

CASE STUDY

How Transitioning to Sage Intacct Construction with Sockeye Streamlined A Canadian Construction Contractor's Procurement and Reporting Processes



Iconic Power Systems, a prominent Canadian utility construction contractor, confronted significant challenges as they expanded. Operating across various regions with a complex portfolio, including electrical substation construction and civil earthworks, their growth was hindered by an outdated financial system. Sage 50, initially adequate for a smaller scale operation, struggled with the increased complexity and size of their rapidly growing business, particularly in inventory management, job costing, and financial reporting. Recognizing these bottlenecks, Iconic's leadership sought a transformative solution to streamline their operations and support their ambitious growth trajectory.

THE PROBLEM

Expansion exposed system limitations

Iconic faced significant operational challenges with their previous accounting software, Sage 50. As the company expanded its operations, the limitations of Sage 50 became increasingly evident and detrimental to their business processes.

Prior to implementing Sage Intacct Construction, Iconic faced issues with inefficient processes, lack of real-time data, and difficulty in managing job costs and financial reporting.

Key Challenges with Sage 50:

1. Lack of Comprehensive Functionality: Iconic's use of Sage 50 was primarily for financial management, but the system lacked critical features necessary for a company of their size and scope. There

COMPANY OVERVIEW

Iconic Power Systems, a premier Canadian utility construction contractor, specializes in electrical substation and civil earthworks. Celebrated for innovation and excellence, Iconic's growth spans across regions, focusing on quality, sustainability, and community. Their diverse portfolio in the energy sector exemplifies their commitment to setting industry standards and spearheading dynamic growth.

EXECUTIVE SUMMARY

Previous Software:
Sage 50

Results with Sockeye:

- Scaled financial management system with its business growth, easily adapting to increased complexity and expansion into new markets
- Experienced significant improvements in procurement, accounts receivable, and financial reporting, reducing redundancies and enhancing efficiency.
- Achieved better financial integrity and control, with reliable, accurate financial reporting and a user-friendly interface

was no integrated inventory management system and no real job costing system in place, leading to inefficiencies and gaps in their operational capabilities.

2. Inadequate for Large-Scale Operations: Sage 50 was not designed to handle the complexity and volume of a \$50 million a year business like Iconic. Bev Stewart, Chief Financial Officer at Iconic, noted the system's shortcomings, stating that it was "more designed for a company that does maybe one or two million a year." This mismatch in software capability and business size created significant challenges, highlighting the need for a more robust and integrated system that could accommodate their growing needs.

These challenges underscored the necessity for Iconic to transition to a more sophisticated and scalable system that could support their expanding business while maintaining ease of use and intuitive interaction for the users. The inadequacy of Sage 50 in handling the scale and complexity of Iconic's operations was a critical factor leading to their decision to upgrade.

THE SOLUTION

Upgrading to Sage Intacct Construction

Partnering with SOCKEYE, Iconic made the decision to transition to Sage Intacct Construction. This solution offered an intuitive, user-friendly interface, ensuring smooth adoption and enhanced operational efficiency.

How Sage Intacct Construction Streamlined Processes

Iconic's business transformation through Sage Intacct Construction, supported by Sockeye, manifested in several significant benefits:

1. Scalability and Expansion: Bev Stewart noted the ease of scaling the system with the business growth. Sage Intacct Construction's flexibility was instrumental in supporting Iconic's expansion from Alberta to Ontario and the US and in establishing new business entities, adapting seamlessly to their evolving needs.

Bev Stewart mentioned, "We've found it quite easy to grow the system as we grow the business. It's very expandable."

2. Streamlined Procurement and Accounts Payable:

The upgrade to Sage Intacct Construction revolutionized Iconic's purchase order and AP processes. It eliminated duplicate entries and significantly streamlined their procurement system, starting a new era of financial transaction efficiency. "The big win for us was



We've found it quite easy to grow the system as we grow the business. It's very expandable."



Bev Stewart
CFO Iconic



the purchase order system so going to the Intacct ERP... it's certainly streamlined that enormously and it's reduced and taken away a lot of duplicate entry. It also helps streamline our AP process"

3. User-Friendly Interface: The intuitive interface of Sage Intacct Construction was a game changer. Its simplicity and straightforwardness made the system easy to learn and use, ensuring a smooth transition and high user adoption rates. Bev Stewart noted the simplicity and straightforwardness of Sage Intacct Construction, saying, "the screens are easy and simple and the whole system is very straightforward. It's easy to teach people."

4. Enhanced Financial Reporting and Job Costing: With Sage Intacct Construction, Iconic saw a significant improvement in financial reporting and job costing. Automated and efficient processes replaced manual, time-consuming tasks, enhancing accuracy and productivity.

5. Improved Invoice Processing and Controls: The implementation improved the controls and tracking of AP invoices. Integration with systems like Stampi further simplified the invoice management process, reflecting a substantial improvement in internal controls.

6. Efficient Financial Statement Reporting: Sage Intacct Construction's impact extended to the efficiency of financial statement reporting. Standardized and automated reports replaced manual spreadsheet work, marking a big improvement in financial administration. Discussing the benefits of Sage Intacct Construction, Bev Stewart also credited Sockeye for streamlining their financial reporting and job costing, stating, "Sockeye managed to duplicate a report for us that is now being generated automatically, rather than one of us sitting in putting numbers into a spreadsheet every month."

