The Smart Back Office

A QuickBooks™ Centric Accounting Ecosystem Designed to Automate Management Accounting

By Stephen King, CEO & CPA

GrowthForce™
put your numbers to work

Table of Contents

Introduction

—

Depending on the size of your business or organization, you may not have a literal "back office", smart or not-so-smart. However you likely do have back office functions including non-customer focused activities such as human resources, IT, legal and accounting. As you grow, so will these departments and the benefits from integrating and automating these back office systems become increasingly important.

A **Smart Back Office™** integrates technology to automate those administrative departments and deliver actionable financial intelligence. These decision-ready reports, combined with the labor cost savings resulting from having a Smart Back Office, help businesses improve performance and drive profitability and growth.

A Smarter Way
of Doing Business

With today's technology, even the smallest business can have quality business process automation like that of a Fortune 500 company. Accounting is the back office department that can have the biggest impact on a business by conversion to a Smart Back Office.

GrowthForce

The QuickBooks Centric Tech Stack

—

The advent of cloud technology has allowed the automation and interoperability of multiple accounting functions, including bill payment, time management, payroll, expense management, billing and collections. Previously this level of integration was only available to enterprise organizations on hugely expensive ERP systems.

As a result of this integration of financial data, small business owners can more readily track and measure business-critical information. Small businesses can now have affordable access to management accounting, not just financial accounting. With management accounting, business owners and their advisors can use financial intelligence to help drive data-based business decisions that helps increase profits.

6

Intuit QuickBooks®

Intuit QuickBooks is the platform that this Smart Back Office uses to integrate all of the accounting back office functions for small to medium size businesses. QuickBooks allows data to be carried over into different functions without the need for redundant data entry. Not only does one-time entry save time and money, it allows more data to be captured and minimizes costly data entry mistakes.

Highly Customizable Software

The best practice is to get the correct numbers into the accounting system from the start. We estimate it costs three times as much to fix an accounting mistake as it does to get it right the first time. QuickBooks is highly customizable, which makes it ideal for growing businesses which need flexibility on how numbers are entered into the financial software. However, that also means it's easy to screw up.

The beauty of QuickBooks is it has the ability to integrate with other programs to create the optimal tech stack or Smart Back Office. That means, businesses can import and export data from apps they use every day into QuickBooks. From time tracking to inventory management, QuickBooks can assimilate and automate many functions which historically have been performed manually by accounting and HR functions.

Intuit QuickBooks®

This QuickBooks centric tech stack, or bundle of cloud solutions, is a Small Business Ecosystem - the set of products and services that help small business owners with every aspect of running the back office of their company.

While each small business is unique, all businesses must execute some common tasks. They have to attract and retain new customers and employees, develop a sales and marketing strategy, manage all workflows and account for profit and loss.

QuickBooks, through integrations with third-party applications, becomes a platform, or Smart Back Office that can support all of these functions. Intuit has consciously moved QuickBooks away from just being a general ledger, to being the center of the small business ecosystem.
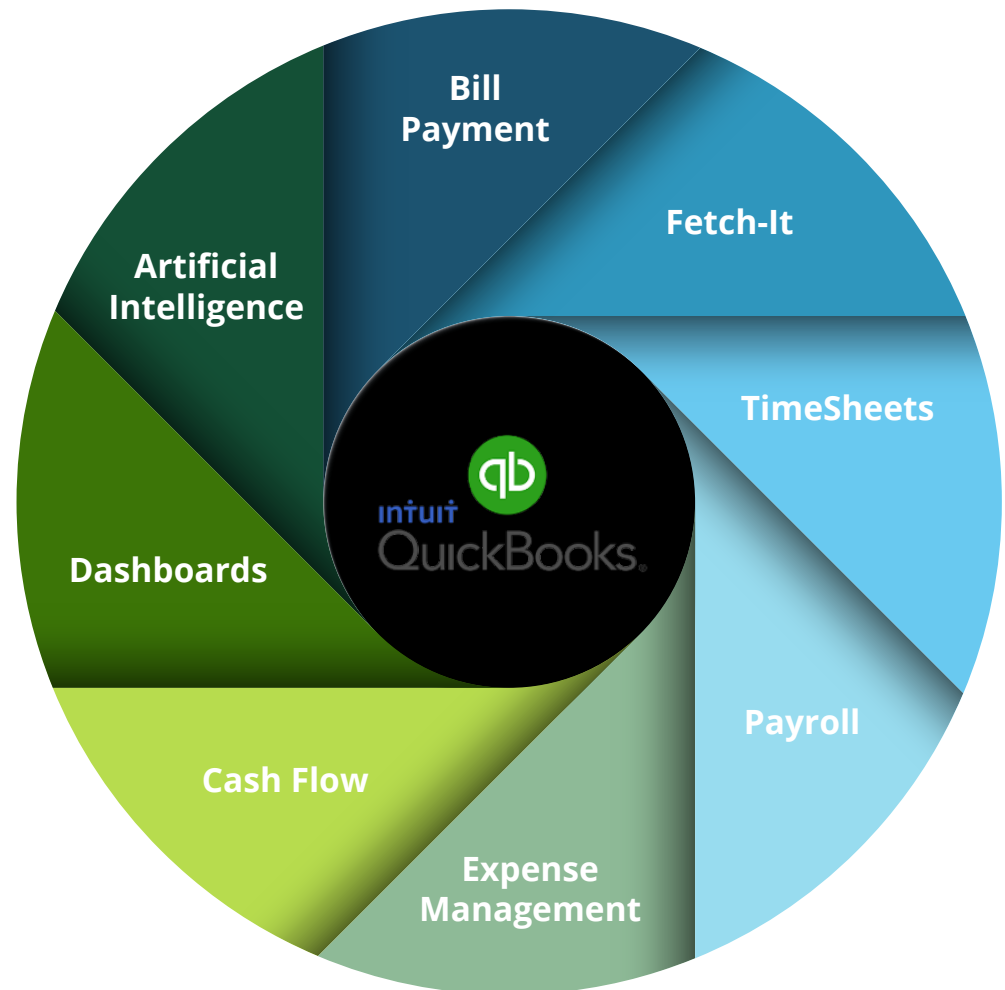
Bill Payment

to Save You Time and Money

Organize your money and save time by using the Smart Back Office's most basic function: Bill Payment.

GrowthForce

Part 1

Use Bill Payment to Save Time and Money

The easiest Smart Back Office function to automate is bill payment. About ten billion business-to-business transactions are processed annually in the United States. According to the Aberdeen Group[1], the cost to process these transactions ranges from $1.50 to $50, depending on an organization's bill processing efficiency and its utilization of electronic payment processing. It is easy to see how the automation of the bill payment function could help any organization save time and money. With automation you can get that down to as low as $1.50 per bill.

A More Efficient Process

Historically, paying a bill required visiting the mailbox to receive an invoice, posting the invoice, chasing down managers to get invoice approval, generating a check, printing a check, chasing down the CEO to get a signature, mailing the check and then reconciling the payment on the bank reconciliation. Most businesses pay their bills this way, at a high labor cost. Fortunately, bill payment is much more efficient with the help of the electronic bill payment system, Bill.com.

" Approximately **10 Billion** business-to-business transactions are processed annually in the United States.

Source: Aberdeen Group

"

[1]   http://www.aberdeen.com/research/16435/16435-rr-ap-yesterday-today-tomorrow/content.aspx

Bill.com®

Bill.com is the clear cut leader for the bill pay process. Its many labor-saving features make it an affordable solution for companies using QuickBooks. Our clients enjoy the convenience of paying bills online, as well as the ease of use of the Bill.com app. Bills can be coded down to customer and job level, class, as well as any additional custom level requirements. Account coding that can be done within QuickBooks can also be done inside this payment app.

