

Activity - Based Costing



sell/price their products and services



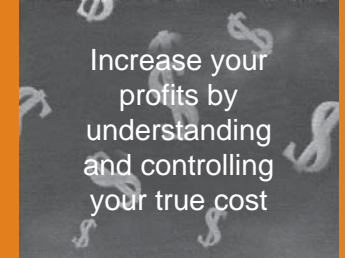
process orders and structure transactions



arrange their workflow and warehouses



partner with suppliers and principals



think about every facet of their operation

The Power is in the Potential

Activity-Based Costing (ABC) is an insightful management tool that clearly defines overhead costs and assigns them by product, process, customer or channel by analyzing direct, indirect, selling and administrative costs and assigning them to the end users to which they relate. This approach empowers employees from all levels of the company to understand how activities impact costs and, more importantly, to identify process improvement opportunities.

Decision-making that utilizes the power of ABC data is based much more on the objective facts and much less on a "gut feel" or a "seat-of-the-pants" approach. Ultimately, companies that implement ABC can change the way they:

- sell/price their products and services
- process orders and structure transactions
- arrange their workflow and warehouses
- partner with suppliers and principals
- think about every facet of their operation

Business leaders increasingly are seeing the merit of qualifying probability by business segment. ABC is the right tool for this job delivering enlightening data which allows for sound and strategic business decisions.

More Knowledge Equals More Profit

What starts out as a cost management endeavor, is quickly seen to be much more. Increasingly, ABC is employed by strategic-minded organizations as an agent of change. Invariably - this translates to higher profits.

Client Comments Tell the Story Best

By guiding each team to take the lead in their company's ABC project process, a greater end can be achieved. When asked what he valued most about his company's relationship with the ABC implementation team at Barnes Dennig, the CFO of a privately held, middle-market company replied:

"The ability to not take over the project. Letting us take the lead with good information and direction. To not let the ego get in the way. Barnes Dennig brought an unexpected level of service and far exceeded all my expectations."

Conclusion

The compelling power of ABC to transform the way companies think about their products, customers, distribution channels and the like, is undeniable. A product of the manufacturing industry, ABC is now charting a course through virtually every industry – even the not-for-profit sector. ABC must be understood before it can be embraced and implemented. Our ABC consulting services reach far beyond simple analysis of the present situation, we strive to provide comprehensive solutions and implementation processes for each client.

The Area's Foremost ABC Expert



Adam G. Feld, CPA

Adam has facilitated project teams and has applied ABC/M to assist clients in transforming historical financial reporting systems into fully integrated profit and cost management systems. Through this process, Adam's clients have seen significant profit and process improvements.

Adam has over two decades of experience in the public accounting arena, which began at a New York City CPA firm. Adam channels his knowledge of improvement methodologies and systems to identify opportunities to maximize.



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