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empowering ambition.

The key to choosing modern ERP technology for peace of mind

When the safe choice is the alternative

WHEN THE SAFE CHOICE IS THE ALTERNATIVE

Contents

The most important digitalisation project

The process of changing financial and/or ERP systems may seem like one of the most complicated and time-consuming challenges, but does it need to be?

The purpose of this report is to highlight that transitioning to a new system doesn't have to be painful and difficult. When the project is managed by experienced experts with secure processes, implementation proceeds smoothly while the operation of the business is modernised. Many of our customers from various industries point to migrating to a new system as perhaps the most important project they have undertaken, so it's critical to opt for the right solution.

Making the right choice

Once upon a time, an organisation's finance solution supported financial and accounting managers in ensuring cost control.

Today, it is a pivotal tool used across all levels of job roles (from senior executives through to controllers, to budget holders), departments, companies – and by external partners, such as business outsourcing partners, too. It is the hub that provides not only the data but also the financial reporting that goes into the development of profit-delivery and growth strategies - and so the system must be able to scale with the organisation as its needs evolve.

Purchasers of ERP and/or financial systems in the mid-market may have previously felt under-served, but now the market is evolving. While all software on the market today provides similar capabilities, addressing varying organisations' needs in comparable ways, companies who dedicate time and effort in search of a vendor who has the right experience and acts as a true partner, benefit far more than the others.

That's because technology is only one side of the answer to the challenge. Without the right experts and the right processes to support along the journey, implementing and making the most of an ERP system will quickly fall short of expectations.

Tim Wright,
Head of Operations,
Xledger UK

The benefits of being born in the cloud

Previously, most mid-market companies wanted a system that was thoroughly tailored to their most intricate needs. "Yes, sir," said the supplier to appease them, resulting too often in projects with very heavy consultancy fees, frequent surprises and cost overruns. Internal expectations for development were synonymous with "maybe next year." In many cases, customers were stuck in a system where the best before date had passed before the carton was even opened.

Xledger is ready to use with configurable functionality that meets the needs of all mid-market businesses. The more complex the organisation is, the more possibilities there are.

> Since the platform is 'born in the cloud' customers can say goodbye to hefty consultant bills and time consuming upgrades. The system, the same for all customers, updates itself automatically, evermore, so everyone is on the latest version at all times.

Leaders are tired of systems that are complicated to work with. They want cloud systems that are ready to use, where the company and the solution meet in the middle.

Believe in significant gains and fewer frustrations

"As part of the sales process, close follow-up from experienced consultants provide a decision-making basis that feels safe and secure. We don't overpromise and we're always honest in the tendering process.

"From a risk perspective, a major advantage is that all Xledger's customers are on the same system. This is advantageous both in terms of better IT security around the platform, and if the software experiences unplanned downtime, it is urgent to get all customers back up and running – true cloud means everyone is given equal priority. In addition, the single cloud product also provides immediate access to the new smart features that are developed and delivered throughout the year through our updates.

"We have been operating a multi-tenanted cloud product for 20+ years, so we have great expertise in how to maintain, operate and upgrade our solution without interrupting our users' experience which is fundamental in ensuring business continuity."

> "100% of our customers are always on the latest version of Xledger."

Honest and not afraid to say no

Meet the sales director who won't hesitate to say no to new customers.
Ovi Stici, Head of Sales, Xledger UK

"Many are surprised when we tell them that our solution may not necessarily be suitable for them. Satisfied customers are absolutely essential to us, which is why we never sell on false promises," says Ovi Stici, Head of Sales at Xledger in the UK.

"Xledger has customers with a multitude of intricacies, across many industries. Xledger believes that its financial system is particularly good for organisations with a group structure, and those who work with time tracking and projects, such as professional services, property management and housing associations, venture capitalists and financial services, care homes and nurseries, franchises, venues and arts and culture, non-for-profits and membership bodies.

"The more complex structures the company has, the better suited Xledger is," he says.

Streamline, improve and optimise

"An important part of the initial phases is about how the new system enables customers to work smarter and more efficiently.

"We are honest about what is time-consuming and complex, and highlight best practices for solving it. We want to help our customers achieve their ambitious goals, both in terms of growth of the organisation and the improvement of it. Senior management buy-in is also essential at the beginning – they are the ones who must act as the initial key drivers for the project.

