

The Sage Switch Guide

Eight warning signs that your
accounting software is stifling
your business

AND THE WAYS TO
BREAK ITS GRIP.



NETSUITE.COM

 **NETSUITE**

The revolution is here. The time is now. You have nothing to lose but your limitations.

NEXT
>

Over 500 businesses have already switched from Sage to the NetSuite Business Cloud. They're already realising the benefits freedom offers. Freedom from aging business systems. Freedom from fragmented reporting. Freedom from never-ending management costs.

Of course, the examples shown in this guide are just a fraction of the total – but their stories illustrate just what's possible when you leave behind the old to embrace something new, something better. And more are joining them every day.

These organisations have discovered what it means to use a truly integrated system – no more redundant data entry, no more wasted time, the ability to start anywhere. They've found that it's possible to get a complete picture of what's happening in their companies both quickly and easily. And they've done it all without the IT complexity they've come to hate.

It doesn't end there. Far from simply being freed from the limitations that have held them back, they've also discovered capabilities they didn't know were possible (or at least were impossible with Sage). And they've done it all while reducing their total cost of ownership by up to 59%

(these aren't our figures by the way, they come from independent analysts, the Yankee Group).

There has never been a better time to move to a better solution. One that can not only help you manage your company more effectively but actually transform your business.

This guide highlights the eight warning signs we see in so many Sage customers. You'll see how companies just like yours have faced the same problems you're facing right now and not just survived, but thrived in a post-Sage world.

Join the revolution at
netsuite.com/sage

Sage Customers: Release your potential. Join us in the cloud.

Remain calm. Assess your situation.

We're going to make an assumption: If you've come this far, you suspect that your Sage system won't support the way you want your business to grow.

Know that you're not alone. Over 500 companies have switched from Sage to a cloud-powered solution from NetSuite. And IDC reports that demand for cloud computing solutions will grow four times faster than the worldwide IT market as a whole over the next four years.

In fact, escaping from Sage is a much-travelled path that looks something like this:

The Honeymoon: Probably at some point a decade or two ago, you invested in Sage. It may have been your first accounting software. You were eager to automate how your books were managed. Sage fitted the bill. You were happy.

The Hangover: Things start to go sour as you seek to grow your business. You add CRM and e-commerce applications that don't easily sync with Sage. You struggle. You're not happy anymore.

The Cure: You recognise that Sage isn't going to work for you anymore, and start looking around for alternatives. Peers recommend a leading cloud-based system, and soon you can enjoy the benefits of an integrated solution from NetSuite.

Going from hangover to cure
If you're in the midst of the hangover phase, you want to distinguish between the kinds of pains that are just part of doing business, and the kinds of pains that stem from outdated software and business systems like Sage.

That's what this guide is all about. We've combed through the stories of countless Sage Switchers to identify the kinds of pains that companies have shed by going for a cloud-based solution.

So here's a checklist of eight experiences from former Sage users. For each experience, we provide some examples and statements from other businesses that have made the switch.

We invite you to consider whether these situations apply to you, and – if they do – hope you'll make the switch too.

There is an answer, and you're close to the cure.
You *will* survive. Read on...

JOIN THE CLOUD.



Too many applications doing different things with the same information

Liberate yourself from all those applications!

Does this sound familiar? You need to raise an invoice. What should take five minutes takes half an hour because you need to query three different applications – one to determine if the delivery you're invoicing has been fulfilled, another to see if the customer has made any additional orders and a third to create and send the invoice.

For countless Sage users, this is the everyday situation. Two former Sage customers share their experiences:

"With Sage/SBT we spent a lot of time and money customising and integrating different modules. It was a nightmare! It took three systems just to make one sale happen and there was no way we could systematically track each laptop that we shipped."

Owner, LaptopSchools.com

"We were using three different products – Sage Line 50 for accounting, ACT! for CRM, and Excel for stock control and the rest. With so many systems, things were disjointed and all over the place."

Agam Jain, Managing Director, Jayex Technology, UK

It shouldn't be like this.

