TIME TO RETHINK TALLY

5 Signs that Your Business is Outgrowing its Accounting Software

TIME TO RETHINK TALLY

5 Signs that Your Business is Outgrowing its Accounting Software

Since its launch in 1986, Tally has become the go-to accounting platform for many growing businesses in India. These businesses often start off with just one or two people, catering to relatively little demand—before achieving rapid growth in people, places of operation and profits. As these businesses grow however, they find themselves dealing with new levels of complexity from managing multiple currencies to regulations and legislative compliance.

However, growing businesses often remain on platforms like Tally even as they struggle to manage that additional complexity. If you own Tally's accounting product, you'll know that its software focuses largely on single-entity, single location emerging businesses. You'll also know Tally is limited in terms of serving the needs of a growing business with multiple subsidiaries, countries of operation, languages and currencies. Even if you are successfully managing your books and

complying to current taxation and GST laws, you would be justified in asking the question: will my current accounting product keep up with my aspirations for business growth?

Drawing on Oracle NetSuite's experience as one of the world's leading cloud-based financial management platform providers, this white paper will provide five important signs that your business might have outgrown Tally's capabilities and need a more robust financial management and operational automation platform. Collected from years of conversations with our customers—many who have made the leap from fledgling business to a high-growth business spanning multiple markets—we hope our insights will help you assess your own company's present and future needs as you pursue your growth in India and abroad.
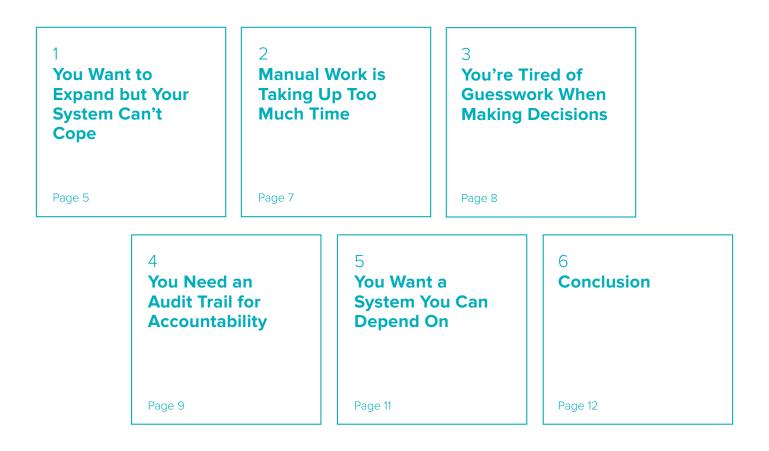
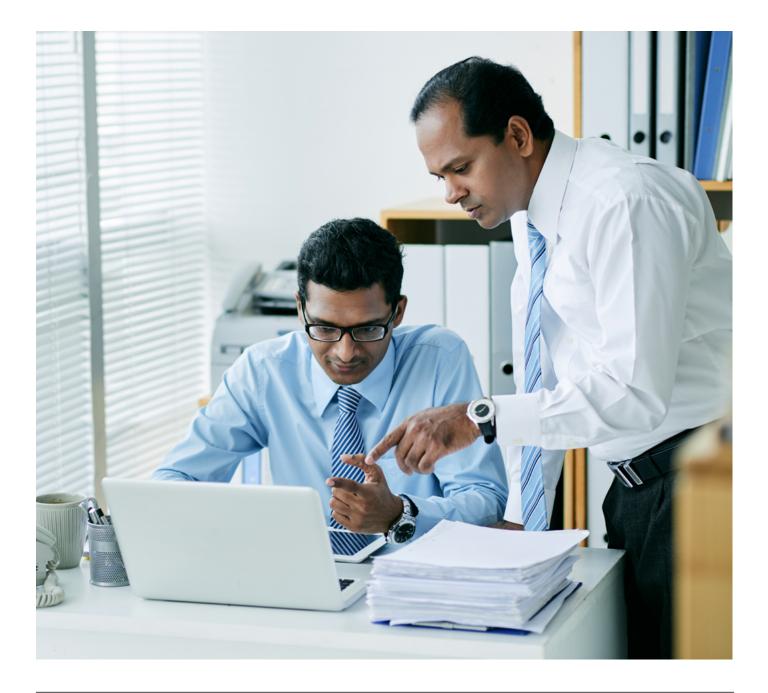| Challenge	Solution
You want to expand but your system can't cope	A unified business system that can manage multi-branch operations
Manual work is taking up too much time	A financial accounting system that automates finances, and integrates other parts of the business including inventory, warehousing and others
You're tired of guesswork when making decisions	A robust cloud solution that provides real-time visibility across the entire business
You need an audit trail for accountability	A cloud-based financial management system that offers internal controls and auditability in the system, as well as updates automatically to remain compliant with the latest regulations
You want a system you can depend on	A cloud-based enterprise resource planning (ERP) software with an easy-to-use interface, regular security upgrades, and a mobile app that allows employees to access the system at any time, from anywhere