By transitioning to Bill.com, companies also reduce the billing practice from a 13-step repeating process to a four-step electronic process – saving significant time and labor costs:

1. Bills are sent directly to a dedicated inbox
2. They are then entered, coded and routed for approval
3. They are approved
4. The bills are then paid online

In addition, Bill.com synchronizes effortlessly with QuickBooks Desktop (QBD) and QuickBooks Online (QBO). For QuickBooks Desktop, there is a sync tool that is used to push the transactions into QuickBooks Desktop. With QuickBooks Online, there is a two-way sync; whereas, changes made in QuickBooks Online are simultaneously made in Bill.com and vice versa.

GrowthForce is a Bill.com guru

Bill.com® (Cont.)

During the accounts payable process, Bill.com imports four things into QuickBooks: the vendor, the bill, the payment and the funds transfer amount. Only one total withdrawal is made from the business's bank account each day.

Bill.com has job costing functionality that can be activated when paying bills inside of Bill.com or in QuickBooks. Smart businesses use job costing to allocate "above the line" costs to customers, jobs, service items and classes (profit / cost centers). The best practice is to assign every cost to a job, including internal costs which get tracked to internal jobs. This allows every expenditure to be tracked to determine how it affects the profitability of the company.

A feature worth mentioning is Bill.com Fast Pay - Instead of adhering to the typical four- to 10-day window for payment and delivery, payments can be sent as quickly as overnight or within one to two days.

NEW FEATURES!

Bill.com Introduces International Business Payments

Now Bill.com customers can pay international vendors electronically. This gives users a simple, cost-effective and seamless way to transact globally, and more cost effective than doing bank wires.
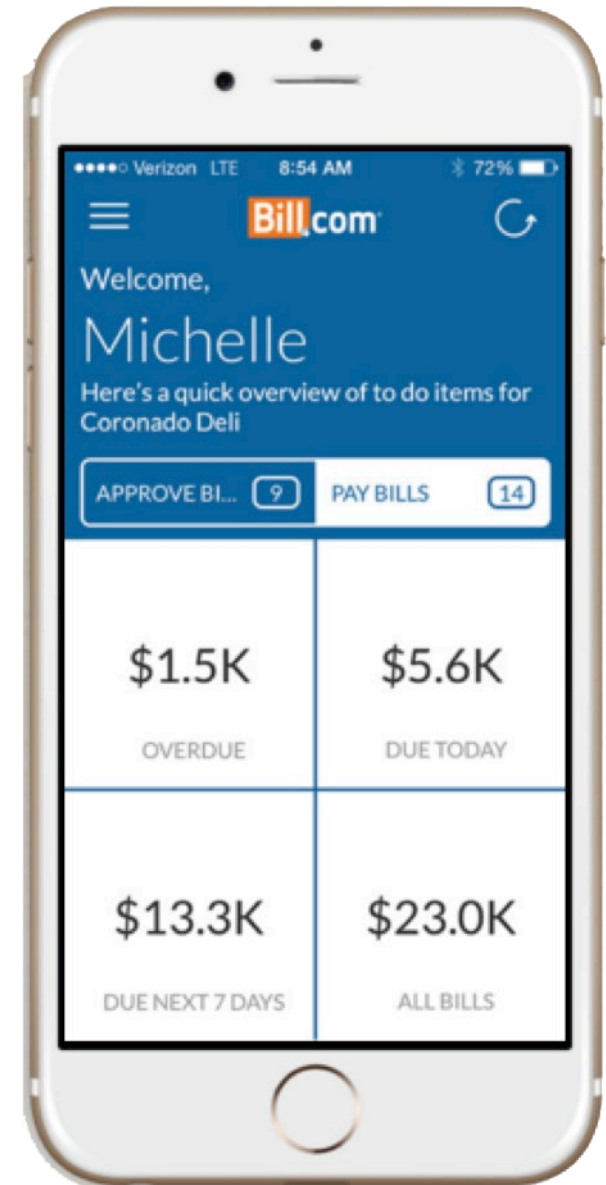
Fetch-It
Automated Data Entry to Save You Time

Automatically import your financial documents
& export them into usable data.

GrowthForce

Part 2
"Fetching" Bills

—

Doing business gets even easier when a company also incorporates "Fetch-It" software such as **Receipt Bank™** or **Hubdoc™**. Fetch-it software automatically gathers bills and statements into one secure hub where a business owner can view and manage financial documents all in one place.

The benefits of the fetch-it function include:

- Save time by not chasing down bills and statements - accounting personnel no longer have to log into to multiple bank and vendor sites each month to gather recurring bills
- Reduce the risk of fraud - accounting personnel no longer need to have access to the bank and other accounts
- Save time by managing the data that is imported instead of manually keying in each entry

Most significantly, this step gets a business closer to the holy grail of zero-entry accounting, a point in the accounting process where no person ever has to enter data manually.

Receipt Bank™

Receipt Bank collects client financial transactions with no document chasing and no data entry. It also integrates with leading cloud accounting software, such as Bill.com, so businesses can build an end-to-end solution.

The workflow between Receipt Bank and QuickBooks and Bill.com allows a bill to be scanned into Receipt Bank, where it codes it and assigns Bill.com approvers directly in Receipt Bank. Notifications of new vendors added using the OCR technology prompts users to setup invitations in Bill.com or send out W9's.

Great at coding invoices, Receipt Bank's mobile app can code receipts on the go! It takes an image of a receipt, does all the coding and then sends it into the inbox for the accountant to review before posting.

Receipt Bank's extensive client management dashboard shows:

- A complete client list with estimated minutes of workload remaining to be processed or reviewed
- How many items are in process; waiting to be approved or not ready for export
- How long something has been sitting in the inbox
- The last time a client submitted a receipt to send automated reminders

Hubdoc™

Hubdoc is also a leader in "Fetch-It" technology and was recently purchased by Xero. It allows users to capture more data into accounting systems faster and without the human error of manual entry. Hubdoc also employs optical character recognition (OCR) to automate data entry by importing documents, such as receipts, bills and statements and converting them into usable data.

Benefits of Hubdoc include:

- A built in workflow management system that autosyncs and automatically posts directly into QuickBooks Online
- Ability to code documents to multiple departments
- Capable of sending images into QuickBooks Online which reduces fraud and provides an audit trail for CPAs
- Workflow dashboard with document progression status
- HubDoc has more vendors and banks than Receipt Bank

Hubdoc is an app that pulls the data, fetches the data and codes the data. With the ability to code vendor names, amounts, and due dates, Hubdoc can also remember those assignments and automatically pre-fill data and code future documents.