"Ironically, many businesses ended up at this juncture as a result of growth." Offices that have automated their accounting often want to get a firmer grip on the customer lifecycle, which may mean CRM systems, opportunity management or e-commerce applications.

Because their Sage system didn't support or integrate well with these kinds of functions, they had to bolt on separate

applications. What emerges is an ad-hoc architecture that won't scale, inhibits growth and introduces errors; we've likened it to an application "hairball".

Sage users that have switched to NetSuite have managed to jettison this hairball in favour of a single, integrated system. The quickest benefit: Deal with data once, in one place. Then move on.

Sound quicker? Our customers will tell you: *It is.*



LIBERATE YOURSELF!

Errors proliferate as data travels on and off our accounting island

Healthy data = healthy bottom line

Former Sage customers described their experience with Sage as 'like living on an accounting island'. We've already covered the issue of dealing with multiple applications; another problem is simply the frequency of errors an island approach creates.

Errors enter your business by three basic paths:

1. Data entered in another system is mis-keyed when entered in Sage
2. Data entered in Sage gets corrupted when it leaves the island for e-commerce land (for example)
3. Data is updated in one place only. Thereafter, no one can reconcile which data is correct

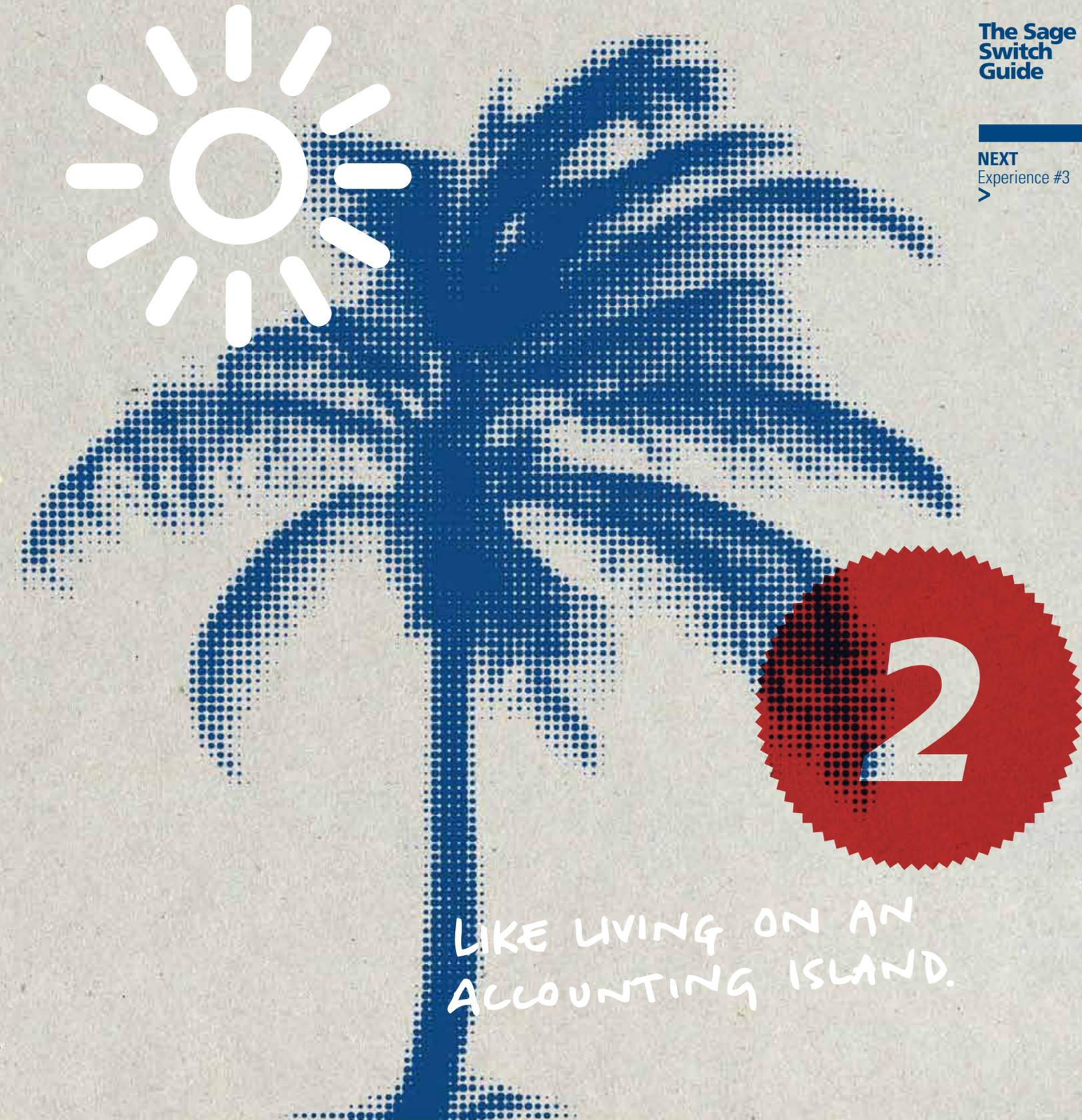
According to PriceWaterhouseCoopers and KPMG, more than 90% of business spreadsheets have material errors in them. This is how they get there.

