# 8Manage Finance Connectivity

The common weakness in most financial management systems today is their lack of connectivity to business activities and the information is entered into the systems after the facts by humans. If these financial management systems were designed with tight connectivity with real-life business activities such as the automated teller machine (ATM) systems were designed to cater, the agility and accuracy of the information provided by most financial management systems today would have been much better.

The designs of the existing financial management systems were heavily influenced by the book keepers'practice of entering information into the financial book or spreadsheets after the facts. It was naturally to think and design systems that way when humans didn't have sufficient experience in real-time finance connectivity more than a decade ago.

With the popularity of automated teller machines(ATM) and the advancement in trading systems technology such as Straight Through Process (STP), humans gradually have gained sufficient experience to design financial management systems that have much higher finance connectivity to real-life business activities. 8Manage was designed with high finance connectivity in mind. Using 8Manage, the user can view consolidated or individual real-time reports such as Income Statement, Balance Sheet and Cash Flow of an enterprise or any of its many legal entities, business units and cost centers across multiple countries in real-time. We aren't talking about generating Income Statement with detailed profit and loss information every month or week, but every hour or minute.

# Generate Income Statement, Balance Sheet, Cash Flow Report Every Hour

Even low-end PC today has sufficient computing power to generate Income Statement, Balance Sheet, Account Receivable, Account Payable and Cash Flow reports for an enterprise every day or every hour. The only reason that an enterprise can't generate the up-to-date reports every day, week or even month because it lacks financial connectivity in its business and operational processes. The manual interaction model that people accustom to prohibits the financial connectivity even the modern computer hardware and software are geared to provide the level of connectivity needed for agile financial information.

Using the 8Manage financial connectivity model, an executive is allowed to view any of the financial reports mentioned above of any unit/company/group in real-time.

The system will automatically aggregate from lowest units / companies / groups to the highest level units / companies / groups in real-time and automatically eliminate inter-company transactions at the same time. Besides fast generation of financial information, the system also allow real-time drill down of information.
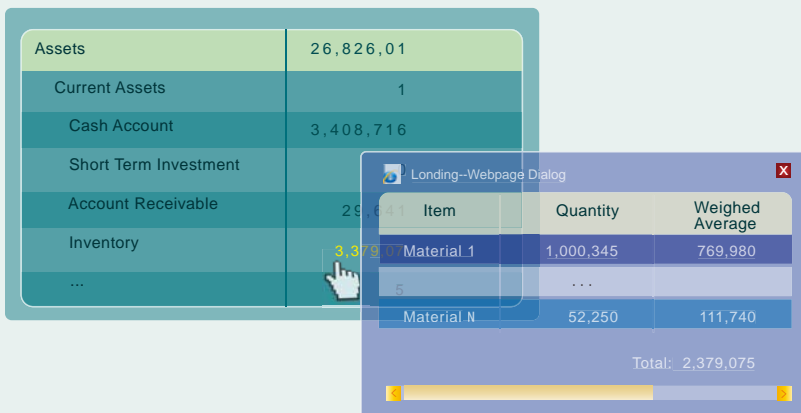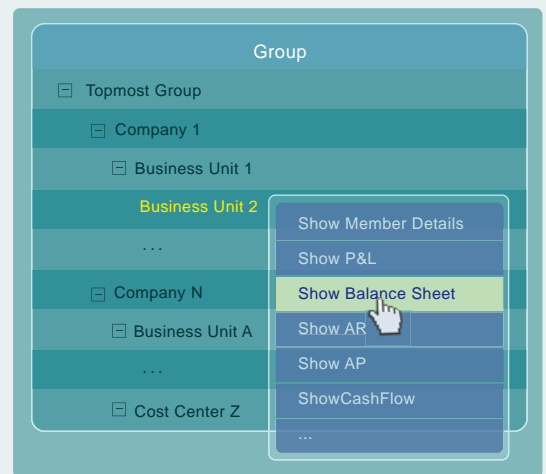


For example, one can click the underlined inventory number in the balance sheet and the system will show the inventories that make up the number.

This type of financial connectivity is not only possible but actually easier and less costly to implement than the manual interaction model that people accustom to. People should change the manual interaction model that they accustom to and take advantage of the modern computer hardware and software to do their job better.

