

**ACCPAC<sup>®</sup>**

# 39 New Ideas for CFOs







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*With the speed of globalization, industry convergence and technological change, CFOs are waging competitive battles on many fronts: streamlining business processes, leveraging new technologies and building value across the enterprise. If your organization is facing challenges like these, you need a paradigm for evaluating what's best for your business.*

*If you're thinking about implementing a new accounting system, you'll want to gather all the facts before you make a decision. The new system can impact nearly everyone in your corporation, so each decision is critical. The task is substantial and it can be tough to stay within your budget.*

*This guide is designed to give you good ideas and smart tips that CFOs, accounting managers, consultants and software publishers have shared with us over the years. These guidelines should prove useful as you make your own business solution choices.*

*Although this guide is geared to helping you be successful with software implementation, you'll find that we don't even mention our own products in it. We're confident that the more you know about selecting and implementing accounting software, the more likely you are to seriously consider—and ultimately choose—ACCPAC. In other words, our software solutions stand up to the most stringent selection criteria.*

*We at ACCPAC look forward to helping you succeed in choosing the best business software solutions for your organization.*



## Five Useful Tips to Help Your Employees Embrace Change

### Tip 1: Build a case for change.

Identify the impact a new accounting system will have on your people—the benefits and consequences of changing and not changing.

**Tip 2:** Keep your employees in the loop by providing information and clarity about what is happening, when changes will take place and how their jobs will be impacted.

**Tip 3:** Invest in employee training to make the transition easier.

**Tip 4:** Give employees time to make the change and adjust to the new approach.

**Tip 5:** Support your managers as change makers. Provide them with the tools necessary to successfully implement change.

## Getting Started

The first step to implementing a new accounting system is evaluating your company's readiness for change. Before you begin looking at new features and setting fast-track timelines, take time to set realistic goals and build momentum. Pre-production planning is the key to success.

### 1. Change before you have to.

By the time you are certain that your current systems are inadequate, you're probably already losing money to reduced productivity, lost opportunities and inferior data. Don't wait until that happens. If you're receiving warning signs that your system can't keep up (data frustration, slow turn-around, time-consuming or manual processes), begin your needs analysis now. Many professional systems analysts use the steps below. Keep them in mind as you evaluate your system needs.

### 2. Accept the fact that improvements cost money.

Implementing new accounting software will require an investment of time and money. But the hidden costs of antiquated systems are sapping your productivity and softening your competitive edge. Remember that the right system will pay for itself with process improvements and better data for decision-making. Many businesses are choosing more modern, automated systems for faster processing of accounting transactions, easier retrieval of accounting information and better formatting of accounting reports. Keep these benefits in mind when considering return on your investment.

### 3. Don't ignore hard-to-quantify benefits.

A new system will deliver broad improvements whose overall impact may be difficult to calculate with

## How to Create an Accounting System Needs Analysis

- Clarify all the accounting modules your department currently uses and requires. Identify all the information that flows through the accounting system.
- Determine the information-sharing requirements between the accounting system and other departments.
- Define all categories of accounting transactions.
- Calculate the total number of transactions of each type for a typical accounting period.
- Distinguish all the different types of accounting reports used by your department.
- Define your specific data retrieval and reporting requirements.
- Specify your custom reporting requirements.
- Determine how many users will have administrative access to the system.
- Ascertain the level of accounting and computer experience of potential system users.

precision. Consider all the benefits of more reliable and faster access to data. Think about how much it is worth to your company to improve strategic planning. How much will it cost you if your next audit doesn't stand up to scrutiny? How will your company's reputation improve if your new system gives your customers better, faster and more professional service?

#### 4. Compromise is a good thing.

Your final choice of software probably won't satisfy everyone, but through clear communication and patient education, most people will recognize that the decisions being made are fair and reasonable. Plan to spend more time than you'd like handling objections, especially in the early phases of the project. Plus, have a strategy for fine-tuning the system once it's installed. Count on a new system to satisfy about 90 percent of your needs and wants, and figure out how you are going to deal with the remaining 10 percent. You may need to consider some staffing changes or revising your policies and procedures.

