Acumatica

WHY CHOOSE ACUMATICA?

WHITE PAPER

A Cost-Effective Way to Improve Your Business using Web-Based Financial and Business Management Software

CONTENTS

Executive Summary

Acumatica is a web-based financial and business management system that improves the productivity of your organization. The software runs on servers in your private network or hosted on the Internet so it can be used from anywhere.

Acumatica can be used by small companies with specialized requirements, or it can be used in multi-entity organizations with thousands of employees in many countries and currencies. Acumatica provides a robust set of core financial, business, and CRM features that can be used in any industry.

Top ways Acumatica will improve your business:

- **Centralize business process automation.** Acumatica includes a full suite of enterprise class business applications that are integrated with a document management system so all information is located in one place. Advanced access controls allow only authorized individuals or teams to view, edit, approve, or delete information.

- **Involve everybody**. Acumatica is web-based and priced by server, so everybody can use it. Salespeople can use it to view tasks, opportunities, and data for their particular accounts. Regional office managers can view GL sub-accounts for their regions. Investors can be informed through dashboards and read-only screens. Temporary workers can be granted secure access for a few hours or days. All employees can use it to submit timesheets and expenses.

- **Individually managed, centrally controlled**. Intuitive dashboards and screen customization tools let individuals tailor the system to their needs using only a web browser. Centralized auditing, workflow, and administration of access rights is easily done by non-technical individuals.

- **Works the way you work**. Acumatica works with any popular browser, so you can use Windows, Apple, or Linux computers as well as handheld devices to access critical business information. Software developers can use Acumatica Studio to customize applications or build new applications inside Microsoft Visual Studio.

Top reasons that Acumatica is cost effective:

- **You control the software**. You can deploy Acumatica in your own datacenter or on a standard windows hosting plan offered by hosting and cloud computing providers. You are not locked in, as your needs change because you can change your deployment option.

- **No client software**. Rapidly deploy new users, including remote workers and home workers. Eliminate the cost of maintaining client software.

- **Consolidate operations.** Acumatica allows you to deploy a single system for use by your entire organization. This eliminates the cost of maintaining systems in multiple locations.

- **Designed for the future**. Acumatica uses industry standard platforms and development tools like Microsoft .NET, SQL Server, and Visual Studio. This allows you to find expertise to customize your applications and run your application on standard platforms.

Web-Based Technology—The Platform

Acumatica began creating a platform for the rapid development of highly available, web-based applications in 2004. Unlike traditional client-server platforms, Acumatica was designed to operate without installing any files or components on the client computer. The platform was built to manage complexities such as slow and unreliable Internet connections while allowing high levels of performance and multi-tenant architectures. Security concerns were addressed by implementing strong user authentication, auditing, encryption, and server-based validation logic.
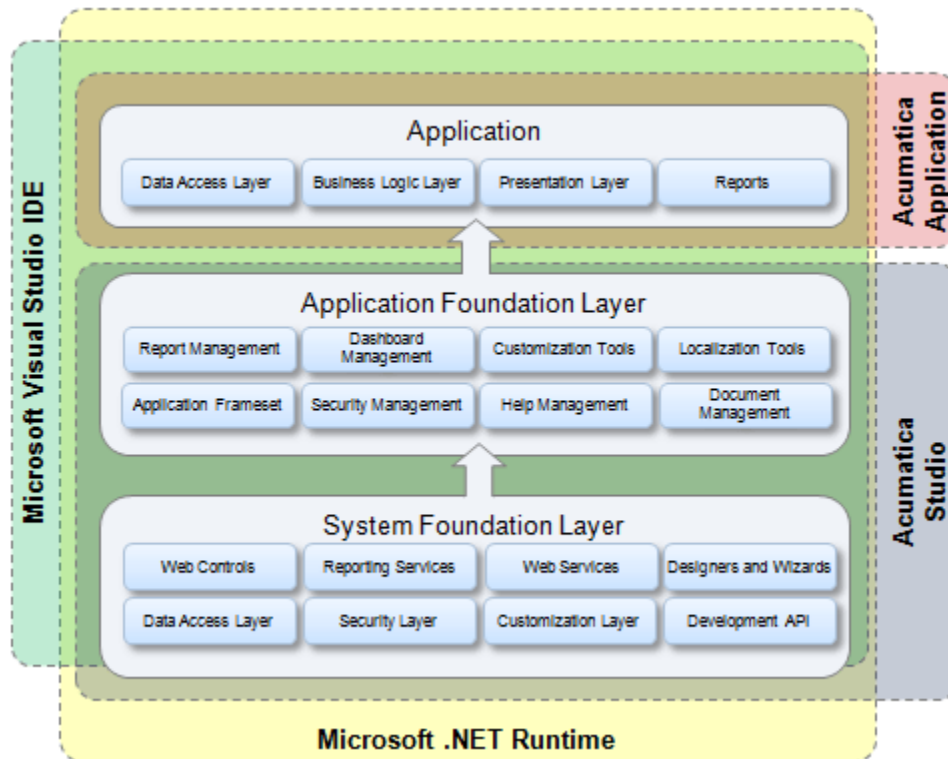
Figure 1 - Acumatica Component Structure

