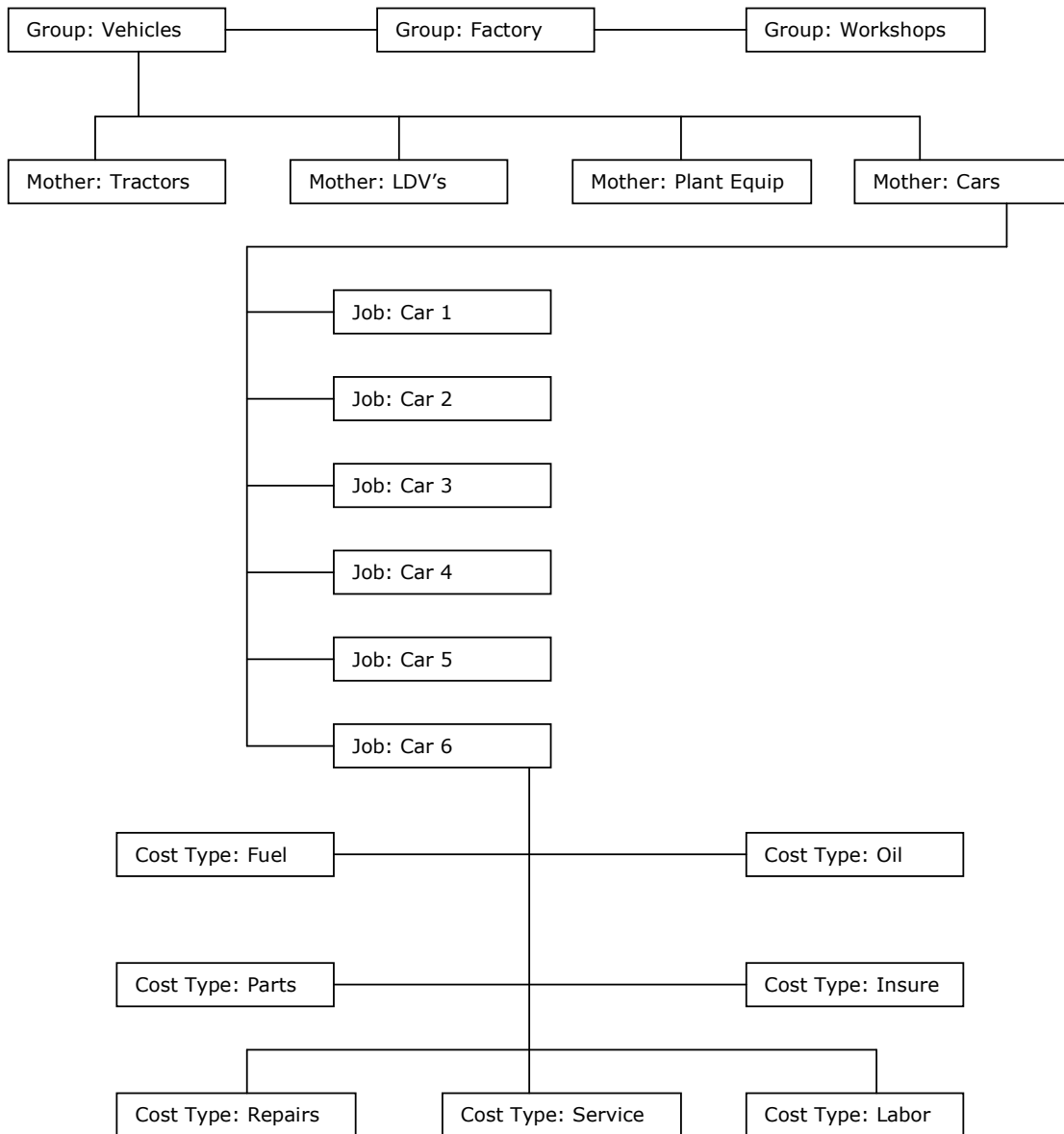


## JOB COSTING – AN OVERVIEW

### Introduction

Job Costing is a term that is found with many systems, and Job Costing is not quite the same animal in every system, so we would like to stress up front that Job Costing in IES is a very powerful, flexible and totally integrated information Ledger. We also describe it is a dynamic Information Filter, and you will see why. So what is it?



The Job Costing hierarchy includes Groups, Mothers within the Groups, Jobs within the Mothers, and Cost Types to analyze the Jobs. Any number of Groups

Have you used your IES today?