TABLE OF CONTENTS

YOU WANT TO EXPAND BUT YOUR SYSTEM CAN'T COPE

Experiencing "growing pains" is a natural part of the evolution from a small business to market leader, especially when making plans for expansion. You might be attempting to open new stores, warehouses or offices, or looking to increase your business complexity such as adding companies or subsidiaries. You might wish to expand beyond your province, state or country borders, or you might simply want to grow your volume of transactions.

This means that at some point of your expansion, you'll have to deal with multi-currency, multi-language and multi-national tax, audit and compliance requirements, often across multiple subsidiaries, branches or divisions. You'll also need to consolidate financial and business information—again in multiple currencies and languages—while wrestling with limited visibility at the regional and global level. Do you also find yourself struggling to manage inventory? Are you using spreadsheet workarounds, add-on apps or homegrown code to solve operational issues? If you're becoming increasingly frustrated that you can't customise reports, that data is not updated in real-time and that information can't sync across multiple locations, it's time to re-think your tools and move to a unified application platform with more robust architectural support.

Tally-based solutions, for instance, are not ideal for multi-branch operations: every branch requires a separate installation of the software on its on-premise servers, none of which necessarily communicate or coordinate with one another. You'll have to invest in servers, purchase and install multiple Tally licences and continuously reengineer processes to accommodate your growing business. In the end, these workarounds will dominate the way your business operates and you'll end up spending so much time keeping disparate systems running smoothly that you can't focus on growing the business.

With online commerce optimising almost every industry in India for the better, it's important to ensure that your next platform has the functional capability, scalability and agility to allow you to explore new business models, drive product diversification and enter new markets.

Metssa is a diverse manufacturing business that manufactures and sells a broad range of machinery and spare parts in Africa and throughout the world. The business maintains offices in India and Dubai and initially adopted several ERP solutions—including Tally—before discontinuing them due to lack of multi-currency and multi-branch support. For instance, Metssa faced difficulties keeping track of the myriad tax and compliance requirements across its many operations. Since implementing NetSuite, the business has successfully consolidated the accounting functions of its branches and factories—allowing it to focus on further expansion.

MANUAL WORK IS TAKING UP TOO MUCH TIME

Tally is often the default software package that a new business owner purchases and installs on a PC to help manage accounting. But while it provides value for the money, it's only useful while the business is still modest. One of Tally's challenges is its poor integration with other software, resulting in workaround spreadsheets and in-house scripts to fill in the gaps. This leads not only to a large and complex application architecture that is difficult to manage, but more manual and duplicative work in migrating data from product to product— potentially creating an entire daisy-chain of disjointed systems.

There's no question that Tally has successfully equipped emerging businesses to automate their accounting processes and prepare for Indian legislation; however, fast-growing businesses understand that they need to automate not just their finances, but their entire business operation if they want to drive efficiencies and scale.

When spreadsheets and workarounds become the norm for your finance department, it's time to upgrade your financial accounting solution. NetSuite is a single platform that allows organisations to not only automate finances, but also automate and integrate other parts of the business including inventory, warehousing and manufacturing, customer relationship management, ecommerce and professional service management.

YOU'RE TIRED OF GUESSWORK WHEN MAKING DECISIONS

When businesses first begin their journey, using standard reports from accounting systems like Tally may provide sufficient business insights. But as companies grow, business needs become more complex and leaders require customised reports with detailed analysis to plan for upcoming quarters or sales seasons, identify areas for growth, address operational optimisation and respond to changing market conditions.

If you find yourself making important decisions based on guesswork, producing sales forecasts without actual information on a real-time basis, generating reports that require manual intervention and without easy and real-time access to reliable information—then these are clear signs that your Tally-centred software ecosystem may no longer be effective and that your business is essentially "flying blind." If you find that employees are creating their own tracking systems on spreadsheets and Word documents and emailing them around, your existing system may no longer be meeting your present operational needs.