Figure 1 illustrates the platform component structure. The System Foundation Layer isolates programmers from the complexities related to coding a web application. The Application Foundation Layer provides ready-to-use components that allow programmers to focus on business logic. The Application Layer separates data access, business logic, and presentation logic. Access to the business logic can be managed via the presentation logic or web services.

PLATFORM BENEFITS

Rapid customization. Built-in web-based customization tools allow you to change the appearance of screens, the business logic, and the database fields. Customizations are stored separately from the core application code so they can be easily exported. In addition, updates and upgrades to the core application do not impact any existing customizations.

Rapid development. New modules can be developed inside Microsoft Visual Studio without worrying about HTML, CSS, HTTP, and JavaScript. The core features that Acumatica developers used to create all Acumatica modules are available to value-added resellers and ISVs so your application can be customized and improved as your needs change.

Easy to maintain. All customizations are stored in the database so you can backup your code changes and data with a single backup process. Since there is no client software to maintain, backups are managed centrally.

Multi-tier architecture. User Interface (UI) elements are completely separate from business logic, which is separated from the database access layer and the database itself.

Integration with external systems. All application logic available through Acumatica screens can also be accessed using a generic Web Services API (Application Programming Interface) based on SOAP and WSDL. The API invokes the same security mechanisms and access rights to allow data migration, extraction of information for reporting, and integration with external systems.

Database agnostic. Acumatica is optimized for Microsoft SQL Server, but the technology allows for storing of data in alternate databases like Oracle and MySQL.

Improving Your Business

Acumatica is unique because it is web-based, yet the server can be installed anywhere so that you remain in control of your software. The software is priced by server core so you can involve everybody in your organization—even if they only log in once a month to submit an expense report.
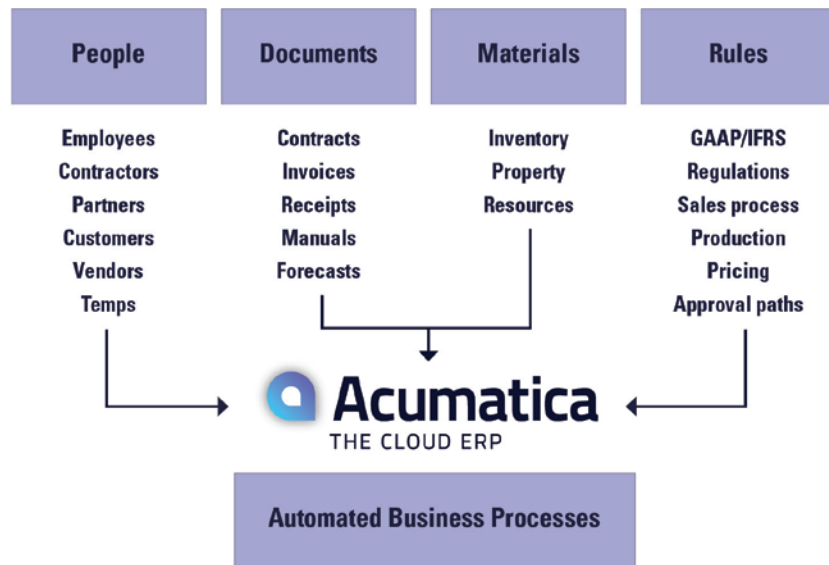
This architecture provides several benefits over client-server and pure SaaS models. These benefits are discussed in the following sections.

CENTRALIZED BUSINESS PROCESS AUTOMATION

Acumatica includes an integrated set of enterprise class financial, distribution, project accounting, customer management, and manufacturing applications. These applications share a common relational database so data is shared in real-time among all applications, dashboards, and the reporting engine.

