



Financial Management

Case Study 2

This was created for a UK company with a (very demanding) HQ in Germany.

Problem

The German HQ insisted on analysis of payroll information to their structure before it was input into the accounts. The payroll could not be run in this format as Germany had a habit of changing the analysis with very little warning and the analysis often became quite complex. There was a workforce of about 20 people.

Each person had a percentage of his or her salary split up to 6 different ways and 4 departments, depending on their category and type of personnel. Commissions and bonus were separate to this and also had to be reported in their format. Month end accounts had to be with them by the 2nd of each month!

Solution

A multi sheet analysis spreadsheet was created to produce this information.

Gross wages, commissions, bonuses, National Insurance and pensions were entered into a report to then automatically produce the information split. Each individual's analysis was put into the spreadsheets with their individual splits and departments. Through various sheets a simple page of data giving a journal entry for the accounts was produced. This was now in the German format as per their instructions. This was easily entered into the Sage accounts programme.

By using this method it meant that each individual's monthly salary was only entered into the sheet once and the spreadsheet did the complicated calculations. If Germany changed their analysis, the spreadsheets could easily be changed to mirror it. Some of the calculations were hidden to reduce confusion for staff, but were easily accessed when changes were needed.

Conclusion

German HQ was given the information in their format. If they changed their analysis requirements, we could amend the report relatively easily. Knowledge of the intimate workings of the spreadsheet was not needed to enter the data. Room had been left for new employees to be added to make future expansion easier.

Summary

German Headquarters requirements were met and their (often) last minute demands could be addressed and complied with satisfactorily ñ without having to work endless overtime to meet their deadlines.