

# Activity Costing

A powerful tool to help you manage and analyse the activities that drive your revenues and costs.

The concept of Activity Based Costing has been around for some time, but gathering together, managing and manipulating the data required is not always easy. Often, the core finance system holds information at a level that only serves financial and budgetary management purposes. But there are other external systems holding valuable operational data, that, if combined with finance information, could give

far greater insight and visibility of how money is made and lost.

Activity Costing is the first tool of its kind that combines data from the core finance system (bluQube) together with operational information from third party systems to deliver detailed information on low level activities where profits and losses are actually made.

## How does Activity Costing work?

Activity Costing will import data derived from external systems, building up a picture of the operation at an 'activity' level both in terms of accounting and non-accounting data. This can then be used to allocate overheads as required, building up any number of costing models based on different costing scenarios.

Activity Costing can analyse profitability at user-defined levels and report financial data alongside non-financial data using the same structures.

By using Activity Costing, organisations will be able to unlock the power of existing operational data, instantly identifying cost reduction opportunities and therefore increase the overall efficiency of the operation.

### Summary of Key Benefits

- The ability to import operational (non-financial) 'key performance indicators' such as headcount, registrations, retention, space occupied.
- Unlimited costing models based on a range of parameters such as 'profitability' and 'success rate'.
- Provides analysis of activity contribution and profitability within a controlled environment.
- Reporting and allocation tools use existing reporting structures and non-financial drivers such as student numbers or square footage of premises.
- Provision of senior management information e.g. activity contribution and profitability analysis to aid future planning and budgeting.
- Seamless integration with core finance system.