Business owners know the acute pain of error-filled data: ***"We were duplicating, triplicating and in some cases even quadruplicating data entry! Worse than that, the data wasn't always consistent,"*** said the CFO of i-nexus, a Sage Switcher.

i-nexus and others like them that have moved to NetSuite's cloud-driven solution note considerably less trouble and expense related to errors.

Because data entered once online is automatically synced across their business processes, the issue of reconciling inconsistent data vanishes overnight. Errors no longer lead to faulty decisions. And less time is spent on case-handling and customer service after errors hit their clients.

Sage Switchers would say: Don't let your accounting system sit on an island. A unified, cloud-based system will reduce errors, and the hangovers that errors create.



Our systems can't keep up with the pace of our life

Updating software versions shouldn't be your problem

Users are impervious to software updates.

Even with countless reminders popping up on the screen ("A new update is available!"), the average user just clicks right past it and proceeds to what he or she was aiming to do in the first place.

And that's how it ought to be. You open your ERP application to produce a report, not to update your software.

The facts back this up: An Aberdeen report stated that only 28% of businesses are on the latest ERP release of their software.

BE HONEST NOW.
ARE YOU ON THE
LATEST VERSION
OF YOUR BUSINESS
SOFTWARE?

The version upgrade game would be comical, if it didn't carry real penalties:

- Regulations change. Outdated Sage versions don't
- Some applications don't get updated, leading to costly, painful upgrades
- Outmoded versions of one application stop talking to updated versions of other applications

Former Sage customers spent much of their life on increasingly outdated versions. It's understandable; updating is time-consuming and introduces errors as data moves over to the new version.

Some of the most profound and immediate rejoicing heard from users who adopt a cloud-based, software-as-a-service platform concerns just this:

"...from an IT point of view, the hosted software-as-a-service delivery model meant there was very little to do and the costs would be much lower. We were excited," said one former Sage customer.

Another cited easier Internet networking, a lighter hardware investment and no hidden costs for upgrading. You don't need to hire an IT specialist, buy kit or manage data backup.

You don't want to play software catch-up for eternity, and you shouldn't have to.

We pay too many people to rekey data, and nothing else

How you handle data shouldn't have anything to do with hands

Business owners and finance managers know, perhaps better than anyone, that time is priceless, which is why this experience is so important.

There are three fundamental ways time and energy is lost working with Sage:

1. People whose only, or main, function in the company is to re-enter data
2. People who spend far too long to find the right information, and
3. People who have to get other people to help them (because they can't get something themselves - self-service)

We're not just talking about someone spending too much time during the day entering data. For some former Sage customers, it was a question of employing people – one, two, many – only to transfer data from one silo to another.

