



Overview

Country or Region: Germany

Industry: Government—Local government agencies

Customer Profile

Ebersberg District Administration provides critical services to citizens in a suburban and rural area close to Munich, Germany.

Business Situation

The district wanted to introduce more transparent, accountable finance management and increase its ability to manage and control finances in line with citizens' needs and political mandates.

Solution

Implementation of Microsoft Dynamics NAV with INFOMA *newsystem public* made it possible to practice advanced, responsive finance management and make sound decisions based on business analytics.

Benefits

- Practice highly accountable, transparent finance management
- Make employees effective and minimize resource loads
- Meet public needs with advanced insight, control, and ability to manage

INFOMA[®]

Software Consulting GmbH

District Administration Realizes Financial Transparency, Accountability, and Control

“Implementation of Microsoft Dynamics NAV and INFOMA *newsystem public* has helped Ebersberg District Administration transform finance management into an efficient and transparent practice.”

Brigitte Keller, Director of the Department of Communal Management and Finance,
Ebersberg District Administration

Located near Munich, Germany, Ebersberg District Administration sought to bring greater accountability and transparency to finance management, along with better control and ability to manage services in line with citizens' needs and evolving policies. By engaging with Microsoft Gold Certified Partner INFOMA Software Consulting, the district administration implemented Microsoft Dynamics NAV and INFOMA *newsystem public* and became the first entity of its kind in the area to realize advanced, businesslike finance management. Today, the district manages finances with unprecedented transparency and reliability of budgets and financial data. New efficiencies let the district reallocate two positions. And, the integrated solution's business intelligence tools help align finances with the public's changing needs for essential services and implement political directives promptly.



Situation

In a suburban and rural area immediately east of Munich, Germany, the Ebersberg District Administration serves approximately 130,000 citizens living in small communities and unincorporated areas. District administration employees are civil servants who provide essential social and health services, administrate public-works projects, manage natural resources, facilitate permits and licenses, and help to maintain public safety. In addition, the district's chief executive is an elected position. The volume of finances that the district administrates, including revenue, investments, and expenses, amounts to several hundred million dollars per year.

Need for More Effective Finance Management and Compliance

In the 1990s, far-reaching reforms in the financial management of public-sector organizations in Germany led to the adoption of a more comprehensive, double-entry accounting system. This new practice was much closer to the financial management practiced in businesses than the more traditional public-sector accounting that was still common at the time. It provided levels of management with the control and transparency that organizations could not easily accomplish with the previous way of managing public finances. Communities became able to track not only the costs and revenue generation associated with governmental assets and investments but also show projected future costs, amortizations, and incomes. At the same time, local governments needed to achieve compliance with International Public Sector Accounting Standards. These requirements, together with the high resource demands of introducing and continuing to practice a completely new financial management

discipline, prompted governmental entities to make more intense use of technology tools to manage their finances.

Goals for Financial Control and Alignment of Politics and Administration

The Ebersberg District Administration, led by a forward-looking executive, had ambitious goals of its own. Explains Brigitte Keller, Director of the Department of Communal Management and Finance in the Ebersberg District Administration, "We wanted to make sense of the data we generate in the district administration. Doing so would help the district leadership make wiser decisions on behalf of the citizens and would help the administration be in a better position to recognize emerging needs and respond to them." When the district administration executive urged the departments to allocate more financial resources to a certain area—for example, social services—there was no easy way of telling if it were possible to come up with the funds by making cuts in other areas or if the district administration needed to obtain additional financing.

In addition, the district administration was not able to easily resolve financial management queries and concerns because departments shared budgets. The district's financial managers wanted to realize a level of transparency that would unravel the tangle of budgets and financing requirements across the different departments. And, in regards to asset management, district financial managers sought a solution that would offer correct and timely figures for the depreciation of the district's assets. "We needed to respond effectively to

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requests driven by political mandates,” says Keller. “But, we did not have a way to reflect changing political directives in our management of the district administration and foresee how management decisions were going to impact people and resources.”

Solution

The Ebersberg District Administration, which was already engaged with a publicly owned data center on certain aspects of operational and financial management, began reviewing how technology could help address these requirements. In doing so, managers considered both independent software and technology vendors, in addition to the data center resources.

The district administration decided on INFOMA Software Consulting, a Microsoft Gold Certified Partner with a specialization of serving the public sector, as the most capable technology provider to meet its needs. Says Keller, “Other products would have helped us manage day-to-day financial management tasks very well. But that wasn’t what we were looking for. We wanted an extensible solution that would enable us to control and manage finance and services for the best long-term benefit of the public. INFOMA was the only vendor to offer that.”

The district had worked with INFOMA since 1998 to make financial management more businesslike and transparent. The district chose to implement an INFOMA solution called *newsystem public*, a comprehensive set of public-sector management tools created to integrate with Microsoft Dynamics NAV. As Olivier Couvigny, General Manager at INFOMA Software Consulting, explains, “For the customers

in our vertical, Microsoft Dynamics NAV is extremely robust and easy to learn and use. It’s modular, so people can work with exactly the functionality they require. The solution is easy to implement and it provides a powerful development environment that our developers rely on to create and evolve specialized add-in solutions.”

INFOMA underwent a rigorous validation process to obtain Certified for Microsoft Dynamics NAV certification from Microsoft for *newsystem public* to document the product’s seamless integration and interoperability with Microsoft Dynamics NAV. INFOMA *newsystem public* offers more than 40 different modules with wide-ranging capabilities for effective management in the public sector. To technology users, Microsoft Dynamics NAV and *newsystem public* appear as a single, unified software environment with a highly intuitive interface and easy-to-learn functionality.

