Preparing to Scale with Robust Cloud ERP

Skytap

sage Intacct

COMPUDATA

Challenges
Preparing to Scale with Robust Cloud ERP

Skytap offers an innovative cloud service for application modernization that helps IT organizations around the world increase their efficiency. One of the Inc. 5000 fastest growing private companies, Skytap has expanded operations to over a dozen locations in the U.S. and U.K. Its finance team initially used QuickBooks software, which required a significant amount of manual data entry, as well as cumbersome quarterly budget exercises in Excel. They knew this approach couldn't sustain Skytap's rapid growth trajectory, and decided to upgrade to a more powerful cloud ERP solution.

After considering Financial Force and NetSuite, the finance team decided to implement Sage Intacct in order to meet these needs. Skytap's CFO, Frank Colich, noted, "I knew Sage Intacct would work best for us, because it had made my previous job significantly easier from the first day we rolled it out, to the day we were acquired and had to integrate our data into the parent company's financials." He also pointed out that Sage Intacct's ability to scale gives him confidence the solution will support Skytap's evolving requirements over the long term. "We'll be expanding globally in the future, and it was a no brainer to us that Sage Intacct's audit-ready, multi-entity, multi-currency consolidation capabilities could meet our current needs and still be flexible enough for more complex transactions and issues that will arise as our company grows," he added.

Company Overview

Skytap is a public cloud provider that extends cloud and DevOps strategies to traditional workloads to help enterprises realize their business goals. The company uniquely supports application modernization with production-ready development, software testing, and training environments that work the same way as an on-premises data center.

Executive Summary

Previous Software:
• QuickBooks
Results with Sage Intacct:
• Gained visibility for faster, better decision-making
• Shortened monthly close by 17 days
• Avoided $300,000 in annual headcount costs
• Software paid for itself in <3 months

Solutions

Financial Transparency Fuels Faster Growth

After a quick implementation, Skytap took advantage of Sage Intacct's unique dimension capability, which enables users to tag individual transactions with key operational details. This makes it easy for the company to filter, group, and organize its financial data for deeper analysis.

Skytap's finance team now produces more granular reporting for a wide variety of initiatives across the business – such as specific projects, departments, locations, vendors, and more.

For example, they used Sage Intacct to help the vice president of IT operations analyze and forecast infrastructure spending – one of the cloud company's biggest cash outlays. A custom report breaks out costs in several useful ways, including Skytap's own data center spending versus outsourced, production-related versus R&D expenses, etc. The IT team can now monitor specific budget-to-actuals amounts for each data center, technology vendor, and type of technology they use. As a result, IT has timely access to accurate information and can make much better, faster decisions about how to utilize resources around the globe, e.g. by increasing or reducing capacity in certain data centers based on their cost efficiency.

As a fast-growing startup, Skytap is expected to live up to the financial scrutiny of its investors and board of directors. "We get a lot of kudos from our board about how amazingly streamlined and fast Skytap's whole process is when it comes to closing our books, vetting the financials, and assembling a robust reporting package for them each quarter," said Colich. "Being able to quickly get all of our key financial data to the board is priceless, because we need it in order to make critical hiring and capex decisions that help grow the company."

