

# SIGNS TO MOVE OFF SMALL BUSINESS ACCOUNTING SOFTWARE

## How to Recognize the Need for a New Business Management Solution

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### INTRODUCTION

It is true what they say – small business is big business. They are fast growing – so fast that many companies find that they need more from their small business accounting software to keep up with the complexity of their business growth.

If you're a small business owner, chances are that you use a small business accounting application such as Intuit's QuickBooks or Simply Accounting (now Sage 50). Applications like these provide growing businesses with the basic bookkeeping functions needed to get started. However, as your business continues to grow so too do the requirements placed on the software foundation that supports your operations. Despite offering support for accounting, payroll, and payments, there are many functions that small business accounting software simply isn't built to handle. Growing companies quickly discover the software's limitations as the number of customers, orders, inventory, and volume of business data increase.

By identifying that it's time to switch to a more sophisticated enterprise resource planning (ERP) application, your business will have access to the functionality needed to continue to operate efficiently and take advantage of new business opportunities.

If your business is having inventory management challenges, requires integration with other industry applications, or is exceeding database limitations of small business accounting software, you might be ready for a new business management solution. While there is no hard rule about when a small business should start thinking about replacing its software, you may have already encountered some challenges that provide a good indication that you need a more powerful business management solution.

## KEY CHALLENGES WITH SMALL BUSINESS ACCOUNTING APPLICATIONS

Whether you are running QuickBooks, Simply Accounting, or another small business accounting solution, it is important to recognize the first sign of growth challenges. By preemptively moving to an integrated business management solution you can limit the impact on your business productivity, data-entry errors, and missed sales opportunities. The following are some of the most commonly reported challenges by small business owners:



### Too much data entry required

Without a single integrated system, business data resides in disparate applications making access difficult. As a result, manual re-entry of data from one system to another is necessary and is causing inefficiencies and affecting employee productivity.



### Limited access to important data and reporting

Your ability to query a report is limited and you are unable to easily manipulate data. This has required that you to export data to a spreadsheet application for tedious data analysis - affecting your ability to make important decisions in real-time.



### Inadequate Inventory Control

As your business continues to grow, inventory can become one of the largest assets on a balance sheet. Effective inventory management becomes even more important in avoiding the opportunity costs of stock outs or excess inventory such as reduced customer satisfaction or holding costs. Small business accounting software does not have the ability to support complex inventory management.



### No integration with other applications

Unable to integrate with third party applications, adding new functionality as your business grows, such as customer relationship management (CRM), requires manually importing and exporting data to and from applications - increasing the likelihood of data entry errors and duplicate records.



### Limited support for add-ons or industry solutions

Small accounting packages do not have a developed and supported ecosystem of industry specific add-on solutions. Finding a supported widget or modules specific for retail or warehouse management for example, finding a supported widget or module specific for retail or warehouse management is often not possible.



### Software runs slow or freezes your computer during routine tasks

As the number of financial transactions, inventory, users, or financial transactions increase, the system may lose performance causing the system to lock up or perform sluggishly. This has affected your vendor, customer, and employee lists.



### Need for more than 10 user licenses

Past ten concurrent users in your accounting software, the application becomes slow and locks up. While upgrading the software to an enterprise or professional edition may provide enough power for a few extra licenses, it does not provide any additional functionality to empower these users and their roles within your company.



### Maximums are easily exceeded

Your scale of operations has resulted in a large number of document numbers, customers, vendors, inventory, and general ledger account field sizes. Your business growth is restricted by these limitations; upgrading to enterprise versions of the application only provides temporarily delay for a more scalable solution.



### Limited features require paying for multiple applications

Without the ability to add more business functions like project management or other industry specific functionality, you have resorted to purchasing additional third party applications to meet your business needs.



### Lack of Accounting Compliance

Compliance is key for businesses that are expanding operations and need to report to a growing number of stakeholders, or meet auditing requirements. However, many small business accounting applications lack accounting controls such as GAAP or SOC.

## MOVING FROM A SMALL BUSINESS ACCOUNTING APPLICATION TO AN INTEGRATED ERP SOLUTION

If your business is considering moving to an enterprise edition or upgraded version of its current software package, consider this: growing small to midsize businesses grow fast. While support for additional users and higher inventory caps may enable your business to maintain its business now, it does not have the scalability to maintain pace in the future.

