

Mamut makes **good** businesses **better**

In today's economy, SME's need to run as efficiently as possible, taking advantage of every sales opportunity, reducing costs, and with full visibility over their entire business.

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" Overall a remarkably comprehensive business management application at a remarkably affordable price.

PC World Software Review



HOW TO

CHOOSE SMALL BUSINESS SOFTWARE

DITCH THE DISC?

THE 'ON-DEMAND' SOFTWARE AS A SERVICE ROUTE HAS A LOT TO OFFER IT, BUT HOW DO YOU DECIDE WHETHER IT IS RIGHT FOR YOUR BUSINESS, ASKS LESLEY MEALL?

On-demand offerings for small businesses now include software and systems for bookkeeping and accounting, backup and data storage, customer relationship management, email security, online spreadsheets, and more.

In a perfect world, deciding whether any of these are right for your business would be a simple and straightforward process; the reality is more of a challenge.

As with any purchasing decision, the first step should be to identify and document your needs. This doesn't have to be an incredibly detailed list, but it should define the scope of your requirements; in this respect, applications accessed via the software as a service delivery model are no different to applications sourced via the traditional route.

Your requirements are determined by myriad factors. These range from the type of system you are considering (for example, CRM or email security), through the software and systems your organisation already has in place, to issues such as implementation and maintenance costs, ease of use, features, flexibility, integration, and scalability. But if you want to find a system that meets your needs, you must be clear about them.

Take bookkeeping and accounting. Do you want an entry-level cashbook or a grown-up double entry system? Do you need stock handling or integrated payroll? How extensive are your management and statutory reporting requirements? Do you have any 'special needs'? Not all systems are equally able to meet the requirements of non-profit entities, for instance, or accommodate vertical markets such as construction, recruitment and hospitality.

Accountants in practice also have some very specific needs. Some SaaS products feature a control panel or dashboard to help you manage the accounting systems of multiple clients; not all online offerings provide these facilities, and those that do take various approaches. Practitioners will also need to think more carefully about the feature sets, scalability and upgrade path of any online accounting solution they select, to find a solution that can meet the needs of

GOT SAAS SUSSED?

If you have ever used Google or Yahoo! to look for information on the internet you have experienced Software as a Service (SaaS). Instead of buying or developing your own search engine, you took the 'on-demand' approach and utilised a free application (that is funded by advertising).

Not all of the software and services offered in this way are free, but they do share other strengths.

With SaaS you pay a monthly fee to 'rent' remote access to software applications and data storage facilities.

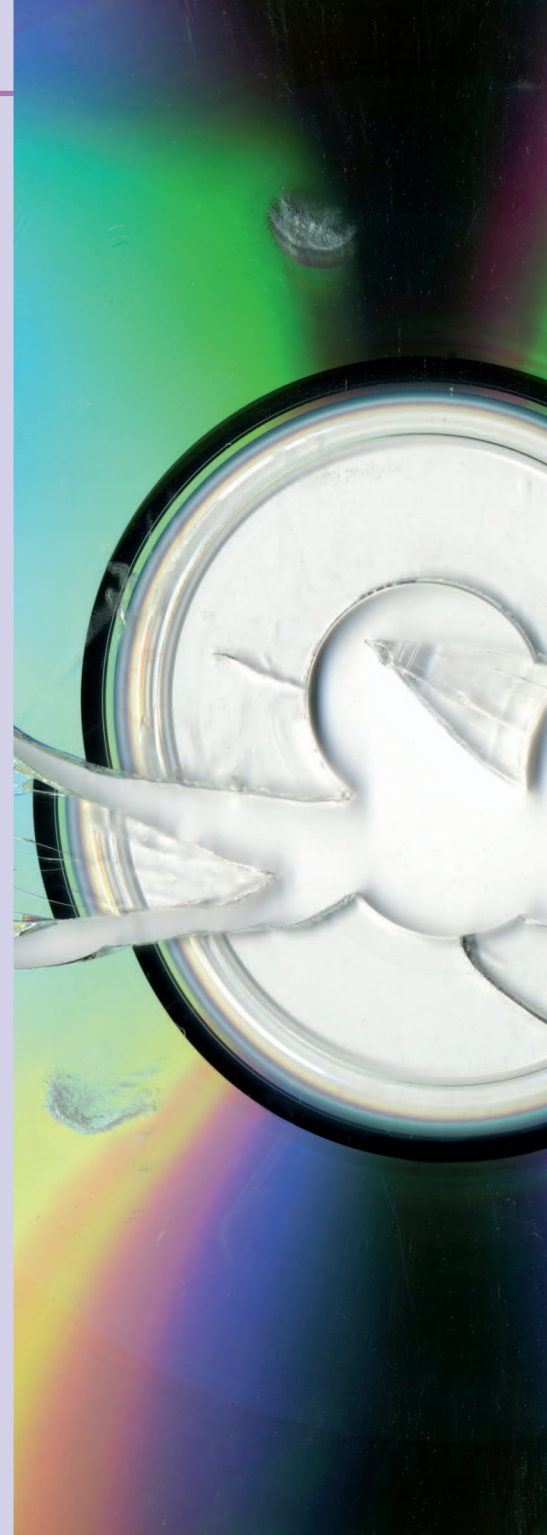
Both of these are physically located on the servers of your service providers, and can be accessed anytime, from anywhere, by anybody with the necessary authority.