An integrated content management system enables you to keep business plans, policies, forecasts, and procedures online and associate them with financial transactions to deliver a complete view of your business. Advanced access controls enable people inside and outside your organization to use the system.

The result is lifecycle process automation involving all aspects of your business. People, documents, materials, and processes are organized and coordinated by business rules that you establish.

People	Documents	Materials	Rules
Employees	Contracts	Inventory	GAAP/IFRS
Contractors	Invoices	Property	Regulations
Partners	Receipts	Resources	Sales process
Customers	Manuals		Production
Vendors	Forecasts		Pricing
Temps			Approval paths

Acumatica THE CLOUD ERP

Automated Business Processes

By consolidating these items into a cloud system, your business will gain the following benefits:

- *Simplified auditing* – documents, notes, receipts, and contracts are attached directly to business documents so auditors can obtain relevant content from a single location. Auditors can be granted temporary access to specific GL accounts, reports, documents, and screens.

- *Customer lifecycle management* – data and documents are linked to customers throughout their history. Leads can be acquired through a web form, assigned to salespeople, converted to customers, and managed according to company policies. During that period, marketing, sales, customer service, finance, and other departments all have access to consistent information.

- *Accurate forecasting and budgeting* – centralized storage provides up-to-date data to ensure accurate budgeting and planning. The ability to integrate different people (marketing, sales, finance), different applications (CRM, ERP), and different documents (sales forecasts, marketing plans, budgets, financial results) improves the forecasting process.

- *Better reporting* – integrated reporting tools provide on-demand reports. Reports can easily be created using either Acumatica web-based report writer or Acumatica's desktop visual reporting application. Once created, reports can be registered and made available to authorized users. Inquiry screens provide "drill down" capabilities so you can locate documentation related to the transaction.

INVOLVE EVERYBODY

Acumatica is web-based and priced by the server core, so everybody can use it. Role-based security lets you control which users have access to exactly what data. A user's access rights can be limited to specific documents, general ledger accounts, customers, vendors, and specific wiki articles. As the Internet has proven, the value of a system is proportional to the number of people who use it.

The table below summarizes some of the types of users that will benefit:

USER TYPE	WHY ACUMATICA?	BENEFITS AND APPLICATIONS
Remote and mobile workers	Acumatica requires no client software or VPN and it doesn't store data on the local computer, so IT maintenance and security concerns are minimized.	Workers can access key financial and customer management applications from a home office, a remote office, while traveling, or during inclement weather.
Infrequent users	Acumatica's server-based pricing and zero desktop overhead allow you to license people who use a system once or twice a month.	Submit expense reports, approve documents, approve budgets, and view reports that would not otherwise be available.
Investors, advisors	Document-level access controls and audit trails enable you to provide access to specific data, dashboards, reports, and documents in read-only mode.	Investors and advisors can stay informed and up-to-date regarding financial results and business plans. Non-public documents can be shared with specific individuals.
Temporary workers	External bookkeepers, auditors, accountants, customer service personnel, seasonal workers, tax preparers, and others can be granted access for limited periods of time.	Temporary workers are more productive because they can get the information that they need without installing software or driving to a central location.
Customers and vendor	Acumatica makes adding users with limited access rights easy. In a few seconds, you can provide customers and vendors to specific reports within the system.	Customers can check order and delivery status on demand using a browser. This reduces customer service costs while improving service. Vendors can submit quotes online to streamline price quotes.

As more and more users join the system, opportunities for collaboration and efficient information sharing increase. The amount of data circulated over email will decrease and customers will always have access to the latest documents.

EXAMPLE: TIME REPORTING AND EXPENSE CLAIMS

Problem: Frequently companies hire a person to enter timesheets or expense reports into their ERP system to avoid purchasing extra software licenses and installing software on every employee's computer. This creates extra work because data has to be entered twice (once on the employee's computer and once more in the accounting system) and additional confusion because people have to email documents to the order entry person and verify that claims have been processed.

