Transitioning Away From Basic Accounting Software

Why Growing Services Companies Adopt NetSuite Financials to Accelerate Growth

ORACLE NETSUITE

The services industry changes at a frantic pace. To adapt in this dynamic environment, organisations must be able to quickly respond to changes in market conditions, market opportunities and evolving customer expectations. Though most recognise the need to innovate, services companies have a remarkably difficult time finding business application solutions that can meet their needs in an effective, yet affordable manner.

Early-stage services companies have been forced to rely upon a hairball of dangerously unreliable spreadsheets and limited point solutions. The relatively low cost of maintaining those systems masks the cost of inefficiencies in routine tasks like the monthly close or more importantly, the dissemination of reliable information upon which business decisions can be confidently made in a fast-paced environment.

Software companies are especially challenged. How can spreadsheets handle complex revenue recognition and fluid pricing models? How can "make do" accounting systems support strategic questions like:

- What was new business ARR?

- Did we expand ARR through customer upsells?

- How much ARR was lost through downgrades?

- How many customers churned?

Accounting teams frequently face these demands with inadequate tools which impose a number of pains.

- It's difficult to find out what's really happening across the business in real time. Most systems are designed for an era when companies could wait until the end of the month to get the data they need. That's not the case today— consolidated views and up-to-the-minute reporting can make the difference between thriving and barely surviving.

- Team members waste time playing "Hunt for the Spreadsheet". Employees rely on spreadsheets to fill the information gap since data lives in so many disparate systems. People end up spending more time hunting for data than actually analysing it and making decisions.

- Financial consolidation takes ages. Cross-posting transactional data between systems is time-consuming and the finance team works late every month to consolidate financial reports. Yet as hard as they work, weekly and monthly reports are delayed.

ORACLE
NETSUITE

- **Sales forecasting and budgeting processes rely on guesswork, rather than facts.** Since it is difficult to get historic information in the right format in a timely manner to do trend analysis, employees put figures in spreadsheets based on guesswork. Even though the actual data exists somewhere, it's too hard to find and extract.

- **More accounting is done outside of the financial system than in it.** Standalone financial systems are designed to automate a limited set of core accounting functions. As a result, it limits how companies can run their operations. As businesses grow, companies must adapt their processes to fit the application, rather than having a system that is flexible, scalable and will accommodate growth. It is easy to run out of headroom when companies have more customers, vendors or inventory items than many standalone financial systems can practically handle.

- **It is too difficult to add new sales channels, product lines or revenue streams.** Every time there is a change in the business, staff must work overtime to figure out workarounds to accommodate it. Standalone financial systems do not have built-in support for everyday functions like making simple changes across matrix SKUs, adding new sales tax rates, or

handing bill of materials, kits and assemblies for manufacturing inventory. Processes that cry out for automation have to be done manually or from spreadsheets.

YouGov
www.yougov.co.uk

NetSuite Powers YouGov's Global Expansion Strategy

As market researcher YouGov pursued an aggressive growth strategy, initially through acquisitions and then organic, it became clear that the company's previous platform wasn't capable of rapidly integrating acquired companies. In order to continue providing efficient service to its 2,500 customers amid its expansion efforts, YouGov needed to synchronise its financial, sales, CRM and project processes.

Revenue Growing, Processes Shrinking

Since deploying NetSuite, YouGov's revenue has more than doubled, while adding just 8 administrative staffers. The company slashed two weeks off its annual budget cycle and can track and monitor how project resources are being utilised across the business. With NetSuite, YouGov has seamless financial consolidation and reporting across dozens

of global subsidiaries and is supporting 14 currencies and 10 languages. Such capabilities have helped it to rapidly integrate eight acquired companies in Europe, the U.S. and Asia, and to extend its operations to cover 31 offices in 21 countries.

Born to the Cloud

Nobody understands the importance of true cloud better than services companies. There is a world of difference between software designed for the cloud and software designed for the legacy world. NetSuite has never been a desktop product. It has always been a multi-tenant solution.

Quantifiable Benefits

- Delay Finance and Operations Hires – Automation frees up finance and operations' time allowing them to focus on revenue generating strategic projects, analysis and allowing the company to scale while keeping headcount flat.

- Revenue Recognition and Subscription Models – Stop the potential for revenue leakage and identify upsell opportunities.

- Streamline Billing and Invoicing – Reduce manual data entry and avoid errors with automated billing and invoicing. Collect cash faster and reinvest back into your growing business.
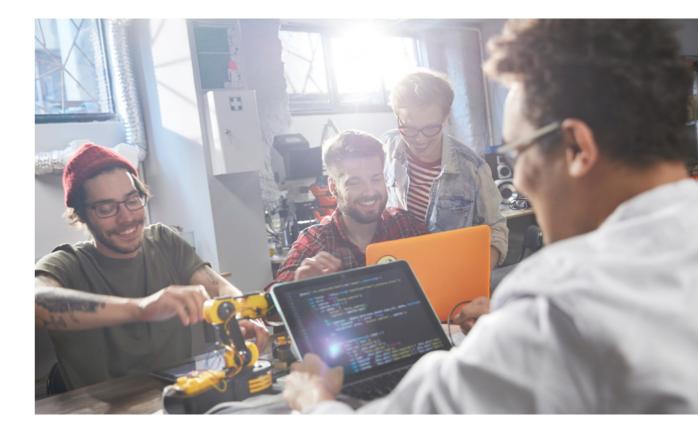
read full story

Customer Story: YouGov

"We have an integrated view of financials, sales, customers, projects and integrated processes. The single version of the truth that NetSuite provides is extremely valuable."

