

Outsourced Accounting: A Pathway to NetSuite Migration



ERPs are incredibly powerful tools that impact nearly every aspect of your organization. When migrating to an ERP like NetSuite, whether that's from a lesser ERP system or from a collection of point systems like QuickBooks and Salesforce, there are going to be many back-office operations that need to change or adapt to the new system.

Some of the most mission-critical operations are your accounting and finance functions. It's essential to ensure that these areas not only operate smoothly during the transition, but post go-live as well. If your accounting team (or third-party bookkeepers) have been operating on QuickBooks or a similar platform, they'll likely have a knowledge gap

while adapting to a new, more powerful system like NetSuite. It's one of the many barriers that financial leaders cite when hesitating to make a much-needed ERP transition. How do I get the expert resources on the migration team to make the project a success?



Fortunately, there's a simple solution to remove this barrier to technological transformation. Through a BPO (Business Process Outsourcing) arrangement, not only can you make an ERP transition feasible, but you can simplify operations, decrease overhead, and scale more easily post-launch.

High-growth, early-stage companies that have yet to build out their internal resources and expanding mid-market companies are particularly good candidates for the BPO-enabled route to a full NetSuite implementation. For example, the high-growth software company that hits a growth curve, but that's stuck on QuickBooks, can readily sub-license NetSuite through ScaleNorth's BPO offering for a quick and effective transformation.

First, What is BPO?

BPO, or **Business Process Outsourcing**, is the act of utilizing a third-party for one or more core business functions. ScaleNorth Advisors provides BPO services through outsourced [NetSuite accounting](#).

ScaleNorth's team of CPAs work with businesses ranging from a few million in revenue to \$500+ million, to offer everything from basic bookkeeping to Controller on a fractional basis. Being solely focused on NetSuite, our CPA heavy accounting staff is well-versed in the platform, and many are multi-certified NetSuite users as well.

Removing Barriers: Utilizing BPO as a Migration Strategy

By forging a partnership with ScaleNorth, you can remove the barriers to entry that come with an ERP migration. Any company that's still using basic systems like QuickBooks, manual processes, or spreadsheets to run its operations can benefit from a BPO-enabled migration strategy. Because it also provides outsourced accounting services, ScaleNorth is well positioned to help companies reap the rewards of outsourcing while also shaping their future financial platform strategy.

“Having a partner that can stand you up on NetSuite while also keeping your operations running and the machine going at full speed while you make that switch is extremely important” said [Joe Rovirosa](#), Managing Director at ScaleNorth, which has worked with numerous companies in this capacity over the last few months.

There are a few strategies businesses you can choose from in their transition. They can:

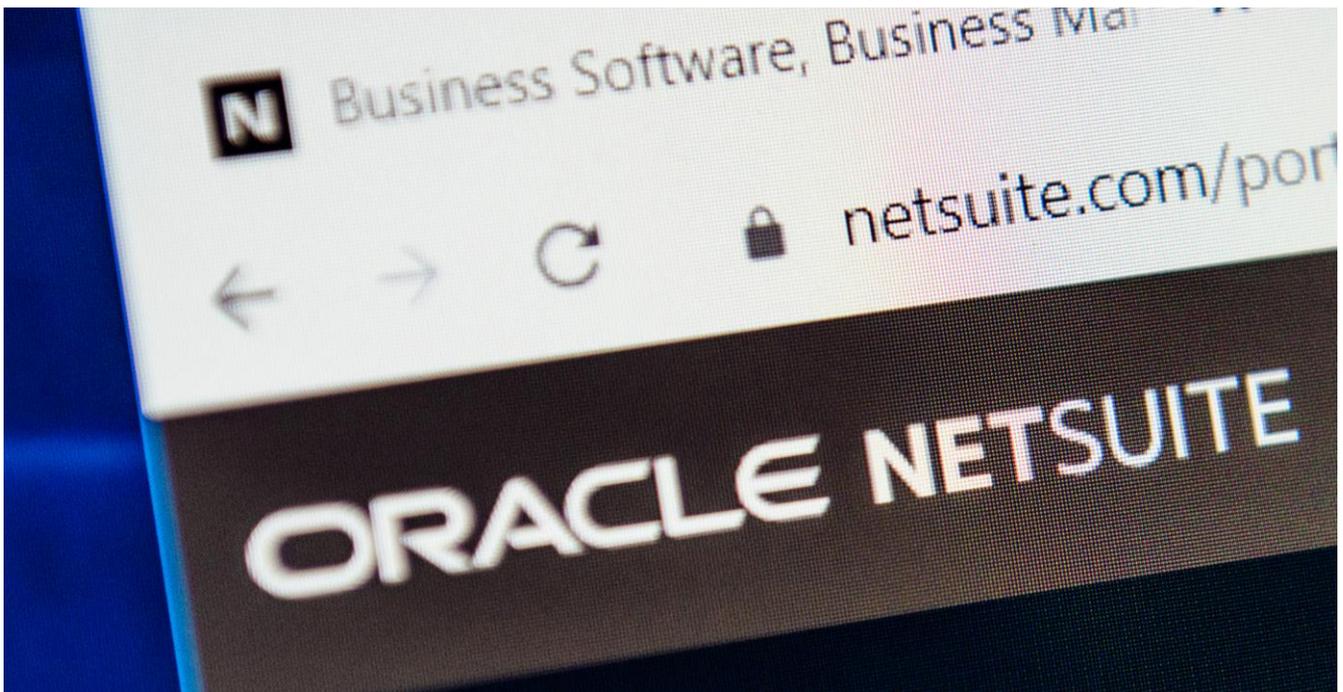
1. Partner with a BPO & Solution Provider firm to manage the accounting on your legacy system