In addition, Hubdoc has a unique email address for vendors that only send paper invoices. If a vendor invoice is received, it can be scanned and sent to the inbox and Hubdoc will code it.
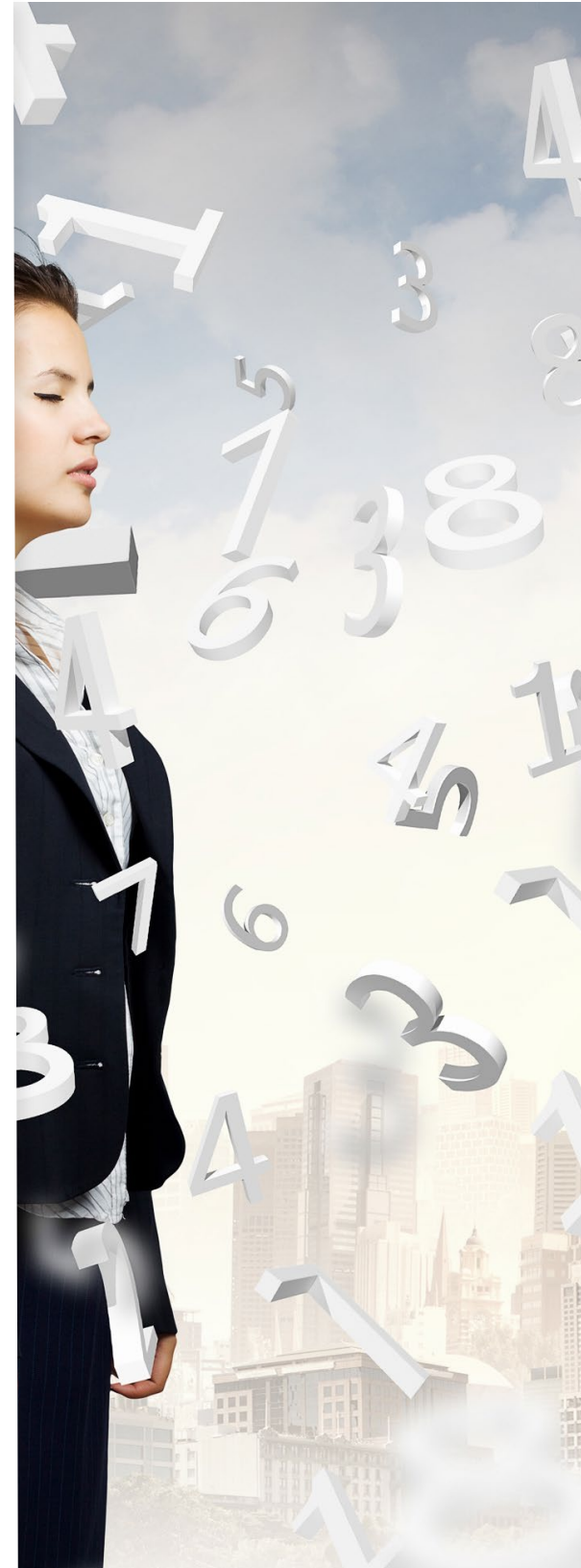
Neat™

Similar to both Receipt Bank and Hubdoc, another honorable mention goes to Neat. This company is not a newbie in the bookkeeping space. From software to hardware then back again, Neat is now focused exclusively on developing automated bookkeeping solutions in a SaaS and Mobile framework. Developing powerful yet cost effective tools for small business that help with expense management, automated bookkeeping and document organization.

Neat software is jam-packed with features designed to eliminate time-consuming bookkeeping tasks and protect businesses against IRS audits come tax time.

Neat's key differentiators worth noting include:

- Market leading document parsing accuracy & speed
- Real-time visibility & insights
- Secure, unlimited cloud storage & collaboration
- Largest coverage of QuickBooks market (desktop & online)
- Tax categorization & reporting

Neat provides more methods for getting documents (paper or digital) into the system than any other vendor on the market. Neat then automatically detects and extracts key information from files and transforms it into a searchable, digital record.

LedgerSync®

LedgerSync consolidates small business client information into one single dashboard. It has the ability to pull bank activity and statements without having access to client bank account information, that **helps reduce the risk of fraud**. The client signs up, plugs in their own information and then LedgerSync does the rest. Check images, bank statements and other transactions are fetched by LedgerSync which can then be synced into QuickBooks.

For businesses using outsourced accounting services, LedgerSync will eliminate the need to give the firms employees bank access. Once it is setup, the account information will show up in an inbox. This provides peace of mind by keeping complete control of your bank account while benefitting from synced data.

Good for QuickBooks Desktop where you have to import/pull bank information manually. For QuickBoooks Online, the client can set up bank information to pull automatically and use other apps like Hubdoc to get statements.

Time Tracking
Automated Employee Time Tracking

Payroll is the biggest expense for any business that makes money on people's time. Time-tracking allows business owners to get visibility into how that expense is used so they can recapture time leakage and lost value which translates to increased profits.

3

GrowthForce

Part 3
Time Tracking

The next big revolution enabled by the Smart Back Office is implementing automated employee time-tracking. Service businesses that make money on other people's time need a time-tracking system that is integrated with payroll, scheduling and leave management. This simplifies payroll by eliminating manual timesheets and duplicate data entry. Time-tracking apps also enable automated time driven activity based costing (TDABC) (See Part 5 - Payroll).

There are several products on the market that track time and integrate with QuickBooks. Our favorite time tracking options are:

- **TSheets by QuickBooks**
- **BigTime**
- **Insperity® TimeStar®**
- **eBillity**

TSheets by QuickBooks® Time Tracking

TSheets has long been the time tracking market leader for QuickBooks users, so it was no surprise they were acquired by Intuit. TSheets built a seamless solution to track time and get it inside QuickBooks to help streamline invoicing and simplify payroll.

Here's why we like TSheets:

- Employees can access only their customers jobs, service items and payroll items that relate only to them
- Reporting that captures work hours by time, job, project, and date range
- Records employee time with start/stop button on a mobile phone, iPad or PC
- Simplifies payroll by eliminating manual timesheets and duplicate data entry
- Uses GPS tracking to find clocked-in employee closest to the job assignment
- Alerts employees about schedule changes via text, email or push notifications
- Synchronizes timesheets to QuickBooks with one click, allowing for job costing

NEW FEATURES

- Time Clock Kiosk uses facial recognition to detect who is clocking in for, and out from, a job.
- Automatically sync addresses to start using nearby job codes right now
- Easy user interface that captures employee time and integrates with payroll and scheduling
- Filter and customize timesheet lists

Insperity® TimeStar®

TimeStar's is the most robust solution of this pack because they automate the time tracking and staff scheduling processes. Workers can request shift changes, leave early or take time off with a single click. Clock-ins happen on mobile devices or telephony, or on-site with biometric and badge-based time clocks. Alerts can be customized for attendance conditions and policy violations that could be costing money. Integration with QuickBooks is currently in beta testing.

- Employee self-service capability to manage individual schedules and time tracking
- Flexible time collection, allowing various clock-in technology options
- PTO tracking to manage vacation and sick time, and upload into the payroll calendar
- Set up custom alerts for attendance conditions and policy violations that could be costing your business money
- View, edit and approve schedules in real-time with imbedded group scheduling
- Advanced reporting with real-time labor analytics to control payroll costs

eBillity™

Track time from any device, anywhere – laptop, tablet, mobile, even offline.

Create time entries, run multi-timers and enter work schedules in blocks with their weekly timesheets.

Easily send automated time entry reminders, set roles, and permissions, send single or group messages, and verify your employee's location.

BigTime

As an official Intuit-Integrated Application, BigTime IQ was designed to sync seamlessly with all QuickBooks versions. Service businesses must have this integration to perform true job costing to optimize their pricing and, ultimately, make more money.

We like that when syncing QuickBooks with BigTime IQ, it imports all of the labor and expense codes that your business uses in QuickBooks.

Payroll Solutions
Reduce the Risk of Fraud

A company's largest expense needs an extra level
of internal controls.

GrowthForce

Part 4
Payroll Solutions

In a business that makes money on other people's time, payroll is always a company's largest expense, often running 70% or more of total costs. The best practice is to use a third-party payroll solution to lower risk of fraud and get control over your largest expense.

The top of the line payroll providers organize all the tasks of employee payment. These tasks include:

- Tracking labor hours
- Calculating wages
- Withholding taxes and deductions
- Printing and delivering checks or ACH payments
- Paying employment taxes to the government

Intuit™ and **Insperity®** are the only two payroll providers that can import timesheets from QuickBooks and offer fully automated Time-Driven Activity Based Costing (TDABC).

TDABC is a game changer because it enables unit economics – the foundation of a management reporting system. TDABC enables true, near real-time job costing which helps businesses get visibility into which customers and staff contribute the most to profits. Automatic labor cost allocation enables unit economics, which shows the profitability of everything you do. Then you can study what caused profits in the past, so you can make more money in the future.