Solution: Acumatica solves both problems by eliminating user-based licensing and providing a system that can be accessed using any popular web-browser. Employees from around the world can enter expense claims and timesheets which can be coded and approved without re-keying or email. Employees can check the status of their claims online.
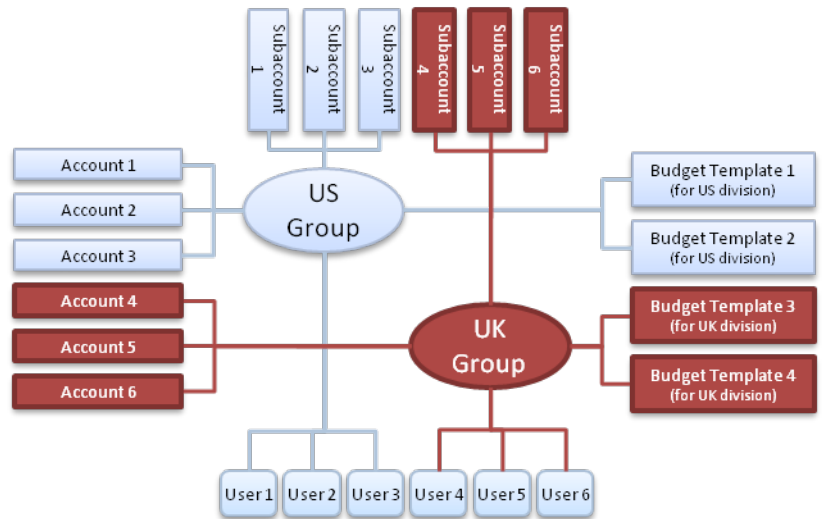
INDIVIDUALLY MANAGED, CENTRALLY CONTROLLED

Individual users can customize their dashboards to get the information they need quickly in graphical, chart, or document format. For example:

- *Salespeople* may elect to include tasks, opportunities, leads, business accounts in their dashboard along with graphs that show how they are performing against their quota.

- *Marketing* may include lead statistics, campaigns, conversion rate reports, and personal tasks in their dashboard.

- *Finance* may elect to build a dashboard with revenues, expenses, overdue invoices, and accounts referred to collections.

Each user can use the web-based interface to quickly build a customized dashboard without technical assistance by pointing and clicking in their browser. Tasks, leads, and opportunities are automatically customized to present individuals with the accounts and jobs that are relevant for them.

Acumatica allows managers to establish teams and approval routes for managing work. Each approval route can generate and assign tasks and monitor wait times to ensure that processes are being completed on schedule. Managers can assign tasks to others and receive follow up reminders.

Centralized control of information is critical for a web-based system. Acumatica allows administrators to set restrictions by object, role, or group. Once restrictions are set, they apply to screens, reports, and anywhere else the object may be requested.

Acumatica's unique combination of security and web-based access enables you to provide secure access to information while at the same time controlling it.

For example, salespersons can be limited to viewing and reporting on just the data for their customers while a finance manager at a regional office may be limited to viewing the General Ledger sub-accounts for his region. Dashboards, menus and data entry forms automatically adjust to show only authorized functions and fields.

Budgeting also becomes easier as people who are responsible for specific budgets have access to them, while budgets of other organizations and business units are kept confidential.

The table to the right shows how different types of transactions can be shared among different "roles" in the system.

All roles and permissions can be centrally managed by a non-technical user.

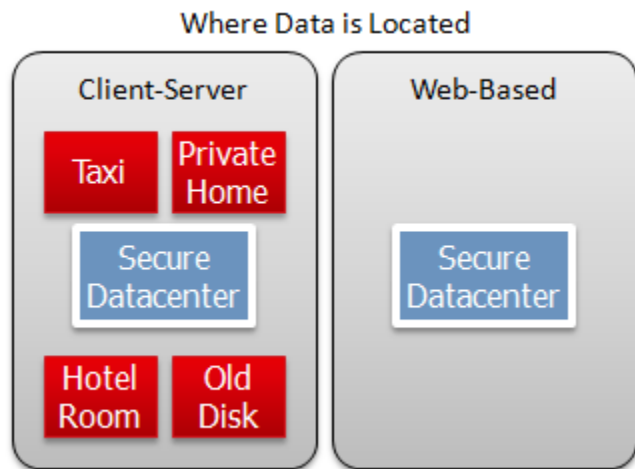| Transaction	CEO, CFO	UK Finance	USA Purchasing	Salesperson
UK Customer #123 Invoice	✓	✓		
US Purchase Order #123	✓		✓	
US Customer #987 Invoice	✓			✓
Global "stretch" budget	✓	✓		✓
Company policy document	✓	✓	✓	✓

Figure 2 - Restriction Groups provide centralized control

CENTRALIZED SECURITY

Acumatica was designed as a web-application. As such, Acumatica is suspicious of all data coming from a web browser and therefore performs all verification and validation steps at the server. Data is encrypted during transmission using techniques employed by modern banking and healthcare systems.