2. Utilize a cost-effective sublicensing structure along with BPO.

3. Undergo a traditional NetSuite implementation led by ScaleNorth, then embrace a BPO relationship post go-live to outsource their accounting functions.

Pre & Post Migration BPO

With this strategy, ScaleNorth’s team of accounting professionals start work in your existing accounting platform, such as QuickBooks, before the migration to NetSuite even begins.



ScaleNorth's team of professionals can handle anything from monthly close and reconciliations all the way up to fractional Controller services during this period.

Equally important, they will analyze your existing business workflows and finance/accounting practices to gain a deep understanding of how your business operates. This will not only assist with tailoring NetSuite to your business when the time comes, but they'll be able to provide consultative advice on how to improve on or optimize your existing financial strategy.

When the implementation requirements gathering process begins, the BPO staff will serve on your team to assist with the process. Having a deep understanding of your business strategy, model, and finance practices, they'll be able to help point the implementation team in the right direction on key initiatives and requirements.

"This strategy allows your business to 'get ahead' of a NetSuite implementation by utilizing a phased approach that results in seamless transition between the two platforms"

said [Dani Sandler](#) CPA, Head of BPO Accounting.

Traditional NetSuite Implementations

As a [NetSuite Solutions Provider](#), ScaleNorth is equipped to handle the sale of NetSuite, then implement and optimize it for your business. When your organization is ready to utilize NetSuite for all its finance and accounting functions, ScaleNorth's team of CPAs can take over any or all needed tasks.

There's several reasons this approach would make sense for your organization. This strategy gives you full access and control over the world's leading cloud-based ERP system. The licenses are yours, and you can do with them as you please so long as it follows NetSuite's licensing agreements.

However, when the implementation is complete, organizations often find themselves wasting time and money on either training existing staff on NetSuite or hiring new staff that is already well-versed on the platform.

By exercising a BPO relationship, you'll get access to a third-party

of accounting and finance professionals to run your operations. Businesses typically find that a BPO relationship is the same cost or less than hiring in-house, provides more flexibility for seasonal/cyclical fluctuations, decreases overhead, and provides seamless scalability.

NetSuite Sublicensing Program

With sublicensing, the client gains access to a NetSuite instance that is sublicensed through the BPO provider. In these situations, you get access to the full power of NetSuite at a lower price point than true licensing. With ScaleNorth serving as the licensor, your organization will have seats in the NetSuite instance to run your operations from. It's important to note, that there are no administrator credentials issued. Instead, the NetSuite instance is administered by ScaleNorth, with your team having access to any needed functionalities.

As with the traditional method, once the sublicensed instance is tailored to your business, ScaleNorth provides the outsourced accounting. There are some key differences between these two strategies.

Traditional licensing is good for organizations that have the resources to run their own NetSuite instance, and the upfront capital to do so.

The sublicensing approach is more cost-effective, as it's cheaper to sublicense an existing NetSuite instance than it is to purchase your own. The sub-licensing arrangement works particularly well when companies are big fans of outsourcing and keeping their internal staff counts down. They enter into a BPO arrangement, leverage the accounting and IT resources of that BPO partner, and keep that approach in place.