## Budget & Expense Mgmt

8Manage provides organizational Revenue & Cost Budgeting & Tracking capabilities to ensure the assembly and dissemination of information across organizational units and legal entities in real-time. An organizational unit's Revenue and Cost Budgeting and Tracking is linked to its sales orders and contracts, purchase orders, project accounting, staff planning and cost, invoices, expense reports and payments. The budgeted and actual numbers always reflect the latest reality and the user can click through the numbers and view the items compose them in real-time.

8Manage supports the Total Budget Management concept and allows each line of business to perform its business volume, price and cost estimation based on the structure and granularity of its products, channels, operations and market segments. The budget can be further divided into high, medium and low versions and reforecast can be done each month (1+11, 2+10, 3+9, …) after the original budget is done or approved.

# Sales Revenue Connectivity

8Manage can establish high connectivity to the real-life sales activities using the following transaction models:

- Retail transactions captured by Point of Sales (POS) systems
- Retail or wholesale transactions captured in sales orders (including phone & eCommerce orders)
- Retail or wholesales transactions captured in sales contracts
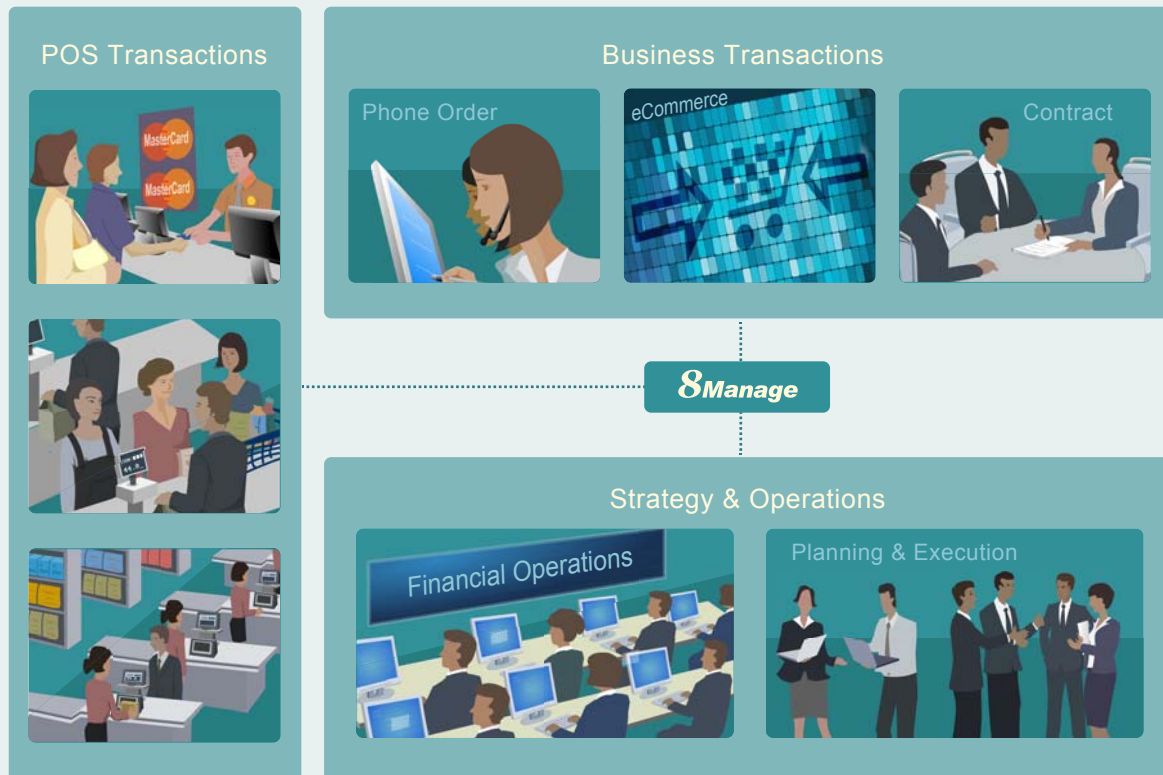


All sales transactions can be captured in real-time and information will be immediately available to financial operations and business departments for planning & execution purposes. The sales transaction information will be automatically linked to the sales finance management practices that the financial operations and business departments have chosen to use such as below:

- Revenue planning and quota management by individual group, sector / region and enterprise
- Opportunity finance and pipeline management
- Repeated revenue management

Re-forecasts (e.g., 2+10, 3+9,… , 11+1) can be automatically done based on the formulas already setup.

