

Allocate **Workforce Solutions** Case Study

Budgeting tool boosts aged care group

The McKenzie Aged Care Group runs sixteen aged care facilities across Queensland, NSW and Victoria. The family-owned and operated company has been providing high-quality aged care services and accommodation since 1998. It is built on the philosophy of “our family looking after your family”.

The challenge

The group had been using Allocate Software successfully for rostering. But according to Barry Faulkner, Management Accountant for the group, as the business grew, generating budgets presented a number of increasing challenges:

- It had become ever-more time-consuming to produce detailed annual labour budgets by facility/area/role/shift.
- There was an increasing potential for errors when copying formulas, linking information to other spreadsheets and making changes during the review process.
- The spreadsheets tried to replicate the way the company paid staff using Allocate Software and had become quite complex.
- In the budget review process, changes were often required to the initial budget generated, which then needed to be flowed through to all of the workbooks. This was both tedious and timeconsuming.

Something had to be done to streamline the process and make it more accurate.

Huge savings in time and accuracy

Barry approached Allocate to see whether it could build a tool to automatically generate budgets from within its solution. It could, and the result was the Budget Modelling Tool.

Using the Budget Modelling Tool, the company can now create first-draft annual labour budgets for all facilities, embodying all the applicable Award rules, in one day rather than nine.

On-costs can be calculated by entering percentages into input boxes in the header information and scheduled pay increases can be entered against individual roles. Once a budget has been approved a report which summarises the data into monthly totals can then be exported into Excel and uploaded into the McKenzie’s accounting system. Also, reports can now be run directly out of Allocate Software that compares actual results against the budget for any given period.

Says Barry: *“The tool benefits us by saving time in creating budgets and analysing actual results against them.*”

“There has been a huge saving in time and accuracy using the Allocate Software Budget Modelling Tool.”

Barry Faulkner, Management Accountant, at the McKenzie Aged Care Group.

Spreadsheet reports no longer need to be produced by the Finance Department and sent to each facility. Each facility can now produce the information itself from reports within the rostering system. The company now have improved methods of holding the management at each facility accountable for its budget, and each facility can analyse the results on a daily basis and address trends.

Using the Budget Modelling Tool creatively

The firm's financial controller now reviews budgets with facility managers directly from within the rostering software. After making any approved changes during the meeting, he can give the manager a printout of their updated budget before he leaves.

The group runs a separate roster for senior staff who float between facilities. In the past, the group added a percentage of their wages to each facility by linking spreadsheets. Allocate Software have created a shared resources budget in the program and applicable totals are imported into each facility's budget.

Says Barry: *"It makes the creation of forecasts an easy task, as we can now copy an existing budget, make any changes to shifts etc. recalculate and rename it as a forecast and the job is complete."*

Says Barry: *"We now have much clearer insight into our avoidable costs."*

"The Budget Modelling Tool takes all the hack work out of the budgeting process. Budget changes are almost instantaneous, and the facilities can compare their results against budget daily."

Barry Faulkner, Management Accountant, at the McKenzie Aged Care Group.



About Allocate Software

Allocate Software is a leading international provider of workforce solutions, supporting the operational and administrative needs of healthcare professionals in all healthcare settings. Allocate is enabling the delivery of safe and effective care at optimal cost, by helping organisations have the right people in the right place at the right time.

With over 800 clients and over a million staff rostered daily, Allocate serves the largest public and private sectors institutions around the world.