Whether your company decides to license NetSuite on its own is your own choice, but BPO partners like ScaleNorth support either route and effectively provide a runway to ERP implementation success. By providing transitional talent for accounting and implementation, ScaleNorth makes the transition to NetSuite easier, faster and frictionless.

NetSuite with BPO: Best of Both Worlds

Businesses looking to gain a competitive edge need best-in-breed platforms in place, and best-in-breed staff to run those platforms to their full potential. Regardless of your licensing strategy, the goal of an ERP implementation is to make the transition as seamless as possible and come out the other side as a more agile, efficient, and profitable organization. Finding a way to do this that is both cost-effective and flexible is challenging, but the combination of the new software and improved finance and accounting team makes total business transformation achievable.

By unleashing the full power of NetSuite, your organization will enjoy more efficient operations, automations, scalability, visibility and more. When you pair that kind of power with an outsourced team of highly certified finance professionals, total transformation comes easily.

Benefits of a BPO Focused Migration Strategy

Decreased Overhead

The goal of any organizational change should be to maximize revenue and

improve operations.

If you're looking to squeeze every dollar out of your investment, adding a team of outsourced accounting & finance professionals to your organization will help you accomplish just that. BPO clients often find that a team of highly experienced BPO accountants can be obtained for less than or equal to the cost of hiring in-house. Apart from saving money on benefits, retirement, and office space to name a few, you can also save money by only paying for the services you need, rather than committing to 40 weekly paid hours per employee.

Scalability & Fluctuations

Whether you need more help at monthly, quarterly or year-end peaks, are prone to seasonal fluctuations, or are simply scaling quickly, having the exact right number of internal staff can be difficult to plan for. Hire too many accountants, and you're stuck paying their salaries and overhead while they twiddle thumbs during lulls. Hire too few, and you get overworked employees who are prone to burnout. While outsourcing

your accounting, staff can be added or removed from your account with ease, allowing for cost savings and improved operations.

NetSuite Focused

ScaleNorth's team of accountants are strictly focused on NetSuite, and many of them hold numerous NetSuite certifications and CPAs. This makes them incredibly efficient on the platform, oftentimes being able to handle the workload of 2 or more internal employees.

Decreased Barriers to Entry

Migrating to NetSuite requires restructuring, rehiring and retraining of current accounting departments to accommodate a new system. Fear of the unknown keeps many decision makers stagnant until they either decide against digital transformation or wait to adapt until their problems become unmanageable. The BPO option removes this barrier to entry. Knowing that your finances will be properly run and managed both during and after the implementation drastically improves the feasibility of a migration.

Pre-migration Staging

If you've been experiencing any gaps or pain points in your accounting, it's important to understand how those will be addressed and fixed so these issues aren't duplicated onto NetSuite during the migration. Our team of CPAs and advanced accountants can work inside QuickBooks or legacy accounting system before the migration begins to:

- Close open periods and financial transactions.
- Analyze your current processes.
- Confirm everything is optimized for the switch to NetSuite.
- Gain a treasure trove of knowledge that will help make the NetSuite implementation smoother and more efficient, leading to more ROI from the project.

Improved Reporting & Visibility

Not only do our accountants have years of progressive NetSuite finance experience, but they're experts in customizing and automating the platform. Apart from gaining access to their advanced accounting knowledge, you'll enjoy

detailed reports, dashboards, forecasts and more.

Conclusion

With a 100% success rate implementing NetSuite for its clients, ScaleNorth helps them mitigate the risk associated with large ERP projects and lets them keep their engines running even as they move from very rudimentary systems to an advanced platform like NetSuite. About 75% of its BPO team members are certified public accountants (CPA), which means there are no learning curves they can't tackle or curveballs they can't hit during the implementation process.

Recently, ScaleNorth worked with a \$75 million company that received significant venture backing but didn't have enough accounting staff or resources to manage a migration to NetSuite. The company has entered a BPO relationship with ScaleNorth, which is implementing NetSuite and full licenses for the company.

"The whole process happens pretty quickly regardless of whether you're doing a full NetSuite implementation or using sublicensing along with BPO

to aid in the transition" said Rovirosa. By leveraging the strengths of a firm that specializes in accounting outsourcing, your organization can save time, money, and headaches and let a professional services firm take these tasks off your to-do list.

You can learn more about ScaleNorth's NetSuite accounting and BPO services by [clicking here](#).