# Marketing Finance Connectivity

Marketing strategies should be creative but must have built-in reality checks to guide their execution. Built-in reality checks can include things such as eSurvey and incremental return management. 8Manage embeds financial connectivity in its following marketing management models:

- Marketing budget planning & tracking
- Campaign (including eDM and eSurvey) management
- Marketing return management
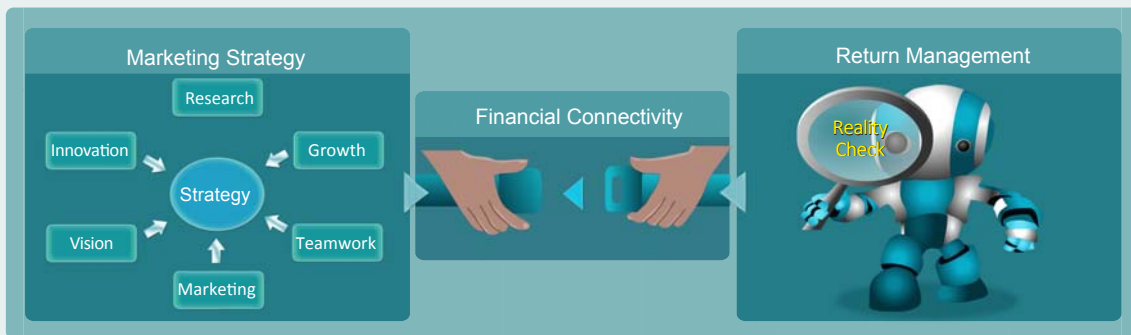


With embedded marketing finance connectivity, 8Manage can help executives and marketing managers to track detailed return in terms of leads, qualified leads, referrals, increased POS transaction amount, new order/contract revenue amount and improved brand name recognition based on before and after eSurveys.

# Project Finance Connectivity



Project finance management can be very simple if what budgeted by whom and what consumed by whom in a project can easily be seen in real-time. But the fact is that most projects have multiple activities sharing the same budget and couldn't distinguish which activities are accountable for the overrun. This is further complicated by the delay of timesheet, purchase and expense processing across multiple groups involving multiple currencies.

Project finance management is also greatly affected by the project scope and time changes. If one can't control the project scope and time well, one can't control the project finance well.

8Manage allows budgeting and tracking in project, high level activities and low level activity levels and finance information will be automatically aggregated from the lowest level to the highest level in real-time. Timesheets, purchase orders, outsourcing invoices and expense reports are processed in real-time and labor and procurement costs are automatically calculated in real-time.

8Manage has built-in finance connectivity not only in project activities, resources and deliverables but also in project scope items and schedules.

With built-in finance connectivity, any change to the project that would affect the project finance will be automatically tracked and information will be highlighted so that people would understand the change impact. The above approach solves the following key most problems in project management:

- Things are too much intermixed together and the financial impact for the change is unclear to all partiesand therefore people often naively request many changes and naively accept many changes.
- Financial information is too sluggish and people find project budget overrun 2 to 3 months after the actualoverrun occurs.
- Some project managers put a lot of financial cushion in their projects and this often doesn't work since the reserve is limited and the lack of control in scope, time and change can generate the impactthat is bigger than the reserve.

8Manage solves the above problems by helping project stakeholders to calculate well by utilizing its build-in finance connectivity in project management.

