Cluster Dynamics

Project Management and Accounting deck

March 2024

Agenda

Project management and accounting deck

Project Types	TM, TK, and Internal projects description Accounting and revenue recognition management
Project Diagram Flows	Serial manufacturing Discrete manufacturing Services
Project Related Developments	Enhanced revenue recognition Billing plan management

Project Types

TM, TK, and Internal projects description

Time and Material

The customer is billed for all actuals incurred on a project as work progresses (hours, expenses, items, fees)

Fixed Prices

These projects are invoiced according to a billing schedule, as no direct cost and revenues relation exists.

Internal

- Type of projects used to track cost and consumption on a project that is internal to your organization.
- Time
- Investment
- Cost

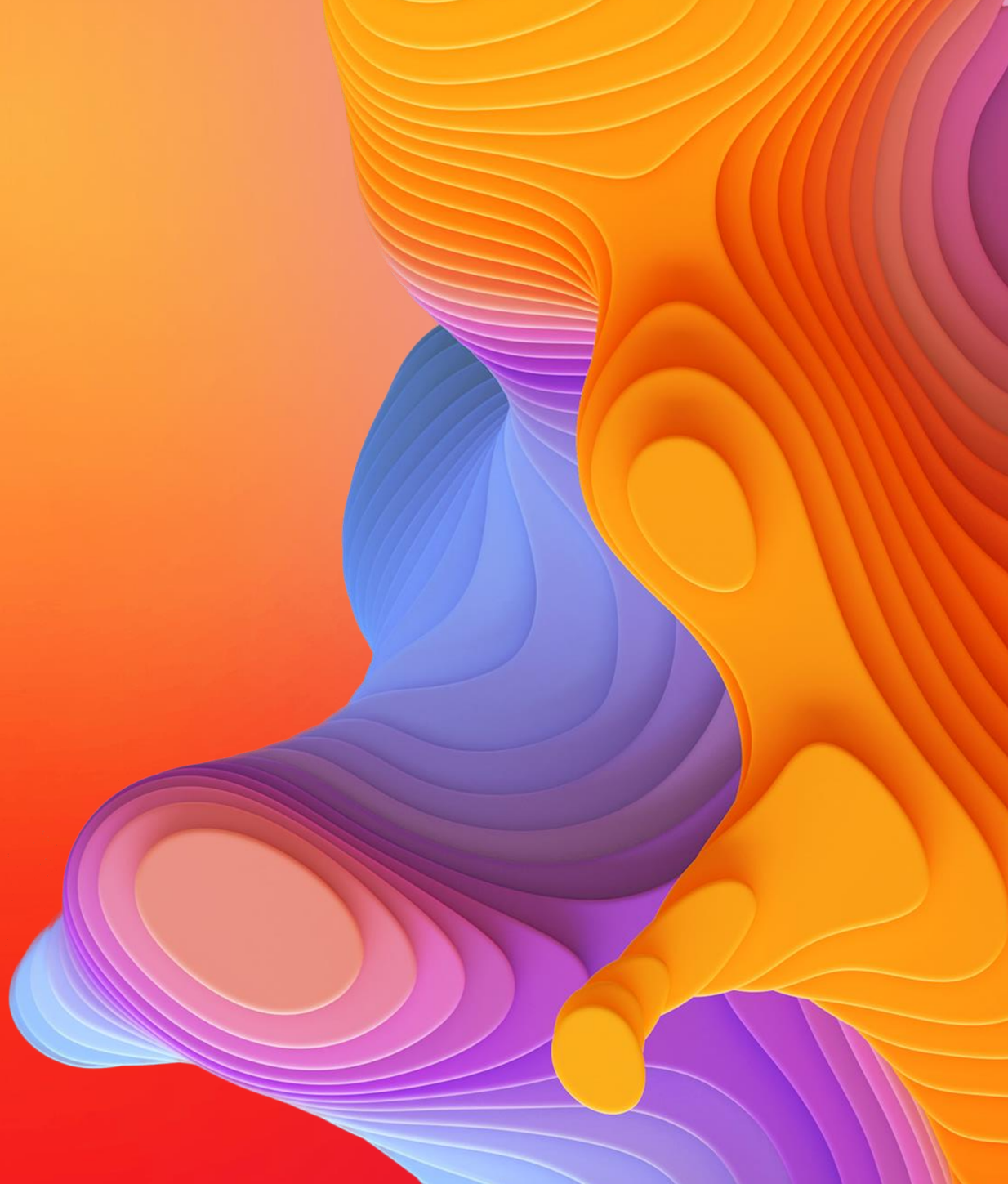
Project Types

Accounting and revenue recognition management

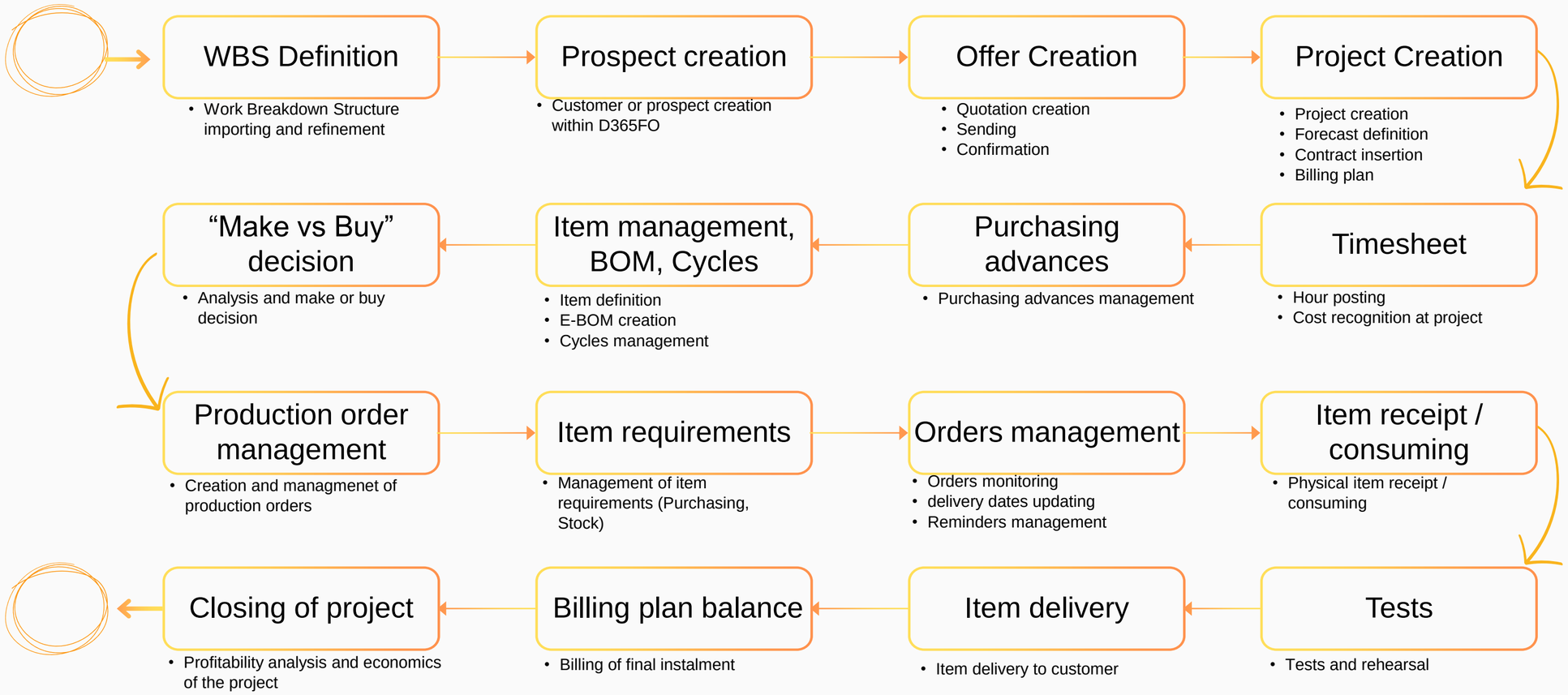
	Project Group	Description	Type	Default line property	Comments
EXTERNARL PROJECTS	**POC** (Percentage of completion)	Revenue recognized based on percentage of completion	Fixed price	Non Billable	Finance does estimate in system at end of month and system calculate revenue =Contract value without tax * total actual cost/Baseline forecast
	Milestone	Revenue recognized based on Milestone signoff and invoice	Fixed price	Non Billable	Once invoice posted then revenue will be recognized
	SaaS (Software as a Service)	Revenue will be amortized per contract term	Fixed price	Non Billable	Finance BP do estimate in system at end of month and system calculate revenue =Contract value without tax/(Project planned executing days) * Actual project happened days

	Project Group	Description	Type	Default line property
INTERNAL PROJECTS	**R&D**	R&D Project including Charter	Internal	Non Billable
	DB	Business Development Project	Internal	Non Billable
	MD	Marketing Development Project	Internal	Non Billable
	ENO	Non-R&D/ Non-BD/ Non MD Internal Project	Internal	Non Billable

