Making the “shared services” vision a reality!

How Fesnak and Associates is achieving economies of scale for its clients through Financial Management Outsourcing services leveraging a cloud-based accounting platform

A case study with Nicole M. Ksiazek, CPA, Senior Manager, Cloud Accounting Practice Leader, Financial Management Outsourcing at Fesnak and Associates, LLP
Making the “shared services” vision a reality!

How one progressive accounting firm transformed its financial management outsourcing business with a cloud-based accounting platform

Fesnak and Associates, LLP

Firm Profile: Since its inception in 2005, Fesnak and Associates, LLP, a full-service firm offering audit, tax, financial management and transaction advisory services, has grown from 13 to 65 employees, while expanding its Financial Management Outsourcing business. Nicole M. Ksiazek, CPA, a Senior Manager in their Financial Management Outsourcing group, is tasked with selecting and implementing new systems to standardize and optimize the outsourced accounting and financial management processes that the firm manages for its clients. The outsourcing group supports several industry verticals, including life sciences, consumer products, technology and business services.

Challenge: Like most firms today, the staff at Fesnak had to learn, support, and maintain multiple versions and endless upgrades of QuickBooks, Peachtree (now Sage), Great Plains, AccPac, and other accounting programs. Having to log in and out of systems and maintain a spreadsheet to keep track of it all was counterproductive. It was an endless time-consuming loop, where the client would dictate what program and version of software the firm needed to use. The firm’s strategy was to replicate a shared services environment, but that could only be achieved with one standard system platform.

Solution: Embarking on a project to identify a software platform that would achieve its shared services vision and satisfy the needs of its current and future clients, the firm soon discovered Intacct – a single cloud-based platform that creates a standardized and repeatable process for all of their outsourcing clients. The benefits went far beyond the productivity gains of using the software itself. Implementing Intacct has allowed the firm to further grow its outsourced accounting practice, provide better service and collaborate with their clients in real time, all while reducing costs and increasing profitability.

“Our vision for our outsourcing business has always been to replicate the “shared services” model, allowing our emerging growth and middle market clients to access high-level finance and accounting expertise while providing the same benefits of best practices, cost-sharing and economies of scale that the Fortune 500 are accustomed to. Our strategic imperative was to identify and implement a standard system platform to make the shared services vision a reality. Nicole Ksiazek was the perfect choice to spearhead this initiative.”

– James Caruso, CPA, Partner-in-Charge of the Financial Management Outsourcing group at Fesnak and Associates, LLP.
“We wanted to spend more time providing insight and decision-support.”

Nicole Ksiazek, CPA, Senior Manager and Cloud Accounting Practice Leader in the Financial Management Outsourcing group, was pleased to take on the challenge after experiencing first-hand the pain of dealing with multiple systems. “It was getting cumbersome to maintain all those software versions and licenses. We needed a spreadsheet to keep track of what software version each client was using. Using different software also meant different ways of processing transactions for each client. It was crazy. We were spending a lot of time doing something we didn’t really want to do.” She added, “We would use whatever system our client was using. Or, we’d go on-site to their facilities; we’d use VPNs and other ways to access their information; whatever it took, you name it, we had it or did it.”

“For our outsourcing model to be price competitive for our clients, we needed to make transaction processing and reporting as efficient as possible. We wanted to spend more time providing insight and decision-support.”

Early on, Nicole and her staff wondered if a single platform existed that was robust enough to handle their larger clients, but cost-effective enough that they could on-board emerging companies quickly and at low cost. They were serious about getting a uniform system in place that required minimal time to switch over.

“Wouldn’t it be great if we had a single platform?”

Nicole Ksiazek, CPA, Senior Manager and Cloud Accounting Practice Leader

Before Nicole and her team made the transition to a single cloud-based platform that could support the accounting and financial management needs of both their current and future clients, they did an exhaustive analysis of the accounting software options available, including hosting software externally, hosting it internally, on-premises, and cloud-based solutions (the solutions researched included NetSuite, Peachtree (now Sage) Hosted, Hosted QuickBooks, Great Plains and Intacct).

In comparing and evaluating the available options, Nicole and her firm had several questions they wanted to answer, including: what could the solution do and could it do what they wanted it to do; what would it cost to run and maintain the system; and how much it would cost if x number of companies would be using it.

