

E-book

# Shifting from Manual to Automatic

Signs that QuickBooks is slowing down your business

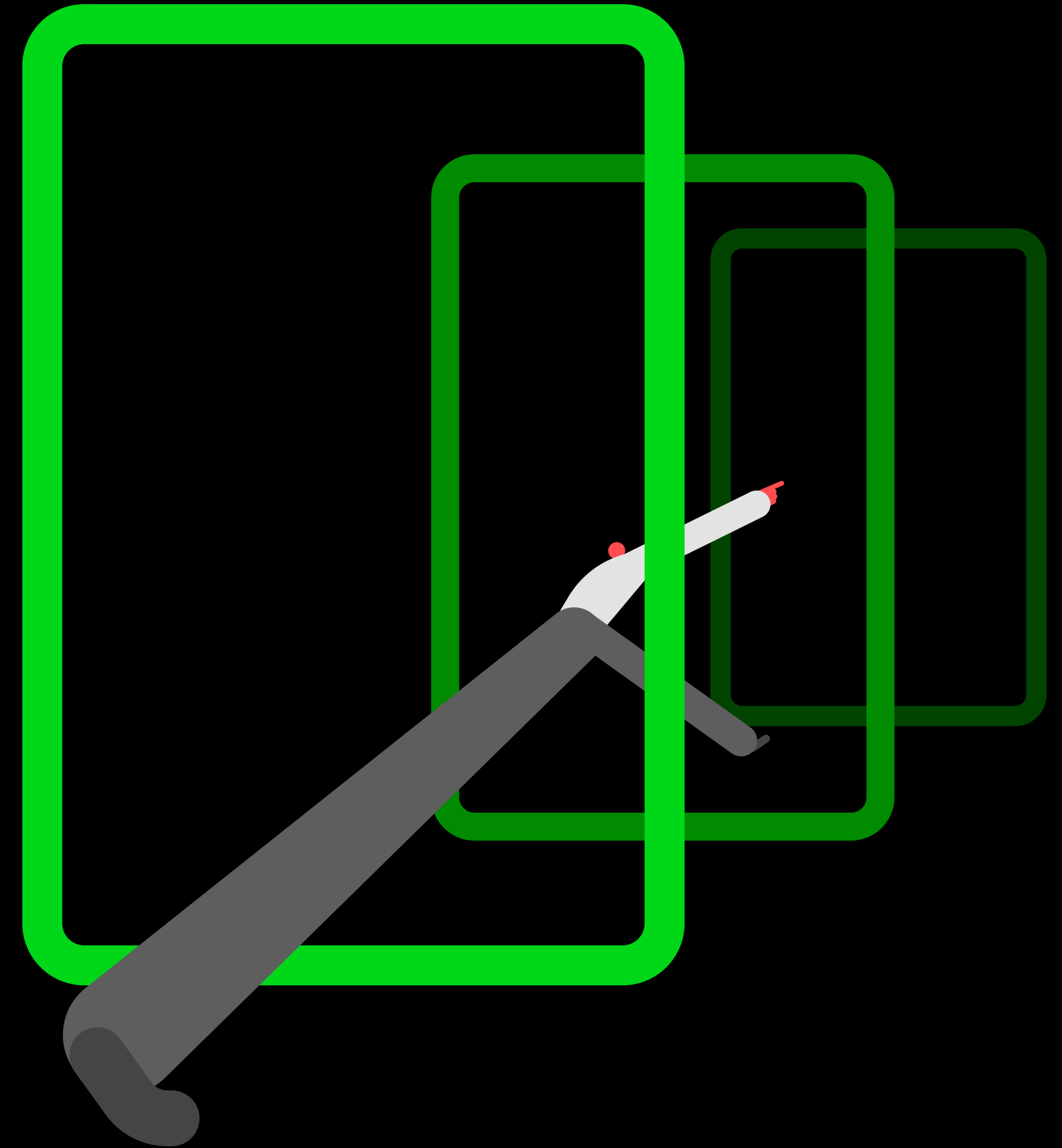
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# Introduction



Like most organizations using QuickBooks, you probably dedicate more time than you would like to manual processes. QuickBooks can't give you a single view of shared accounts, customers, and vendors across entities. Instead, your finance team jumps from one instance of QuickBooks to another. They manually track areas such as intercompany eliminations, revenue recognition, and allocations and accruals for expenses. Unsurprisingly, this invites errors and leads to even more time spent making corrections.