YouGov

- **Reduced Financial Close Time and Manual Data Entry** – Automate and control approvals on transactions from AP Bills to Journal Entries, speed up period-end close due to system controls being in place, improve accuracy of financials, and reduce month-end processing costs and time.

- **Lower Audit Costs** – Ever-changing compliance standards, small accounting teams and heavy spreadsheet use are time-consuming and subject to risk. This can lead to higher audit costs, or longer and more-involved audit processes.

- **Platform for Innovation** – Easily launch new business models and expand internationally with a platform that evaluates all possible ways to scale and increase revenue, and supports multi-currency, multi-entity and different accounting standards.

Suite Approach

A suite approach allows the whole company to view operations as a single version of the truth. Furthermore, predefined roles and dashboards that are oriented around a user's day-to-day tasks allow for the most efficient consumption of information throughout the entire organisation.

With a well-implemented cloud-based system, financial activities appear as soon as they are triggered. That, coupled with 'anywhere-anytime' access, means the decision makers can quickly act upon both adverse and favourable performance indicators. In that sense, decision-making becomes an activity where those tasked with executing on the company's goals and strategy are able to do so with information that is similar to looking through the front windshield of a car, rather than constantly worrying about what is in the rear-view mirror.

Uptime
www.uptime.ac

Elevator Maintenance Startup Gets a Lift From NetSuite

Founded in 2016 by two brothers, Uptime now services over 1,000 elevators across France. The company uses data and algorithms to ensure technicians have accurate recommendations to perform maintenance tasks before a part failure, reducing breakdowns.

A Platform for Growth

Uptime's accounting processes required the startup to send documents via Google Drive and Excel spreadsheets. This required hours of complex processing of payments and was at odds with the software architectural desires of the company's founders, who wished to build a digital integrated foundation from which the company could grow. Uptime selected NetSuite for its flexibility to adapt processes and functions to the business. With NetSuite, what once took three hours to process 50 supplier payments manually, now takes 30 minutes to process over 100.

Customer Story: Uptime

"NetSuite is the tool I use to empower my C-Level team on the finance side of the business. When you're a young startup, it's incredibly valuable to have tools that remove messy spreadsheets and increase business visibility." Uptime

ORACLE
NETSUITE

Azdan
www.azdan.com

IT Consultancy Firm Automates Business

This $50 million company provides specialised IT services to more than 200 customers, including local governments, universities and transport groups. It's regularly called on to support development of website portals and mobile apps.

Projects Proliferate

With the number of projects at any time increasing from a dozen a few years ago to around 40 today, the IT consultancy needed a single ERP solution to handle everything from project management to invoicing to marketing. It chose NetSuite to handle the task. Before NetSuite, it previously took five days to process monthly sales orders. It now takes just two to three hours for invoices to be automatically sent to customers. Communication and reporting have improved, and Azdan's workforce has access to advanced workflows, constant reminders for project cases and milestones that need to be completed.

Customer Story: Azdan

"Rather than operating multiple systems and huge spreadsheets to keep on top of everything, NetSuite has made it easier to manage a growing international business."

Azdan

NetSuite Services Customer Results

In a recent study by SL Associates, services companies reported stunning improvements in key performance metrics after switching to NetSuite's cloud-based solution.

Experience a **50% to 80%** increase in self-reported actionable insights.

Increase order processing efficiency anywhere from **45% to 75%**.

See finance staff productivity increase between **20% and 50%**.

Reduce finance close time between **40% and 70%**.

Reduce compliance support time between **25% and 45%**.

Decrease their IT support resources between **45% and 70%**.

ORACLE
NETSUITE

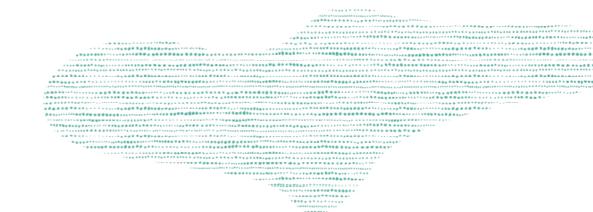## Best Practices for Transitioning Away From Limited Point Solutions

As small businesses grow, it is clear that alternatives to limited point solutions are needed, but the path forward isn't always well defined. Here are several best practices that can smooth the path to a better solution:

- Consider a suite. A suite platform eliminates the need to piece together different solutions. An integrated suite makes managing data much easier. Dual data entry is eliminated, since all information is stored in a single, centralised data repository. A suite solution enables companies to start with the basics and add complexity over time.

- Take time to understand the business needs and key business requirements. Before selecting a solution to replace an existing solution, be sure the organisation understands its business and key business processes. Growing companies often believe they are saving money by not spending the time needed to understand and capture the business requirements. Unfortunately, this can lead to building the wrong solution.

- Hire a partner to help with data migration. Regardless of what platform a company adopts, it can be helpful to find a suitable partner who can help migrate data and perform checks and balances before the system goes live. This approach will ensure that the transition to a new system is consistent with business processes and objectives.

Conclusion

If your growing enterprise is experiencing any of the pains discussed where your existing solutions may be limiting your business growth, it may be time to consider the cloud-based products and services that NetSuite offers. Moving your company to NetSuite's integrated suite of cloud-based solutions allows for more efficient and effective business operations—essential for growing an organisation and enabling employees to react to client and organisational needs in real time.

ORACLE
NETSUITE

www.netsuite.co.uk