"During the sales process, we do not sweep challenges or pitfalls under the rug. Honesty ensures that there are no surprises in the implementation. We emphasise that customers understand the process ahead of them so that they can make an informed decision. We don't sell a software; we build long-lasting partnerships," says Stici.

What you see is what you get

The first step is a workshop where Xledger's subject matter experts conduct in-depth sessions to clarify the customer's needs, goals, decision criteria, and define the problems the new solution is to solve.

In the following workshop, Xledger takes the customer through a tailored demonstration environment that is set up with relevant data, reports and workflows for the customer to understand what the solution looks like from both a process and user perspective.

"We rely less on fancy PowerPoints and focus more on presenting how the solution will actually work in daily operations. Customers get a completely different understanding of the possibilities when they have seen it," he says.

Confidence in the approach

"I've worked in sales for many years and I believe that our sales process provides customers with confidence and ensures that they make a safe and considered choice. That's why we are careful about which customers we work with. If we discover during the sales process that Xledger wouldn't actually be a good solution for the customer, we choose to end the process in the customer's best interest.

"Xledger sees that the sales process works, among other things, by the fact that we lose very few customers, and most are happy to serve as references. We believe this is because we have conducted honest and thorough processes together with our customers," concludes Stici.

Modern finance management: insight & automation

Automation of tasks and processes has changed the way accounting, finance, and treasury professionals work, from data entry to consolidated group reporting. Insights and automation are what finance managers want most from their financial systems.

The changing landscape of the finance function

A report from Accenture shows that these five trends are changing the everyday life of the CFO:

1 More demands and expectations from the board, top management, and the organisation in general.

2 Changes that come faster and are more fundamental.

3 Requirements to contribute to growth and greater profitability are constantly increasing.

4 Tremendous growth in data volumes requires new features to leverage insights.

5 Greater and more numerous needs for enhanced control, and many new rules and guidelines driven by both authorities and customers themselves.

"An important change is to shift from cost control to driving profit realisation through the development of the business model," says Hucker. "This requires new technology, and it involves new processes where project management and knowledge of digital transformation are necessary." Peter Hucker, CEO of Xledger UK.

Peter Hucker, CEO
Xledger UK

> Having completed a finance transformation project, it has changed the relationship between finance and the rest of the business. Key reports now allow teams to independently understand where they are with their spending without having to consult Finance, and overspend has been brought under control. Business decisions are being made easier and quicker, and the Finance team are adding more value to the business."

Andrew McKean,
Director of Finance & Resources, Impakt Housing

Accurate and timely insights, automated

In order to deliver the desired value internally as well as externally, and be confident about the organisation's room for manoeuvre, it is essential to be able to garner effective insight from the ERP system.

> According Xledger's research, nearly half (47%) of finance professionals are still not able to access data as fast they desire.

"When managing budgets, or assisting with strategic decision making, receiving timely information is equally as important as receiving accurate information. Whilst finance professionals have received pressure for many years to speed up month-end reporting, many organisations are now looking at how they can utilise automation to leverage real-time insights," adds Hucker.

When efficiencies can turn into growth

"Rather than replacing finance jobs, automation raises the profile of finance departments, augmenting finance teams to yield greater efficiencies. With the right solution, the opportunity to become a strategic enabler and unlock new business value is within touching distance.

"The common denominator for businesses with a certain level of complexity is that they value how easy it is to grow with Xledger. When tasks are automated, skilled resources can focus on further developing the business," says Hucker.

Finding the best possible fit

Mark Taylor
Director of Finance
Arts University Plymouth

Arts University Plymouth is an independent, specialist arts university with an outstanding reputation for innovation. The university offers a range of studies across Art, Design and Digital – from Pre-Degree diplomas through to BA (Hons) Degrees and MA qualifications, providing education for approximately 1,300 HE students and 500 FE students.

With two city-centre campuses, the university is also home to a public gallery and Fab Lab Plymouth, a photography lab providing short courses, masterclasses, and Young Arts initiatives.

We talked to Mark Taylor, Director of Finance, about the challenges he faced in updating the institution's back-office systems to create a future-proof, streamlined operation designed to take the college to the next stage of development.