Job Costing & Payroll Allocation

Once you can see profitability per customer and job you can tag each customer based on the decisions you have to make. You can add custom fields such as by sales rep, industry, region, team, lead source or marketing campaign to see profitability based on the decisions you have to make. Unit economics help figure out where to invest based on what caused profits in the past.

Many service businesses use their ticketing or project management systems to see job profitability using an estimated or "standard" cost rate for each employee hour. Standard costs will only work if you religiously update the costs of raises, overtime, bonuses or changes in health insurance costs.

For real visibility into a business's true cost of a job, the best option is to use a payroll system that is integrated with an employee time-tracking system to automatically allocate labor costs, and post to QuickBooks.

Determine job cost and profitability without a lot of expense or effort.

Integrating Time-Tracking and Payroll

There are a few significant benefits of automating and integrating time-tracking and payroll technology:

- Getting TDABC helps identify time leakage and unbilled value which drives improved pricing that goes right to the bottom line
- Unit economics enables a management reporting system to make data-driven decisions
- Reduces the risk of fraud with separation of duties and by reviewing procedures to help detect theft and human errors
- Saves time and money by eliminating duplicate data entries

Job Costing Payroll Providers

There are currently only two payroll providers which offer job costing through QuickBooks: **Insperity®** and **Intuit® Online Payroll**.

Although Paychex®, ADP® and other payroll providers have job costing capabilities, they sync only at the general ledger and department level, not at the customer and job level. They can allocate salary and taxes but customer and job level allocation usually requires manual entry or software workaround.
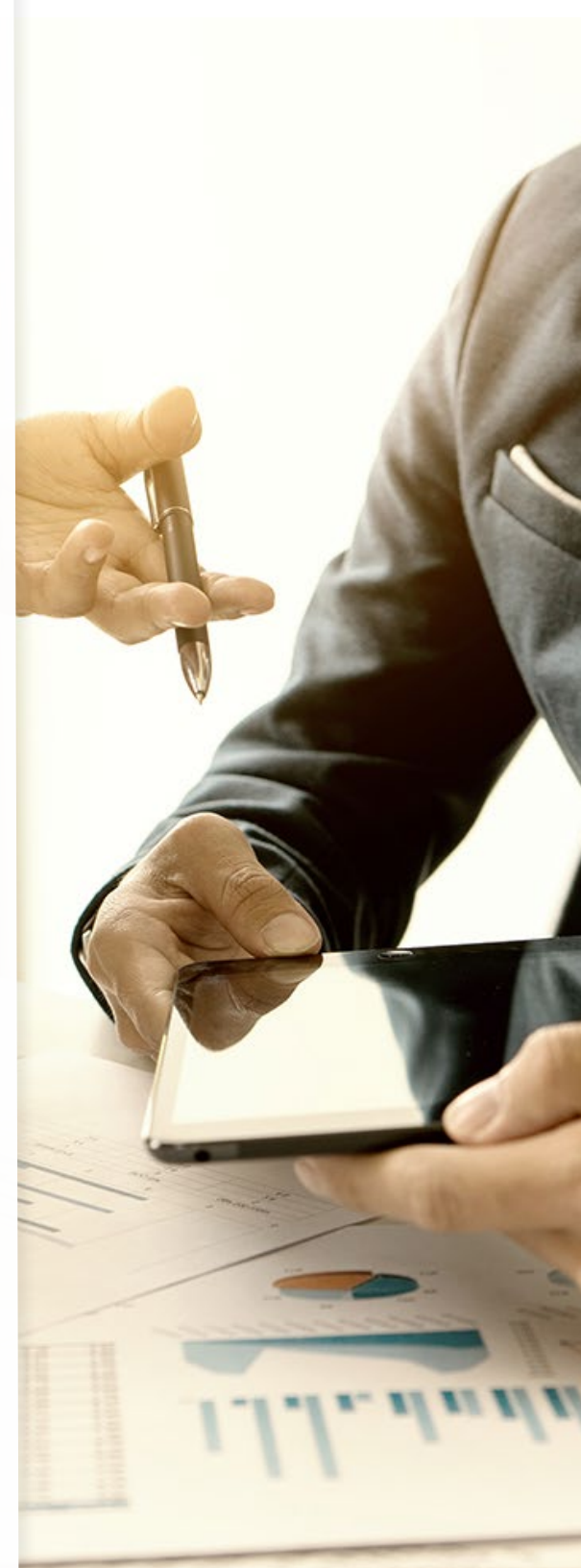
Intuit® Payroll

Intuit is bigger than ADP, Payroll, and Paychex Payroll combined according to Intuit, because they built payroll right into the QuickBooks systems.
When you subscribe to QuickBooks you get access to all the features in payroll.

- Payroll and accounting data syncs and updates automatically
- Run payroll anywhere, anytime from the mobile app so you'll never miss a deadline
- Fast and free 24-hour direct deposit lets you submit payroll when you're ready so you can keep funds a bit longer

Intuit Desktop has fully integrated job costing* - in preferences under payroll - use timesheets to generate payroll. This turns on a feature to automatically allocate your payroll and taxes to using the information on the timesheets in QuickBooks.

*this feature not yet available in Intuit Online.

GrowthForce is an Intuit Premier Reseller

Insperity® Integra ™

Insperity Integra is a cloud-based solution that provides an integration between QuickBooks and Insperity. The big difference with Insperity Integra, is that it works with both QuickBooks Desktop and QuickBooks Online. In addition, Insperity Integra allocates fully loaded labor costs, including not just salary and taxes, but also healthcare, retirement recruiting, training and all other people costs covered by Insperity.

Insperity clients who use QuickBooks Online or QuickBooks Desktop can now:

- Import timesheets from QuickBooks to prepare their payroll
- Download their payroll and post into QuickBooks
- Allocate labor costs by department, account, service, product, or customer/ job and automatically post back into QuickBooks

In addition to the abilty to upload payroll into QuickBooks, clients also get a clear, well-organized view of how their profits and losses stack up. It can help you see in QuickBooks what it really costs to deliver your products and services. That means you can start to see profitability by department, team, customers or jobs and make data-driven decisions that will help make more profits.

GrowthForce is an Insperity Strategic Alliance Partner

Expense Management
Solutions for Small Business

Leverage Web-based applications to help manage
reporting of expenses.

GrowthForce

Part 5
Expense Management

Travel and entertainment expenses account for eight to 12 percent of an average organization's budget. The traditional method of filling out expense forms has hidden costs that directly impact profits. Employees often feel that manually completing expense reports and holding on to receipts is a time-wasting effort.

In turn, businesses suffer a loss when employees neglect to submit their expenses on time for the costs to be billed back to the client. This failure to submit employee expenses on a timely basis can wreak havoc on back office processes.

Expense Management Solutions

Fortunately, businesses with a Smart Back Office can leverage Web-based applications to help manage the reporting of employee expenses. **Expensify** is the best solution for small business expense management.

With expense management apps, employees can take a screenshot of their receipts to record their expenses. In addition, many of these apps integrate with QuickBooks to automatically post approved expenses that were entered by employees on their mobile phones.

The Benefits of Using Expense Management Software

- Saves time and money by not having to create and authorize manual spreadsheets, speeding up the approval process and eliminating duplicate data entry
- Provides improved cash flow by getting employee expenses quickly into the general ledger, so clients are billed and employees can get reimbursed faster
- Increases accurate, timely financial intelligence by allowing job costing via mobile phone enabled expense reports
- Reduces the risk of fraud by requiring two authorized electronic approvals within Expensify along with payer approval inside of Expensify or Bill.com

Expensify®

Expensify automates the expense reporting and receipt documentation process. With the One-Click receipt scanning function and OCR, employees and companies can manage expenses and petty cash by scanning receipts into the app. Expensify then automatically fills out and submits an expense report, which becomes an entry into the petty cash account. All receipts get captured and logged to the appropriate GL account and approved through the Expensify approval process.