As businesses grow, the need to have a holistic view across departments and all operations becomes critical. By unifying the front and back office, NetSuite, for example, gives companies access to the true financial and operational status of the organisation in real time, with full visibility to operate at the speed of a high-growth business that drives results and scale. Digital technology consultants Brillio, based in California and Karnataka, is a corporation with over 2,000 employees. After switching to NetSuite's cloud-based platform, the real-time visibility across roughly 400 projects allowed their leaders to streamline expense reporting systems, better manage resources and deliver to their customers on time and on budget.[1]

A robust cloud solution with 360-degree visibility will empower leaders to think, analyse and better plan for their future business state—breaking down data silos between departments and increasing confidence to make informed and bold decisions. As your business grows in complexity as well as size, you will retain a clear picture of exactly how to maximise your revenue, reduce your cost burden or drive operational optimisation of your business.

YOU NEED AN AUDIT TRAIL FOR ACCOUNTABILITY

"We've saved an enormous amount of money with NetSuite and those cost savings have enabled us to hire more people who work in programs and make a difference in people's lives."

Ganesh Aylur Kailasam, Chief Program Officer and Research Administrator, YRG CARE

Today's business climate is more complex and more challenging than ever. Growing businesses, non-profits and social enterprises are now facing security issues and potential reputational damage that historically affected only the large multinational corporations. Demands for a more comprehensive, agile and innovative approach to Governance, Risk and Compliance (GRC) require more sophisticated tools. At the same time, local regulations can change on short notice, often with relatively little detail on how to remain compliant. Every business remembers the introduction of nationwide GST and tax simplification.

Checks that were typically done manually, can no longer keep up with modern growing businesses and now need to be pre-built into applications. Tally provides no audit trails, transactions can be retrospectively altered and access to the software is not controlled at the user level. Users can make unauthorised changes to transactions, while exposing confidential data to unintended audiences, as no system of accountability is in place. With no traceability to points in time and to specific users, a business can be compromised without leaders ever knowing it until it's too late.

Internal controls and auditability in the system—such as secure sign-ins, role-based permissions, tracked changes and management approvals—ensure that approval, workflow and routing processes are defined and orchestrated centrally while preserving a complete audit trail of approvals and changes. In cloud-based financial management platforms these capabilities either come built into the software's core, or via easily accessible third-party applications. Because cloud-based financial management software is constantly being updated, it complies with the latest regulations. That can significantly reduce the time and attention spent on simply maintaining compliant, creating opportunities to pursue more valuable activities.

YRG Care is a Chennai-based non-profit which replaced Tally with NetSuite to more effectively pursue its mandate to support AIDS patients and eliminate new cases in India.[2] Besides addressing its tax reporting

obligations to the Indian government with fully-compliant processes that automatically updated to meet evolving tax legislation, NetSuite's audit-ready platform also enabled the organisation to provide better financial accountability to donors and government agencies. Doing so has not only strengthened the organisation's reputation, but also its ability to raise funds from both private and public sources thanks to greater trust in its financial reports.

YOU WANT A SYSTEM YOU CAN DEPEND ON

As businesses grow, they generally become more dependent on their applications to deliver the automation they need. Fast-growing businesses need responsive, accessible and reliable platforms that can reduce the frequency of system downtimes or the likelihood of unforeseen outages. In today's economy, time is of the essence for all businesses and systems downtime is deadly, because any operational failure could lead to the loss of sales, brand damage or even compliance breaches when it involves sensitive data like customer and financial data.

As an offline accounting software, Tally offers no automatic backup when it comes to system crashes, meaning that IT and accounting personnel need to manually and methodically copy data for safekeeping. Often, those backups get overlooked in the rush to complete more urgent tasks—with attention to backups only coming when a crash happens. And because it resides on individual PCs or on-premise servers, Tally comes with higher risks of software and infrastructure failure, data corruption, virus attacks and hard disk crashes. When Tally starts lagging or taking too long to load, it's another sign that your business is growing faster than its software.

A cloud-based financial management platform, however, will deliver a service with high availability, security and transactional scalability. Cloud-based platforms also make it easier for employees to access and complete finance-related tasks via any device—an important feature considering Indians log on to the internet through their mobiles nearly 80% of the time compared to just over 30% for desktops.[3] Amongst our customers, NetSuite's mobile app proves especially valuable for remote and on-the- go finance teams, where on-demand data access can speed up a company's processes compared to desktop applications.

While accessibility is great, ease-of-use is also important, particularly when it comes to complicated and often feature-packed ERP systems. Adopting user-oriented, intuitive solutions like NetSuite allows businesses to minimise downtime while saving substantial training costs, as the platform can often be used with basic digital skills. Furthermore, security within NetSuite is also simplified for the businesses—but this doesn't connote ineffectiveness. Layers of security features, such as stringent password policies, user access restrictions, 256-bit encryption, secure databases and IP address restrictions work in tandem to protect sensitive business data from the unending attacks of today's phishers and hackers.

