CONFESSIONS
OF A SOFTWARE
COMPANY CFO

7 Seven costly problems CFOs can’t stop thinking about...and how they get back to business.
For software company CFOs who want to leave their troubles behind and get down to business, help has arrived. Intacct offers powerful, flexible, best-of-breed financial management solutions that are revolutionizing the way software firms are getting the upper hand on the complex financial issues they face. Intacct solutions address issues like compliance, recurring revenue collection, deferred revenue recognition, multi-entity management, multi-currency consolidation and the ability to cost-efficiently scale the business. And, it does all of this on-demand, via Software as a Service.

Intacct features the industrial-strength financial applications that thousands of companies are using for streamlining and automating critical financial business processes. Not only has it helped these companies eliminate growing pains, it has helped boost profitability, enhance productivity, increase control and visibility, reduce capital expenditures and speed up the flow and accuracy of reporting and intelligence for better informed business decisions.

This booklet examines many of the “confessions” that too many software company CFOs keep locked inside, and the solutions that can make everything better.
The compliance and management of deferred revenue and revenue recognition is costly, time-consuming and inefficient.

In addition to the fact that there must be more efficient ways we could allocate our time than manually managing revenue recognition in spreadsheets, our current deferred revenue management system offers very little visibility. It’s difficult to communicate and distribute the information. It’s unwieldy, and we can’t forecast or plan.

The result is that we have no idea exactly how much revenue will be recognized at any one time, until we finally go through the same, big manual time suck once a quarter.

Intacct provides users with sophisticated, automated and comprehensive deferred revenue and revenue recognition capabilities, for each line item, currency and business unit. Not only will you be able to analyze and forecast recognized and deferred revenue with much greater accuracy and speed, you’ll be complying with mandates such as SOP 97-2, VSOE and EITF 00-21.

With this information consolidated and compiled automatically, you’ll dramatically increase the efficiency and productivity of your finance department.

“I’m afraid to admit to anybody how much time we spend on deferred revenue and revenue recognition.”
With any fast-growing software company, managing maintenance and subscription revenue for a vast number of clients can feel like juggling 10,000 balls at once.

The sheer number of accounts and contracts and the inherent complexity of staying on top of all of them with spreadsheets and manually generated invoices is a big problem. Contract management and recurring maintenance renewals are key problem areas.

With Intacct, a Web-enabled back office hums under a more streamlined process, which includes maximizing recurring maintenance and subscription revenue by automating billing and renewals.

Because it’s all programmed and proactive, the Intacct solution eliminates invoicing missteps as well as lapsed contracts and agreements. It also enables software companies to customize service contracts by customer and product as well as identify up-sell opportunities and increase the overall revenue per customer. Additionally, since Intacct is seamlessly integrated with Salesforce, it can automatically open new renewal opportunities directly in Salesforce, allowing salespeople the ability to track and manage renewals.

"Forecasting, billing and collecting our renewal revenue feels like herding cats.”
Our ability to manage and consolidate multiple sets of books, businesses and currencies is labor-intensive and error-prone.

“Consolidating financial data shouldn’t require superpowers.”

Many software companies operate with multiple sets of books, different tax IDs, and even different business identities, but they all reside under the same corporate umbrella. When management wants quick access to critical financial data, updated information has to be collected, consolidated and updated manually.

What’s more, far-flung sales, support and development offices operate with different currencies, so all data must be converted from the local currency. The result? Delayed, error-prone, labor-intensive financial reporting.

Intacct provides market-leading, multi-entity financial management with real-time consolidation of data. That means no matter how distant, diverse or complex your business grows, all financial data is automatically rolled up into a single, updated, easy-to-use view.

And whether your overseas entities are using euros, pounds or rupees, all local currencies are consolidated into one base-currency view. The upside: fast, accurate and consolidated financial data for more informed business decisions.
We’re flying blind when it comes to professional services.

If you’re unable to take a snapshot of up-to-the-minute progress, billing and expenses on individual projects, it’s next to impossible to accurately check the status of projects and whether or not they’re operating profitably.