### Setting Objectives

People who buy accounting software usually spend most of their time evaluating features. The fact is, however, you should spend most of your time evaluating your own business. The more you know about the problems you expect the new system to solve, the better informed your final choice will be. Know where in your accounting cycle you experience the biggest

productivity losses and highest error rates. Determine how inaccuracies are affecting your business. Understand which tasks require automation. Begin by identifying the problems you experienced this year because your existing system wasn't adequate.

#### 5. Create a task force.

Financial software affects many departments within your organization. One of the easiest ways to insure cooperation is to involve representatives from other departments right from the beginning—including not-so-obvious groups like Sales and Human Resources. It may slow down your process and frustrate you, especially if your old system is failing and you need to hurry the new project along. But in the long run, a task force saves time and hassles, and guarantees that other departments will cooperate during the implementation phase.

#### 6. Aim high.

Many people don't aim high enough when they implement a new system. Just about any product can deliver financial statements. You should be looking for much more. Think back to last year's planning sessions with your peers. What information could have boosted productivity and profitability? This might include current gross profit by product, customer or salesperson, or trends on how customers and products are growing or declining. You may want to use financial ratios to measure your company's performance against your competitors.

| Benefits of Accounting Software Modules |                         |                    |                       |                  |                |               |             |
|---|-------------------------|--------------------|-----------------------|------------------|----------------|---------------|-------------|
|   | Plan and Control Growth | Reduce Labor Costs | Shorten Billing Cycle | Reduce Inventory | Increase Sales | Control Costs | Manage Cash |
| General Ledger                          | yes                     | yes                |                       |                  |                | yes           |             |
| Accounts Receivable                     | yes                     | yes                | yes                   | yes              | yes            |               | yes         |
| Accounts Payable                        | yes                     | yes                |                       |                  |                | yes           | yes         |
| Purchase Orders                         | yes                     | yes                | yes                   | yes              | yes            |               | yes         |
| Sales Orders                            | yes                     | yes                | yes                   | yes              | yes            |               | yes         |
| Inventory                               | yes                     | yes                | yes                   | yes              | yes            | yes           | yes         |
| Multicurrency                           |                         |                    | yes                   | yes              | yes            |               | yes         |
| Job Cost                                | yes                     | yes                | yes                   | yes              |                | yes           |             |
| Payroll                                 |                         | yes                |                       |                  |                | yes           |             |



## Considering Integrated Solutions? Here are Some Questions to Ask:

- Which manual tasks would benefit the organization by becoming automated?
- How are inaccuracies negatively impacting your organization?
- What information or reports are being requested that currently cannot be created or delivered?
- How can your current system or processes integrate with your e-business initiatives?
- What information do you need to make strategic decisions?
- What do you need to effectively manage customer relationships?

Make a list of the challenges you are currently experiencing. Then create a second list of what you'd like to do but are unable to do now. This information will become the foundation for your core list of requirements when evaluating integrated solutions.

### 7. Know what's special or unusual about your company.

Your company probably has some unique requirements that can't be changed. Perhaps you need to track products by lot number or serial number. Maybe you need multicurrency capabilities. Do you need to price product by warehouse location? Does your industry have special reporting techniques? Make a list of requirements unique to your industry and organization.

### 8. Know which features you can't live without.

When you survey your task force, you'll uncover a few system capabilities that are critical to your company such as particular reports or tracking methodologies. Once you discover that they are absolutes, put them on your "must-have" feature list.

### 9. Think globally.

International businesses are expanding rapidly. Consider global issues such as multicurrency capabilities, availability of the software in other languages, compliance with foreign reporting requirements and international support.

