

RESULTS

Annual budgeting process is now integrated with long-term company goals.

Resources to budget at the store level were limited. As a result, district and general managers—with upwards of 60 stores to manage in their region—had difficulties tracking and analyzing store performance. At a corporate level, management lacked insight into which stores were underperforming, or why certain stores were doing well. “In light of our rapid growth and other challenges, there was simply no time to provide our managers with this level of detail on a monthly basis,” says Waltz.

A Customized Budgeting and Planning Solution

Today a set of linked Plan Sheets is created for each store. The Plan Sheets integrate directly with the General Ledger to ensure data accuracy. Pre-configured and easily customizable formulas simplify budget development. Each Plan Sheet is unique and flexible and can accommodate variations from store to store, depending upon what managers need to see, such as openings, closings, remodels, or special promotions. Best! Imperativ Active Planner simplifies the process for distributing the right Plan Sheets to the right budget owners, and provides a secure method for obtaining their input without compromising the integrity of the underlying budgeting model. Store budgets are then easily consolidated to create a company-wide operating plan.

“Best! Imperativ Active Planner is easy to use and because it is integrated with the general ledger, it provides the data integrity and accuracy we were looking for. I don’t have to re-key data in order to create budgets and reports,” says Waltz.

Easily Allocate Expenses Across the Organization

More recently, Namco Cybertainment began using Best! Imperativ Allocations to accurately measure resource consumption. “Best! Imperativ Allocations greatly simplifies how we allocate certain expenses across the organization. We’re able to allocate group insurance, for example, based on salary percentage per location, or certain overhead and promotional expenses based on revenue percentage per location,” comments Waltz.

“What I like most is that it saves us a tremendous amount of time—it now takes about 10 minutes to perform our cost allocations. This product creates journal entries, eliminates user error, and I can automate allocations consistently across all companies. We don’t know of another software package that can do all this.”

Performance-Driven Accountability

Namco Cybertainment’s new budgeting and planning process is not only more comprehensive, but also simpler and faster, with the entire annual budget cycle reduced to two weeks. New monthly reports provide an unprecedented level of insight and control, resulting in an ability to align the long-term planning process with performance goals.

“It is now possible to provide managers with the ability to measure, plan and improve, and the result has been huge cost savings,” claims Waltz. “In addition, we are now able to create consistent performance goals for the company. As a result, we can tie management compensation and incentives to results. This has greatly increased motivation and accountability among our district and regional managers.”





Namco Cybertainment Inc.

Best Software Helps Entertainment Company Control Costs and Improve Performance

Namco Cybertainment Inc., the largest video arcade operator in the United States, is a subsidiary of Namco Limited of Japan—makers of the popular Pac-Man, Tekken and Soul Blade games.

With more than 500 stores, it had become increasingly difficult for Namco to provide managers with the data they needed to measure and analyze store performance.

Two years ago, Namco Cybertainment began building a financial management infrastructure to improve financial controls, reporting, and analysis.

“We were using a top-down planning process at the corporate level, but we lacked the resources and access to data that would allow us to develop detailed budgets at the store level,” says Michele Waltz, Controller. “In selecting and implementing the right systems and tools, we needed the flexibility and ease of use that would allow us to achieve a more sophisticated planning and budgeting process—without adding more staff.”

In March 1997, Namco Cybertainment selected Best! Imperativ Active Planner[®] and Best! Imperativ Allocations[®]. “Originally we weren’t considering a budgeting tool, as I was unconvinced that the right product existed,” recalls Waltz. “But I liked what I saw, the tight integration with the general ledger, and the intuitive, Excel[®]-like templates which we could pre-configure with our corporate assumptions, data, and customized formulas.”

Do More with Less

Namco Cybertainment needed a budgeting and planning tool that would allow for more sophisticated planning and analysis across its network of stores. Previously, Namco had been using a top-down budgeting process based on Excel spreadsheets.

“Spreadsheets can only be taken so far. Inevitably, consolidation, distribution to budget owners, and access to data in other systems is problematic,” says Waltz.

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Best! **Imperativ Active** Planner gives us true **insight** into our business, so we can **better manage costs**, track and anticipate trends, and even tie incentive programs to business performance.

—Michelle Waltz

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Can now create consistent corporate performance goals and tie management compensation and incentives to results.