Cloud software is not only secure, resilient and accessible, but also is continuously updated. This approach can help forward-thinking companies to continually innovate and grow through the release of new functional capability.

CONCLUSION

Many emerging businesses in India start off using Tally for their accounting needs, but successful, fast-growing businesses can quickly outgrow the capabilities of the product. When that happens, the obvious question is: What next? Some businesses may choose to persist with Tally, using spreadsheet workarounds and other applications to meet new business needs. However, the purpose of software is to make our lives easier and help us run our businesses better. If you're all about growth, then your software should grow with you too.
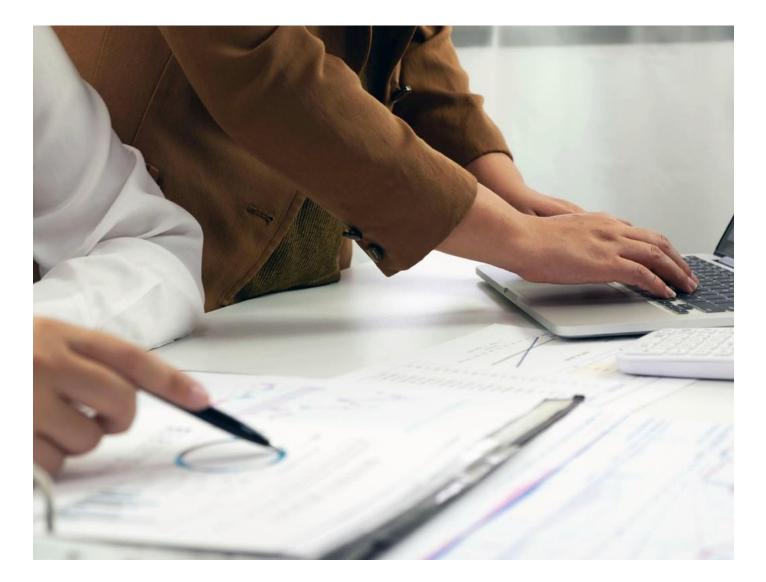
Perhaps it's time for these businesses to acknowledge that their current accounting software is hindering—instead of helping— their growth. Over 18,000 customers across 203 countries have shifted their operations onto NetSuite solutions and seen streamlined improvements to processes, security and data management—even across multiple countries and jurisdictions. As the first cloud company and leading cloud ERP provider, NetSuite has over 20 years of comprehensive experience in providing ERP solutions, a fact that has placed it in the leading quadrant of Gartner's 2019 Magic Quadrant for Cloud Core Financial Management Suites for Midsize, Large and Global Enterprises.[4]

NetSuite's scalable, 'as-a-service' delivery model even allows fast-growing businesses to quickly go-live with the ERP capabilities they need today, then scale up to additional ERP functions as they grow.

This allows businesses to adopt a 'stage-by-stage' approach that's often in-line with their growth plans: they will have a solid ERP foundation to build upon as more business requirements and considerations inevitably emerge. The results? Businesses can go from basic workflow management to advanced data analysis within a shorter timeframe—translating to faster time-to-value, greater returns of investment, and more sustainable growth.

NetSuite's cloud-based unified platform includes not only financial management, but also omnichannel commerce, inventory management, procurement, sales, marketing and customer relationship management (CRM). This unified suite delivers unsurpassed business visibility across both the financial and operational aspects of a business. NetSuite is also an extensible platform, allowing customers to rapidly adopt capabilities from NetSuite's third-party application ecosystem, or integrate to other applications via a rich API.

Many leaders fail to take the leap of faith, for fear of buying the wrong software, that robust platforms may be too costly an investment, or that no technology expert within the organisation is able to make an informed decision. The bottom line, however, is that doing nothing now will cost your business by you being unable to exploit opportunities and by having your competitive advantage constrained or even reduced.

With NetSuite, your company will scale effortlessly on a platform that's delivered proven results for more than a decade.
Ours is a platform that grows as fast as your business. With the ability to support local and international expansion, NetSuite's robust system is favoured for its ease of use, excellent customer support, scalability and ability to meet the needs of any business at any level of complexity—both financial and beyond.

Time to grow with NetSuite? Get in touch with us.

CONTACT US

Dhruvsoft Service Private Limited

Hyderabad, Telangana – 500082, India

Phone: +1 - (888)-822-2660 / +91-970-405-6000

Email: contact@nssuccess.com

Website: www.nssuccess.com

https://www.netsuite.com