All application data is centrally stored and encrypted to provide a secure environment for confidential and sensitive data. Client-server systems and PC-based systems often rely on device security. Unfortunately, devices often travel with the user into unsecure environments and can be lost, stolen, or recycled without erasing the hard drive.

Acumatica provides the option to store your confidential data in your facility or at a hosting provider that you select. This choice allows you to select the level of security that you require.

Where Data is Located

WORKS THE WAY YOU WORK

Acumatica works with any popular browser, so you can use devices running Windows, Mac OS, Linux, Android, or other operating system to access critical business information.
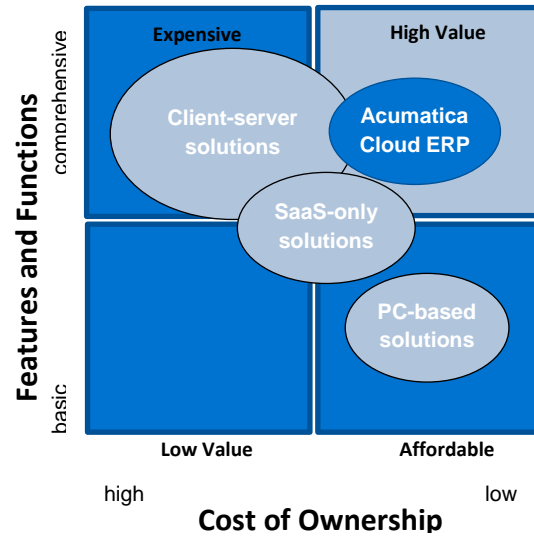
Acumatica is tested with Microsoft Internet Explorer, Mozilla Firefox, Google Chrome, and Apple Safari.

Cost-Effective

Acumatica is cost effective because it was designed for the web using standard technology which can be deployed anywhere.

Traditionally, software buyers had to choose between inexpensive PC-based solutions which offer little functionality and client-server applications which offered additional features but were expensive to implement and maintain. The advent of SaaS provided solutions which have more features than PC-based products and are easier to implement than client-server. But, SaaS solutions can be expensive in the long term if you purchase a SaaS solution and are locked into a single datacenter or deployment model.

Several client-server applications have been adapted for the web. Applications which have been **adapted for the web** are not as cost effective as those which are **designed for the web**. The chart below summarizes several differences:

ITEM	DESIGNED FOR THE WEB	ADAPTED FOR THE WEB
Functionality	100% of the features are **available from anywhere** using a browser.	The web interface may only include a subset of features.
Security	Client is not trusted – all validation is done at the server all data is secured on the server.	Client may store and manipulate some data or perform user authentication and validation.
Usability	Interface can be desktop-like in appearance and performance through use of web-based technologies.	Interfaces for the client and the web are often different resulting in different user experiences and training requirements.
Performance	Optimized to reduce network traffic and rapidly respond to server requests.	Web interface may utilize a conversion process or use proprietary protocols which increase network traffic and limit the ability to scale.

YOU CONTROL THE SOFTWARE

As shown in the study results below, different companies prefer to deploy software in different ways.
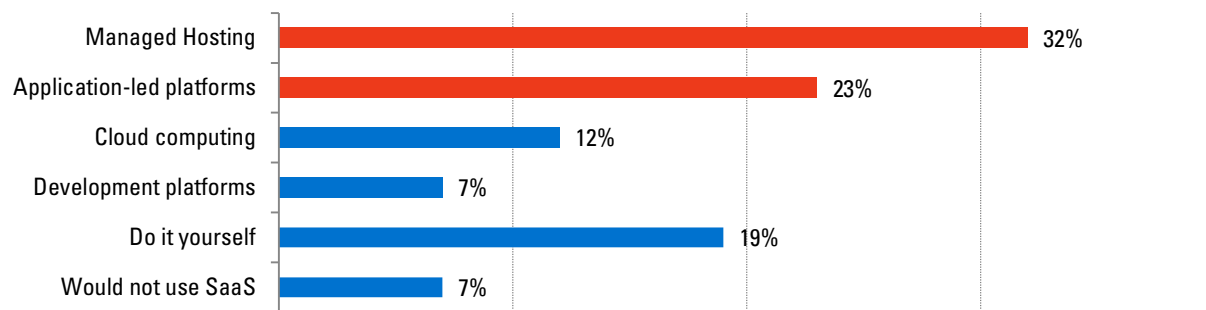

