



Acorn Systems Shared Services Manager (SSM)TM

Business Value

Situation Analysis

Does your organization struggle with allocating shared services to the business areas in an efficient, equitable and transparent manner? Can you explain shared service cost allocations to the business areas with clear visibility on what business services they are receiving for the cost they are allocated? Most organizations leverage shared service cost allocation schemes that are:

- *Inefficient* – requires a high degree of manual effort and resources
- *Inaccurate* – allocation logic is based on generic % splits and facts that are not correlated with the level of shared services consumed by a business area (e.g., allocate based on revenue or sales)
- *Opaque* – the method used to allocate cost cannot be easily reported or explained to the business areas receiving the allocations
- *Risky* – regulatory issues with transfer pricing methods

Current State

Current methods often rely on manual allocation processes (Excel based) or capabilities in the general ledger solution to support the internal cost allocation process. Both of these options create the challenges outlined above.

- *Manual Processes* do not provide a consistent framework for performing the process and as a result produce results that cannot be easily audited, reported or validated.
- *General Ledgers* require the creation of a multitude of "allocation centers". The allocation methods provided by the general ledger are limited and often will require allocated amounts to be calculated outside of the GL (i.e., in Excel). Adding the allocating centers also increases the complexity of the GL raising the cost of managing it while still creating cost allocations that suffer from insufficiency, inaccuracy, opaqueness and risk.

Our Solution



SSM automates step 1 in the financial close process to deliver the following benefits:

- *Efficient Processes* – requires less time and resources
- *Accuracy* – system can leverage unique cost allocation facts for every shared service center without limits
- *Transparency* – automated reporting that provides visibility to the origination of the cost, its final destination and any point in-between
- *Objectivity* – allocations are fact-based and generated in correlation to how a business consumes shared services

For More Information Contact Acorn Systems www.acornsys.com | sales@acornsys.com | 800.982.2676