What problems were you looking to solve?

We already had the Unit4 finance system in place, but it ended up being too complex and too high an overhead for an organisation of our size. We had multiple contracts in place to try and support that system; including a contract with Unit4 for application maintenance; a third-party contract for hosting; another contract with Agilix for tech support around that hosting and another contract with G7 Business Solutions for enhanced application support – all because Unit4's support didn't meet our needs.

We were in an unsustainable and difficult to manage position; any upgrade of our existing system was going to be prohibitively expensive and even then, it wouldn't solve all the legacy problems of how we were to be supported.

We undertook some research and started looking for a simple, transparent true cloud solution, which we realised would go a long way to solving all our problems.

We're too complex and too big for something like Xero and we were looking for the next, bigger tier players. Initially, we just couldn't find anything – SAP Business by Design was much more suited to a commercial environment, which didn't really translate into the education or third sector. Conversely, some solutions, like Technology One were too big and expensive.

We wanted to stick to our idea of true cloud and discovered not everyone offered this – often it was just a hosting option, not true cloud. The choice ultimately boiled down to SAP and Xledger, both of whom seemed the best fit for an organisation of our size and complexity.

We already knew that Swindon College was using Xledger, so it was clear to us that it would work in an education environment. This went a long way to reassuring us that they were the best choice for our sector.

How did they resolve the issues you faced?

Xledger massively simplified things for us. Now that we only have one contract, we have access to true cloud and, technology-wise, it was very simple for us to use. Getting access from Xledger to our users, which just relies on a browser, was so easy.

It was much more streamlined for us to liaise with only one supplier too. Xledger are very responsive – something we didn't experience with the previous system – the whole relationship between ourselves and Xledger is just completely different. They made it clear we were an important client to them, and therefore we got all the attention and help we needed, particularly in the implementation phase.

How did you find the implementation and training?

Very good, the project management side of things is very strong and their own project management and implementation methodology works really well. The support we had throughout implementation was second to none and we actually launched on time only using our existing team internally!

As always in any system implementation, there were a few hiccups, but they were ironed out pretty quickly. Having follow-up meetings was really helpful, giving us access to senior managers and consultants. As a result, our objectives were met very quickly.

What's changed for you since the implementation?

We were looking to make significant savings within the department, and we've been able to do that with Xledger in a way we couldn't have hoped to with Unit4. The finance office is so much more streamlined. Transaction processing in the back office is more efficient and the import of purchase invoices through email, the OCR functionality and the automated bank feed are all a massive improvement over our previous system. We operate a £16m complex business with just 4 full-time staff, including myself. That has only been made possible by choosing the right true cloud system with high levels of automation in processing.

Committed to a robust implementation process

Oana Criveanu
Solutions Consultant
Xledger UK

All projects involving digital transformation acutely affect a company and its employees' ability to be productive. This is particularly true for something as complex as transitioning to a new operational and financial system.

All Xledger UK consultants and support teams are accountants, who understand customer challenges and pain points.

"Communication and expectation management are critical success factors for a positive implementation. It must be embedded internally in the organisation, and customers themselves must allocate time and resources to the project," says Oana Criveanu, Solutions Consultant at Xledger UK.

Becoming aware of what is unnecessary and inefficient

"The first Needs and Ambitions workshop is an interesting exercise where the customer is challenged with questions they may not have thought of. Because we ask a lot of 'why' questions, we have interesting discussions where customers become aware of processes and routines that maybe inefficient and unnecessary. If there are specific needs that make Xledger unsuitable, advice is given on where customers are better off turning.

"It is very important that the customer brings in all the relevant stakeholders in the pre-sales process. This ensures that we can capture the full impact of the new finance system and all the dependencies between departments and other systems. This also helps with the buy-in post Go-Live.

"Honesty makes customers more active in the process. Many are not used to vendors who say no and are constructively critical," Criveanu, says.

The process is considered a pre-project that is delivered for free. "Others often charge for this, and it can cost up to tens of thousands of pounds," adds Criveanu. She believes that the quality of the implementation team is what really tips the scale in Xledger's favour.