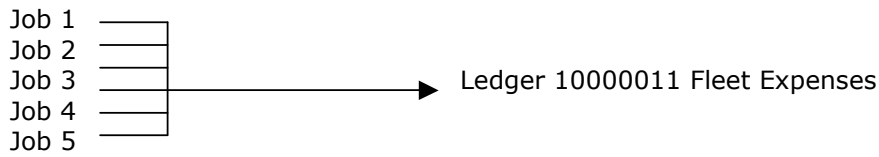
IES Business: Job Costing - Overview

are allowed, any number of Mothers, any number of Jobs and any number of Cost Types. Reporting is available at all levels of the hierarchy.

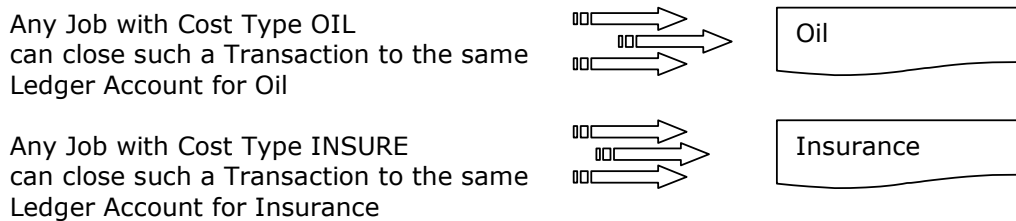
The Job Costing system is therefore designed to be flexible, and to integrate to other IES Business Modules in real time.

It is important to understand that Job Costing is not a loose end, but rather seamlessly integrated with everything else in IES Business. Whenever a Transaction is posted to a Job, the Job Code and the Cost Type for that Transaction will be present (in many cases automated), and behind the Cost Type event for the Job in the context of the current Transaction, there is ALWAYS an update to a Ledger Account also. In other words, all Job Costing Transactions are audit tracked with the very same Transactions that appear on the Ledger Audit Trail, and it is only a matter of organizing the 'flow' according to your requirements. Let's consider 3 simple examples of the capabilities of Job Costing in terms of information filtering: -

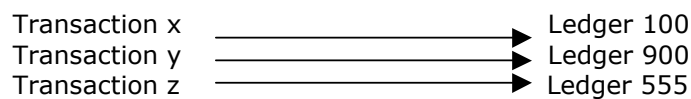
- a) Many Jobs can close to a single Ledger Account, but though clarity may appear to be lost in the Ledger Account because of the volumes of Transactions flowing to it, the Job Costing Reporting makes the detail obvious and allows for thorough analysis.



- b) Many Jobs can use different combinations of Cost Types, and Cost Types can, where so directed, force specific Ledger Accounts to be updated when they are applied.



- c) Any Job can utilize many different Ledger Accounts so that you can get the appropriate Ledger updates you require.



Have you used your IES today?

IES Business: Job Costing - Overview

And so we see that the Job Costing can be set up and orchestrated to achieve any and all kinds of Transaction flow and analysis required, is always in sync and in balance with the General Ledger in real time, and becomes an information filter (that sits above the General Ledger) to gather, analyze and present the information as you require it. Bear in mind also that Job Costing expense Accounting can naturally cross over to new Financial Years (unlike Income / Expense Accounts in a General Ledger), and always has Life to Date, Year to Date and Current Balances for the Job itself and for its underlying Cost Types. Job Costing also supports the "Ordered, Committed, Actual" 3-column Accounting that is so powerful in IES for tracking Procurement costs.

Job Costing can be applied for many and varied purposes. Jobs are used for Asset Cost tracking (long term), for Workshop Job measurement (short term), Project Management (medium term), for Capital Expenditure Management (medium to long term), and a host of other purposes. The Job Costing system also lends itself to 'templating' that allow other sub systems to manage information and costs by utilizing underlying Jobs, for example, Manufacture on Demand, Service Department Costing, Work in Progress, etc.

**User Manuals**


User Manuals in the Job Costing range include the following: -

- ✓ Overview (this Document)
- ✓ Master File Maintenance
- ✓ Human Resource Recharge Register
- ✓ Job Performance Measurement
- ✓ Standard Reports

Note: Transaction Processing for Job Costing, as for other Modules, are found in the Journal Processing Module.

© Infolab, 2004.

This Documentation is copyrighted by Infolab (Pty) Ltd. [ [www.infolab.cc](http://www.infolab.cc) ] All rights are reserved. Licensed INFOLAB Users are granted permission, for internal use ONLY, to reproduce the Documentation, and to include amendments dealing with specific instructions local to your installation.

Have you used your IES  today?