### 10. Look for solutions that can easily adapt to your business needs.

In order for a solution to meet your business needs, it should mesh with your existing business practices and adapt to technological innovations. Again, ideally you want a solution that's simple, intuitive and closely matched to how you already do business. Be sure the system can:

- Embrace industry-standard technology quickly and easily.
- Customize easily to fit the special needs of your business.
- Deploy flexibly to new IT paradigms such as Application Hosting.
- Scale to the changing size of your business.

### 11. Make integration a high priority.

Tightly integrating your financial accounting software with your other

business management solutions can significantly improve your bottom line. Linking all functions internally, and linking to customers, suppliers and other business partners externally can dramatically reduce lead times and waste throughout the supply chain. You'll streamline operations and gain a competitive edge by integrating your Web store, customer relationship management, supply chain and human resource management applications. When evaluating accounting systems, check to see how seamlessly they integrate with other solutions. Tight integration will save you time, promote greater efficiencies and add value to your business.

### 12. Manufacturers/Distributors: Evaluate automated shipping and distribution solutions.

Inventory that sits in your warehouse is cash your business could otherwise be using. When considering accounting software, study what options are available to link the system with your warehouse management system. Tight integration will pay your organization huge dividends in the form of reduced inventory cycles, more efficient warehouse operations, less paperwork (and the corresponding reduction in input and other errors) and better order accuracy.

### 13. Don't forget about your sales team.

Study after study indicates that customer satisfaction and loyalty are crucial success factors. Customers are the lifeblood of any organization. The better you are able to understand and satisfy customers, the more your business will prosper. Closely linked Customer Relationship Management (CRM) software will allow your organization to increase customer satisfaction. Your sales team will have a much better understanding of customer purchasing habits, both in aggregate and individually. Research which customer management options are available with the accounting software you are considering, and how closely linked they are.



#### **14. Take time to research human resource management systems.**

As with any integrated solution, take time to research HR management systems. Evaluate it like you would accounting software; don't just assume it will meet your needs. Look past compensation and benefits to be sure that it meets your company's specific requirements in other areas such as integration with federal and state agencies, and online filing of reports and documents. Be sure that it really does integrate and synchronize with payroll, eliminating the need for redundant data entry.

#### **15. Be prepared to extend your business to the Web.**

Software optimized to leverage future e-business opportunities will deliver significant strategic advantage. Look for accounting software with strong e-business capabilities, even if e-business functionality is not one of your current requirements. Areas to consider include support for business-to-consumer and business-to-business buying and selling, the ability to empower employees through intranets and browser-based applications, and the capability to extend systems through mobile, wireless applications. Choosing a software manufacturer dedicated to e-business solutions will ensure your system can grow to match your organization's evolving strategic goals.

#### **16. Look for integrated Web store solutions.**

A Web store isn't really a solution if it doesn't integrate with your back office. When shopping for Web store creation and management software, look for one that will eliminate time-consuming manual re-entry of orders received via the Web. It should seamlessly integrate with your accounting system without costly customization. Web orders and payments must automatically flow through to your accounting system. Changes to customer and inventory information in your accounting system should automatically flow through to the Web store. Furthermore, you should be able to process orders in either real-time or batch mode.

#### **17. Explore Application Hosting.**

One of the challenges of implementing an integrated business management solution is that it requires a fairly large investment in hardware, software and technical support. These can be purchased and maintained by your organization. Another option often available with e-business software, however, is to utilize an Application Service Provider (ASP). This innovation allows you to reduce your initial costs by effectively "renting" hardware and software, which reside off-site. An ASP option can deliver significant savings on both the initial investment and ongoing maintenance and upgrade costs. Don't overlook the "lease vs. purchase" option if it is available.

## **One Low Cost Option: Hosted Application Services**

Application Service Providers (ASPs) host software applications on their servers and "rent" them to their customers via the Internet.

An ASP can give you high-end business solutions at a fraction of what it would cost you to purchase hardware and software, implement a network infrastructure and maintain and upgrade these complex systems.

