

# Project and Activity Accounting

## Enabling Strategic Project Management

Project and Activity Accounting can change the way you do business by effectively managing the accounting of all your projects — from inception to completion.

Project and Activity Accounting, combined with Lawson® Billing and Revenue Management, provides you a means for complete, end-to-end project accounting. From tracking daily project activity, to valuing and recognizing revenue for ongoing projects, to customer billing, Lawson technology transforms your enterprise so you can effectively manage the accounting of all your projects — from inception to completion — on budget and on time.

Your company's general ledger system is required to provide statutory financial reporting. But the inclusion of day-to-day operational data, such as long- and short-term project information, defeats the purpose of a "general" ledger. That's why Lawson developed Project and Activity Accounting. A complete project accounting system with robust billing and revenue management capabilities, Project and Activity Accounting is engineered to accommodate the complex and often conflicting requirements of all your users. By tracking the accounting aspect of projects (i.e. "non-GL") in a separate, yet fully integrated ledger, information becomes readily accessible to both project managers and internal accountants whenever and wherever they need it.

Regardless of whether your data is generated within Project and Activity Accounting, or one of Lawson's other applications such as Accounts Receivable, Accounts Payable, or Payroll, or even if it resides in a third-party system, Lawson's strategic integration delivers a true enterprise-wide solution designed to bring new insight to your organizational processes.

### **Project and Activity Accounting**

Project and Activity Accounting acts as the information bridge between the needs of the operational accounting and corporate financial accounting functions. In addition, Project and Activity Accounting provides a centralized repository for maintaining and analyzing information related to individual projects, whether the end product is a fixed asset, a service deliverable, or a strategic review of your internal operations. It allows your company to manage the full life cycle of every contract, capital investment and internal project.

# Complete end-to-end project accounting

Lawson Project and Activity Accounting was created specifically to meet the unique requirements of project-centric organizations. You gain unmatched functionality, automation, and integration with this system. Your managers can view immediate project costing status to respond quickly when financial or operational issues arise.

## Customize for Your Needs

Once you've configured the system to reflect your company's operational requirements, all relevant information about your projects is accumulated through the normal functions of your business. At the point of data input, all information relevant to the project is accumulated, eliminating the need for detailed spreadsheets, multiple databases or cumbersome paper trails. And, since the unique activity code is integrated into all Lawson products, information is dynamically updated and immediately available. This eliminates the need to reenter data into multiple systems and gives project managers real-time access to their project's financial status.

At the completion of the project, activity information is accessible to key decision makers and all relevant information can immediately be retrieved for reporting and analysis.

## Complete Analysis

Complete customization of the information delivered to the decision makers is also available by creating attributes designed to meet your unique requirements, which allows your organization to focus on its business drivers and success metrics. This gives your organization the flexibility needed to analyze projects based on those attributes most important to your market and future business direction.

## Flexibility

Project and Activity Accounting is flexible enough that it can be used for many different types of activities, both internal and external. Some examples of internal uses might include:

- Tracking the expense of going to market with a new service or business line
- Determining an appropriate return on investment of a new venture
- Analyzing the cost of new customer acquisition by market segment or customer type, enabling a more strategic process for planning future business development efforts
- Monitoring new-hire training costs to provide detailed information about the efficiency of your organization's hiring and recruiting metrics

## Billing and Revenue Management

With the addition of Lawson Billing and Revenue Management to the Project and Activity Accounting system, the information gathered can be transformed from an internal decision-making tool to an external billing solution.

Additional features available in Billing and Revenue Management:

- Define and maintain your company's billing information for activities or projects
- Define and monitor information about customers, contract amounts, project budgets and billing methods
- Assign a customer to a contract and establish the methods and frequency of billings
- Develop revenue recognition parameters independent of the contract parameters
- Select from multiple revenue recognition methods, including accrual, percent complete, completed contract and other industry standards
- Generate invoices in any format your customers request on a variety of schedules for whatever services your organization provides

## Complete Integration and Flexibility

When setting up an activity in Project and Activity Accounting, the system will ask you for all the parameters necessary to recognize revenue and invoice for your company's services. At that time, you can configure the system to support your company's needs, and, more importantly, the needs of your customers. Billing and Revenue Management allows you to account for your projects using different industry standard methods, including:

- Time and materials
- Milestone
- Pass-through
- Cost plus
- Units of production
- User-defined

By separating and controlling billing and revenue functions Lawson gives you ultimate flexibility in configuring your external projects. In today's competitive market, you must constantly respond to the needs of your clients. The ability to offer flexible billing and invoicing options while maintaining the integrity of your back-office accounting system can mean the difference in your company's success or failure. If revenues are generated from service-oriented projects, the Lawson system gives you the ability to confidently respond to the rapidly changing demands of your markets and customers.

Let Lawson Project and Activity Accounting with Billing and Revenue Management put you in control of your bottom line, by providing an intelligent solution for tracking your project accounting and reconciling your billing and revenue process.

For more information about these and other Lawson business solutions call 1-800-477-1357, direct at +1-651-767-7000, international at +44 (0) 208-560-0825, or visit [www.lawson.com](http://www.lawson.com).

The screenshot displays the Lawson Project and Activity Accounting software interface. The main window shows a 'Transaction Analysis' report for 'Client 101 Project 1' covering the period from 11/01/08 to 12/31/08. The report includes a summary table with 'Begin Balance' (179,344.15 USD), 'Posted' (51,677.11), and 'End Balance' (231,021.26). Below this is a detailed table of transactions with columns for PC, Date, By, St, Description, SS, Amount, and Unit. The transactions list includes summarized transactions and expense accruals for various dates in 2008 and 2009.

| PC | Date     | By | St  | Description            | SS | Amount   | Unit      |
|----|----------|----|-----|------------------------|----|----------|-----------|
|    | 11/04/08 | PR | PD  | Summarized transaction | 9  | 341.72   | USD       |
|    | 11/04/08 | PR | PD  | Summarized transaction | 9  | 112.81   | USD       |
|    | 11/04/08 | PR | PD  | Summarized transaction | 9  | 341.54   | USD       |
|    | 11/04/08 | PR | PVW | Expense accrual        | 9  | 3,892.31 | 80.88 USD |
|    | 11/04/08 | PR | PVW | Expense accrual        | 9  | 508.30   | 40.80 USD |
|    | 11/04/08 | PR | PVW | Expense accrual        | 9  | 3,853.85 | 80.88 USD |
|    | 11/11/09 | PR | PD  | Summarized transaction | 9  | 112.80   | USD       |
|    | 11/11/09 | PR | PVW | Expense accrual        | 9  | 508.30   | 40.80 USD |
|    | 11/11/09 | PR | PD  | Summarized transaction | 9  | 208.15   | USD       |
|    | 11/11/09 | PR | PD  | Summarized transaction | 9  | 341.54   | USD       |

*Project and Activity Accounting gives you a central repository for collecting, analyzing and billing your organizations' project-oriented operational accounting.*



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