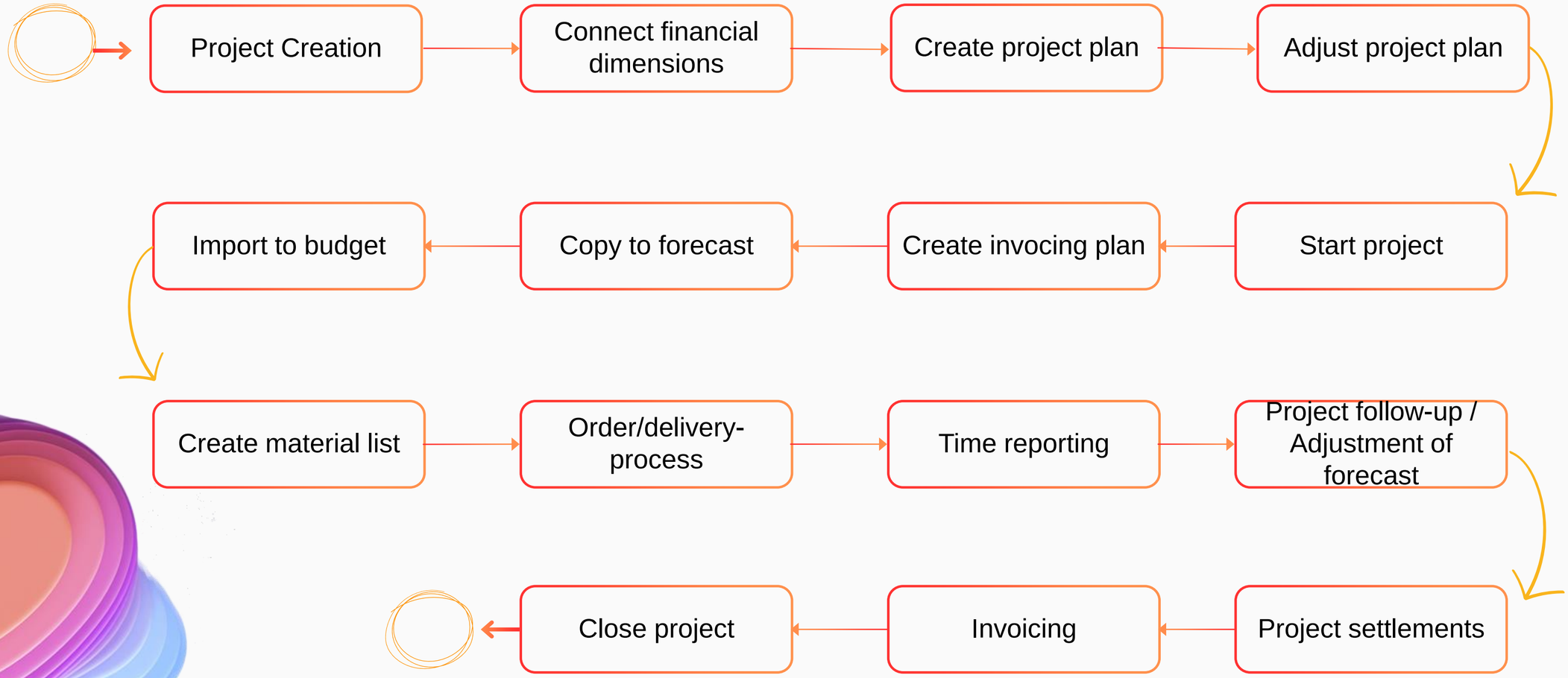
Project Flows



Project Flow - Serial Manufacturing



Project Flow - Discrete Manufacturing

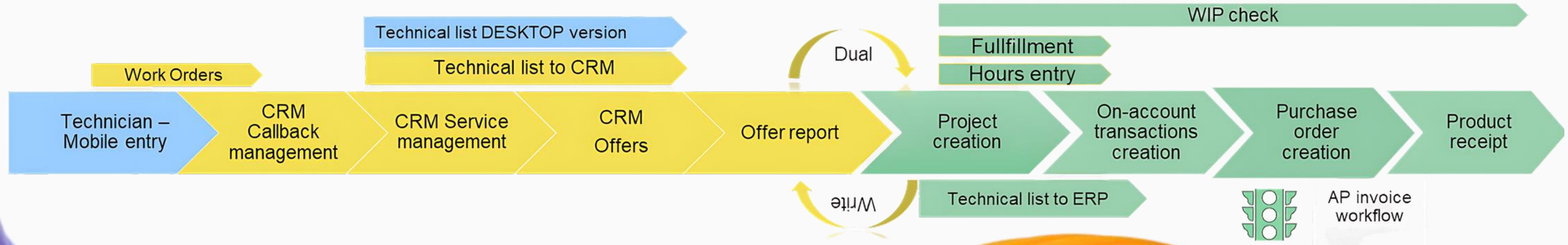


Project Flow - Services

Through the joint use of the Service management and Project management modules it was possible to manage the typical business requirements for a company that works on service projects. D365FO is capable to manage the whole business flow from the callback to the issuing of the invoice to the customer.