"Because of the efficiency and visibility I have in Sage Intacct, I've been able to provide more strategic value to the company vs. spending most of my time on our day-today accounting complexities. Now, I can focus on busines planning with our CEO and board members, and work more with our sales team on major deals."
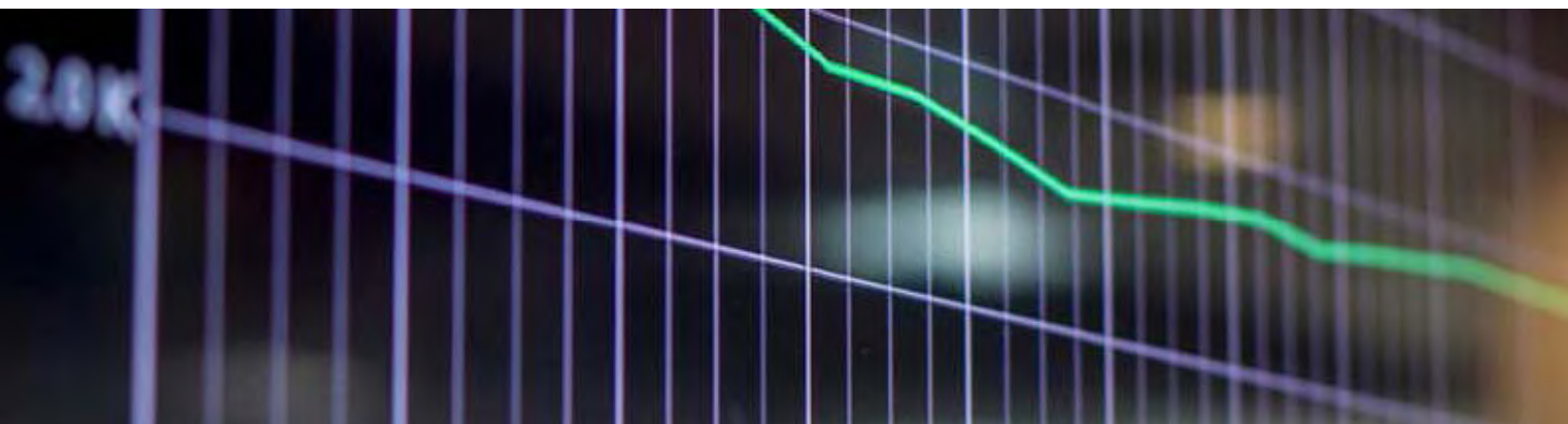
-Frank Colich, CFO, Skytap

Results

Best-in-Class Automation Brings Tremendous Efficiency

In addition to all of these visibility improvements, Sage Intacct helped Skytap to streamline its accounting processes and adopt new rigor and industry best practices throughout the finance function. For example, by eliminating manual journal entries, the team was able to slash its monthly close cycle from 20 business days to just three. And by using Sage Intacct's recurring templates, they can now get invoices out the door in the first three days of the month – a tremendous improvement over their previous billing process, which took a full two and a half weeks.

Soon after adopting Sage Intacct, the company closed a major round of venture capital funding, which prompted an increase in spending to support Skytap's growth. With Sage Intacct's purchase order software, the finance team was able to automate procurement workstreams and strengthen purchasing controls. Colich shared, "We had to make sure the right authorizations were in place so we could manage buying behavior. Sage Intacct streamlined our purchase requisitions, purchase orders, and sign-offs by ensuring that certain levels of spending received manager, director-level or CFO approval."

"Sage Intacct has been a boon to our organization as we've grown and I expect it will continue to scale with us beautifully, even when we eventually go public," concluded Colich. "Despite more than doubling our transaction volumes and boosting revenue by over 50% since upgrading to Sage Intacct, we haven't needed any more accountants – and that's probably a headcount savings of around $300,000 annually. In fact, I estimate that Sage Intacct pays for itself in under 3 months each year."

About CompuData

CompuData is a Woman Owned Business Technology Company and Partner for Cloud Hosting, ERP Solutions, IT Security and Managed IT Services. With nearly five decades as a business technology innovator, CompuData offers an unparalleled spectrum of Accounting Financial Software and IT Solutions that are fundamental to business operational growth, efficiency and profitability. Everything we do is built around two-way collaboration with our customers. Our team takes a proactive and strategic approach to solving customer problems and creating solutions that will improve business processes and operations. Our people, technologies, and customers - Work Smarter...Together.

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About the Author

The author of this document, Sage Intacct, is the innovation and customer satisfaction leader in cloud Financial Management. Sage Intacct enables data-driven finance leaders to automate complex processes, consolidate data across many legal entities in minutes, become GAAP-compliant, and make strategic decisions using custom dashboards.