The Advantages of Expensify:

- QuickBooks Online integration with Expensify sends the pdf receipt attachment directly to QuickBooks Online, creating an audit trail, which helps to reduce the risk of fraud. You can also link to the image in QuickBooks Desktop integration.

- Using Expensify's new sync tool, QuickBooks Desktop users can sync to multiple companies' use policies to setup a link with multiple QuickBooks files.

- You can also track and sync at the customer, job, expense, item and class levels; enabling P&L by item, customer, job and class.

- The Price-to-Beat feature allows employers to setup employee reward programs to automatically detect price savings and send to employees.

- New statement reconciliation feature to see what expenses you're missing from submitters.

GrowthForce is a **ExpensifyApproved!** Partner

Billing, Collections and Cash Flow

Streamline the Admin Process

Reduce days sales outstanding, improve overall costs and accurately forecast cash flow.

GrowthForce

Part 6
Billing, Collections and Cash Flow

A healthy business has healthy cash flow. In businesses that struggle, bill collections are often delegated to an office manager, or other trained staff person, who find this a difficult task because they don't know the best practices in making collections. As a result, a busy company often fails to collect cash simply because they took too long to act.

According to the 2012 Aberdeen Order-to-Cash survey, the top reasons that businesses decide to improve their current billing and payment processing systems are:

- To reduce days sales outstanding (59%)
- To reduce overall costs (45%)
- To accurately forecast cash flow (16%)

Well run organizations manage these issues by building a Smart Back Office to streamline administrative processes and remove expensive manual steps, such as the manual allocation of funds to invoices.

Labor-intensive, manual processes slow the cash cycle and pose challenges to the accuracy of financial reporting. Cash flow improvement solutions that integrate with QuickBooks include: **Intuit® GoPayment**, **Funding Gates, Fundbox,** and **Kabbage**.

Accelerate the Billing & Collection Process

Bill and Pay, Intuit GoPayment and Recur360 systems help in automating and accelerating the cash flow processes. You can email clients an HTML invoice with a "pay now" button that links to a credit card merchant processor, making client payments quick and easy. Once payments are received, the credit card processor will email an XML file containing all the payments to the client. When the client opens the attached XML file, it automatically applies the payments to the outstanding receivables. With QuickBooks Online it is done automatically.

All these applications have features that automate billing, collection and cash application processes:

- Invoices are automatically emailed with a link to pay
- Payments are automatically applied to the correct invoice – eliminates data entry errors
- Payments are credited to accounts receivable and placed in undeposited funds
- Fees are billed separately at month-end or at time of transaction so the bank deposit equals total payment amount

Bill & Pay(SM)

Bill & Pay is a comprehensive billing and collections program that syncs with QuickBooks® Desktop or QuickBooks® Online. The program has a few unique features that make it a top contender in this category.

- Recurring payments work with memorized invoices and manually-created invoices in QuickBooks, so Bill & Pay automatically pays the balance on the invoice due date using ACH or credit cards
- Payments are applied to jobs with a unique payer account login option
- Payments are accepted without an invoice; as a sales receipt or an unapplied credit including a memo note
- Checks and other payments are made directly into QuickBooks and synchronize into Bill & Pay for online viewing
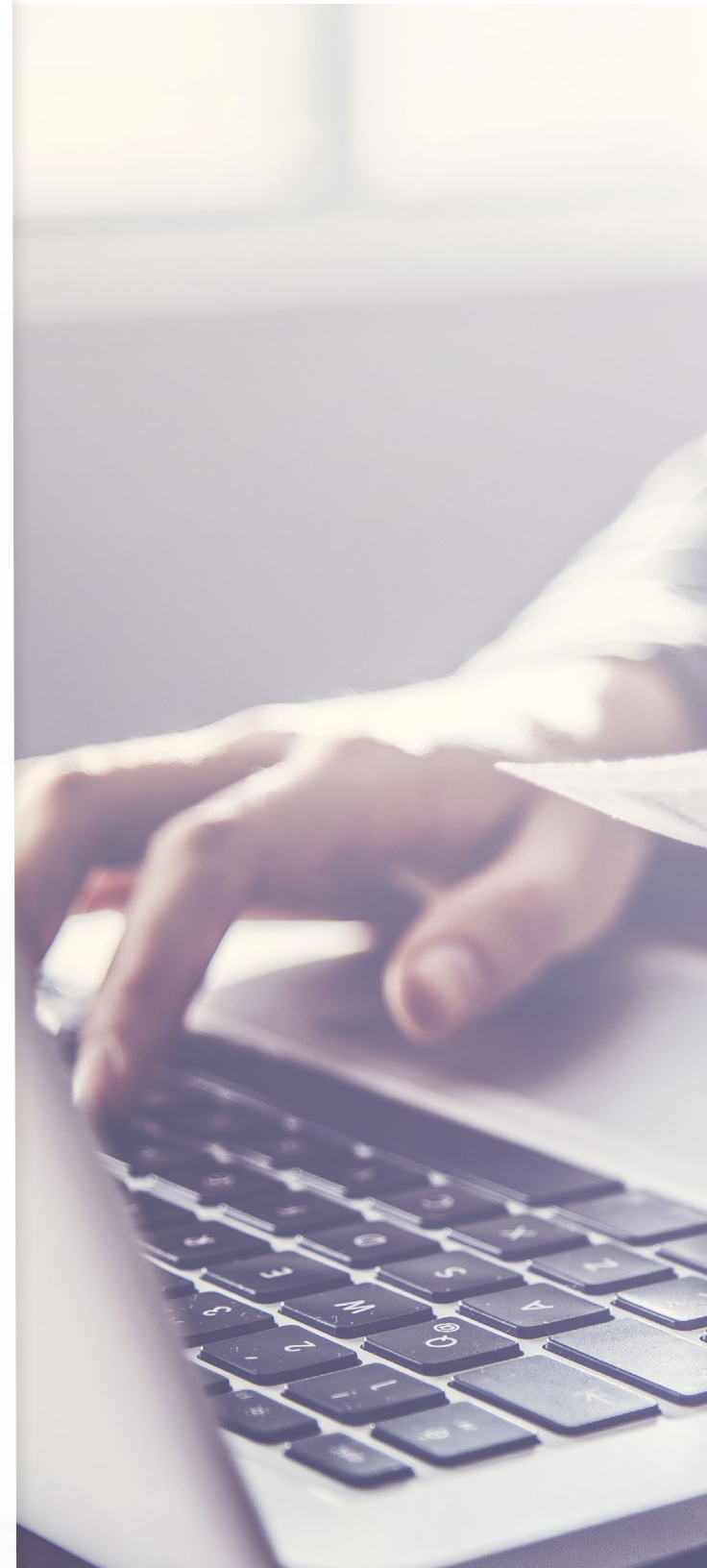
Collections

Funding Gates

Funding Gates is a receivables management portal that syncs with QBO and helps businesses manage collections, while also provide financing. The portal:

- Provides the business with a custom collections' dashboard that manages a custom collection program including automated reminder letters and emails that proactively identify daily actions for your staff
- Manages client conversations on a dashboard with daily prompts on account action items
- Analyzes account history to determine on-time and delinquent customers
- Sends a weekly email summarizing all the collections activity and highlighting which customers need attention

Funding|Gates

Intuit® (QuickBooks) GoPayment

Intuit has helped automate the collection process with its GoPayment offering. This solution:

- Accepts and records all payment types, including cash and checks
- Camera scanning saves the trouble of having to type anything in manually
- Synchronizes automatically with QuickBooks and Intuit point of sale products
- Accepts payments anywhere with mobile credit card processing – never miss a sale
- Creates personalized receipts with business's name and logo

Recur360

Recur360 was built for QuickBooks Desktop to replace the existing Memorized Transactions, lack of Automatic ACH/eCheck functionality as well as manual Batch Emailing of invoices.

