

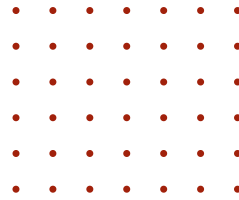


ACTIVITY BASED COSTING (ABC)

SERVICE DEFINITION DOCUMENT

G-CLOUD 15

Simitive Activity Based Costing (ABC) Service Description



Simitive's Activity Based Costing (ABC) service provides the functionality to understand the true cost of delivering services, facilities or any other operational activity. Whether starting with TRAC or completing Full Economic Costing institutions can gain efficiency savings through having a consistent approach to costing. The service provides robust, actionable insights to increase contribution.

The Simitive approach ensures successful deployment of the ABC solution through proven methodologies encompassing, data discovery, implementation, deployment and support services. The account management and client success teams work with you to develop insights to support informed decision-making and organisational resilience.



ABC Benefits

- ✓ Promotes transparent and consistent approach to full economic costing and TRAC.
- ✓ Customisable drivers ensures income and expenditure is routed to meet organisations costing model.
- ✓ Build flexible cost models.
- ✓ TRAC peer group comparison for benchmarking.
- ✓ Multi-year comparison.
- ✓ Improved transparency into income streams and contribution.
- ✓ Scalable and repeatable methodology for long-term financial management.
- ✓ Role-based access controls based on organisational hierarchy.
- ✓ Included Business Intelligence Analytics.



ABC Service Features

- ✓ Understand contribution of courses, modules, programs and all activities.
- ✓ Detailed income and expenditure breakdowns.
- ✓ Transparent income and expenditure drivers.
- ✓ Built in dashboards and analytics.
- ✓ Ability to trace every cost back.
- ✓ Integrations available to reduce manual effort.

The Simitive Approach

Simitive has a proven track record in successfully implementing Activity Based Costing and TRAC solutions demonstrating our sector experience and expertise.

Funding pressures demand more accurate cost evidence for delivering activities. Simitive Activity Based Costing Product provides a robust platform for identifying and analysing the true cost of delivering activities. It enables transparent cost attribution for teaching, research and professional services providing a clear understanding of cross-subsidies and supporting evidence-based decision making. In summary, the ABC product provides key insights to align financial planning and resource allocation.

Traditional costing spreadsheets do not capture the complexities of delivering various activities in a meaningful way, and thus the outputs can provide distorted cost information as they may not take into account that some course are more expensive to run than others.



Our proven approach consists of 5 workstreams:

- 01 Data Discovery and Model Specification.
- 02 Configuration of Data and Drivers
- 03 User Acceptance Testing.
- 04 Sign Off, Training and Deployment
- 05 Support Services

This proven methodology provides reliable data to support accurate financial planning, transparent cost attribution and evidence based decision making by:

- ✓ Creating consistent costing methods at the desired level taking into account direct and indirect costs.
- ✓ League table of contribution with actionable insights.

Data Discovery & Model Specification

The Simitive team help identify data sources, validate quality and readiness for configuration into ABC. During the implementation plan, we will:

- Work with you to investigate data availability owners and sources through workshops and outreach.
- Send data templates to collect the agreed data sets.
- Review the data quality and work with you to resolve any issues.



Configuration of Data and Drivers

Simitive implementation experts will configure Simitive ABC. During the implementation phase we will:

- Brief senior leaders on ABC concepts and the value that can be derived from the product.
- Populate ABC with agreed data and drivers to support costing and/or TRAC.
- Set-up roles and permissions to ensure data integrity.
- Test the functionality with a core group of users and implement required changes.
- Conduct role specific training sessions on functionality and how to interpret analytics.
- Provision to account management teams, client success and support to support BAU processes.