In detail, Cluster Reply developments and standard features manage the following points:

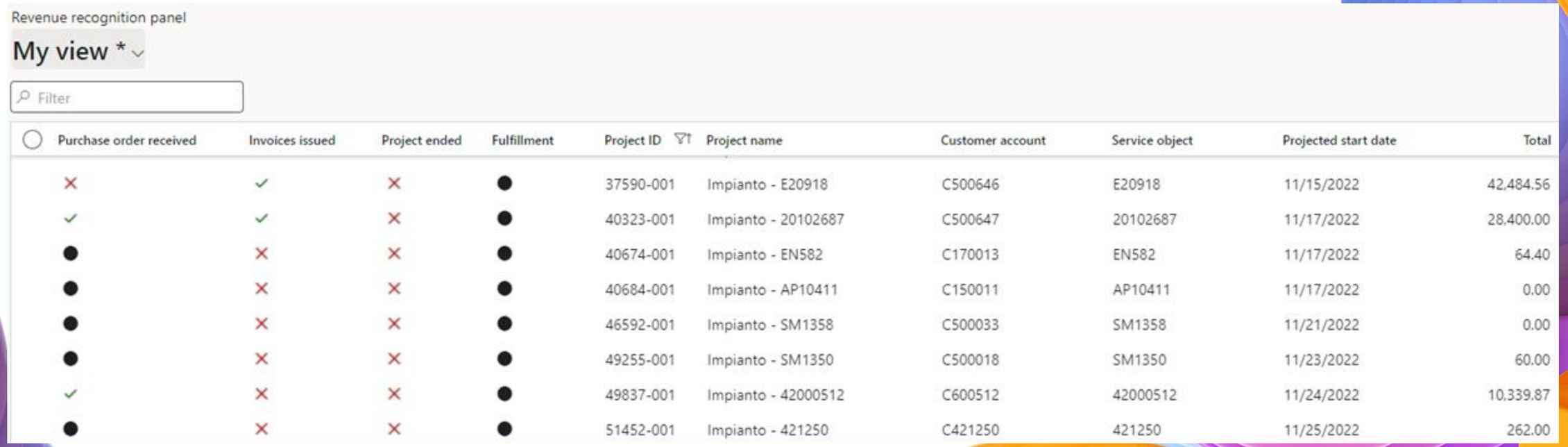
- Callback management from end to end
- Mobile app developments including offline data entry management
- Integration between CRM technologies and D365FO with dual write features
- Advanced automation from data entry to invoicing



Project related developments

Enhanced Revenue Recognition

Automated management of revenue recognition based on condition fulfillment
Real time and massive project invoicing status monitoring
4-step project conditions management (PO receipt, Project status, fulfillment status, billing plan advancement)
Massive and efficient project closing and revenue recognition ledger posting


Revenue recognition panel

My view *

Filter

Purchase order received	Invoices issued	Project ended	Fulfillment	Project ID	Project name	Customer account	Service object	Projected start date	Total
✗	✓	✗	●	37590-001	Impianto - E20918	C500646	E20918	11/15/2022	42,484.56
✓	✓	✗	●	40323-001	Impianto - 20102687	C500647	20102687	11/17/2022	28,400.00
●	✗	✗	●	40674-001	Impianto - EN582	C170013	EN582	11/17/2022	64.40
●	✗	✗	●	40684-001	Impianto - AP10411	C150011	AP10411	11/17/2022	0.00
●	✗	✗	●	46592-001	Impianto - SM1358	C500033	SM1358	11/21/2022	0.00
●	✗	✗	●	49255-001	Impianto - SM1350	C500018	SM1350	11/23/2022	60.00
✓	✗	✗	●	49837-001	Impianto - 42000512	C600512	42000512	11/24/2022	10,339.87
●	✗	✗	●	51452-001	Impianto - 421250	C421250	421250	11/25/2022	262.00

Billing Plan Management

- Project billing plan management in order to define the plan (On-Account, Percentage of completion milestone, Total invoice with deduction amount) through which the project invoices will be issued.
- Direct link between Service Order and Project billing plan enabling the manual update of the plan
- On-account transaction creation basing on quotation data
- Fast and massive on-account transaction update
- Massive project billing basing on dates and project progress
- Single on-account approval process design

Depreciation Management

Some manufacturing companies requires the monitoring of the volume of selling in order to

- Direct link between Service Order and Project billing plan enabling the manual update of the plan
- On-account transaction creation basing on quotation data
- Fast and massive on-account transaction update
- Massive project billing basing on dates and project progress
- Single on-account approval process design

THANKS

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