2Pure UK Ltd. estimated that staff won 25% more time to focus on sales after dropping Sage and the need to manually transfer data from application to application.

THEIR DIRECTOR
CREDITED A 95%
UPTICK IN TURNOVER
TO THIS CHANGE

If you're a Sage user, no matter how much time you spend entering data, it's probably more than it should be, and more than necessary. Add to this the amount of time other people spend looking for "lost" data.

Customers that have made the switch would unanimously argue that the cloud increases productivity. A report from Nucleus Research summed up their experiences:

"Businesses that run NetSuite are able to dramatically reduce manual processes by integrating order-to-cash and procure-to-pay processes, eliminating time spent rekeying data across these processes by 90-100%."

Emarket.com can corroborate. CEO Suraj Sharma said: *"NetSuite not only replaced Sage, it has revolutionised the way we do business, resulting in efficiency gains of 20%."*

More reasons to cloud up.



Four examples of the same customer live in our IT systems

Enter that customer once, and only once!

For each of your customers, there is one true state of the relationship. But many former Sage users knew a time when there were three or more versions of the business truth.

One used a bespoke customer database on a server in its head office in Warwick. None of its information could be shared. ***"This caused massive problems. Things tended to drop off the radar and we had no idea who we were reaching from a customer perspective,"*** said the Client Services Director at AbilityNet.

Typically, customers are multi-dimensional things, with many different processes going on at the same time, and multiple roles involved on both sides.

This means the window for error and miscommunication is large. With everyone updating disparate systems simultaneously, oversight is lost.

The outcomes aren't pretty. Former Sage customers report a number of issues arising from multiple instances of customers on in-house systems:

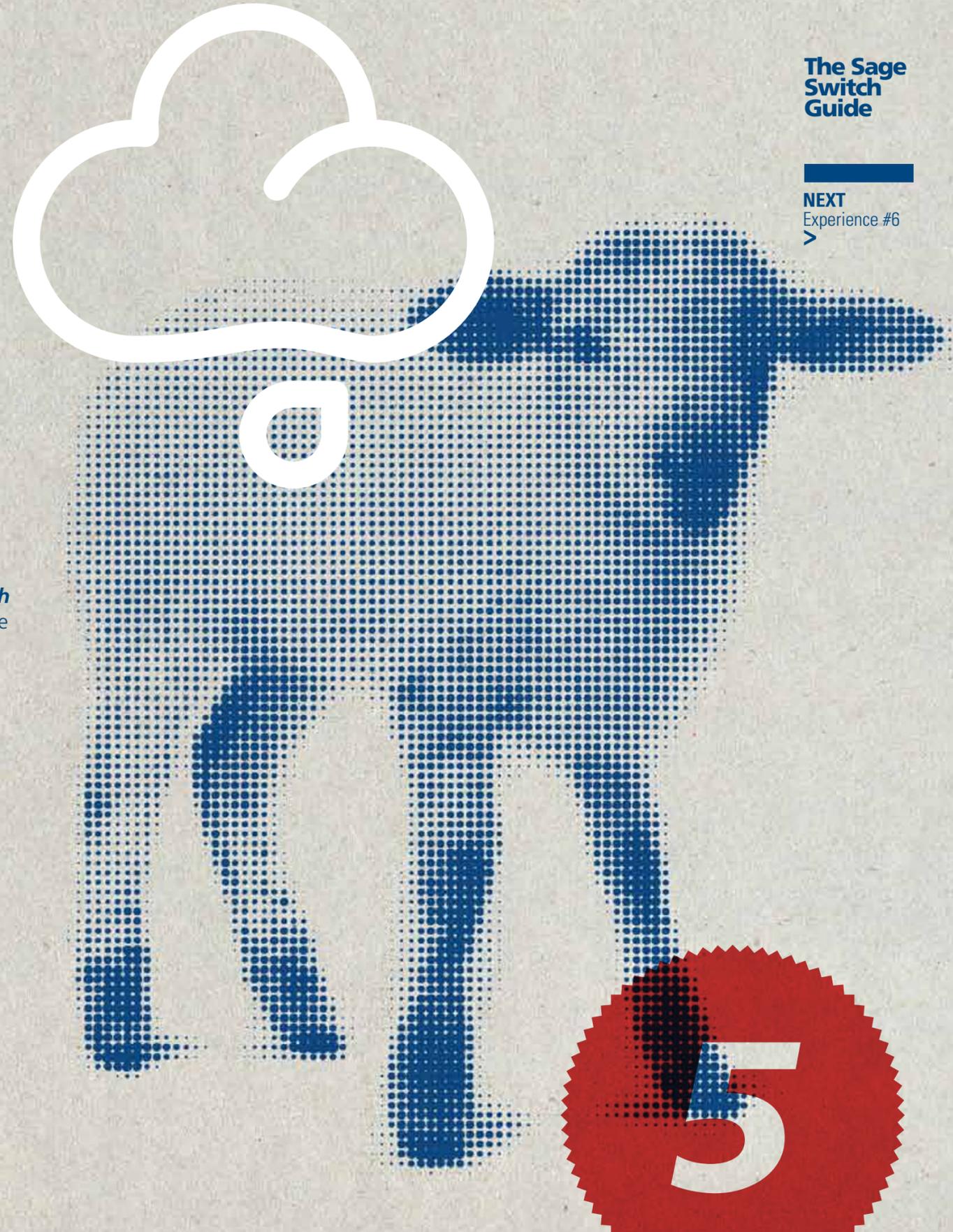
- Billing, fulfilment and customer service errors
- Delays in resolving issues and questions, and
- Decaying customer satisfaction and, ultimately, retention

