Positive and negative experience from introducing Immotion, d3 etc. in Germany

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Introduction

Every implementation of new software has a major impact on the organisation and processes of a company. For the project leader and the employees it is a major challenge and a great opportunity, because everyone gains a lot of experience.

Firstly you will receive a short overview about the situation in Germany before the introduction of the new software. In the second part you will receive information about the different software. A list of positive and negative experience is given in the last section.

Start of the IT Project in Germany

Initial situation

Akelius started to expand its business in Germany 2006. The first property was bought in Berlin. In the beginning the focus was on growth. The task of the regional manager of Germany and the employees was to buy properties in good and developing regions. The focus was not on administration and accounting. In 2008 Akelius Germany had fourteen external property managing companies and one accounting firm to take care of the running maintenance, rent accounting, operational cost accounting and the general accounting of the German properties. Because it was difficult for the asset managers and the regional manager of Germany to coordinate the business with that many companies and to keep track of the figures and reporting, the management decided to take over the whole management of the properties including the accounting.

The only software used at that time was the Microsoft Products, especially MS Excel. As a consequence of the in sourcing process, new software for property management and accounting was needed.

Decision process of the IT project

The IT project started in September 2008. The first step was to visit Swedish colleagues, especially the IT manager and the key users of the Swedish software to learn from their experiences and to get some good advice. The meetings were very interesting and useful. It was very fast certain that Germany could not use any of the Swedish software. Firstly they were only available in the Swedish language and second the German property management and accounting is very different from the Swedish one. One piece of good advice from all of the Swedish colleagues we met was to buy software that could handle both, the property management and the accounting, to avoid any interfaces or at least to have as few interfaces as possible. Another very good advice was to use something similar to the Swedish software Baltzar; we were very impressed by Baltzar and wanted to have the same system in Germany. Baltzar is the system for the ingoing invoices. We have also followed the advice of the Swedish IT manager to implement a system of project leader, system owners and key users and to hire an external consultant company to help us with the process of choosing the right software for Akelius. The only obligation we had to follow was that the German software needs to be SQL based.

After having a very detailed look at the German software market for real estate and property managing companies we had five software companies left, which we asked for a quotation. After comparing the details of the software and prices, we had invited three companies for a presentation. All of the key users, the German IT manager and the country manager of Germany had joined the presentations and decided the two companies which should be in the last round. These companies were asked to send us a draft contract and a group of four Akelius employees visited the reference customers of the two software companies.
After comparing once more the prices, the contracts, the details and handling of the software, we had a vote and the result was six to five for Immotion and d3. Immotion is the software for property management and accounting and d3 is an archiving system and it also manages the ingoing invoices like Baltzar.

Finally in July 2009 we signed the contract and started with the implementation of Immotion and d3.

We recognized in every presentation that none of the software systems could manage reporting and controlling tools. Therefore we decided to buy third software. That decision process was easier, because, the controlling department had some experience in that area and after presentation of three software products we

knew immediately that Corporate Planner was the right one for Akelius. That decision process started in August 2009 and ended in December 2009.

Implementation of Immotion and d3

Immotion

Immotion is the software for the property management and accounting.
We started with the implementation of Immotion and d3 in August 2009. The target was to 'go live' with the two systems in January 2010. The latest date for the start of Immotion was April 2010, as the contracts with the external property managing companies were cancelled from April 2010 onward.

Firstly we had to enter all tenant information into the system. Because of the time pressure we decided to hire an external consultancy company to help us with the automatic import of the basic data regarding tenants. The consultant firm contacted the external property managing companies, sent the Asset Managers the sheets with data for a quick check and combined all the information for the import into Immotion. The first test took place in November and the final import at the beginning of December 2009. After the import we had one week to check all of the information, basically names of the tenants, type and amount of rent. Some properties were missing, because the external partners were not willing to give us the information. This data was entered manually by us into the system, according to our own tenant lists.
Mid December we were able to send out the tenant information regarding the change in property management. The letter included the information about the new service number for the Akelius call centre and the new bank account number.
Parallel to the implementation of the new software, we worked on a contract with an external company which takes care of the running maintenance and took over our call center. The contract was signed in November 2009.
Also parallel we had negotiations with one bank which could offer us virtual bank account numbers per tenant. Each tenant has their own bank account number, called BK01 number; thus the book entry of the rent payments could be done 90% automatically, which was one of our targets. The contract with that Bank was signed in November 2009.

Second we needed to get the information regarding chart of accounts, creditors, banks and cost centres into Immotion. Because we were not involved in the accounting and payment of creditors we only had rare information. To get the information we asked our student apprentice to visit every external property

management company, look at their files and collect the names, bank account, tax number etc. regarding the creditors. The information about creditors, the Akelius chart of accounts and the cost centres were imported into Immotion.

The training of the key users took place in October 2009 and for the every employee mid December 2009. Akelius Germany started with Immotion on January 1st, 2010.

d3
D3 is an archiving system and includes the workflow for the ingoing invoices.
The target was to have the workflow for the ingoing invoices in place from 2010 onwards and to use d3 for having a paperless office.
We started to work on the workflow in September 2009. There was nothing in place in d3 and we started from a plain field. We used Baltzar and our German signature guideline for setting up the workflow. As we are a small company and had no information about the number of ingoing invoices per year, we had no success in finding an external company for doing the scanning of the invoices. Therefore in the beginning, we had to do the scanning on our own. That was really a challenge, because the scanning software was very slow and we needed more employees to do the work than planned. We have the invoice workflow running since mid January 2010 and from November 2010 onwards, we have an external company to do the scanning of invoices for us. We had many issues with the workflow and the import of the accounting information into Immotion that we changed the software company in autumn 2010. Now we have a better support and made a big step forward with d3. At the moment we are implementing a workflow for all ingoing mail.
The filing structure was very difficult to handle, too, the same with the scanning of the tenant and property information. As no employee had the time to have a detailed look into the files from the external property managing companies, the files were scanned in total in one document. Now everyone has difficulties in finding the needed information in the file that could have up to five hundred pages per tenant. We have worked on a new filing structure in February 2011 and at the end of March 2011 we again had training for each employee in d3. The target for 2011 is to use d3 more than in 2010 and the wish is to clear the internet explorer.

Positive and negative experiences from introducing Immotion and d3

Positive experiences:
- Good team work within Akelius.
- Very good project leader and good support from the software company for Immotion.
- Good training for Immotion software, because of the good consultant.
- Good advice from the Swedish colleagues and very good support from the Swedish IT at the beginning of the project.
- Just-in-time work with the call centre and running maintenance contractor and the bank, thanks to the very good support from the Akelius colleagues in Germany and Sweden.

Negative experiences:
- Less experience from the d3 project leader.
- Postponement of the definitions for the operational costs accounting.
- Less support and poor information from the external property managing companies.
- Scanning all of the tenant information in one document.
- Less time for the employees to check the data before scanning in d3 and the import in Immotion.

Conclusion

There is no perfect software.
The success of introducing any software is very much dependent upon the motivation of the employees and their willingness to accept the new software.