At the same time, managers have little visibility into their team's workflow. All of this causes the workload to pile up, forcing finance teams to cut into their weekends to get it all done while preventing

leaders from making informed decision based on up-to-date financial data. And, if that's not enough, it's costing your business.

Modern, cloud-based accounting and ERP software can change that. By automating repetitive tasks such as purchase order workflows, vendor payments, and bank reconciliations, your finance team can shift its focus toward strategy and helping the company meet its broader goals. Another piece of good news is that automating and centralizing information in your accounting solution can simplify your audits.

How can you tell if it's time for a change? Let's find out.

# Warning sign: AP delays



Accounts Payable is a relatively straight-forward process. An invoice is received, checked to ensure it is legitimate and the bill is accurate—perhaps using two- or three-way match—then routed for approvals and payment. The invoice is then marked as paid and archived should it need to be retrieved.

If you're using QuickBooks, invoice capture is a manual process. With QuickBooks, you create a new bill and then input all the needed information. QuickBooks organizes the data so you can see which vendors have been paid, the vendor detail, and an AP aging report. It does not automate the process from the time the invoice comes in until the invoice is archived.

Even though the invoice data is entered in QuickBooks, the invoice is manually routed for verification and payment, either via email or on paper. The biggest challenges are data entry, invoice-to-payment matching, and solving for lost and duplicate invoices.

Instead, what if you could input the invoice using automated data capture and have the invoice automatically compared to the information in the accounting system? If it all looks good then it's automatically routed to the right approvers, paid, and archived. If something doesn't look right, say the quantity billed doesn't match the quantity received or the unit price or tax is off, then an alert is generated, and the process is interrupted until you resolve the issue.

When the process is automated, invoice approval is faster, you get fewer errors, and productivity increases.

Automating the process also cuts costs. The average all-in cost of processing a single invoice is around \$15. That drops to around \$2 when you automate the process.

Now, think about how many invoices you process a month. If you're only dealing with a few invoices, then you can live with the pain and hidden costs associated with QuickBooks. But if you're processing hundreds of invoices every month, these are heavy burdens, and you end up spending much of your time on this, instead of more value-add projects and activities.

AP is one of the many processes where QuickBooks falls short on automation. Again, it's a nice place to view invoices, sales orders, payroll records, and the like, but it doesn't work for a growing company, especially when you want to link the financials to other business applications. No matter how you slice it, manual processes are error-prone and time-consuming, and it makes it difficult to gain an integrated, real-time financial view of a company's end-to-end processes.

“Since implementing Sage Intacct, our company has experienced 227% growth over the past four years and expanded from two entities to five, yet we've only had to increase our finance team 140% over that time period. If we were still on QuickBooks, we'd need double today's headcount to compensate for the system's inefficiencies. I love that Sage Intacct is not only scalable and flexible enough to grow with us as we continue to expand and diversify the business, it also gives us the trusted insight we need to fuel our growth.”

~ Mark Meade, Vice President of Finance, Goodway Group

# Warning sign: Long closes

Closes can take a long time with QuickBooks. Time-consuming activities can cause your close to exceed 10 days. These activities might include investigating anomalies and exceptions, performing manual reallocations and reconciling bank statements. As businesses grow, they often add multiple entities, each of which requires a separate set of books. This can dramatically increase the time and complexity of consolidations and closes, as QuickBooks is designed for smaller, single-entity businesses. Using QuickBooks, each entity requires its own separate login and database instance. Multi-entity consolidations can take hours to days to complete because the data from each entity must be exported and manually combined in spreadsheets.