Figure 3 - Companies Prefer Different Deployment Models
Source: Enterprise Software Customer Survey 2008, McKinsey & Company and Sandhill Group

Acumatica allows you to control where you deploy your software so you can deploy it cost effectively. Most importantly, Acumatica is flexible so you can change your deployment model as your needs change.

We agree with Ray Wang and other analysts who say the decision to purchase an application as a service (SaaS), or to run it on your own servers, or at a hosting or cloud services company, depends on a variety of economic and other factors including the number of locations, the number of users, bandwidth availability, security requirements, cultural factors, and corporate and government regulations. For most organizations these factors also vary over time, so what works for today may not be right for tomorrow. With Acumatica you can start with one deployment model and then switch to another as your needs change.

On premise deployment: if you have a large, under-utilized datacenter, you may benefit by deploying the application on spare hardware in your own datacenter. For example, if you have virtualized several servers recently and have spare hardware – an on-premise deployment may be cost effective.

Hosted deployment: if you have short term capital constraints or do not want to invest in IT personnel to maintain and backup your financial solution, you may benefit by hosting the solution in a full-service datacenter.

Cloud services deployment: if your use of the application will be light during the initial implementation, you may benefit by deploying Acumatica on Cloud hosting services such as those offered by GoGrid, Amazon EC2, and Microsoft Azure. These platforms allow you to pay for only the resources that you use to keep costs low as you are growing.

NO CLIENT SOFTWARE

Acumatica is web-based so it can be accessed from anywhere without the cost of installing client software or VPN software. You can access 100% of your application functionality, including customizations, using any popular browser.

This saves your company money on PC maintenance because there is no additional cost to install, maintain, and repair client software. The web browser that you use to access Acumatica is already installed and paid for.

- Average cost of installing an application: $50 / client

- Average cost of maintaining an application: $100 / client / year

When individuals upgrade to a new computer, all individual dashboards, favorites, filters, and reports are automatically transferred because these settings are stored on the server. This eliminates costs associated with migrating data and re-configuring user preferences.

Cost savings can be even higher for individuals in remote offices who do not have access to an IT person.

Figure shows the total cost of ownership over five years when using Acumatica versus pay-by-user and client-server solutions.

Key assumptions include the cost of
hardware ($25,000), support for client server (1 IT person per 100 users), Acumatica hosting cost ($2,400 per year plus an additional amount per user), monthly SaaS cost ($80 per user), and software licensing costs.

Acumatica provides several cost benefits because there is no client software to maintain and it is easy to maintain on standard Windows hosting plans.

CONSOLIDATE OPERATIONS

A single instance of Acumatica can scale to support an organization with multiple offices in multiple countries. This allows you to manage all of your IT operations from a single location or datacenter so you can save money on operational expenses.

For a company with 5 different locations, these operational savings can be over $100,000 if you include hardware, software, and IT expenses. This doesn't include the time that is saved from people not being able to work while their PC is being updated.
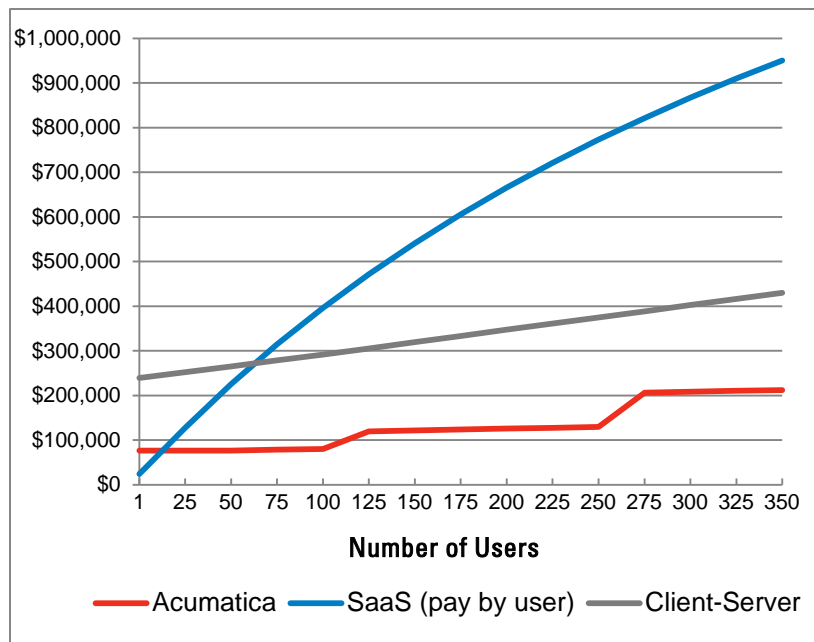

