	-4,652,307	6,243	7,400,256	-7,393,513	4,057	4,076,870	-4,072,813	4,442	4,129,352	-4,124,910
52020 Cost of hours - own	900	810,000	-809,100	1,120	1,287,008	-1,285,838	252	709,024	-708,322	222	718,160	-717,388
52030 Cost of hours - intercompany	681	607,500	-606,816	887	965,258	-964,371	326	531,772	-531,236	582	538,626	-538,044
60000 Salaries	6,930	6,237,000	-6,230,070	9,009	9,909,910	-9,900,901	5,402	5,459,458	-5,454,053	5,946	5,529,738	-5,523,792

Fixed Assets

The Maconomy solution includes a Fixed Assets module. The module is integrated with the General Ledger module and enables daily administration of assets and depreciations by the Finance Department.

The Fixed Assets module allows you to:

- Create assets with information about purchase date, amount purchased, who is responsible for the asset, depreciation value, depreciation method, and depreciation period.
- Create assets as part of the purchasing process.
- Depreciate assets in a batch run at the end of each month. You can also handle depreciations manually.
- Link assets to projects to get the depreciation cost on the project.

- Adjust assets in several ways: improved, depreciated, written up, written down, updated, or sold. You can also transfer assets between legal entities if multiple legal entities exist.
- Look up transaction history on each asset in an asset ledger card.
- Use a standard report for year-end closing.

Banking

The Maconomy solution includes the Banking module. The Banking module uses standard payment formats. Maconomy delivers payment formats to the largest and most frequently used banks. However, if you use a bank connection for which Maconomy does not have a payment format, the development of this payment is beyond the scope of the standard solution.

You can set up payment modes for your vendors to pay your vendors according to their requirements (by bank transfer, manual payment, foreign transfer, and so on). You can set up payment modes for your customers according to the ways in which you want to receive payments. Note that this can vary from country to country.

The Banking module allows you to:

- Make batch payment selections on your vendors, which, after approval, are ultimately sent as a payment file to the bank. All payments are then made by the bank, and the payments are automatically reconciled against the vendor invoices in Maconomy.
- Perform bank reconciliations within the system.
- Receive a file from your bank that contains payments from your customers. This file is loaded into Maconomy, and all payments in the file are reconciled directly against the invoices.

Extension Options (DFME Flex Only)

The solution is delivered with pre-configured workspaces and setup. However, if you purchase the Flex add-on for your solution you are able to make basic and intermediate layout changes.

Extensions, introduce functionality and screen modifications that are not part of Maconomy's standard functionality.

Because it is difficult to provide an exhaustive list of extension options, the following is a list of some examples:

- Create customized reports and customized universes in your Development environment before deploying to Sandbox and Production.
- Basic and Intermediate Modifications to the default layouts in the workspace client, iAccess and Touch.
 - Changing fields in layouts
 - Changing workspace structures
 - Embedding BPM reports
 - Notifications
 - Adding pages to wizards
 - Context-aware web content
 - Input validation rules
 - Data-dependent layouts.

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