



Fryshuset’s choice of new budget system

At Fryshuset there was an increased demand from the board and management to get a better overview of the costs of the various business operations and contributions from external donors. There was a growing need for a modern and efficient system support during the budget process. The choice fell on a new budget system - Effectplan.

Fryshuset is a foundation with operations in Stockholm, Gothenburg and Malmö. The operations include everything from pure entertainment activities to social projects and education. The nearly 40 projects and activities are divided in Education / Employment, Social perspective, Passionate interests and Schools.

In total, Fryshuset has 400 employees and 70 different business operations with widespread economic needs, which also means there are 70 different cost centers to coordinate during the budget process.

To add all cost centers and compile them manually in a single Excel spreadsheet was too much work and could no longer be managed.

Jenny Grönvall, who is CFO with overall responsibility for Fryshuset’s budget process,

saw the need to speed up the budget work and avoid spending the entire fall working on the budget process as they have done in previous years.

A modern budget system

Fryshuset considered three different budget systems but concluded that Effectplan was best suited to their needs. Above all, they experienced Effectplan as a more modern system because of the interface that is based on new technology. Hence, the choice of for new budget system was quite simple.

- With Effectplan we felt that we could do so much more than with other budget systems. Other systems felt very ‘stone age’. With Effectplan we could make a difference because it

could be adapted to our operations in a completely different way than other budget systems. In addition, we also got an analysis tool in the same system, says Jenny.

Positive response from the users

At Fryshuset, there are approximately 40 users who had huge expectations for the new budget system Effectplan.

Jenny obviously felt a little anxious over how Effectplan would be received by the users. It was especially nerve wrecking as they only had limited time to train the users in the system, and only the remainder of the week to do their budget.

- The users have responded very positively to Effectplan. A lot due to the fact that Ef-

FRYSHUSET

Fryshuset makes it possible for young people to change the world through their passion. This is achieved by building relationships with the youths and creating communities where they are seen, heard and reckoned with. Fryshuset is running approximately 40 different operations within passionate interests, social perspectives, schools and education / employment. They are located in Stockholm, Gothenburg and Malmö and represented nation-wide through their network of youth organizations. Read more about Fryshuset on their website <http://fryshuset.se/in-english/>



“Other systems felt very stone age.”

fectplan is entirely web based, and that there is only one version of the budget. Previously, users felt that they did not own their own budget since managers may have made changes to the budget. But because changes to the budget are always viewable in real-time, the users finally felt that they owned their original budget, says Jenny Grönvall.

Also, with Effectplan's comment feature, users have been able to add comments by zooming into the smallest number cell and see exactly what the business operations are planning to buy. This has created an entirely different transparency in the budget process.

Meanwhile Fryshuset's finance department, Jenny Grönvall and Sanna Björling who is controller at Fryshuset, is able to guide users over the phone. This has e.g. made it easier for users in Gothenburg and Malmö when they need help since they can be guided over the phone directly via the computer screen.

Analysis only two clicks away

After installing Effectplan, Fryshuset could for the first time do completely different analyses. For example, they have been able to search for specific accounts, which meant that they had a completely different control over operational costs. They have effectively been able to see if something is wrong in the budget. This has resulted in that they no longer need as much time to make a good business analysis.

- With Effectplan we have had tremendous analytical capabilities. For example, we're now

able to search for specific accounts. Previously, we had to merge 70 different cost centers. Now it's only two clicks, and we see how much the organization budgeted for, on a specific account. And we can compare it with the previous year, says Jenny Grönvall.

Time expected to be reduced by half

Jenny Grönvall estimates that they will make great time savings in the future as they now have a more efficiently set-up budget process in Effectplan. Both counting the reduction in time for the users and for the finance department.

- I imagine that we will be able to shorten the budget process including analysis to a month. Previously, this took nearly two and a half months to do. This also means that because we can do more detailed analyses, we can also save time by correcting errors we might not have detected before, Jenny continues.

Nothing is impossible

Jenny says she experiences the consultants who worked with Effectplan at Fryshuset as competent and flexible people. Moreover, they have seen solutions with Effectplan which have improved the budget work.

- The consultants are service-minded and see that anything is possible. The attitude of the consultants is that everything can be solved.

Advice from Jenny:

Consider the time it takes to install a new budget tool. Since the staff already works 100 percent, it could be necessary to bring in an extra resource to keep up with regular work during the actual implementation.

Konsultnet about the project:

It is a big challenge to implement a budget system in an organization that works with education, such as Fryshuset.

Despite the fact that Fryshuset is a smaller organization, they had several challenges in their budget process where Effectplan would really be put to test.

A feature that Fryshuset could greatly benefit from was Effectplan's template management that could be adapted to the different business operations.

The problems with consolidating the 70 units could be solved, and Fryshuset was able to have full transparency in the budget process.

The salary budget was simplified by a driver-based calculation function.

Tips and tricks:

Dedicate time to go through the budget process and consider a future process. Set time for budget analysis and make sure that the business operations understand the keys that govern their responsibilities.