What to look for in an ASP:

- First-rate solutions and superior levels of customer service and support.
- State-of-the-art software, hardware and network infrastructure.
- An advanced system for data protection, backup and recovery.
- Proactive detection of malicious code, viruses and system intrusion.
- Service level agreements that clearly specify the levels of performance, consistency and availability.
- Flexible subscription service—monthly, one-year and two-year agreements.
- 24/7 customer support, technical support, regular maintenance and upgrades, and full backup and recovery capabilities.

Look for an ASP that can provide your business with infrastructure management and systems monitoring of your mission-critical applications. An effective ASP agreement will eliminate initial IT capital expenditures and lower your recruiting and training costs, thereby reducing your total cost of ownership.



## Penny Pincher's Checklist

According to consultants and CFOs, these are the best ways to achieve the lowest costs for system implementation based on a three-year window:

- Take advantage of timing. Plan the conversion for your slowest time of year—not during a period end when accounting is subject to extra time pressures.
- Gather thorough input from all stakeholders during the requirements phase and hold frequent review meetings during implementation. The biggest cost increases come from unexpected changes.
- Postpone modifications until after the system is installed. You may not need as many changes as you thought.
- Invest in good training for the system users and administrators. It will pay off quickly.
- Buy the maintenance plan. With something as complex as financial systems, software maintenance is inexpensive insurance.
- Upgrade often. You may not need to move up every time your software or hardware vendor adds a new feature, but getting too far behind is expensive and risky. Many software publishers offer a maintenance program that assures you of upgrades and interim releases for a low annual fee. These are typically worth the modest investment.

## Selecting the Right System

Understanding your business's financial information needs is the first step to selecting the appropriate accounting software. However, there is typically no obvious choice because so many competing products promise similar results. You can end up mired in the feature lists and still be uncertain of your final selection. Here are some tips for choosing wisely.

### 18. Choose your software before your hardware.

You're probably going to need some additional hardware to implement the new system. But since system requirements are generally determined by software and not hardware, you should choose your software first, and then buy the hardware recommended by the software manufacturer or your consultant.

### 19. Start with the big picture.

Don't dive into details at the beginning of your selection process. First decide on what key characteristics the system must have. Eliminate any packages that don't comply with your fundamental requirements and you'll narrow the field significantly. There is no point in having a 200 page Request for Proposal (RFP) if ten questions will shrink the field from 50 possible vendors to five.

### 20. Don't underestimate the importance of system architecture.

You'll want your software to have the capability to grow and change as your organization changes. Most accounting software companies have various families of products geared toward specific sizes of customers. A key question to ask is whether or not the products are built on unified system architecture and if they have a built-in upgrade path from one product to the next. If the family of products has been developed on the same architecture, future upgrades from product to product and the subsequent data exchange can be managed much more smoothly.

### 21. Make sure your software can be customized.

No one software package is right for everyone. And no accounting solution on the market will have every single feature you'd like. Many packages give you useful modification features that let you change reports or screen formats. For even more control over your system, look for software that allows you to make more specific customization. This will ensure that your software will meet your needs no matter how your business changes.

### 22. Make sure the software can adapt to your needs.

Finding a solution that can adapt to the specific needs of your company is essential. Some packages offer open architecture, which allow you to easily add on additional features and adapt to new IT paradigms. Open architecture is especially important if you expect your company to experience growth or change in the future. If you have a growing business, one of the most important characteristics of your system is its scalability. Open architecture scalability ensures your system can grow along with your company.

### 23. Look for software vendors that invest in research and development.

A good company invests heavily in engineering and develops new product features and enhancements regularly. These companies stay abreast of new technologies and make sure their customers do too. A good software manufacturer will provide frequent upgrades at reasonable prices.

### 24. Explore what support will be available to you.

Find out what technical support each software manufacturer makes available to its customers. What days of the week and times during the day are telephone technical support specialists available? What costs, if any, are associated with various levels of support? Does the manufacturer provide classroom, self-study or

Web-based training programs? How frequently does the manufacturer keep in contact with customers regarding product announcements, upgrades, etc.? You will need assistance getting the most out of your software; the best manufacturers provide this assistance.

