

# Collections Etc., Inc.

## Budgeting and Reporting Customer Profile



[www.collectionsetc.com](http://www.collectionsetc.com)

### Quick Facts

- Industry: Retail
- Employees: >1200 (peak season)
- General Ledger: Solomon
- Based in Elk Grove Village, Illinois
- Application: Personnel Planning

### Background

Collections Etc., Inc. is a privately owned catalog company that was launched in 1997. The catalog today offers a large collection of unique gifts, home essentials, and garden accessories. It is a rapidly growing company, which has a headcount of 550 full-time employees that increases by 120% during peak seasons with seasonal and temporary employees.

### Challenges

Collections Etc. decided to move away from Excel for their monthly budgeting and planning to improve productivity. In addition to the common spreadsheet limitations, such as formatting changes causing broken links and calculations, they found it increasingly difficult to manage personnel data in spreadsheets as the company grew. The payroll budget was calculated with an average number of employees, hourly rate and hours per month, but because of changing business requirements, the company needed to manage the variable payroll at a transactional level on a weekly basis.

The company also faced challenges with data ownership. Managers did not take responsibility for the payroll budget because the calculations were performed in Finance, and they could not see a full Profit & Loss Statement while budgeting because they received payroll at the end of the process. This limited the amount of time they had to review and analyze the final payroll results and was providing an incomplete picture of the bottom line at a departmental level.

### Why PROPHIX

Collections Etc. considered a number of Performance Management solutions but chose PROPHIX because of its ease of use and analytical and reporting capabilities. After a week of implementation and training, PROPHIX provided Collections Etc. a multi-user system that can easily manage the payroll of 1200 personnel, including their 50% variable workforce, and has proven to increase efficiency in resource management.

### Key Benefits

Previously a difficult task for Collections Etc., transactional costing became straightforward by incorporating several variables (seasonal staff, changing catalogue titles, etc.) into their PROPHIX business model. The company's ability to manage costing at a transactional level has greatly improved their financial measurements.

PROPHIX utilizes a calculation engine that proved to be powerful with Collections Etc.'s extensive use of formulas. Incorporating the formulas in their Personnel Planning module to perform payroll calculations has eliminated the verification tasks required in spreadsheets. PROPHIX provides the confidence that their data is accurate. The PROPHIX business model with the custom personnel calculations was really the catalyst to getting managers more involved and engaged with the planning cycles. Managers no longer have to spend countless hours validating data. Instead they can spend time breaking down the information and investigating variances—therefore making better business decisions based on this analysis.