With some of the hosted systems, Nicole said, “We found the cost would have been prohibitive! You would have had to pay for each instance of a person logging into the system and you’d have to pay for all the licenses and user fees. That was the case with a lot of the vendors.”

After considering the pros and cons of each vendor and their software options, one solution stood out: Intacct – a cloud-based financial management and accounting solution that offered real-time collaboration with clients, easy migration of data from QuickBooks, and didn’t require updates, upgrades, maintenance, or multiple licenses.
Nicole explains, “Ultimately, Intacct had the base functionality for a company that was just getting started, but robust enough for large companies that needed additional features.”

In the past, clients would dictate what version of QuickBooks or other program the firm needed to use. Nicole added, “We were conforming our business to each client, which kept us from offering economical solutions. We wanted to customize our higher-end virtual CFO services, but the transaction processing and reporting needed to be standardized and efficient.” By moving to Intacct, the firm is now able to standardize all accounting workflow processes on this single cloud-based platform. Fesnak now on-boards all new clients to the Intacct system and has transitioned several existing clients. According to Nicole, “This is working out extremely well for us, since historically firm staff found it distracting and time-consuming to learn and support so many different versions of software.” Standardizing on a single platform has also enabled the firm to start moving towards value pricing.

For clients that are already using cloud and mobile technology, moving their accounting platform to Intacct is a no brainer. Many of the firm’s entrepreneurial clients and other business owners often understand the benefits of using cloud-based applications that can provide real-time information and collaboration about their business and cash flow, including “dashboards” with real-time data and business stats that can be accessed on the client’s smart phone or iPad.

Nicole notes that her firm is visibly excited about the new cloud-based accounting technology they are now leveraging and the accounting knowledge the staff is gaining. According to Nicole, “Now that we have standardized many outsourced accounting processes on one platform, we are saving significant time on routine tasks, while increasing our staff’s productivity.” As a result of going to a single platform, Fesnak is now able to handle the routine tasks more efficiently, freeing time to focus on more strategic outsourced CFO services.

“Intacct enables our staff to work at a higher level.”

– Nicole M. Ksiazek, CPA, Senior Manager and Cloud Accounting Practice Leader

For example, “Instead of worrying about building and maintaining reports in Excel, our professionals can focus on analyzing and interpreting reports that are efficiently generated by Intacct. Month-end closing cycles are being accelerated. Even less experienced staff can work on more advanced projects, since Intacct enables them to work at a higher level.”
“Clients are impressed that we’re on top of this new movement to the Cloud.”
— Nicole M. Ksiazek, CPA, Senior Manager and Cloud Accounting Practice Leader

Another huge benefit of moving to the Cloud: the firm is “seeing an increase in firm realization rates of 5-10%. “

Nicole recommends that other firms should consider moving to Intacct for several reasons:

• **On-boarding clients is easier:** “It takes less time.” With Intacct, you can build a Chart of Accounts and other configurations into a template and then copy it for a new client and immediately get started.

• **Standardizing on a single platform is easier** for staff and clients to learn and use, and makes outsourced accounting processes more efficient

• A cloud-based solution means **no more software maintenance and support headaches**

• **No more supporting multiple versions and licenses** of the same software

We asked Nicole what was the most powerful functionality of Intacct. She said, “The reporting capabilities...we used to have to export to Excel and create reports in Excel. Now (with Intacct) we have real control over it. We can say to our clients, ‘Your reports are ready; you can go look at them (online).’” Nicole identified another big benefit: “Our staff can now concentrate on a single system; they only have to learn how to use one system.” The biggest benefit for her clients: “We can collaborate with clients in real time; and we are both able to look at the same data.”

James Caruso, CPA and Partner-in-Charge of the Financial Management Outsourcing group, is thrilled with the results thus far. And he’s not the only one. Managing Partner Robert Fesnak said,

“Outsourcing has been a significant growth driver and source of differentiation for us since the inception of the firm. Our move to the cloud with Intacct gives us an opportunity to take outsourcing to the next level. I’m excited.”
— Robert Fesnak, CPA, Managing Partner, Fesnak and Associates, LLP.

Intacct is a cloud-based, on-demand financial management solution that empowers accounting professionals to collaborate better with clients to improve financial performance, deliver better financial advice and help them make faster, smarter business decisions. Core modules include G/L, A/P, A/R, Cash Management, Order Entry, Purchasing, and more.