# Procurement Finance Connectivity
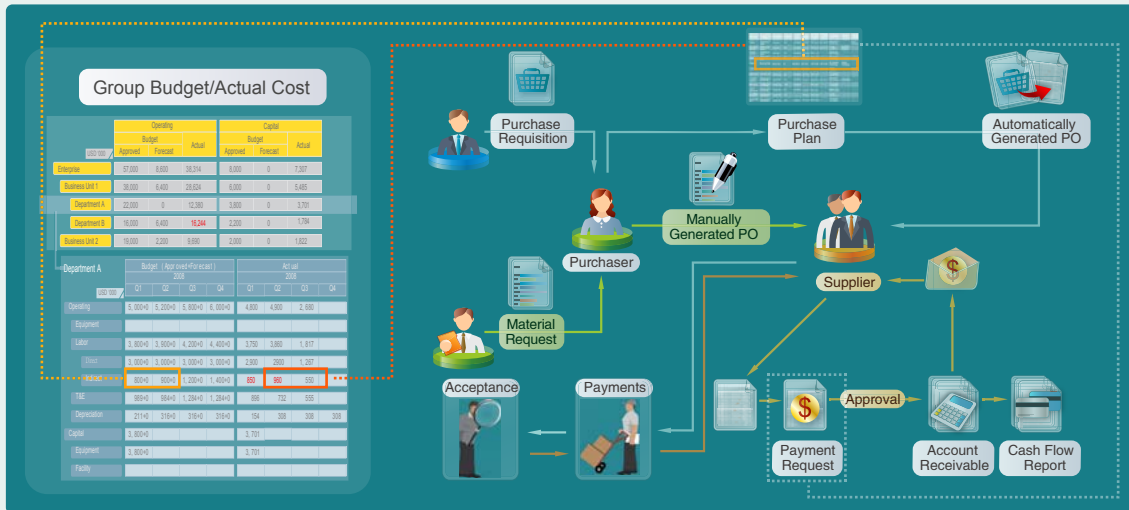


8Manage supports the entire procurement process and with real-time financial connectivity. Departmental budget is well integrated with purchase plans and orders and invoices, payment requests, payments and returns are well integrated with departmental account payable and actual expenditure. Purchase orders will not be approved if the responsible department doesn't have sufficient budget and outstanding payments will be reflected in account payable once invoices and payment requests are approved.

8Manage allows the establishment of the benchmark prices of products based on their historical prices and CPI adjustments. The benchmark prices are used to control the significant derivation from the price norms. In 8Manage, each supplier is being measured in real-time its cumulative price derivation from the corresponding benchmark prices. Each purchase order is being measured in real-time its total derivation from the corresponding benchmark prices. And each purchase item is being measured in real-time its derivation from the corresponding benchmark price. The procurement department can be easily see which requestor or procurement person has the highest derivation for single purchase or the highest cumulative derivation year-to-date.

# Inventory Accounting Connectivity
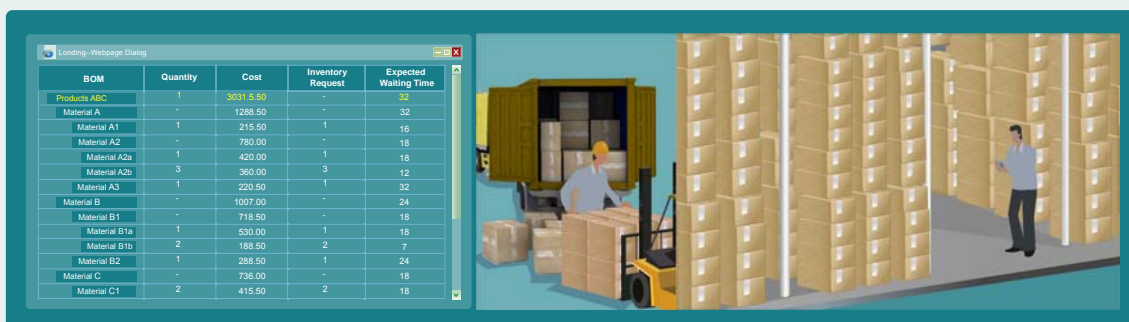


8Manage help manage raw materials, work-in-process materials and finished products which need to be ordered, stored, processed and transferred to and in multiple sites and warehouses. 8Manage is a multi-currency system and provides the following features and financial connectivity throughout:

- Demand forecasting
- Warranty & expiration tracking
- Receipt of goods
- Inventory counting & update
- Logistics cost calculation
- Stock transfer and tracking
- Serial number tracking
- Return of goods to supplier
- Purchase plan and purchase order
- Material request, approval and delivery

8Manage can perform inventory accounting across multiple warehouses and reflect inventories as part of the current assets in balance sheet.

# Cash Management

8Manage tracks all cash accounts, investment accounts, sales orders/contracts, purchase orders/contracts, project accounts, employee payroll and tax accounts, invoices, expense reports, loans and payments of each organizational unit and aggregate information to generate cash flow report for the period and organizational structure that the user requests in real-time.