Efficient Implementation Advances Finance Management

The complete solution implementation, including user training and migration of all data, took approximately seven months. In 2005, the Ebersberg District Administration became the first entity of its kind in the state of Bavaria to make a full switch to the double-entry bookkeeping practice. Since then, the district has continued to refine its financial discipline for the best possible transparency, manageability, and control.

Today, the district uses the integrated solution of Microsoft Dynamics NAV and *newsystem public* in all aspects of finance, including asset management, depreciations, credits and loans, tax revenue, investments, and capital

expenditure planning. Different departments now are separate cost centers and use discrete budgets so that it is always clear who is responsible for which budget items. Keller and the financial management team direct the district's finances with firmly set, low and high amounts for managing, projecting, and analyzing financial events.

Two IT professionals support the solution and manage upgrades, user support, and continuing development in collaboration with INFOMA. Of the 100 employees who use the technology, 30 spend the bulk of their time performing advanced financial management and business analysis with the solution's tools and the others mostly review budget items or reports to see how finances are trending. Concise, prescriptive training materials help the more occasional users become comfortable in accessing the solution's capabilities within a few hours or days.

Deep Integrations and Continuing Enhancements Increase Solution Value

Integration between Microsoft Dynamics NAV, *newsystem public*, and Microsoft Office Excel spreadsheet software helps employees easily export business data into Office Excel for further analysis and reporting. With a planned upgrade to Microsoft Dynamics NAV 2009, the district administration will also be able to send e-mail messages directly from within the solution. In addition, the district is completing an implementation of Microsoft SQL Server 2008, which will become the single database for all financial information. District managers will rely heavily on the enterprise-level business intelligence capabilities of SQL Server to increase the accountability and transparency of financial management even more and respond more effectively to changing political needs.

Keller still feels very enthusiastic about the value INFOMA brings to the Ebersberg District Administration, not just to the software technology, but also to the support that the company provides. "INFOMA never tells us that anything can't be done," she says. "The INFOMA consultants always find a way to accomplish what we need. They listen to our needs and address them as promptly as they can. We also see that Microsoft and INFOMA always incorporate customer requirements into Microsoft Dynamics NAV and *newsystem public*." INFOMA also continues to coordinate between the district administration and the communal data center, where a number of technology functions not directly related to financial management still reside.

Benefits

The Ebersberg District Administration's successful adoption of innovative technology, closely tailored for the public sector, has become widely recognized among public-sector organizations in Germany. The district enjoys the reputation of a trailblazer and leader in best practices for communal finance management. Keller receives frequent calls to present at industry meetings to help peers in other organizations understand the district's accomplishments. "Implementation of Microsoft Dynamics NAV and INFOMA *newsystem public* has helped Ebersberg District Administration transform finance management into an efficient and transparent practice," says Keller.

Practice Highly Accountable, Transparent Finance Management

Supporting the district administration departments with reliable, current, and meaningful information, the finance

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team has achieved the accountability and transparency it sought when it decided to introduce different, businesslike finance management with the help of technology. “Today, district managers and employees trust and understand financial data,” says Keller. “They know they can rely on the information to help them do their work. And, they appreciate how Microsoft Dynamics NAV and *newsystem public* smoothly fit into our operation and help us refine the practice.”

The district administration’s finance management offers levels of control and visibility that go far beyond the efficient compliance with regulatory requirements. The separate budgets and accounts that the district departments use today entail a complete absence of ambiguity in analyzing costs and revenues and maintaining individual accountability.

Make Employees Effective and Minimize Resource Loads

For many years, the Ebersberg District Administration has pursued the best possible efficiencies. With highly manageable, flexible technology and streamlined business processes, the district has not added staff since 2001. Since 2005, by practicing advanced business bookkeeping facilitated by Microsoft Dynamics NAV and INFOMA *newsystem public*, the district’s finance team has been able to reassign two full-time positions.

Keller credits the integrated, highly usable software solution for making these savings and efficiencies possible. “We employ *newsystem public* and Microsoft Dynamics NAV to transform our administrative and political culture and enable employees to be as effective

and accountable as ever,” she says. “The savings that better management generates far outbalance the costs of implementing new systems and processes.”

Meet Public Needs with Advanced Insight, Control, and Ability to Manage

Today, the district’s executive, finance team, and departments work together more closely and with greater confidence than in the past. The solution’s extensive business intelligence and analytical capabilities—combined with such practices as financial management within firmly set, low and high figures—help the district make decisions regarding services based on verifiable facts and actual trends. The Ebersberg District Administration can identify emerging service needs early and devise effective strategies to meet them while maintaining excellent fiscal responsibility. Doing so lets the executive take firm positions and explain the district’s decisions to citizens with a high level of credibility by using substantiation coming from the finance team. On the other hand, the finance team and departments find it easier to respond to political directives and shifting priorities by adjusting budgets and spending forecasts rapidly and reliably.

Says Keller, “Business analytics help us model and explain the impact of decisions on district services and budgets, enabling the extensive control and management impact we hoped to achieve. We will continue to use Microsoft Dynamics NAV and INFOMA *newsystem public* to pursue these goals and become even more effective on behalf of the district’s citizens.”

For More Information

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For more information about Ebersberg District Administration services, call 011 (49) 08092 823 211 or visit the Web site at:

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For more information about INFOMA Software Consulting products and services, call 011 (49) 731 1551 0 or visit the Web site at:

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Microsoft Dynamics

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

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