SaaS implementation times are shorter than traditional 'on-premise' applications; if you've got a broadband connection and a PC with internet access and a browser, you are off and running, so the up-front costs are lower too.

Because the service provider handles software maintenance, upgrades, backups, and security, you don't have to, saving time and reducing the need for in-house IT expertise.

a broad range of clients, or opt for more than one.

Beyond the many product-specific and industry-specific issues that must be considered before and during the selection process, SaaS offerings also raise concerns that do not arise with traditional 'on-premise' offerings. Most of these relate to the safety and security of data, or the perceived lack of it, so a risk assessment is essential – even if it's hard to pull off (see box 2).



Availability is an issue too, while you are utilising a SaaS provider, and when the time comes to move on. No service provider is going to guarantee 100% availability, so think beyond the service level agreement to your options in the event of system failure. A clear upgrade path is important too, so check on the costs and procedures associated with porting your data to another system, should you want to move on for any reason – as you eventually will.

ESSENTIAL DUE DILIGENCE

With SaaS, you put your business critical data and processes in the hands of a third party provider, so privacy, safety and security are significant issues, and you must be happy with:

● Backup procedures – you may want to supplement them with your own.

● Business continuity and disaster recovery plans – take nothing on trust.

● Compliance with data protection legislation – it's your responsibility.

● Data security during transmission – is it encrypted?

● The physical location of data – if it's overseas, does local

legislation apply?

● The physical and logical security at the data centre – and the backup site.

● The viability of the service provider – how financially robust are they?

● The service level agreement – check guarantees and penalties.

● Support – how is it provided

and how well resourced is it?

Your exit options – one day, you will want (or need) to move on.

Due diligence is essential. Take references from the service provider, speak to existing users, and do a proper risk analysis – the unthinkable can and does happen.

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SAGE

This year sees Sage Accountants' Division continue to put much effort and investment into the Sage Practice Suite, focusing on compliance, usability and integration.

Compliance is a focal point at present for both tax and accounts production. Sage has introduced the new Taxation Suite for 2009 and is actively working on compliance changes in accounts production including requirements for IFRS and XBRL.

Sage continues to work closely with HMRC and Companies House to ensure that their software solutions provide validated and compliant outputs.

Additionally, as more practitioners move to online filing for the first time, Sage has launched Sage Instant Taxation, which aims to enable practices with up to 100 clients to complete and electronically file all SA100 tax returns – dramatically reducing errors and ensuring consistent filing.

