

Restaurant Franchisee Hits the Limits of QuickBooks

Laird Management



Challenges

Restaurant Franchisee Hits the Limits of QuickBooks

QuickBooks was a reasonable accounting solution for Laird Management when the family-owned company ran a handful of Burger King restaurants across Arizona. But as the franchisee added new Burger King locations, managing the books became the equivalent of a frenzied and never-ending lunchtime rush for the accounting team. By 2015, Laird had 28 restaurants broken out as 17 operating entities. Each entity had its own QuickBooks instance with separate log-ins, with no single chart of accounts across the company.

"It was very cumbersome to do accounting in the old days," said Pam Bakker, Laird's controller and HR director. "You couldn't easily consolidate or reconcile 'due to' and 'due from' transactions, and reporting was a nightmare." Closing the books could take nearly three weeks, without full confidence that financial information was accurate. The tipping point came in 2015, with an in-family sale of the business and a restructuring that implemented an umbrella management company. That brought additional complexities that "pretty much broke QuickBooks because of data and transaction limits," as Bakker put it. Laird went in search of a more scalable financial management platform.

Laird evaluated a number of solutions, including Oracle NetSuite and Microsoft Dynamics GP (Great Plains), before selecting Sage Intacct. "We really wanted a platform that would grow with us, was user-friendly, and would deliver regular updates that we didn't have to wait for or pay extra for," Bakker said. "We needed a single chart of accounts, and I wanted to be able to do our reporting in minutes." Sage Intacct met Laird's criteria, and the company made note that Sage Intacct is the only accounting platform endorsed by the AICPA, the American Institute of Certified Public Accountants.

Solutions

Faster Reporting and Close Times Amid Growth

Laird Management has dramatically streamlined and simplified financial management since going live on Sage Intacct in 2015. Time needed for three staffers to close the monthly books has been cut by 50%, from as many as 20 days down to nine or 10. And Laird is generating better reports faster. For instance, it used to take between eight to 10 hours to produce two basic monthly balance sheet and P&L reports using a combination of QuickBooks and Excel. Today, Bakker's team is producing five monthly reports that are more detailed and insightful in as little as two hours.



Company Overview

A family-owned company with about 650 employees, Laird Management is one of the largest Burger King franchisees in Arizona, with 32 restaurants. It's also branching out as a new franchisee of Anytime Fitness, a global chain with more than 4,000 franchised gym locations. To learn more, visit www.lairdmgt.com.

Executive Summary

Previous Software:

- Intuit QuickBooks, Excel

Results with Sage Intacct:

- Monthly close time reduced from 20 days to 10
- Reporting time cut from 10 hours to two
- Report types expanded from two to five
- Scalability to add new restaurants, expand into fitness

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"The ability to run reports any way we like has been a major improvement," Bakker said. "We couldn't easily do a year-over-year comparison with QuickBooks. Now that's a press of the button in Sage Intacct." A single chart of accounts and multi-entity consolidations have eliminated hours of stressful and tedious data exports into Excel and manual number-crunching. Unlike the uncertainties of the past, the accounting team and executives are confident that the data is accurate and up to date. And monthly restaurant-specific reports can easily be generated and shared with store managers, eliminating hours spent in the past deleting data to create reports for each store.

The new efficiencies have helped Laird scale as it grew from 28 restaurants in 2015 to 32 today, with an objective to continue adding a new restaurant each year. Instead of a long manual process to set up a new restaurant entity in QuickBooks, it's complete in minutes in Sage Intacct. The accounting team is also better equipped to handle the complexity of the new management company structure. Despite Laird's continued growth, the accounting team has been trimmed from four full-time staffers to 3.5. In addition, Laird is using Sage Intacct to support its expansion into a new line of business as a franchisee of Anytime Fitness, a global chain with more than 4,000 gym locations.

Results

Time Savings to Reinvest for Business Value

Bakker calls out Sage Intacct's best-in-class ease of use as a key characteristic that's elevated the finance and accounting function at Laird. "Ease of use in Sage Intacct has been just absolutely great," she said. "I can have a new person sit down, walk through a couple of steps, and by the end of the day they're able to maneuver around in the system pretty easily." She's also found the Help function in Sage Intacct to be remarkably user-friendly and valuable. "I've built some pretty big reports just by going through Help," Bakker said. "The Help function has been awesome in allowing me to search things out for myself and find solutions."

In another instance of simplicity, Sage Intacct's open API made it easy for Laird to integrate a new AvidXchange application for accounts payable automation. Efficiency and ease of use across the board have opened new time for Bakker and her team to take on additional responsibilities and contribute to the business. Bakker is able to better focus on her role as director of HR and help ensure Laird's compliance with its HR procedures. She's been able to analyze telecommunications, trash removal, and other contracts to identify cost savings for the business. She's had more time to document procedures, train personnel, and provide analyses for decision-making.

And still, Bakker has plenty of newfound time left over to dedicate to her family and personal life. "It's been a huge time savings for me personally — I work a lot of hours, but not nearly as many as I did before Sage Intacct," Bakker said. "I've been able to use my time savings to actually schedule and take vacations. I've become more involved with my two children, a football player and a volleyball player. So now I'm able to go to practices and see their games on a weekly basis. Time savings through Sage Intacct have definitely helped as far as family time."

"Sage Intacct has helped streamline our business by allowing us to create twice as many reports in less than half the time we needed in the past."



Pam Bakker,
Controller,
Laird Management

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Noble chose RSM because they understood nonprofit accounting and were experienced with cost allocation for grants and contracts. Deployment began in mid-October and Towards Employment was live with Sage Intacct by New Year's Day. She said, "RSM talked to everybody on my team—the AP clerk, the staff accountant—with great respect for their work and their perspective, and I appreciated it."

Results

Real-Time Financial Insight Improves Budget Compliance

Due to the efficiency of Sage Intacct, Towards Employment has managed the extra accounting work created by the opening of the Bloom Artisan Bakery and Café while only adding one part-time employee in the finance team. Noble estimates that "if we weren't using Sage Intacct, we would need another half-time person at least, if not another full-time person."

With the automated cost allocation in Sage Intacct, "It takes me half as much time to do my monthly billing for government contracts, because I don't have to double check the allocations," Noble said. And the efficiency improvements didn't end there. "We can import payroll data as a journal entry in 10 minutes where it used to take an hour to code in the payroll."

Improved internal controls, including an automated AP approval process and audit trail, help Noble achieve a high standard of accuracy and accountability. "Sage Intacct is very helpful in meeting the compliance requirements of public funding grants. Our donors want to see that we receive a clean audit opinion. The internal controls in Sage Intacct are critical," she explained. "The entire AP and AR cycles are now paperless with an audit trail and an automated approval process built right in."

Sage Intacct has improved financial visibility throughout the organization. Noble uses multi-entity accounting to keep separate books for the bakery and the organization. She provides a rolled up P&L to her executive director but gives operational managers more detailed P&L's specific to their projects.

"It's helpful to be able to run the P&L by project versus program. In our organization some people manage quality from the perspective of a particular contract, and they need to focus on project expenses. Other people need to look at the organization as a whole and a rolled-up P&L allows the board and our leadership team to look at the bigger picture," said Noble.

The time saved by Sage Intacct enables Noble to pursue more strategic priorities that further Towards Employment's mission. She conducts more time training her staff about accounting processes and supporting executive fundraising efforts.

"As CFO, part of my job is resource development—helping write grant applications and meeting with funders," explained Noble. "Sage Intacct helps me spend less time on accounting and reporting, so I can do that."

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