Emails generated from Recur360 are sent to customers containing a Pay Online Link. The Pay Online Link takes them to a portal where they can select and choose to pay any or all Open Invoices as well as define how much they want to pay against those invoices. The portal also shows Past Invoices so customers can resend themselves copies of those Invoices.

Financing

Since cash flow problems are the biggest reason why businesses fail, this smart back office also includes options to help businesses gain access to needed funds. The big change is that now Intuit is in the financing space. Access to capital for small business is a game changer, but you have to have solid financial statements to take advantage of these products.

QuickBooks® Capital

QuickBooks Capital is a service offered by Intuit Financing Inc. including additional term loans, lines of credit, invoice financing, or SBA loans. They take into account your QuickBooks history to simplify the process and get accurate data to process the application.

QuickBooks Capital gives credit for what's in the books when you apply:

- Open invoices and cash flow forecast

- New projects you've started

- Sales trends and seasonality

- Profitability over time

Fundbox®

Fundbox offers invoice financing and lines of credit to entrepreneurs who need to quickly fill cash flow gaps. Fundbox focuses on assisting small business owners wanting to grow their business and improve their cash flow.

For businesses with a QuickBooks Online account, Fundbox offers a **"Get Paid Now"** button that connects directly to the app. From there, a custom-built business health assessment is conducted, and within a few hours approval and underwriting is complete. This is good for small business funding without credit.

Kabbage

Kabbage is another way to get funding based on receivables balances. The Invoice Payments function helps invoices get paid, by connecting customers with capital to pay outstanding invoices, giving the customer more options to pay. With access to extra funding, customers are better positioned to make regular invoice payments.
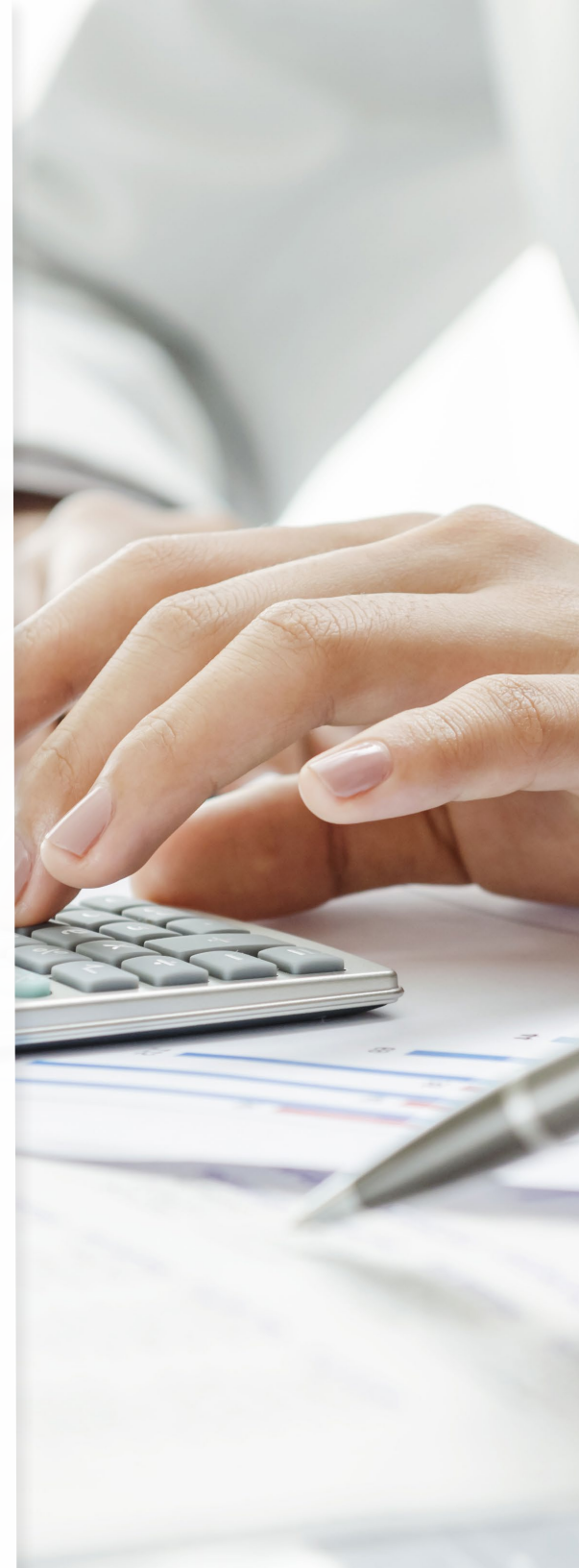
Cash Flow Forecasting

The best way to prevent cash flow problems is to anticipate them before they become a problem. There are two cash flow forecasting apps we are currently testing.

DryRun

DryRun is a new cash flow forecasting tool designed to help identify shortfalls before they hit so there's time to react, make a plan and take control of circumstances. We like that Dryrun has the ability to:

- Track invoices, bills and due dates via an import from Quickbooks Online.

- Allow greater manual control and flexibility of daily cash flow, including the ability to bump overdue items to 'today' and track partial payments.

Finagraph

Finagraph is a simple, powerful, and predictive cash flow companion for QuickBooks.

It enables instant visibility on any device, anywhere, of your cash flow, alerts for your unexpected expenses, along with intelligent forecasting so you are never surprised.

There is also a built-in cash flow calendar, activity feed and anomaly detector so you can avoid surprises. Since its all sync'd, it requires no data entry, and is always up to date.
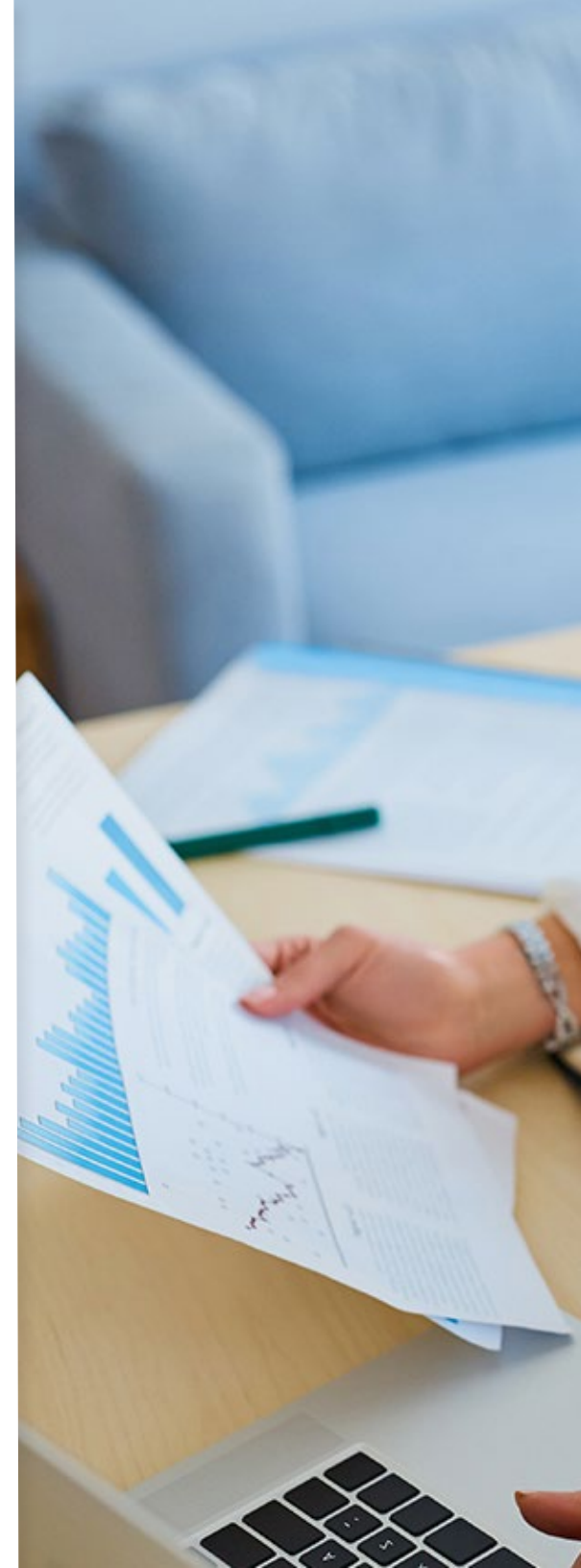
Management Reporting

Financial Intelligence to Drive Growth.