Later in the year, Sage will launch an updated practice solution, which will include new features in response to customer demand for improved reporting functionality. Also responding to changes in the market, Sage will be introducing a highly functional and user friendly group consolidation module as part of Sage Accounts Production Advanced. This module will use up to date technologies which will become more prevalent in future iterations of all of Practice Suite modules. Furthermore, Sage will continue to enhance integration between all of the Practice Suite modules and also the Sage 50 Suite, enabling accountants to work closely with their clients and their data. sage.co.uk/accountants_in_practice.aspx

WHAT ARE THE BIGGEST PRACTICE SOFTWARE PROVIDERS UP TO PRODUCT-WISE, AND WHAT WILL THEY DO TO IMPROVE THE WORKING LIVES OF SMALLER PRACTICES OVER THE NEXT 12 MONTHS? ACCOUNTANCY AGE ASKED SAGE, IRIS, DIGITA AND CCH TO UPDATE YOU WITH THEIR LATEST OFFERINGS, AND PLANS FOR THE FUTURE

DIGITA

'With over 60% of our staff working in software development, which is unprecedented in this industry, we have been able to introduce 180 new features into our range of tax and accounting software in 2008,' says Digita MD Jerry Rihll.

On average, seven firms joined Digita each week in 2008, a 30% increase on 2007, and we retained over 98% of our existing customers.

We introduced support for LLPs in our accounts production and will support charities and pensions this year. Our practice management suite continues to grow with the addition of time and fees and dashboards.

In corporation tax we introduced support for group relief and this year will see the introduction of support for chargeable gains calculations and the implementation of the 'Active View' technology, which will provide a richer user interface with quicker access to dialogs and useful additional features.

Our personal tax software extended the support for partnerships and support for clients whose affairs involve overseas aspects. This year we will improve tax return workflow for compliance and support the filing of prior year's returns, multiple submissions where amendments are required, and implementing support for the 2009 'specials and exclusions' published by HMRC and extended calculation functionality to allow the vast majority of capital gains calculations to be performed without the need for any external calculations.

'When you're not number one, you try harder. You work more hours. You worry more. So at Digita, we've been working incredibly hard because when you're not number one you have to. By developing great software. By providing the best customer service. By providing the best value.' www.digita.com/pro

CCH

CCH software was strengthened by the acquisition in 2008 of MYOB UK Accountants Division, bringing together the expertise of the two businesses.

CCH now provides enhanced software and services, covering tax, audit, accounts production, insolvency, practice management and document management.

Its practice management and compliance software is available through the CCH ProSystem suite of products.

This is a range of business efficiency tools that helps accountants improve their workflow and offer enhanced services to their clients, providing alerts, exception management and workflow, including help with marketing their services via campaign management.

CCH is investing in CCH Central, which allows users to

simplify the way they extract the information they want from the ProSystem suite, combining it and formatting it in the way they need. CCH Central integrates accounting software tools with up-to-the-minute data, using the latest .NET technology platforms, delivered in a personalised screen format.

As well as providing innovative tools on the latest .NET technology platforms, the most important thing for CCH is to deliver resilient and timely releases that are fit for purpose.

CCH provides software and services to more than 3,000 professional firms. A full range of compliance and practice management software is offered to smaller entrepreneurial firms as well as larger practices.

cch.co.uk/software

IRIS

As part of the continuous enhancement programme, Iris has recently launched a staff planning system that is designed to maximise resources through the automation of the management and planning of practice workloads, a search facility for due diligence compliance with the Money Laundering Regulations and

outsourced services for bookkeeping, final accounts, payroll and VAT.

Iris also offers a professional tax advisory service from UK renowned tax experts.

A deep understanding of customer needs gained over a thirty year period is at the heart of the Iris business along with a passion to deliver the highest standards of

software and service directly to the accountant. Top ratings secured in surveys conducted by the ICAEW and numerous industry awards bear testament to this commitment.

Iris is committed to providing solutions that help achieve best practice and improve efficiency for all sizes and types of practice.

Our award-winning range includes

standalone products as well as a fully integrated suite under the PTP, Drummohr and IRIS brands.