LaptopSchools.com can attest to these challenges:

"It was a nightmare! It took three systems just to make one sale happen and there was no way we could systematically track each laptop that we shipped," said Mike Vitiello, Owner Laptop Schools.

With a CRM system that ties in to the full accounting back-end and transactional history, one customer remains... one customer. That's a revelation for many Sage customers that have made the switch.

EVERY CUSTOMER MAY
HAVE A DOZEN PURCHASERS
AND DECISION MAKERS.



We know less than competitors because our reporting is slow

Create reports yourself – don't rely on IT

Knowledge is power – that's a given. But for many Sage users, reporting (the route to knowledge) can be a painful experience.

Listen to this former Sage customer: ***"We used ACT! for contact management, Gemini for problem management, Excel for customer quotations and Sage Line 50 for the accounts. We really struggled to produce any accurate and relevant business analysis information, and in many cases we stopped bothering to ask for it."***

BECAUSE WE KNEW THAT IT WOULD TAKE SO LONG TO PULL IT ALL TOGETHER, AND BY THEN IT WOULD INEVITABLY BE OUT OF DATE.

Another company explained how, in an average month, 1.5 percent of turnover was overdue. Yet, without fast and reliable reporting, they struggled to account for the shortcomings and chase them down accordingly.

Again, the culprit for most of these problems is growth. The ad-hoc, finger-on-the-pulse kind of reporting that worked when Sage was installed, no longer works in a rapidly growing firm.

Customers that have switched say that moving to a cloud-based system improves reporting in a few key ways:

- Reporting is self-service; you can build custom reports without calling in the IT artillery
- Reports are in real-time; you don't need to build in a cushion of error
- Reporting spans the entire business; you don't have to look at the picture one application silo at a time

Lightspeed sped up after making the switch.

"NetSuite gives us a single view of the customer, rather than having customer data all over the place. We have strengthened customer support and customer relations, and we've been able to speed up order processing while improving system availability at the same time," said Carl Cox, VP of Operations and CFO.

There it is: speed, and power. Thanks to the cloud.

Our systems, and expenses, were growing as fast as our business

With the cloud, you can serve more, with less

Suffering from growing pains? Many companies that have made the switch can empathise with you.