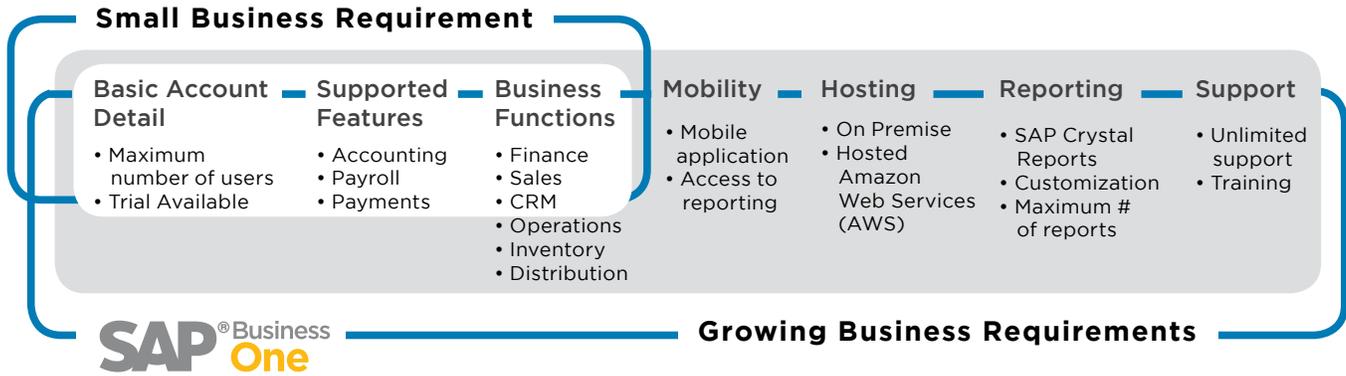
Keep your business moving in the right direction. SAP Business One provides a complete set of functionality in a single, affordable application that can scale to support the expansion goals of your growing business. By moving to a single system, you can manage your accounting, sales, inventory, and reporting needs but also get real-time access to business intelligence for better decision-making.

SAP Business One captures all critical business information for immediate access and use company-wide. Unlike small business accounting software, it delivers what you need to manage your business at each new stage of business complexity; as new functions are required to continue growing your operations.



# WHAT FUNCTIONALITY DO ERP SOLUTIONS OFFER MY BUSINESS?

As your business grows, the need to support additional functionality can be made possible through an ERP solution like SAP Business One. Outside of limitations of accounting functionality, applications like Simply Accounting and QuickBooks will eventually require that you move to a more powerful ERP application like SAP Business One to support the needs of your business as it continues to grow:



## HOW SAP BUSINESS ONE CAN OVERCOME THE LIMITATIONS OF QUICKBOOKS AND SIMPLY ACCOUNTING

SAP Business One provides your business a scalable platform to support your company’s next stage of growth. The chart below illustrates how SAP Business One overcomes the limitations of accounting software and keeps your growth in check.

Area	Accounting Software (QuickBooks and Simply Accounting)	ERP Application
<b>Account Numbers</b>	No segmentation for summary reporting or organizing general ledger.	Provides support for up to 10 segments.
<b>Inventory</b>	Limited to basic tracking through the addition of desktop and web-based add-ons.	Inventory management: Lot tracking and serial numbers, Batches, Multi-warehouse support, FIFO, and Average Cost Standard Cost.
<b>Scalability</b>	Slows significantly as data size grows. No platform to move up to.	Scales with growth and can handle large databases. Supports transaction archiving.
<b>Custom Reporting</b>	Difficult to use and limited to the average user.	Based on industry leader Crystal reports. Create powerful, richly formatted, dynamic reports from virtually any data source, delivered in dozens of formats.
<b>Flexibility</b>	Minimal configurability and no user customizability.	Advanced user customization features including unlimited user-defined tables, fields and objects capabilities.
<b>Work Flow</b>	Graphical flow chart on screen to help navigate.	Customizable automation features.
<b>Security</b>	Limited functional password security.	Deep functional and data-ownership security.