Fixed assets accounting outsourcing
Recording, reconciliation, reporting

Managing fixed assets accounting: increasing efficiencies through control checks and automated tools

HP Business Process Outsourcing offering

Business process outsourcing (BPO) is a major transformational challenge for any organization. It requires a partner that understands its clients’ business requirements, has experience managing processes at world-class performance levels, and has the capability to respond to its clients’ specific needs.

Over the past 15 years, HP’s BPO business has developed business expertise to help clients with their transformational challenges.

HP works with some of the world’s leading organizations, supporting outsourcing and transformation requirements across finance and administration activities as well as specific process areas including the following:

- Procure-to-Pay (e.g., purchase order processing, vendor management, payments processing)
- Order-to-Cash (e.g., order processing, rebates and contracts management, accounts receivables, cash application)
- Acquire-to-Retire (e.g., fixed assets and project accounting, asset management)
- Record-to-Report (e.g., general ledger accounting and close, inter-company accounting, tax and treasury accounting, reporting)

Fixed assets accounting outsourcing solution

As part of its Acquire-to-Retire services, HP supports these fixed assets accounting activities:

**Asset recordings and reconciliations**
HP records asset transactions (e.g., acquisitions, retirements, sales/transfers, revaluations), per client-defined accounting policies and regulatory requirements (e.g., U.S. Generally Accepted Accounting Principles, Sarbanes-Oxley). HP also maintains supporting documents related to asset capitalizations in addition to reconciliations related to asset master registers.

**Asset maintenance**
HP generates asset tags for use in physical inventories, remotely coordinates the inventory process, and reports any discrepancies.

**Asset accounting and reporting**
HP offers asset status reports as required by clients. The fixed assets team also provides reports on asset accounts and depreciation schedules with tax calculations for month-end close activities.

Solutions for the adaptive enterprise.
HP’s fixed assets accounting outsourcing value proposition

**Gained efficiencies**
Using Global Business Centers as back-office processing hubs, HP leverages economies of place/scale to leverage efficiencies and reduce costs.

Additionally, HP has invested in systems consolidations (e.g., asset master registers), automation (e.g., depreciation calculation, account reconciliation tracking), and self-service tools (e.g., e-forms, asset reports) to improve productivity.

Also, HP’s established workforce development systems, performance management approaches, and focus on Six Sigma tools help drive a culture of continuous improvement.

**Improved controls**
HP applies Six Sigma rigor to compliance with defined policies and reporting templates as well as ongoing performance monitoring to meet regulatory (e.g., Sarbanes-Oxley, Basel II) and internal compliance standards.

HP protects against wrongful access as well as compromising of data security through control frameworks around access and enforced authorizations.

HP enforces privacy by protecting company, employee, and customer data from misuse through advanced fraud and error detection tools.

HP facilitates business continuity and avoids service disruptions by planning for external (e.g., floods) and internal (e.g., labor strikes) disturbances.

**Business value and decision support**
HP provides analyses around fixed assets accounting and budget management, and also produces asset status reports.

**Client case study**

**Fixed assets accounting outsourcing**
A Fortune 100 company’s fixed assets accounting activities, which consisted of disparate processes and systems, were dispersed across country and regional operations. The client wanted to streamline processes and improve efficiencies.

As a starting point, HP separated the back-office activities from the various business units, standardized and consolidated the activities into HP’s Global Business Centers, and moved all systems onto a single platform.

The BPO solution included these features:

- Automated tools for asset workflow and database access, self-service, and approval messaging (e.g., Web-based e-forms)
- Highly skilled employees equipped with defined templates and process manuals for exception handling and reporting support
- Dedicated Customer Response Center to handle voice and non-voice queries

Today, HP’s back office supports more than 220,000 fixed assets accounting transactions for more than 450,000 active assets and more than 700 open capital projects across the client’s operations around the world. The fixed assets team also provides reports on the status of assets and procurement compliance to the controller’s office and business finance teams.

**Benefits achieved**

- Decrease in processing, technology, and resource costs through economies of scale/place
- Better controls through transparency and segregation of duties between asset requests, procurement, and accounting
- Improved turnaround time for asset reconciliations and accounting

**The HP advantage**
HP’s significant experience in BPO allows its teams to leverage best-practice processes and technologies, control frameworks, and economy of scale to support clients’ outsourcing requirements.

With over 5,500 skilled employees across 56 local front-office operations, 7 regional centers, and 8 Global Business Centers, HP offers a front-office/back-office hybrid model, supporting more than 30 languages and currencies while managing compliance with local regulations.

**For more information**
To learn more about HP Business Process Outsourcing services, please visit [www.hp.com/hps/process](http://www.hp.com/hps/process) or e-mail us at bpo_info@hp.com.