Robust Implementation Methodology

For larger and more complex organisations, a rule of thumb is that an implementation project takes 6 to 9 months, consisting of approximately 200-400 consultant hours. For smaller players, the reality is quite different.

The map and compass in all projects are the Xledger Implementation Methodology (XIM). The method provides the fastest and most accurate implementation through best practice processes developed over 15 years, by Xledger Group's leading experts in cloud-based ERP systems.

"We only deliver software in the cloud, so the method is tailored to this purpose. We learn from each project and update XIM continuously. Even though all customers are different, we can meet their needs and ambitions with the same process," says Tim Wright, Head of Operations, Xledger UK.

XIM regulates all steps in six main phases:

- **Planning:** The project plan is developed which regulates and controls the entire implementation for the various deliverables and the total scope for the various sub-projects.

- **Analysis and design:** Thorough analysis of the customer's needs and design of the future solution down to the smallest detail. This is the most important phase and can take up to a month.

- **Implementation:** Set up the design solution, make integrations, and carry out training. The customer is encouraged to do as much as possible themselves so that they learn the system. The more the customer learns to master the system, the less they require consultancy help in future. Xledger has good experience with customers hiring temporary staff to handle daily tasks, while their own specialists are closely tied to the implementation.

- **Testing and verification:** Thorough testing of all elements, verifying that the solution is set-up according to design, and confirming that the customer is ready for launch.

- **Go-Live and follow-up**

- **Completion of the implementation project**

The implementation project with Xledger was a success with the system going live as originally planned. Xledger's implementation methodology provided a solid framework, yet what really impressed us was their collaborative approach. The Xledger implementation team worked with us to understand our organisation and its needs, and tailored their approach and suggestions to help us to configure the system in the optimal way for us."

The Royal Society

Empowering customers to take ownership

The entire process is led by an experienced project manager, and the consultancy team closely follows the customer until the solution has worked well for at least three months.

"The best thing is when customers can do most of it themselves. It gives a completely different ownership of the system. The more knowledge the customers have, the more they can exploit the full potential of Xledger. We see a clear correlation between knowledge level and customer satisfaction," says Wright.

"We now have 100% insight into our financial data. We can give real-time results to stakeholders and business owners, much more quickly than historically. In addition to this, we've consolidated our entities into one trading entity which will greatly help us as we scale. The system has been easy to change, without the need to have project managers dealing with it. Being able to change your system in relation to our expectations is great." Andrews Property Group.

An article on McKinsey's website says that three out of four ERP projects are either delivered late or exceed the budget, and two out of three implementations have a negative return on investment.

A system that speaks for itself

May Helen Kvarberg
Product Director at Xledger,
is on a mission build the
world's best ERP system

The story of the Norwegian software company begins shortly after the famous dot-com crash in 2000. The business world woke up after several years of gold rush-like conditions where entrepreneurs received money thrown at them from investors just because their business idea contained the words "internet" and/or "customer database."

At that time, Kvarberg was working in a large ERP company. Over time, she had grown tired of developing systems that placed greater emphasis on owners who wanted the best quarterly results, rather than functions that lifted customers into the future.

The dream was to create a product-oriented organisation that developed the world's best ERP system. "That fundamental idea permeates the company to this day," says Kvarberg. "Along the way, suitors have lined up to buy us. National and international giants regularly try to buy the company, all receiving friendly refusals. If we sell, we may lose control over strategy, direction, and focus on the further development of the system. We want to avoid that at all costs," she says.

An industry trailblazer

The basic idea behind Xledger was different and brave at a time when ERP systems cost millions to buy, and almost as much to adapt to a company's core processes.

Together with Jarle Sky and Lennart Grøtt Holen, Kvarberg created the world's first ERP solution that was based on a standardised system with the internet as a platform. This was the first of its kind, now known in the market as 'SaaS' or 'Software-as-a-Service,' and is now a desired foundation in the business models of all software companies.

The company is an international success story. The operation has been profitable for many years, and Xledger is perhaps the only system with such a long history that has retained its Norwegian founder ownership.

"Xledger's database model is designed from the ground up, developed to handle large amounts of data and deliver cloud services. It has become a fantastic platform for driving innovation and staying ahead of the market and customers' needs," says Kvarberg.