These advancements collectively elevated Iconic's operational efficiency and financial management, marking a successful transition to a more capable and scalable system.

THE OUTCOME

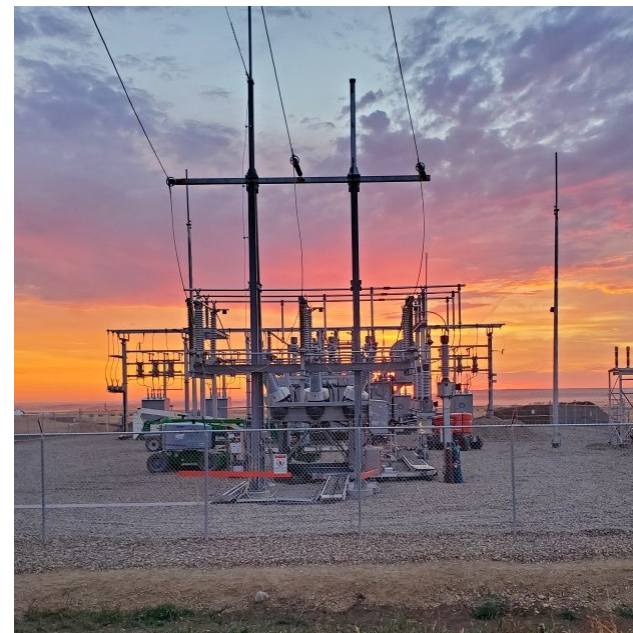
Making the switch to Sage Intacct Construction not only addressed the limitations Iconic faced with their previous system but also propelled them towards greater operational efficiency and scalability. This transition was a strategic move that significantly contributed to the company's ability to manage growth and complexity with ease. It led to streamlined processes, enhanced control, improved reporting efficiency, and a system that scaled with the company's growth, greatly benefiting Iconic's operations and financial management.



The whole system is very straightforward and it's easy to teach people.



Bev Stewart
CFO Iconic



“Sage Intacct Construction Accounting System has integrity and good controls in place to avoid TB imbalances. We’ve put in place general journal entry control so that the person creating the journal entry can’t post it without secondary approval. It also has the ability to close off a period and not allow any more transactions to be posted into that period. Some systems permit posting to prior periods which was a control issue in our previous software.” **Bev Stewart** | Iconic CFO

THE SELECTION PROCESS

Choosing Sage Intacct Construction

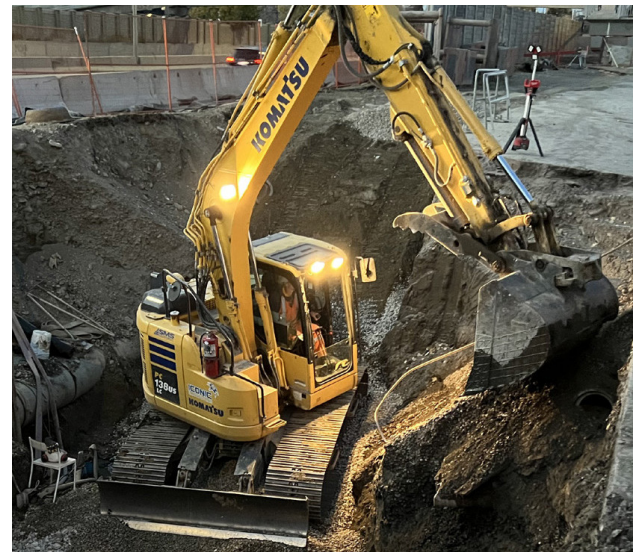
In their search for an optimal accounting system, Iconic Power Systems conducted an evaluation of various software options. Their selection process was driven by the need to find a solution that was not only technologically advanced but also user-friendly and efficient in terms of administration.

One of the considered options was **Viewpoint**, commonly used by their competitors. However, Iconic found Viewpoint’s setup overly complex, requiring significant administrative input – a factor that could potentially lead to inefficiencies and a steeper learning curve.

NetSuite was another contender in their selection process. While it’s a well-known system with robust capabilities, Iconic’s team was unimpressed with its user interface. The interface of a financial system plays a crucial role in user adoption and overall efficiency, and NetSuite’s interface did not meet Iconic’s expectations for ease of use and clarity.

Acumatica was also reviewed but was quickly ruled out. The team found Acumatica’s system to be outdated, lacking the modernity and agility that they required for their growing operations. In today’s fast-paced business environment, operating on an outdated system could hinder responsiveness and adaptability.

After careful consideration, Sage Intacct Construction emerged as the best fit for Iconic Power Systems. Unlike the other systems, Sage Intacct Construction provided a balance of advanced capabilities and user-friendly design, ensuring that Iconic could manage their finances efficiently while accommodating their rapid growth and expanding operational needs.



ABOUT SOCKEYE

Sockeye is a leading consulting services firm that leverages Sage Intacct to help construction businesses achieve full cohesion and transparency between operations, finance, and accounting.

Contact us today for a demo and see how Sockeye can simplify your accounting ecosystem.

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