ARCHIBUS Success Story

Elion Enterprises Links Facilities Costs with Financial Management

Elion Enterprises Ltd. is the largest telecommunications and IT provider in Estonia. They offer comprehensive household and business communication services—from telephone calls and integrated business solutions to computer sales and the provision of broadband. With approximately a thousand buildings in their portfolio, the company needed a unified database of accurate information to gain a solid understanding of how physical assets and infrastructure are used across the organization, and at what cost.
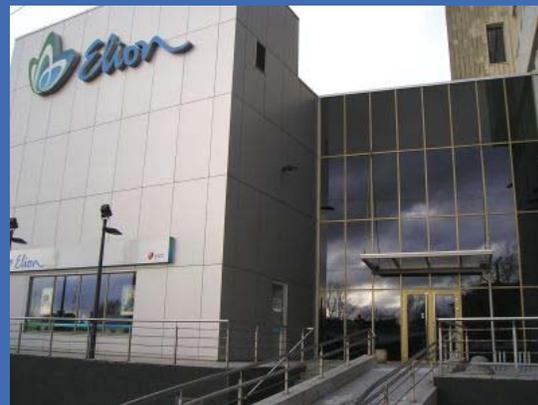
Since implementing ARCHIBUS, Elion can now centralize costs—including utilities, vehicle and mobile phone expenses—and accurately charge them to various cost centers. As a result, information for financial management reporting, planning and forecasting is based on knowledge of the current situation, making it possible to keep current and future operating expenses under control while working towards achieving the company's long and short-term objectives.

Recouping Costs

"We consider other departments within the company our clients," says Juta Klettenberg, Administrative Department Manager at Elion. "With ARCHIBUS, our team can provide these clients accurate, on-line reports on rooms and equipment usage. These reports are the key to prorating charges among Elion's individual employees and cost centers, a routine task that can be performed much more easily and with greater accuracy."

With ARCHIBUS, Elion's Administrative Department can work more quickly through its many bills, such as energy bills. The team receives information from Elion's energy provider, including a list of meters used throughout the organization, energy usage by kilowatts, and the financial equivalent of this usage. Each meter is associated with a property or lease. The energy bills are imported to ARCHIBUS, and once a month all costs are prorated to each room according to the room type, allowing the Administrative Department to transmit expenses in a regular, timely fashion.

Before implementing ARCHIBUS, Elion's Administrative Department would set a room usage price for the next year. Now they can prorate and transmit actual monthly costs based on room and equipment use. Furthermore, by tracking monthly room usage history, the team can forecast room costs and include them when creating potential room layouts. Since implementing ARCHIBUS, Elion's Property and Procurement Department streamlined its administrative tasks enough to reassign approximately 30% of its staff and save more than $200,000 annually.

Vital Statistics

Organization:
Elion Enterprises, Ltd.
Location:
Tallinn, Estonia
Facilities Facts:
Approximately 1,000 properties measuring 145,000 square meters (approximately 1.5 million square feet)
ARCHIBUS Applications:
Real Property & Lease Management, Space Management, Overlay for AutoCAD with Design Management, Furniture & Equipment Management, Building Operations Management, Web Central
Reasons for Implementing:
To reduce the time required to perform routine tasks; to synchronize facilities and financial accounting information
Benefits Gained:
$200,000 annual administrative cost reduction by creating easy, accurate method to prorate cost centers for their use of energy, vehicles, utilities, space, and more
Business Partner:
Reminet Ltd.
Web Site:
www.elion.ee

Easy Cost Accounting

The Administrative Department also manages Elion's entire fleet of more than 500 cars. In ARCHIBUS, Elion tracks lease and warranty agreements, the person to whom the car is assigned, and the maximum amount of fuel and other car-related expenses the employee is allowed. At the end of every month, an ARCHIBUS report detailing the costs of cars is prepared and transmitted to the appropriate users' business units. If a user exceeds the limit, these expenses are automatically garnished from that employee's paycheck. Elion can even include the fuel transactions sent from companies such as Statoil and Neste for increased cost transparency.

Elion relies on ARCHIBUS Web Central to input costs like these into a central location for easier forecasting and analysis. All the costs are pulled over the Web Central interface. In many cases, only summaries of cost accounts are transferred to the accounting system, since the detailed reports that management needs are easily accessible in ARCHIBUS. Web Central is also used to report accurate usage figures to Elion's service providers, including the company that rents out Elion's copy and fax machines. And when it comes time to service Elion's fleet of vehicles, work requests are simply sent via Web Central to the service companies.

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—Juta Klettenberg
   Administrative Department
   Manager, Elion

Integration with Oracle Personnel System

To ensure that all the careful tracking Elion does in ARCHIBUS is reflected in other relevant areas of the company's operation, Elion integrates information in ARCHIBUS with a financial accounting product called AXS-One. In addition, facilities details are synchronized with the company's Oracle-based Personnel Management system. Basic personnel information comes into ARCHIBUS through an Oracle view. That information is used in a variety of ways, including preparing vehicle usage agreements with employees and managing the allocation of fixed and cellular phone numbers for all employees.

In short, Elion has made ARCHIBUS into a valuable resource for many other areas of the company, helping it perform sophisticated financial management tasks from within a comprehensive facilities and infrastructure management system.

ARCHIBUS