8Manage allows the user to track invoices received, generate payment requests and obtain the proper approvals. The approved payment requests will be automatically forwarded to the account payable for payments. 8Manage can also generate various accountable payable reports in real-time.



8Manage allows the user to track sales order fulfillment statuses, project progresses and contractual payment terms to generate invoices to bill clients. Integration with front-line project management and delivery systems and automated workflow notifications accelerate billing process to improve cash performance across the enterprise.
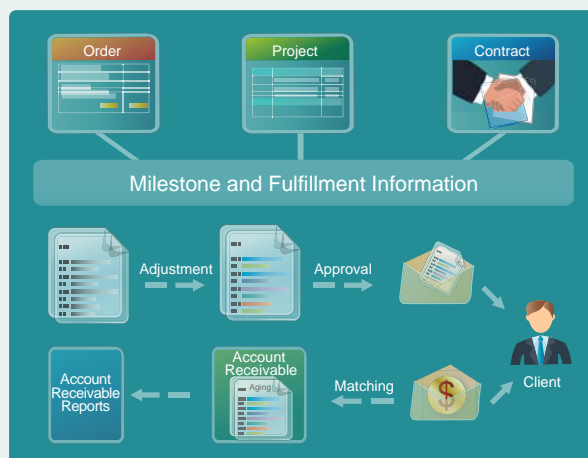
# Asset & Liability

8Manage allows each unit to manage its different assets and liabilities and information can be aggregated in real-time according to the defined administrative or business structures of the enterprise. It provides facilities to capture, track and report movements and changes of the following:



**Asset & Liability Mgmt**

Cash Account | Account Receivable | Prepaid | Inventory | Fixed Asset | Intangible | Long Term Investent | Long Term Lending | Liability | Long Term Lending

Current Asset

**Cash Account:** 8Manage supports different types of cash accounts such as saving, checking, money market, certificate of deposit, cash on-hand and petty cash and automatically keeps track of their deposits, interests, dividends and withdrawals and computes their Internal Rate of Return (IRR) in real-time.

**Account Receivable:** 8Manage can automatically generate invoices based on the payment term and delivery information in client orders and contracts and tracks account receivables.

**Prepaid:** 8Manage supports pre-payments, accruals and actual payments and keeps track of all pre-payments as current assets.

**Inventory:** 8Manage can perform inventory accounting and re-compute inventory values in real-time.

**Fixed Asset:** 8Manage allows the user to define different types of fixed assets and computes their salvage values based on the selected depreciation methods in real-time.

**Intangible Asset:** 8Manage allows the user to define different types of intangible assets (e.g., patent, goodwill, trade name) and automatically tracks their book values and expiration dates.

**Investment:** 8Manage supports short and long term investments in bills, notes, bonds, stocks, warrants, mutual funds, options, futures, foreign exchanges, commodities and company acquisitions and automatically keeps track of their payouts and returns and computes their Internal Rate of Return (IRR) in real-time.

**Lending:** 8Manage allows the user to define different short and long term lending types (e.g., sales, employee) and keeps track their payouts, interests, dividends, returns and computes their Internal Rate of Return (IRR) in real-time.

**Accountable Payable:** 8Manage keeps track of invoices received and automatically generates payment requests. It also keeps track of payments and unpaid invoices.

**Payroll:** 8Manage automatically computes payrolls for different type of employees at different defined pay cycles and automatically keeps track of wages payable.

**Liability:** 8Manage allows the user to define different short and long term liability types such as taxes payable, warranty liability, unearned revenue, notes payable and bonds payable and automatically keeps track of their liability amounts, interests and paybacks.

**Owners'Equity:** 8Manage allows the user to define different types of Owners'Equity such as fund, common stock, preferred stock and retained earning and automatically keeps track of the equity amounts, # of shares, equity amount withdrew, # of shares withdrew, remaining equity amounts and remaining # of shares.

8Manage also allows the user to generate the Balance Sheet for any unit according to any of the defined administrative or business structures in real-time. The most up-to-date asset and liability information will be aggregated from the lowest level units to the specified unit in real-time.

# Financial KPI & Reports

8Manage measures key performance drivers such as margin on sales percentage and sales to total assets ratio as well as operating performance in Return on Equity (ROE) and Return on Total Assets (ROTA). For liquidity, 8Manage measures current assets to liabilities ratio, quick (minus inventory) assets to liabilities ratio and working capital to sales ratio. For financial strength, 8Manage measures debt to equity ratio and leverage.