Measure the drivers of your business to improve performance and profitability.

GrowthForce

Part 7
Management Reporting

One of the most important reasons for creating a Smart Back Office is to supply business owners and managers with timely and accurate management accounting reports and Key Performance Indicators (KPIs) that show the results of their people and projects. Management reporting and KPIs can tell business owners which clients are the most and least profitable, which employees are the most and least productive, and which products and services deserve further investment.

Based on KPIs, these reports eliminate the guesswork about where the business stands. With this information, management has the tools to be able to make informed, strategic financial decisions. In order for business owners and managers to have data at their fingertips, automated accounting processes must be in place. Automated processes enable more data to be captured and help prepare and provide management reports that highlight a business's KPIs – those pre-determined, measurable drivers that are a company's top business objective.

Start With The End In Mind

Before designing management reports in a Smart Back Office, an organization must start with the end in mind: What are the reports that will be most useful as a scorecard to monitor the business's key performance indicators? What customized charts and graphs, will help make data-driven decisions and provide an immediate snapshot into the financial well-being of the business?

Once the management report format is determined, the QuickBooks system can be designed and optimized to deliver these key financial reports. By incorporating a Smart Back Office, a business can alleviate its bookkeeping burden and receive invaluable management accounting information to grow with confidence.

The accounting objective of a Smart Back Office is for the business to take control of its finances by having a unique business solution that will help management understand:

- True cash position
- Profitability by customer, job or project, service, team and employee
- Are you pricing your jobs right?
- Which clients or products need to be fired?
- Return on investment from sales and marketing expenditures
- Return on Investment from your people

Fathom®

Fathom is a financial reporting tool that integrates with QuickBooks. Fathom allows users to develop custom formulas and KPIs. The app provides a suite of in-depth analysis tools and metrics which show exactly how well a business is performing. These tools and metrics help to assess profitability, cash flow, growth and other key performance indicators (KPIs). Fathom also produces a budget versus actual report and synchronizes with QuickBooks Desktop and QuickBooks Online.

Fathom only shows information for the past month and does not supply month-to-date numbers.

Spotlight Reporting®

The **Spotlight Reporting** app is another business intelligence tool that is designed to provide reporting options that encourage better decision making. This app creates performance reports, dashboards, forecast reports and multi-entity reports. These are easy-to-read, big-picture reports that can be readily shared with members of the non-financial team.

Qvinci®

Qvinci is a global leader in financial reporting technology. With Qvinci, businesses have the ability to consolidate financials. Qvinci automatically pulls the Balance Sheet and Profit & Loss into a centralized location. Accountants no longer need to login into client files to see information. All of their companies' financials are in one single location.

QuickBooks® Reporting

QuickBooks Advanced Reporting allows business owners to use QuickBooks data to create interactive reports to gain better insights into their business. With QuickBooks Enterprise, businesses can create custom formulas using the fields in the database. The reports are in real time, and because of this feature they have faired favorably among GrowthForce clients.

Excel® Reporting

Integrating QuickBooks with **Excel** may sound like a laborious task that brings back memories of old-school accounting, but there are good reasons to keep Excel in your reporting arsenal. From a data-entry perspective, Excel provides a simple, easy-to-use tool to clean up data and import it into QuickBooks. Going the other direction, exporting data out of QuickBooks and into Excel, a business can view data in a format that is easier to analyze and it produces more relevant reporting information.

Fiscal Advantage™

Fiscal Checkup (now **Fiscal Advantage)**, is an application that shows where a company stands at a particular point in time versus its historical performance and compares that data to other businesses within the same industry. This app provides more than 30 pages of detailed analysis and includes stress-testing features, offering "what-if" scenarios.

In order to optimize Fiscal Advantage, a business must provide at least three years of income statements and balance sheets. In addition, the business is asked to identify its industry using up to five NAICS codes and answer 25 questions regarding the company and its market. Once this information has been imported, or manually entered, the program generates a PDF file that includes six diagnostic reports with explanations.

Fiscal Advantage includes an executive summary which recommends improvements to increase margins and reduce break-even points. The summary also includes a company report card with grades for each key area of the business. This report card is intended to be a big-picture overview suitable for sharing with non-financial managers. Additional reports go into much greater detail and may require some addition instruction to understand. A medium-sized company would benefit most from the app, but it may not have value to a newer company with little historical data on file.

Artificial Intelligence

Stepping into the new age

Automation is on the rise and artificial intelligence is becoming a big part of the advantages in future technology.

GrowthForce

Part 8
Artificial Intelligence

The accounting industry is poised for significant change with most thought leaders predicting the majority of transaction processing and existing bookkeeping functions being automated. This eBook outlines many of the ways that automation will take place.

What can't be automated is the human factor - the relationships, advice and insight only a trusted advisor can bring to a business owner. Artificial intelligence apps are making their debut in the Smart Back Office and our product testing roadmap. These are two apps we are reviewing which give a view into the future of management reporting.

myadvisor.ai

myadvisor.ai provides businesses that use QuickBooks online with AI generated financial analysis using Natural Language Generation Technology to spot trends, calling out problems, and forecasting what's likely to happen next. They promise to provide insightful reports with relevant details for Management Accountants.