### **25. Documentation reflects software quality.**

You rarely find excellent documentation with poor software. Clear, accurate and useful documentation takes time to produce and indicates a long-term commitment to users. You'll save time hunting through manuals if the documentation is included electronically as help files within the application.

### **26. Check out the software publisher.**

Study the makers of the software. Find out how long the company has been in business, what their long term prospects are, and what kind of customer support, upgrade protection and technical support they provide.

### **27. Popular products are popular for a reason.**

Just because a software product is popular doesn't mean it's right for you. But if a company has lots of users, they're probably doing something right. A large installed base is like an insurance policy for users. Choose a product that has stood the test of time, satisfied companies similar to yours, and delivered good value.

### **28. Evaluate the software by what it can't do.**

Software product limitations are often much more revealing than feature list comparisons. Find out the maximum number of customers, vendors and inventory items allowed, ask how many line items a single invoice or sales order can handle, and find out the maximum number of users that can work with a particular application at the same time.

### **29. Use mistakes as your acid test.**

People make mistakes. If the software handles errors intelligently, that's a sign

of good design. Some of the most widely promoted accounting systems do not allow you to correct an error in a purchase order without canceling the entire P.O. and re-entering it from scratch. Look for software that tests for errors, such as duplicate customers and vendors, incorrect item numbers and unreasonable amounts and dates. The system should also flag unusually high quantities or unit prices and offer valid alternatives.

### **30. Evaluate the learning curve.**

Intelligently designed software is easy to learn. An intuitive interface will shorten training times and facilitate the conversion. Look for input fields in consistent and expected locations, and screen design similarities among all modules. Be sure that the software comes with effective learning tools, classes and demonstrations to speed the learning process. Don't compromise when it comes to end-user support.

### **31. Understand the difference between standard functions and "extras."**

Some software organizations provide basic functions but then make you purchase the various "extras" that come standard in other organizations' software. An extreme example would be to buy a car, and then discover that you must pay additional for the engine, steering wheel and tires. Confirm what is included in the core pricing and what must be purchased separately.

### **32. Go paperless.**

Today's most effective software solutions utilize less paperwork. As you explore accounting and other software solutions, focus on how much paper you can eliminate during order entry, basic accounting input, shipping and handling efforts and other areas within your organization. The more paperwork and input you can eliminate, the more efficient and error-free your organization becomes. Consider systems that support document attachments and have built-in data backup and storage.



## **How to be a Good Customer**

According to industry consultants, good customers receive more attention and better care during implementation and follow through. Here's their list of what makes a CFO easy to work with:

A Good Customer:

- Asks lots of questions.
- Designates a single project owner.
- Coordinates internal issues.
- Delegates authority.
- Takes responsibility for decisions.
- Spends lots of time on earliest project phases.
- Provides performance feedback at each key milestone.
- Is willing to discuss differences as they arise.
- Gives a "heads up" on new changes or requirements.
- Explains problems clearly.
- Knows how to foster teamwork and cross-organizational dialogue.
- Will pay a fair price for goods and services.
- Doesn't keep "moving the goal line."



## Paying a Fair Price

Consulting fees vary a great deal. At this writing, the national average for fees is approximately \$150 an hour. This rate may be considerably higher or lower depending on the requirements of the implementation, local pay scales and expertise. It's impossible to predict exactly how long your installation will take or how much it will cost. The list below gives you some ranges to consider. The ranges are based on the requirements of a mid-market company with a strong internal accounting department and a basic IS staff.

|  |                       |
|--|-----------------------|
| Conduct analysis of client needs                       | 20-80 hours           |
| Install applications                                   | 4-20 hours            |
| Modify procedures for new system                       | 5-10 hours per module |
| Design chart of accounts, customer files, vendor files | 10-20 hours           |
| Modify system reports                                  | 10-100 hours          |
| Train clerical personnel                               | 4-8 hours per module  |
| Train system administrator                             | 10-25 hours           |
| Document modifications                                 | 5-10 hours per module |

You may have additional costs or savings depending on your special needs. Components with highly variable ranges include data conversion and expanded feature sets.