Figure 4 - Total Cost of Ownership (5 Years) for ERP Systems

Acumatica's technology provides unique advantages for companies who want to consolidate operations across multiple offices or subsidiaries.

- **Works over unreliable network connections** – remote users receive nearly the same experience as users who are co-located with the Acumatica server. This allows you to deploy only one system instead of multiple servers in multiple locations.

- **No client software required** – since Acumatica works with any common browser and does not require a VPN, there is no need to deploy application or system experts in remote offices.

- **Scalable** – you can easily add application servers to an existing deployment to handle increased workloads.

- **Robust access controls** – role based security allows you to control the information that can be accessed from different locations.

- **Advanced financial features** – a single system can manage different currencies, languages, tax logic, reporting requirements, and more so the consolidation does not impact local business requirements.

- **Customized reporting** – flexible account and subaccount codes allow users to get information that they need that is customized for their particular location.

Acumatica Product Overview

Acumatica provides a single solution that can be used to run your entire business. There are core capabilities, Acumatica applications, partner application, and third-party integrated tools.
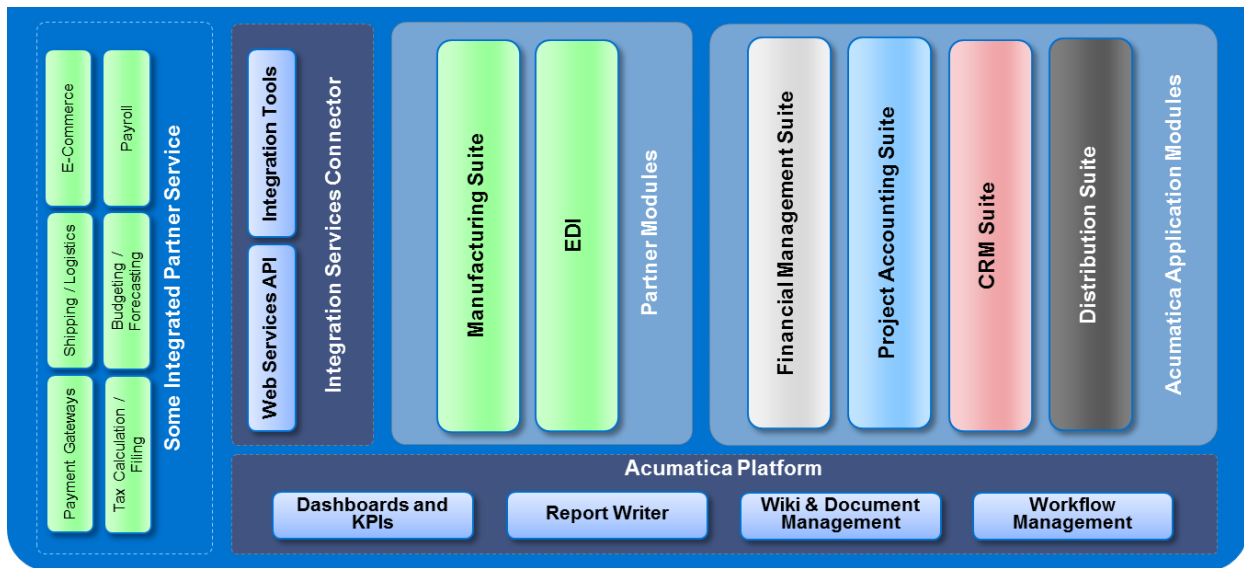

Figure 5 - Acumatica System Modules

ACUMATICA FINANCIAL MANAGEMENT SUITE

A core set of web-based business applications that can be used by almost any organization.

- *General Ledger* (GL) keeps the chart of accounts, and is the central module where all financial information is collected for analysis and reporting.