Rococo Chocolates is one. After earning a great reputation at its flagship London store, Rococo was rapidly growing through prestigious retail chains, but at a cost: *"I was getting tired of the [Sage Line 50] constant support thing, with add-ons and upgrades that didn't deliver what we needed,"* said Financial Controller Gerry Kerins.

"Since we implemented NetSuite, sales have shot up 25%."

Basically all Sage software requires you to manage the hardware, servers and databases, in addition to upgrading, troubleshooting and maintaining the applications. These things carry a hidden cost.

A study by the Yankee Group directly compared the total cost of ownership of NetSuite and a combination of Sage products. The study concluded that the NetSuite cloud-based service provided cost savings compared to Sage of 24 – 59%.

At the sharp end of a small- to medium-sized business, losing money while you grow feels particularly painful. You want to be able to direct that hard-won profit back into the business and expand, instead of patching IT systems that aren't keeping up.

Businesses across industries have reduced their IT spend from 3% of revenue to 0.1% of revenue, saved over \$200,000 annually and slashed ERP costs by 80+%, by moving from traditional on-premise systems to modern cloud-based business management.

Growth shouldn't have to hurt. Former Sage customers used to spend time and money on IT system work-arounds when growth came along. Now they don't.

"A HURWITZ AND ASSOCIATES STUDY CONFIRMED THESE FINDINGS, SETTING THE FIGURE AT A FLAT 50% TOTAL COST SAVINGS"



Everything had to go through one guy, slowing it all down

Everyone should be able to do what they need to do, anywhere!

You and whoever else runs your business's books shouldn't feel like a bottleneck. Yet, that's how many Sage users end up feeling.

"Outside my office, there were queues of people wanting access to business critical data. It was my machine that accessed the data so everything from buying a bottle of milk with petty cash to customer queries and order management caused constant interruptions to my day – it seemed like everything came through me," said the finance manager of one former Sage customer.

There are two interrelated issues here:

- 1. Access:** The ability to get at needed business data, wherever and whenever it's needed, and
- 2. Permissions:** The authority to access information crucial to your role

Former Sage customers found that, even if Sage gave other users permission to access data, they were accessing a version of data that they suspected to be old or incorrect. That's the same as not giving them permission. They needed to ask someone else for information.

One of the key advantages of a cloud-based solution like NetSuite is persistent self-service. Anyone can see what they're supposed to see, anywhere, at any time.

"Being completely online and within the cloud allows staff to work just as effectively from home - enabling a flexibility and work ethic that many businesses can't afford," said another Sage customer that made the switch.

In this day and age, business shouldn't be limited by access to one specific computer or database. That's the core idea behind the cloud.

AND ONLY WHAT THEY'RE SUPPOSED TO SEE.



**There's life
after Sage,
and it's a
wonderful life.**

NEXT
Conclusion
>

CONCLUSION

Switch from Sage to Cloud NetSuite. You'll never look back.

If this guide has shown you anything, it's that there is life beyond Sage.

Over 500 companies have already successfully made the switch to the NetSuite Business Cloud. Not only have they found a better way to manage their companies, they have seen their businesses thrive.

Let's take a moment to revisit some of them:

Rococo Chocolates has seen sales rise by 25% (in a down market).

2Pure has increased its turnover 30% year-on-year.

i-nexus grew its revenue by 800%.

Emarket.com increased the efficiency of its operations, logistics and finance teams by 20%.

And that's just the beginning. Isn't it time you switched too?

netsuite.com/sage

recognized by Gartner as the fastest growing top 10 financial management vendor for three consecutive years, and was also recently named the winner of the prestigious 2011 CODiE Award for Best Financial Management Solution.

"... AND NETSUITE HAS BEEN A KEY COMPONENT IN SUPPORTING THAT GROWTH."
2PURE UK DIRECTOR.

Love
it!



TAKE YOUR FIRST STEPS TO FREEDOM

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[Why Cloud Computing Matters to Finance >](#)

[The TCO of Cloud Computing in the SMB and Mid-Market Enterprises >](#)