For growth, 8Manage measures Growth Equilibrium based on current assets to sales, retained earnings to sales and growth in sales. For valuation, 8Manage measures Earnings Per Share (EPS), Dividends Per Share (DPS) and Price to Earnings Ratio (P/E).

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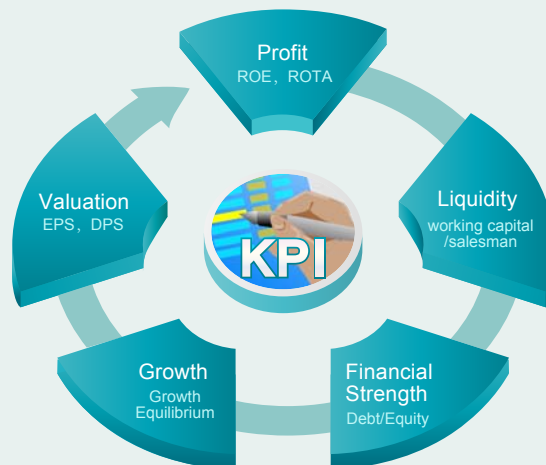
As mentioned above, 8Manage is capable of generating Income Statement, Balance Sheet, Account Receivable, Account Payable and Cash Flow reports in real-time:

| | | | |
|---|---|---|---|
| Assets | 26,826,015 | Total Liabilities & Owners´ Equity | 26,826,015 |
| Current Assets | 3,408,719 | Liabilities | 26,826,015 |
| Account Receivable | 29,641 | Current Liabilities | 26,725,025 |
| Inventory | 3,379,078 | Account Payable | 41,399 |
| Long Term Investment | 30 | Current Interest Liabilities | 26,683,626 |
| Stock | 30 | Long Term Liabilities | 99,990 |
| Ficed Assets | 23,411,281 | Investment Loan | 99,990 |
| Network Equipment | 580,800 | Bank Loan | 99,990 |
| Computer Equipment | 117 | Long Term Interest Bearing Liabilities | 0 |
| Plant | 22,714,000 | Owners´ Equity | 1,000 |
| Motor Vehicles | 116,364 | Retained Earning | 1,000 |
| Intangible Assets | 5,000 | | |
| Trade Name | 5,000 | | |
| Long Term Lending | 985 | | |
| Sales | 985 | | |
| Other Assets | 0 | | |

Besides the above, 8Manage can also generate the following reports in real-time:
- Campaign Budget, Expenditure & ROI
- Sales Opportunity Budget & Expenditure
- Sales Order/Contract Budget, Expenditure and P&L
- Purchase Order/Contract Budget & Expenditure
- Project Accounting
- Inventory Accounting
- Expense Accounting
- Payroll

8Manage also provides a point-and-click report generator which allows the user to select any fields and generate the 2D and 3D reports in table, bar chart, pie chart or trend graph formats.

# State–of–the–Art Integrated GL System

8Manage GL has the highest degree of connectivity to business and operation and can present financial information in **simple language** and **under business and operation context** to **managers** and **the accounting language** to **accounting professionals**.
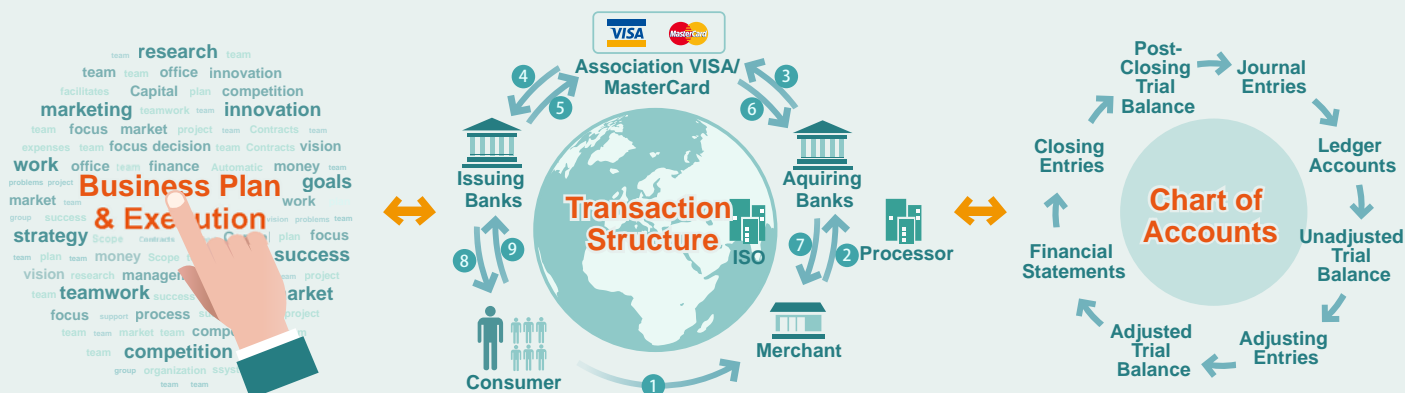