myadvisor.ai
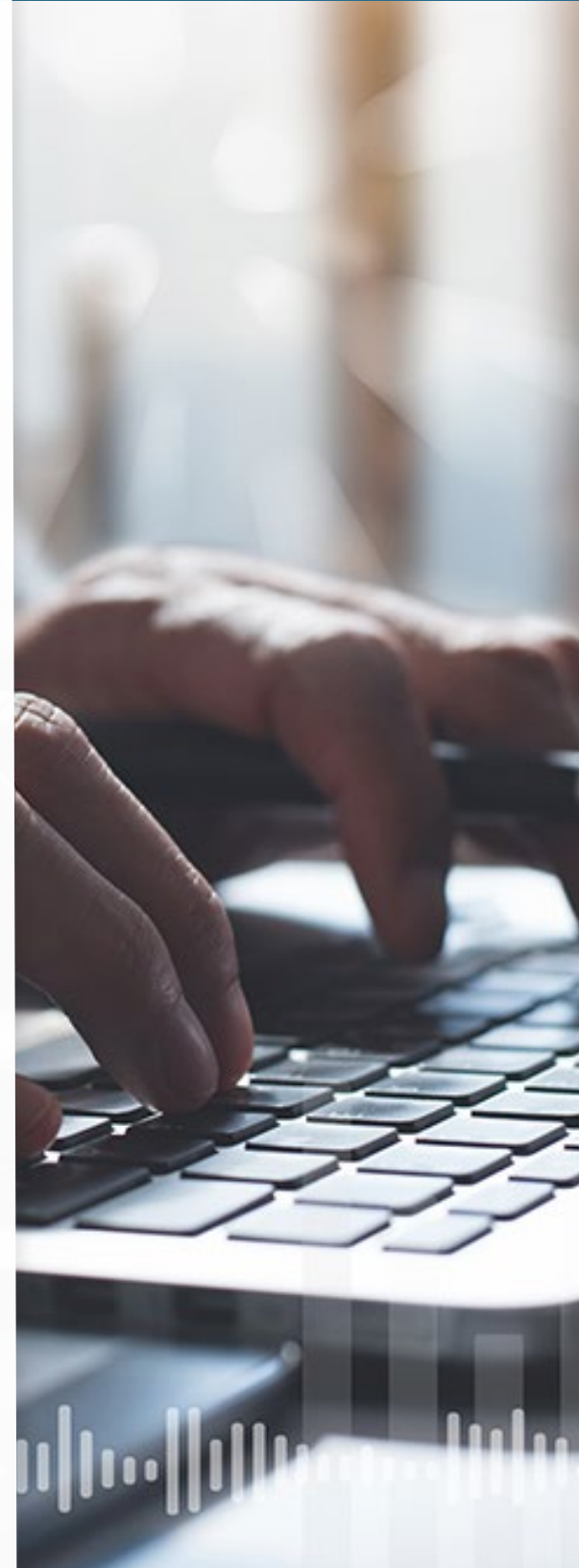
Chata.ai™

With Chata.ai, you can use Siri to text or chat questions and get answers from Quickbooks. First you have to integrate in just two steps:

Step 1 - Connect chata.ai to your data source

Step 2 - Type questions, get immediate answers

Then you can ask Chata.ai questions specific to your data, for example:

- Which Service brings in the most revenue?

- Show me invoices for the last two weeks.

- What were my expenses last month?

Questions can also get very complex:

- Show me growth in sales per class per product month over month

- Compare total sales per product for the last three months

These two apps provide a small glimpse into the current, nascent state of Artificial Intelligence. At the current rate of change, this will be an area of rapid growth that every trusted advisor needs to have in their smart back office.
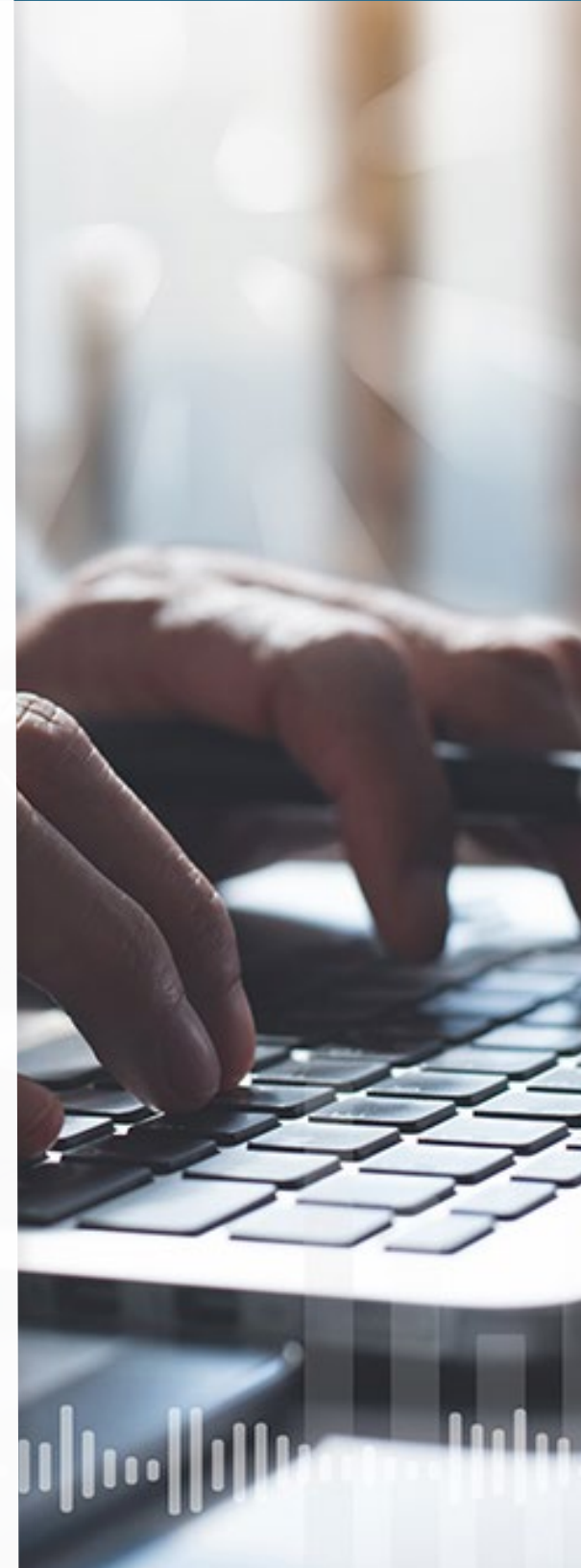
In-House Vs. Outsourced

Should You DIY?

Decide whether to build a Smart Back Office yourself
or leverage the resources of an outsourced accounting service.

GrowthForce

52

Part 9
The Case for Outsourcing

As a result of cloud-based technology, clients and stakeholders are increasingly demanding real-time access to complex data. Once a business owner commits to increasing operational efficiencies through automating back office procedures, the next decision is whether to tackle the task in-house or outsource it to an expert in Smart Back Office systems.

With the plethora of business processing applications available online, an in-house accounting department could readily research and subscribe to all the third-party applications necessary to build and manage its own Smart Back Office system. However, the in-house team must consider all the implications to the business before deciding to take on the task in-house:

- What applications integrate with their business's accounting software?
- What support and training will be supplied by the online applications?
- What are the accounting resources currently available?
- What are the additional labor costs of implementing a Smart Back Office?
- How will the re-direction of personnel affect the business's core competencies?

Partner with an Experienced Outsourced Accounting Team

Managing a business requires a business owner to focus on big-picture objectives, which can leave little time for effectively developing and managing back office processes. With an outsourced accounting provider, a business typically is assigned a dedicated service team of an accounting manager, a staff accountant and a bookkeeper at a fraction of the cost of a full-time accounting staff.
The virtual team is trained and tested in Smart Back Office applications and keeps abreast of technology changes, understanding which ones are right for a particular business or industry.

By partnering with an experienced outsourced accounting service, a business can leverage its existing accounting system and develop strategic Smart Back Office processes to produce timely, accurate and actionable financial data that can be supplied to business owners and their CPAs. That allows business's management and staff to focus on their core competencies, not back office accounting functions. At GrowthForce, we are leaders in leveraging QuickBooks, the Cloud and accounting technology to build a Smart Back Office. We transform the way our clients do business and help them earn new levels of success. Let us know if we can be of service to you!

About GrowthForce

GrowthForce provides outsourced bookkeeping, accounting and controller services for growing businesses and nonprofits. GrowthForce combines advanced QuickBooks accounting system design with a fractional share of a full service accounting department including a U.S. based, dedicated team of bookkeepers, accountants and controllers. Our customized financial reporting and KPIs help small businesses and organizations drive performance and profitability through data-driven decisions.

We transform the way our clients do business by optimizing their systems, improving cash flow, reducing risk and increasing profits. Let us know if you need help building your your Smart Back Office Financial Tech Stack.

To view our full library of case studies, white papers, and guides, please visit **http://www.growthforce.com/resources**.

281.358.2007

800 Rockmead Drive, Suite 200

Kingwood, TX 77339

www.growthforce.com

Get a custom quote for outsourced bookkeeeping and accounting for your business...

Get a Custom Quote

Learn more about becoming an affiliate or QuickBooks Consultant with GrowthForce...

Learn More

© 2018 GrowthForce, LLC

GrowthForce is not a CPA firm.

GrowthForce accounting services provided through an alliance with SK CPA, PLLC.

GrowthForce™

put your numbers to work