How are resources being utilized? Are the margins what we want them to be? Are we billing timely and accurately? What’s more, the delivery of professional services doesn’t necessarily trigger other events, like recognizing revenue or the generation of an invoice. It’s a too little, too late system in which the left hand doesn’t always know what the right one is doing.

Intacct delivers sophisticated project management and professional services automation applications, which provide software firms with instant visibility and control over the utilization and profitability of billable services organizations.

It helps billable services organizations increase profits by ensuring professionals perform their jobs more efficiently and by providing managers and executives with clear, immediate visibility into key operational and financial metrics.

Resource management enables the best possible staffing to deliver high-quality, high-margin projects by allowing managers to search employee capabilities, experiences and availability.

“Sometimes our left hand doesn’t know what the right hand is doing!”
Delivering accurate and timely reporting to the management team is impossible.

“It’s like performing a song and dance whenever I report to the management team.”

Any time you have to reach out and touch multiple, independent sets of data to provide management with an idea of what’s going on in the business, you’ve got a problem. Compounding the difficulty with maintaining accuracy is the ability to create reports with up-to-the-minute information.

There's no doubt that the deficiencies in generating accurate and timely information intelligence negatively impacts the management team's ability to drive performance.

Intacct offers decision-makers graphical dashboards and real-time reporting capabilities that provide up-to-the-minute visibility into ongoing business operations, underlying transactions and performance indicators. It can also link and embed other business applications, collaborative tools, financial resources or even news and consumer content in the same dashboard.

Now any manager, anywhere in the world, can get real-time financial information securely over the Internet, allowing them to feel confident in the quality, timeliness, relevance and scope of their business and financial information.
Our business is increasing, but there isn’t an automatic connection between our financial system and Salesforce.

Eliminate the walls between sales and finance by streamlining, integrating and synchronizing the financial system with Salesforce.

Intacct is the only on-demand financial management system that is seamlessly pre-integrated with Salesforce, enabling software firms to close the loop between sales and finance, eliminating duplicate and triplicate data entry and streamlining the order to cash process.

Sales and management now have a 360-degree view of each customer, resulting in enhanced control of the sales process, improved sales cycles, more accurate forecasting and improved customer service.
CONFESSION

Our current on-premises accounting system lacks the flexibility to easily integrate with multiple operational business systems.

We use best-of-breed applications, but there’s usually no common functionality between these disparate systems.

Accounting and payroll operate independently from CRM, while option administration and budgeting and planning are each off in their own silos, with very little integration. This leads to inaccuracies and disconnected processes.

PROBLEM

SOLUTION

Using industry-standard best-of-breed Web services, you’ll be able to choose and match the best solutions to your unique business needs.

“Our business systems don’t integrate well, because they’re each in their own silos.”

Intacct’s open services-oriented architecture (SOA) platform and Web services make it easy for software companies to extend the value of Intacct by leveraging additional best-of-breed, on-demand applications to round out the back office, or to easily integrate with packaged and customized on-premises applications.

And, because Intacct’s solutions are designed to work with other best-of-breed applications such as payroll, HR management and sales compensation, you can rest assured that as your company scales, you’ll be able to add users, business units and additional applications with ease.
The time has come to take control and make the important decision that hundreds of Software as a Service, open source and software appliance companies have made before you:

Switch to Intacct, the leading on-demand financial management and accounting system for software companies.

As you’ve learned in this guide, the truly compelling reasons to upgrade to Intacct include:

1. Gaining control over deferred revenue and revenue recognition.
2. Maximizing recurring revenue, automating billing and renewals.
3. Simplifying consolidation of multiple business entities and currencies.
4. Increasing visibility, control and profitability of services organizations.
5. Improving accuracy of reporting and intelligence for decision-making.
6. Eliminating walls between Sales and Finance with Salesforce.
7. Leveraging additional best-of-breed, packaged and custom applications.

Learn more at www.intacct.com or get immediate relief by calling an understanding Intacct representative at 1-877-951-0500.