If you're using QuickBooks, you're doing some or all of the following manual tasks to close:

- Consolidations
- Currency conversions
- Intercompany eliminations
- Revenue recognition
- Allocations and accruals for expenses
- Depreciations
- Amortizations
- Adjustments

Business success depends on the ability to see what's happening in all areas of your business, especially if your operations or market conditions are changing rapidly. You need a holistic view of everything from bookings to available capacity to inventory levels and, of course, financial metrics. But you can't make informed, timely decisions if it takes weeks to assemble, present, and analyze that data. QuickBooks is throttling down your ability to share real-time financial data so you and other leaders in your organization can make strategic data-driven decisions.

“Once we were freed up from a crazy monthly close process, we were able to do other things that add business value. We shifted our energy from 75% bookkeeping to just 25%, so we could spend the remaining 75% of our time focusing on planning, forecasting, and budgeting.”

~ John Kalinowski, Controller,  
Alder Partners, LLC

# Warning sign: Painful audits

Audits can be a source of stress for even the most well-organized finance teams. In QuickBooks, you don't have a single chart of accounts for businesses with multiple entities. It can often cause you and your team to lose hours to days as you go back through transactions in question, examine the compliance of the entry maker, and look for supporting documentation. And the longer an audit takes, the more it costs your organization.

When supporting documents are kept on paper, spreadsheets, or emails, you and your team end up scrambling to find what the auditors need, disrupting your workflow, extending the audit, and potentially damaging the trust of the auditors

You might be filling the gaps, but errors are not a question of if but when. And that can be a huge problem if the errors go undetected for any length of time. If the auditors are spending a week or more on routine audits, this warning sign is flashing red.



# Other warning signs

If you're using QuickBooks, consider these other warning signs that can slow you down.

- You have multiple entities.
- Your chart of accounts is growing.
- You're finding errors and spending a lot of time correcting these, or worse, these errors went undiscovered for a while and ended up being major problems.
- Your team spends a week or more on each purchase order approval or invoice.
- You're spending too much time printing, signing, mailing, and reconciling checks to vendors, or you're processing more than 200 invoices per month.

- Your bank reconciliations are so tedious and time-consuming that you only do them once a month, and you go weeks without knowing your cash position.

“Sage Intacct empowers my team to provide information to management that helps us make better, more informed decisions, placing us in a better position to more effectively serve our customers and stake holders. I couldn't possibly be happier with Sage Intacct, and we haven't yet scratched the surface of what it can do.”

~ Bryan Thompson, CFO, Anchor Loans



# Why automate

Business-process automation reduces errors and improves accuracy, cutting costs and saving time.

Integration with other business applications and business partners allows for the bidirectional sharing of information, so you can better manage your supply chain and transactions with trading partners.

A single connected system that integrates easily with other cloud-based systems helps eliminate time-consuming manual processes and takes full advantage of the connectivity and digital features of today's smart devices and applications. Introducing automated digital processes for functions such as timesheets, expense claims, and billing can quickly improve efficiency, enhance accuracy, cut costs, and prevent revenue leakage.

When it comes to AP and AR, you can automate up to 90% of these processes. Through automation, you can potentially cut hours down to minutes. Your team can dedicate

the additional time in their schedules to helping the business reach its larger goals and planning for the future.

You can also automate reconciliations with ease, regardless of the number of entities. Sage Intacct connects with over 10,000 financial institutions worldwide to give your team an accurate, up-to-date picture of your cash. This lets you make investment decisions in hours rather than days and spot the potential for poor cashflow before your company begins to feel its effects. Easy matching and reconciliation mean you can soft-close cash daily, and you can provide business leaders with accurate and current cash positions to make critical decisions in the moment.

Sage Intacct allows configurable design to bring flexibility and automation to your organization's operational workflow processes, tracking, and reporting toolsets, freeing up time to focus on strategic financial management. As your organization evolves,

financial operations need to keep pace with transaction tracking procedures, internal controls, and reporting views that support the current organizational needs. Designed to evolve with your organization, the flexible and configurable architecture of Sage Intacct can be adapted to the tracking, electronic approvals, and workflow requirements for your current operational structure and provide insights to best support your mission.