## Working with a Consultant

It's possible that your organization has the internal staff to successfully implement your new accounting system. It's more likely, however, that you don't have the resources or expertise to devote to analyzing, purchasing, installing and maintaining a system.

A software consultant can help considerably; they've been through the purchasing and implementation process many times. For a reasonable fee, they can save you significant time and money by helping you evaluate, select and get the most out of your new system.

### 33. Conduct an interview.

Arrange a meeting with the consultant and your task force. The focus of the interview should be how long the process will take, what applications the vendor can provide, and how he or she can help you benefit from them—*not* on details of specific software or systems.

### 34. Ask for references.

Has the consultant installed accounting software at companies similar to yours? Ask about company size, number of employees and nature of the business. Ask for contact names and phone numbers, then call to learn as much as possible about the customers' working relationship with the reseller.

### 35. Listening skills are as important as product skills.

If the consultant doesn't listen effectively, chances are you won't be satisfied with the final outcome. During your first interaction, notice if the consultant seems more interested in "pushing" a particular product instead of analyzing your needs. Avoid people who try to impress you with jargon and who immediately start talking about features of equipment and programs.

### 36. Find a reseller you can work with.

The consultant will be a virtual member of your company for weeks. You may even end up with a long-term relationship if the consultant helps change and extend your system as your company grows. Choose a consultant who comfortably fits your company's philosophy and culture.

### 37. Avoid RFPs.

Contrary to what your colleagues may tell you, creating and sending out an RFP is *not* the most effective or efficient way to find the best software solution. The process of creating an RFP, sending it out, waiting for proposals and reviewing them requires substantial internal time and therefore, expense. You can achieve the same results in *days* by simply making a list of the ten to fifteen features you *must* have, calling potential vendors on the phone and asking if their system can provide them. You can narrow your list down to the three finalists you plan to interview just by spending a few hours on the phone.

# Self-Test: Your Buying Style

Answer the following questions to analyze what kinds of characteristics you'll need in a consultant. Don't over-think your answers. Go with your instincts.

**1. When you earn recognition for a project or presentation, it's most often for:**

- a) The quality of your work.
- b) The accuracy of your data.
- c) The consistency of your style.
- d) The quality of your ideas.

**2. During a meeting, people discuss a new product idea. You would be happiest if you could:**

- a) See a prototype of the product so you can understand how customers will perceive and use it.
- b) Review the product specs, target customer profile data, and a run-down of key features.
- c) Get detailed notes and a list of clear action items once the meeting is over.
- d) Talk about the idea.

**3. When vendors and co-workers get frustrated with you, it's usually because:**

- a) Your standards for a final product are so high.
- b) You don't like to start a project until it's fully defined.
- c) Other people don't understand that skipping sequential project steps is a very bad idea.
- d) You take on more work than you can finish.

**4. When you come back from a trip, you are most likely to tell friends about:**

- a) Climate, location and interesting buildings or transportation.
- b) Historical information, background about the area and the museums you visited.
- c) The itinerary you followed.
- d) An unexpected adventure.

**5. When you got in trouble as a kid, it was usually for:**

- a) Taking things apart or not keeping your hands to yourself.
- b) Wanting to know everything that was going on or asking too many questions.
- c) Resisting change and sticking to old rules when new ones were enacted.
- d) Being bored and acting out or talking too much.

**6. Your department will move to expanded office space next quarter. You start planning by:**

- a) Walking through the new space and reviewing the floor plans with the facilities manager.
- b) Asking your managers to submit lists of their requirements for office and cube allocations, computer systems, etc.
- c) Asking the facilities manager to develop a project plan for all phases of the construction and move.
- d) Calling a meeting with your entire staff to announce the project.

