



## **Outgrowing your accounting software?**

The tell-tale signs it's time to upgrade

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ACCOUNTS 

## Introduction

All small businesses use some form of record keeping, if not for business benefits then at least for tax compliance. How these records translate into a bookkeeping system is another matter with businesses using everything from Excel spreadsheets to well established SME accounting systems such as SAGE, Xero and Quikbooks.

As businesses grow in complexity and transaction volume however, some of these starter systems can begin to creak. The obsolescence can be slow and often imperceptible. **So what therefore are the warning signals that indicate that your accounting software is no longer fit for purpose?**



**What are some of the tell-tale signs that your growing business is outgrowing your accounting software?**



**Greater complexity is slowing Month End:**

Your business has grown to the extent that you are now trying to manage a number of separate subsidiaries or branches, some of which may well be located at a distance from your main office. Retrieving the right data and consolidating them at month end could now be a real drag if you don't have the right accounting system.

**Spreadsheets seem to be taking over your company:**

Excel is a great tool to allow you to extract data from your accounting system for analysis and the creation of reports. The conversion of data to useable information can be critical to giving your business the edge it needs to survive. However, if you find you are relying too much on excel to manage your accounting data then you run the risk of poor productivity, duplication of effort, and ultimately slow and poor quality decision making.

**Integration and compatibility is creaking**

You find that you are struggling with the job of integrating your accounting software with other applications in your business, or indeed that your software is frequently incompatible with your other IT systems and operating software.

**You're losing visibility and control of performance**

Again, as the scale of your business increases through the addition of new customers, new products, new markets or new suppliers the job of staying on top of your key performance data is proving a real challenge. What you might need is an upgrade to a solution that provides in-built business intelligence the helps you record and visualise key performance data.

## Three things to remember if you've made the decision to upgrade:

### 1. Future-proof as much as you can:

Switching to the right accounting system can make a critical difference to your business. Therefore, in addition to gaining an important understanding of your business needs right now, it's also wise to try to plan ahead to predict what your needs are likely to be up to a five year time horizon if you can. Consider your growth plans: will you need consolidation? Are you opening more outlets or branches? What is your transaction volume likely to be? Will the software be able to scale? In this way your choice of accounting software can support rather than hinder your business strategy as much as possible.

### 2. Cloud versus installed:

Cloud accounting software or Software- as-a-Service (SaaS), offers many advantages over software that's installed on your premises. Cloud accounting software is hosted by the accounting software supplier and therefore you don't need expensive IT infrastructure such as servers and associated licenses.

As a result cloud accounting software is becoming increasingly popular and there are now SaaS solutions available for bigger businesses. Most cloud accounting providers charge a regular monthly fee that includes 24/7 access, user support, software upgrades and maintenance. Cloud systems are also useful for collaborating with your accounting firm because you can provide them with user access and everyone can share the same solution and the same view of the most up-to-date information.



**If you are opening new branches, setting up new subsidiaries, or moving to multiple currencies then it might be time to look at your accounting software?**

### 3. Get strategic about functionality

Upgrading your software provides a terrific opportunity to expand the range of functionality that your software provides. Again, by taking a strategic view of your company requirements, you can ensure that there is the best possible match between functions and business demands. Cloud accounting software for bigger businesses now offer comprehensive features sets out-of-the-box including:

**Consolidation** – for consolidation of accounting and Business Intelligence data to give you a company-wide view of your business performance.

**Business Intelligence** – to create and manage your own defined key performance indicators.

**Advanced accounting features** – such budgeting and cashflow management, stock (inventory) control, purchase and sales order management, and time and expenses accounting for better project management.

**Productivity features** – such as ebanking integration, auto-bank reconciliation, electronic document management, and electronic approval workflow.

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## About AccountsIQ

This article is brought to you by AccountsIQ, cloud accounting and consolidation software for companies looking to upgrade their basic accounting software. Built for the cloud, AccountsIQ has over 9000 users in 23 countries and is now the solution-of-choice for many the worlds' leading accounting practices.

For further information on how AccountsIQ might work for your growing business please feel free to contact us and we would be happy to discuss your needs.

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