But most importantly, automation gives you and the entire finance team more time to be strategic. Get your life back as Sage Intacct does the heavy lifting—spend more time doing financial analyses and less time doing bookkeeping.

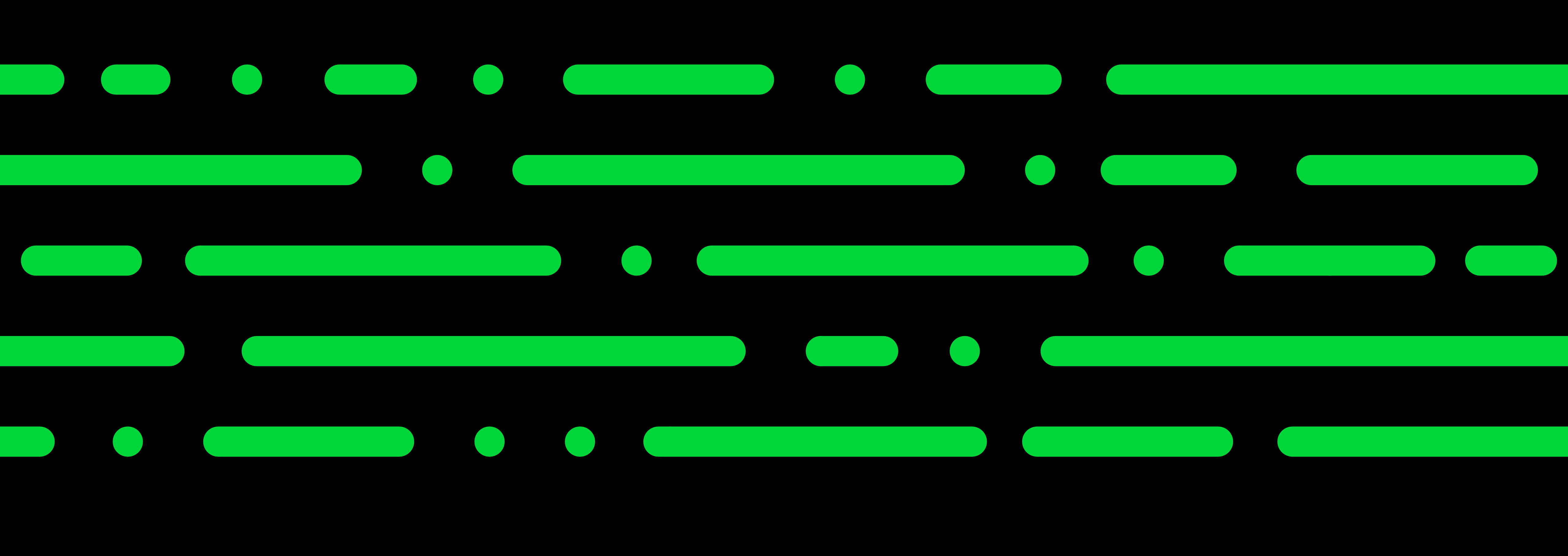
“In the five years since we graduated to Sage Intacct, our revenue increased significantly, and there's no way we could've kept up with that growth if we were still using QuickBooks. I used to work up to 80 hours a week, but now I work 40-hour weeks with the same-sized team, thanks to the amazing automation and productivity boost we gained with Sage Intacct.”

~ Lisa Roeder, Business Manager, Berkshire Associates

## About Sage Intacct

Sage Intacct streamlines and automates processes to help finance organizations improve the accuracy, reliability, and timeliness of business-critical data. This robust and scalable accounting and ERP system extends the reach of finance to

encompass areas across business units, helps you plan and budget at a level that fully reflects your strategic priorities, and provides actionable insights into key performance areas—giving you the vital data to seize business opportunities in real time.



[sageintacct.com](https://www.sageintacct.com)



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