**7. You want to show the key features of your company's accounting system to your newly-hired controller. You:**

- a) Give your own demo, showing the shortcuts you use to generate the most important reports.
- b) Recommend he/she read the user's manual before meeting with you.

- c) Have him/her follow the online tutorial starting at the beginning.
- d) Go over the most useful features and skip the rest since they're not really important.

**8. When you buy a new car, you're most likely to:**

- a) Get out and test-drive the top three or four models you're interested in.
- b) Comparison-shop on the Internet before picking the models you want to test-drive.
- c) Develop a checklist of your must-have features and performance requirements.
- d) Test-drive cars that use the most innovative technologies, like night-vision enhancements or the new hybrid gas-electric models.

**9. The reward that would most motivate you at work:**

- a) The corner office, your own assistant and a dedicated parking space.
- b) A better job title.
- c) Stock options and a retirement plan that will set you for life.
- d) Promotion to an international position that will require travel to all the countries you've always wanted to see.

**10. The board of directors is having an unscheduled meeting. Your CEO gives you 20 minutes to pull together a presentation on this quarter's sales figures. Normally, you'd spend two hours on this project. Instead you:**

- a) Show up and simply answer any questions the board puts to you. Any presentation you could have created would have been so bad as to be worthless.
- b) Gather some background information and get as many facts in place as possible.
- c) Start creating the presentation at the beginning and get as much done as you can — stopping when you run out of time.
- d) Pull together a complete presentation, but hope the board doesn't ask for a lot of detail because you don't have it.

## Scoring

Count the number of a, b, c, and d responses you've marked. If you circled:

**Mostly a**

You solve puzzles by getting physically involved. You like to touch things and move the parts to see how they work. You need a product demo. You can't buy until you really see what makes it tick. Ask your consultant to spend an entire afternoon showing you how the product works. Ask for specific examples and use the system yourself to see how you like it.

**Mostly b**

You solve puzzles by gathering data. You like to get background information before you start on any project. You need concrete data. Ask your consultant for timelines and comparisons in chart form. You need specific feature lists and a detailed, organized product specification.

**Mostly c**

You solve puzzles by putting a process in place. When you hear a new idea, you think about the steps that will be required to complete the task. You need a plan. Your consultant should present you with a timeline that shows all of the roles and responsibilities associated with the project. Your consultant should provide you with a detailed cost forecast showing each project step, the time it takes and the expenses involved.

**Mostly d**

You solve puzzles by trying new ideas. You like to imagine possibilities and you are hard to pin down. You need flexibility. Ask your consultant to participate in some "blue sky" task force meetings to help make sure all the possible options are discussed. Tell your consultant to expect changes, which will impact deadlines and costs. Ask your consultant to provide regular status updates so you can make sure you stay in sync in the face of changes.

**38. Don't sit for product demos too early.**

Salespeople sometimes urge you sit through a product demonstration before you're ready; it's easy to get caught up in bells and whistles and forget about your objectives and the "must have" list. Don't watch a demo unless you're armed with your list of requirements and can control the process. Help your team understand the need for clear objectives and priorities before they spend their time looking at demos. Also, it's your demo—have the consultant present their features in the order of your

choosing, not theirs. This gives you the ability to ensure that the features you need are consistently presented by each vendor you review.

**39. Require cost forecast revisions.**

Obviously, you'll need to forecast the cost of implementation as accurately as possible. Avoid surprises—get a detailed breakdown of costs and fees before and during the requirements phase. As objectives change, make sure you request revised cost estimates.

### The Brand X Chronicles—True Stories from the Front Lines

Company L is a large, growing distribution company with multiple locations. They purchased a high-end product that had been installed at much larger companies. But the implementation cycle was long and expensive. After six months, the system still hadn't progressed to a parallel testing phase. Two million dollars later, the company cancelled the project and moved on, after having to explain to their board how they got into this situation. In the end, they ultimately chose a less expensive product engineered to work "out of the box" for companies their size. The system was successfully deployed in four months. Conclusion: buy a product that's targeted at companies like yours.