- *Cash Management* (CA) incorporates functionality required for managing day to day operations related with petty cash, funds transfer, bank account reconciliation and payment processing systems reconciliation.

- *Accounts Receivable* (AR) allows companies to manage receivables and automate the tasks of invoicing customers and collecting payments.

- *Accounts Payable* (AP) allows companies to efficiently manage liabilities for purchased and received goods and services.

- *Employee Portal* (EP) allows entry of expense reports in multiple currencies. Works in concert with Accounts Payable. Also allows employee expenses to be charged to customers and tracked in Accounts Receivable.

- *Currency Management* (CM) provides functionality required for using multiple currencies in the system so companies can do business internationally and manage foreign subsidiaries.

- *Tax Management* (TX) enables sales, use and VAT taxes to be defined, and provides tax tracking, audit, and reporting functionality.

- *Deferred Revenue Management* (DR) allows companies to establish sophisticated rules for recognizing revenue in future periods.

- *Fixed Assets Management* (FA) provides complete visibility into business assets and provides standard and customized depreciation calculations. The Fixed Assets module is priced separately from the core financial suite.

- *Inter-Company Accounting* is an add-on feature that establishes branch offices across the system so companies can automate reporting, payments, cash management, and transfers that occur between separate business entities.

DISTRIBUTION MANAGEMENT SUITE

A set of tools for managing the complexities of distribution from taking customer orders to shipping product and accepting returns.

- *Inventory Management* (IN) provides real-time access to available inventory including items in multiple warehouses, inventory in transit, items on order, and substitute goods. Track inventory items by sub-item codes, lots, or serial number.

- *Purchase Order Management* (PO) automates the process of acquiring materials. Partial receipts, drop shipments, workflow, and re-ordering algorithms improve purchasing efficiency.

- *Sales Order Management* (SO) optimizes the way businesses accept and fulfill sales orders. Provide quotes, perform simple cash sales, and accept returns.

- *Requisition Management* (RQ) organizes complex distribution processes involving multiple products and suppliers so businesses can respond quickly to complex customer requests.

PROJECT ACCOUNTING SUITE

A set of tools for budgeting, tracking, and reporting profitability at the individual project level.

- *Expense Management* tracks expenses related to materials, labor, services, allocated overhead, and inventory to gain a complete view of project related costs.

- *Project Budgeting* allows businesses to create project-level budgets that consist of various components such as labor, non-stock items, inventory, and services. Real-time reporting helps measure actual expenses against budgets.

- *Advanced Billing* provides project-level billing for scenarios such as cost plus, fixed price, time and materials, milestone billing, and contract specific pricing.

- *Timesheets and expense reports* can be entered from anywhere using a browser to enable faster and more accurate reporting and billing.

CUSTOMER MANAGEMENT SUITE

A set of web-based customer relationship management (CRM) tools for managing leads, opportunities, and business accounts.

- *Sales Management* features improve sales conversion rates by delivering intuitive lead management, opportunity management, contact management, approvals, and workflow.

- *Marketing Management* integrates marketing activities such as lead management, campaign management, list management, and email management with financials to provide visibility into marketing effectiveness.

- *Analytics and Forecasting* delivers real-time dashboards and reports to keep all employees and partners up-to-date regarding tasks, events, results, and team responsibilities.

COMPLETE INTEGRATION

All modules, APIs, and reports update a centrally maintained database so all information is 100% current and up-to-date. The multi-tiered architecture simplifies integration and improves data integrity and simplified module interaction.

Conclusion

Acumatica allows you to run your business more effectively by providing a complete set of ERP and CRM applications which are integrated with a content management solution. Acumatica is built using web technology so you can cost effectively deploy it to your entire organization, no matter where they are located or how frequently they use it.

Compared to client-server solutions, Acumatica is less expensive to install and maintain, yet provides similar features and benefits. Customization and development is easier because it can be done entirely inside Microsoft Visual Studio. Performance is comparable to client-server solutions because the platform is designed to minimize network traffic and work over slow Internet connections.

Unlike pure-SaaS providers, Acumatica does not lock you into a single vendor, hosting provider, or proprietary technology. You control the software and where you want to deploy it. If you purchase a license, you can continue using the software even if you stop paying maintenance.

Acumatica's web-based platform technology allows you to run your business better at an affordable price.

Acumatica

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