8Manage can map information in real-time among the 3 structures described above and provide the real-time traceability for businesses to track business and financial results, operations to manage transactions and settlements and financial staff to work on their after-the-fact financial books. The lacking of business and operations connectivity in old accounting systems makes them extremely hard to use and the communications from financial staff to business and operations personnel highly ineffective since very few people can master the business, operations and finance languages mixing together.

8Manage has the knowledge of the 3 structures described above and their associated languages. It presents the financial results in the business plan and execution view to the business users, transaction view to the operation users and financial view to the financial staff. Planned business activities and business volume entered in business plan will be automatically linked to the orders, deliveries, invoices and payments associated with the business activities and orders, deliveries, invoices and payments will in turn be automatically linked to vouchers and account entries. The user not only can generate income statement, balance sheet and cash flow report in real-time, she can also see the cause-and-effect relationships clearly in the business activities in her business plan.

- Account Sets : The enterprise can define multiple account sets for the same or different financial periods.
- Chart of Accounts : Each enterprise can define its own chart of accounts and each of its account set can support partial or whole chart of accounts.
- Account Items : Each enterprise can record debits and credits information associated with each account item such as client, supplier and employee in each account. This would avoid the need of defining and updating large number of sub-accounts for recording clients, suppliers and employees' debits and credits separately.
- Vouch Templates : Each enterprise can define its own voucher templates for different types of transactions.
- Auto Generation of Vouchers: Each enterprise can define policies for automatically generation of vouchers and account entries .
- Auto Posting : Each enterprise can define the rules for auto posting to GL triggered by transactions.
- Ledger View : The system automatically provides the ledge view for each account on its initial balance, debit/credit details and period-end balance.
- Trial Balance : The system automatically provides the real-time trial balance information for each account set.
- GL Report Generator : Each enterprise can define and generate different reports such as income statement, balance sheet and cash flow report for each account set.

8Manage Finance Connectivity

**Wisage Technology** is an international software product company with clients in many countries and regions, including the U.S., Canada, China mainland, Hong Kong, Macau, Taiwan, Malaysia and Singapore.  All its products are mobile internet ready and can be accessed with IE, Firefox, Safari and Chrome browsers and we also provide different apps on Android and iOS.  It offers perpetual licenses for all regions and SaaS in certain regions only for the following products:

**8Manage CRM**     : Mobile Internet CRM
**8Manage SPM**     : Supplier & Procurement Management
**8Manage Simple PM** : Simple to Start & Extend PM
**8Manage PM**      :  Advanced Tool for Project Planning & Execution
**8Manage PMO**   :  High Performance PMO
**8Manage Agile**   :  Short Iteration Product Development
**8Manage Finance** : Strong Connectivity with Businesses & Operations
**8Manage HR**      :  Human Capital Management
**8Manage OA**      :  New Generation Office Automation
**8Manage BI**       :  Point-and-click BI
**8Manage O2O**   :  B2C, B2B, eExchange, eSettlement & eERP
**8Manage FAS**    :  Knowledge Enterprise Full Automation Suite
**8Manage eERP2** :  Manufacturer eERP2

**8Manage eExpense**   :  Web & Smartphone Expense Report System
**8Manage eLeave**      :  eLeave & Leave Management
**8Manage eTimesheet**  :  Web & Smartphone Timesheet System
**8Manage eLearning**    :  Advanced eLearning System
**8Manage eSurvey**     :  Easy-to-use eSurvey System
**8Manage eDMS & KM**  :  eDocument & Knowledge Management

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