The Invisible Hand

All development is based on three core values:

- **Insight:** Focus on providing useful insights into data for leaders and decision-makers at all levels of the company. The system helps make the right decisions faster, brings warning signs to light earlier, and makes financial figures understandable even to 'non-economists'. Equally important is the detailed real-time overview the system provides of cash flow, receivables, and the company's financial situation.

- **Automation:** The vision of the invisible hand that just 'fixes' things has been with us from the beginning. Processes should flow automatically without manual and time-consuming repetitive tasks for users.

- **Scalability:** Xledger meets the needs of growing organisations that need to scale up to significant volume. It is a safe future platform that follows customers' needs in expansion and strategic changes.

"The system is designed to centralise processes while delegating oversight and control. This allows accounting tasks to be quickly distributed or outsourced to a third-party provider such as an accounting firm," says Kvarberg.

The best solution for every customer

"The ability to understand the needs of customers and place requirements in a larger context are important prerequisites for the further development of the system.

Many customers believe they are unique. When we peel off a few layers, it is usually the same problems they want solved. We use innovative technology to solve common needs and challenges," says Kvarberg.

The product management team are users of the solution

The development of Xledger's solution is characterised by the fact that those responsible for core development are also users of the system.

"We feel the needs of our customers ourselves and develop features and solutions that simplify and improve everyday life for both ourselves and our customers. Our many skilled and experienced consultants, as well as our partners and resellers in the Xledger partner network, are also important contributors to pushing our product development in the right direction," says the product director. "Their enthusiasm for innovation has led Xledger to be the first with many smart solutions."

"We started with automation back in the early 2000s and now it's automation and AI that matter. Joint processing for all our customers, such as payments and OCR, was already fully operational in 2003. Bank reconciliation and bank statements as an integrated part of the financial system were also unique," she says proudly.

"Xledger provides real-time insight to management at all levels of an organisation. We remove time-consuming financial processes and manual operations, so that our customers' talented employees can free up time that can be used for innovation and further development of their own services," concludes Kvarberg.

ERP system essentials

Your new ERP system should eliminate manual processes and duplication of work, reduce the risk of making decisions based on outdated information and incorrect data, providing an overview of your financial situation – at all times.

5 important elements on the checklist:

1 AUTOMATED PROCESSES

The goal is streamlining. This requires automated workflows. Tasks such as invoice registration, bank reconciliation, and report preparation for top and middle management should be solved through automated workflows with minimal or no manual effort.

2 EASY ACCESS TO REPORTS AND MANAGEMENT INFORMATION

The system should provide easy access to updated data and a clear overview. If you choose a cloud-based financial system, you will always have access to real-time data. Ensure that the system offers a good selection of pre-defined reports and good query capabilities for both accounting and liquidity, customers, suppliers, and budget.

In Xledger, you have access to extensive views and reports. All users have their own dashboard based on their role and can query on multiple levels. You can drill down to individual transactions to see all connections, or get a 360-degree overview of the organisation.

3 EVERYTHING YOU NEED IN ONE SYSTEM

The goal is to make the workday easier for those working in the financial system and for those running it. In a system like Xledger, you get all the functionality and all the data gathered in one place; finance and accounting, project management and time registration, orders and invoicing, bank integration, travel and expenses, as well as procurement and inventory. No duplicate data entry. No separate systems.

4 A SCALABLE SOLUTION

Make sure the system is scalable. It should be able to develop in line with the company's needs. Even with strong growth or global expansion, it should be easy to continue with the same system without requiring major changes. Choosing a solution where you only pay for actual use gives you full freedom to scale up or down. You can easily add new business units without the need for additional customisation.

5 SMART NEW TECHNOLOGY

A system that is "born" in the cloud has no old technology that needs to be updated. A true cloud-based system is built on multi-tenant architecture. This means that all customers are connected to the same system. New updates are rolled out regularly and become available to all users immediately. Your system supplier is responsible for operations, management, and security. Each organisation can use the system according to its needs, and you avoid time-consuming and costly local development and implementation projects.

"Selecting a great system is only half the challenge. Select a supplier who understands your challenges and is willing to work with you on reviewing established business processes to achieve your underlying goals and objectives." Peter Hucker, CEO of Xledger in the UK.