



The **Franchise CFO's** Guide to **Centralized** **Financial Management**

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There comes a time when your franchise organization has outgrown the current accounting system. The pressure on the accounting and finance team mounts exponentially with each new location. Spreadsheets have proliferated in an attempt to stay ahead of payables, sales, inventory, leases...the list goes on. The company is at risk and the accounting staff is exhausted.

At the same time, the company has likely grown to a size where accurate, timely information is critical to continued profitability. To respond quickly to challenges, opportunities and customer expectations, regional directors and store managers need to know how performance is tracking in real time.

Focus on top issues

To meet both of these common challenges, franchise CFOs are moving to modern, centralized financial management systems to get the visibility needed across stores, districts and the companies. In this eBook, we'll help you focus on the most important benefits that a financial system should deliver as you investigate your options. We'll focus on the key challenges franchise organizations face and explain what you should look for as you evaluate systems. Your franchise financial management system should:

- Improve visibility with centralized financial management
- Simplify operations with automated multi-company consolidations
- Improve data flow with integrated systems
- Streamline purchasing and invoice processing through workflows
- Support managers with better financial reporting

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Improve visibility with centralized financial management

The most important outcome from the implementation of a new financial management system has to be greater visibility at every level of the organization. The unique structure and reporting requirements of franchise operations require complete flexibility. Reporting should be real-time, intuitive and deliver role-based dashboards to managers and owners—whenever and wherever they need it.

First step: centralize data

Centralize your data from accounting, sales and purchasing for an accurate end-to-end view of the business. With complete, connected data you can spot trends, identify issues and capitalize on opportunities.

Top to bottom analysis

The ability to look at financial data by product line, manager, location, region and more is critical to identifying challenges and opportunities to improve profitability. Your financial management system should make analysis from any perspective easy.

Give managers insight

In a franchise business, each manager should understand exactly what numbers they are responsible for and where they stand with those numbers at any given moment. They should have access to KPIs for quick review and the ability to drill down in the details when exceptions require further investigation.

Managers should be empowered with real-time information, right at their fingertips, anytime.

Simplify operations with automated multi-company consolidations

As your franchise adds more locations and companies, manual processes can quickly overwhelm the finance and accounting team. Relying on spreadsheets that require manual data entry from a number of disparate systems is cumbersome and risky. A financial management system designed for multi-company operations, will automate allocations and consolidations, providing real-time insight into operations at every level.



Perspective on data

Automated multi-company consolidations provide more options to view the performance of the organization. District managers can get detailed insights by locations, concepts, sales categories and time. Reports and dashboards provide insights at the location as well as the organizational levels.



Empower district managers

Provide store and regional managers current information so they can make the day-to-day decisions that impact their results. They need real-time reports and dashboards to keep their finger on the pulse of the business.



Fiscal, 5-4-4 and more

Creating consistent reports when you have locations using different fiscal calendars is a complex process when done manually. Automation allows franchise entities to retain practices best suited to their operations, like charts of account, taxation rules and financial reporting, without causing finance headaches.





Improve data flow with integrated systems

Disconnected systems that silo data in franchise locations and business units cripple your organization's ability to make fast, educated decisions. Information from sales, payroll, budgeting, marketing and other areas should be combined to provide a complete financial picture. To respond at the pace that business requires today, your data should flow seamlessly across the organization.

Daily sales insights

Integration with the POS (Point of Sale) systems in your individual locations allow regional managers to look at daily sales numbers proactively. With real-time information, managers can balance workloads, allocating resources where they are needed.

Reduce wasted time

Employees who spend all day sending information to the central office by scanning invoices or entering data are not adding value to the business. With connected systems, franchise locations can focus resources on profit-making activities, like working with customers.

Strength in numbers

One of the benefits of additional locations is the ability to capitalize on shared resources. When one location can find an out-of-stock item for a customer at another location, everyone wins. With a 360-degree view of the business, you can tap into resources across the company.

Automated data integration makes people more productive and reduces the risk of data entry errors.

Streamline purchasing and invoice processing through workflows

Without centralized financial management systems, the amount of time your franchise locations and the accounting team spends managing invoices spirals as the company grows. At each location, employees scan invoices to send to the central office for payment. At the central office, the process is just beginning, with data entry, matching documentation and payment processing. Streamlining purchasing and invoice processes through updated financial management systems can save the company a significant amount of time and money.



Economies of scale

With growing purchasing requirements, your franchise can take advantage of buying power through centralized purchasing. Negotiate better prices and terms with vendors and simplify processing.



Document management

When the organization is handling thousands of documents each day, automation becomes critically important. With electronically managed documents, workflows keep processes moving without manual intervention.



Requisition management

With centralized requisition management, your financial team can get tighter control of expenses and consolidate orders to save money. Automation will help to eliminate bottlenecks, ensure proper approval processes and reduce handling time. With better visibility into purchasing, you get greater control over cash flow as well as instant auditability.





Support managers with better financial reporting

As your franchise business grows, so does the complexity of decision making. District managers need to see data across their region, with comparisons of performance across locations. When data has to be collected and entered into spreadsheets, information is outdated by the time it's delivered—frustrating managers and making it hard to steer the business.

Better perspective

To be effective, district and regional managers need to be able to see the whole picture and dig into the details to understand exceptions and take corrective measures. For top to bottom insight, franchise owners need to be able to combine data and view it from any angle.

Build on performance

With more complete information, your financial team can identify top performers and share best practices across locations. Managers can identify trends—both good and bad—to act quickly. Identifying seasonal, monthly or daily trends can help managers align resources to meet demand.

Current data empowers

With data that reflects current performance, managers can run their operations more proactively. Reliable, up-to-date performance metrics provide the framework for managers to identify trends—in time to take advantage of opportunity or to avoid a bigger problem.

Your financial management system should make it easy to provide key metrics and reports that your managers need on a daily basis.

Experience to help your franchise centralize financial operations

At Socius, we've helped franchise organizations like yours successfully manage the unique challenges of growth. Our qualified team has the expertise and track record to help you transform your business and build profitability.

With a deep understanding of all Microsoft business management solutions, we will help you get the most from your software investment. Microsoft Dynamics GP helps you take more control over financial operations in the central office and across locations.

Backed by over 30 years of award-winning experience, Socius serves clients throughout the country from our headquarters in Columbus, Ohio, and 30 additional locations. Combining innovative technology, experience, expertise and partnerships, we help clients improve insight, productivity and collaboration across the entire business. At Socius, we'll help you maximize the potential of your most powerful asset—your people.

Socius has earned the trust of thousands of customers as well as Microsoft.

- 2014 Worldwide Microsoft Dynamics Cloud Partner of the Year Finalist
- Microsoft Inner Circle
- Microsoft President's Club

Let's talk about establishing the foundation for growth for your franchise organization. Contact us today.

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