Company V is a technology company with lots of in-house IS and programming talent. They decided to write their own system. Not only are they still struggling, but also their IS director confides he's got to find a way to go mainstream. He's afraid to move forward because of the painful conversion they face, going from a proprietary to an open language environment. Plus, they run the added risk of dealing with this custom-developed system if and when they lose their original programmers. Conclusion: don't create your own package from scratch. Take advantage of the investment software companies make in research and development.

Company M is a mid-sized sheet metal manufacturer. They installed a financial software application with the promise that a manufacturing module would be included in the next product release. That was nine months ago. The salesman who made the promise has left the company; the new contact person can't say what the development schedule is. Now the company is forced to weigh the merits and costs of abandoning this system for another that's already manufacturing-ready. Conclusion: make sure critical features you need are part of the current product you purchase.

# Accounting Software Checklist

|  | Excellent                | Adequate                 | Deficient                |
|--|--------------------------|--------------------------|--------------------------|
| <b>Software structure</b>  |                          |                          |                          |
| Options for customizing the product  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Product written in a popular, high-level language  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Ability to generate custom reports without programming   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Ability to modify input-content, format, screens, etc.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Product uses database fields to hold information   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Easy import and export of data to other programs   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Software features</b>   |                          |                          |                          |
| Runs under Windows 95, 98, ME, 2000 and XP   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Allows for easy remote access  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Can perform basic business functions you require (insert your own list here)                         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Inventory control is adequate for your specific needs  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Wide range of available modules  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Wide range of vertical add-ons   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Handles number of customers, vendors and inventory items with room for growth                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Handles number of line items per invoice and sales orders with room for growth                       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Allows adequate number of simultaneous users with room for growth                                    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Internet-ready for e-business  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Software operation</b>  |                          |                          |                          |
| Does not require excessive mouse use   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Tests for errors: i.e., duplicate customers, incorrect item numbers and unreasonable quantities      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Notifies operator of unusual data and offers valid choices   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Allows more than one user in one module at a time  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| System allows for returns with accurate cost, tax and inventory accounts                             | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Documentation is understandable and easy to read   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Tutorials are worthwhile, in-depth and included with the product                                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Training is available from qualified sources   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Steps to create business transactions, such as P.O.s, invoices, etc., are simple and straightforward | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Allows user to search other files while current file is open and in process                          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Allows user to correct an error without canceling the entire transaction                             | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Provides detailed audit trails for errors  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Allows sensitive functions and reports to be password-protected                                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Allows you to specify and limit operations by user and time  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Software manufacturer</b>   |                          |                          |                          |
| Updates product frequently and provides bug fixes  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Provides a maintenance program   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Has active R&D effort underway   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Has history of releasing product upgrades  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Has a large installed customer base  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Has technical support programs in place and available  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Has provided accounting software for more than 20 years  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Offers choices to run as a packaged application or ASP/Managed Operations                            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

# ACCPAC®

## About ACCPAC

From small office applications to enterprise systems, ACCPAC offers the most comprehensive, scalable and cost-effective end-to-end e-business solutions in the industry—delivering unparalleled performance, advanced functionality, cross-product integration and rock-solid stability. By selling exclusively through a qualified channel of authorized resellers, ACCPAC is never far from your front door, no matter how many locations your business has. With a worldwide network of more than 5,000 well-trained and experienced Business Partners, and more than 500,000 registered clients, ACCPAC has helped companies around the world gain strategic advantages designed to take businesses like yours confidently into the future.

ACCPAC is a world leader in mission-critical business computing, providing software, support and integration services in more than 100 countries around the world. Headquartered in Pleasanton, California, ACCPAC has more than 600 dedicated professionals located in offices throughout the United States and in Australia, Canada, Mexico, the Middle East, Asia, South Africa and the United Kingdom. ACCPAC is a subsidiary of Computer Associates International, Inc., one of the largest and most respected technology companies in the world.





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**39 New Ideas for CFOs**

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