The latest statistics show that a massive 1.75m tax returns were filed online using Iris tax solutions in the run up to 31 January 2008 compared with just 1.98m across all other software houses. iris.co.uk/practice; ptpsoftware.co.uk; drummohr.com

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BRAIN GAIN

BUSINESS INTELLIGENCE SOFTWARE CAN GIVE YOU A COMPETITIVE EDGE, WRITES EILERT HANOA

With Britain in recession, managers of small businesses must ensure their companies are well positioned to weather the downturn. The ability to access and rapidly evaluate all aspects of a company's performance is essential. In 2009, this knowledge may be the difference between a company competing strongly and protecting its bottom line, or experiencing reduced profits and losing market share to competitors or worse.

In the current tough climate business intelligence software can help businesses to stay competitive, giving businesses a complete overview of critical information at all times.

BI encompasses the technologies and practice of gathering, analysing and interpreting business performance information to support better decision-making.

Effective BI uncovers trends and patterns in a company's performance and provides managers with insights into what is and isn't working so that issues can be proactively tackled. BI makes logical connections between cause and effect within a company's figures.

For instance, it highlights if there has been an upturn in sales attributable to marketing expenditure, or the control of stock or cash income. Put simply, BI aims to provide managers with a bird's eye view of the true state of their business - a single, true picture of data.

ONLINE BI

New breeds of secure Internet-based business intelligence solutions are now available to the smaller enterprise, not just the largest corporates with impressive IT budgets.

The latest packages do the thinking for the user. Some newer types of BI solutions analyse companies' accounting records, automatically identifying patterns and trends in the data and any exceptions to those patterns.

Such solutions then present the results to the user with little or no configuration or manual interrogation.

This enables the user to view key performance trends that inform decisions and also identify potentially costly errors or anomalies in their book-keeping data.

It replaces, in a click, time-consuming and often inadequate manual checking and analysis.

This provides instant in-depth insights to non-finance management and accounting staff.

BI can help businesses to better manage activity and eliminate costs. Today's cash-strapped businesses need the strategic insights that BI can deliver. In a recession, only the sharp and the agile survive and competitive insights are crucial. Historically, BI has primarily been the domain of large corporate companies, often becoming overly complex and utilising asset-heavy applications which are expensive to integrate as well as requiring considerable time and expertise to maintain. For many, the BI experience has been one of over-promise and under-delivery.

By their nature, small businesses rarely have the resources or the ability to scale to accommodate such technologies. Smaller enterprises need solutions that are agile, easy to use and which do not require extensive application knowledge and testing. BI solutions should work quickly and smoothly. Leading BI packages are becoming simpler and easier to use and they are being used by SMEs much more commonly as a result.

From a general manager's perspective, effective BI can give an accurate overview of strategic business performance. The latest packages allow management to monitor accounting activity independent of their accountant ensuring they remain involved and active in the strategic decisions. For small businesses where book-keeping and financial reporting is outsourced, this can add a further collaborative dimension that ensures optimum control and productivity.

In fact, new generation BI solutions are playing a central role in supporting the company accountant's day-to-day operations, enabling not only the tracking of key trends, but also rapid identification and resolution of potential anomalies or errors that fall outside of the company's trading norms, and that otherwise take many hours to find.

BI has been a hot topic among executives and managers for some time now and is finally starting to deliver on its considerable promise. Implementation of a BI product may well make the difference between staying afloat or going under in today's stormy economic climate.

Eilert Hanoa is vice-chairman of the European Software Association and chief executive officer of Mamut.

LOOKING FOR THE RIGHT SOLUTION

When considering BI software, you should consider the following:

BUSINESS REQUIREMENTS

Assess your current requirements, linking and integrating with existing systems has to be a key area of focus. Which operating platform is needed? Will you need it to be compatible with Microsoft, Mac OS X or another platform

altogether? How many users will need to access the system and how many departments will the solution need to run across? How will the system support sales/revenue targets?

STAFF AWARENESS

The most important thing is to make employees aware of company strategy and the part business intelligence can play in helping to meet

those goals. Do you have a training program in place?

THIRD PARTY SUPPLIERS

There are numerous suppliers on the market and which one you go to depends on a business' specific needs. Vendors worth considering for small businesses include Business Objects, Cognos, ICS (Microsoft) and Mamut-Validis.



TO COMPARE BI PRODUCTS GO TO ACCOUNTANCYAGE.COM/BSI