MIGRATE WITHOUT THE MIGRAINE

YOUR GUIDE TO CHANGING FINANCE SOFTWARE
A good finance system should accelerate your financial operations, performance, and profit. It should deliver simplified consolidation, close and planning to improve tracking, reporting and control across business functions, driving transparency and efficiency.

If that doesn’t sound like your current finance system, it could be time for a change. But where do you even start with a migration project?

Migrating operations systems can seem a daunting task. Add in the importance of sensitive financial data, and you have a massive source of stress on your hands. And you wouldn't be alone – in a recent study by MHR, we found that nearly 36% of respondents blame resistance to change as a barrier to change, and 27% are blaming data related issues.

This guide is here to put your mind at ease. With a step-by-step guide on how to manage a finance software migration, including useful project management templates and handouts, your project will be set up for success from the beginning.
WHAT’S INCLUDED?

IN THIS GUIDE, WE WILL TAKE YOU THROUGH:

1. Work out your business needs
2. Selecting your supplier
3. Building a business case
4. Ensuring project success
5. Testing
6. Switchover
7. Integrations
8. Making the most of your new system
9. How MHR can help
WORK OUT YOUR BUSINESS NEEDS

Before embarking on any migration project, it’s important to understand and align the goals and objectives of your organisation; and where your finance software can support. Otherwise, you could wind up putting a square peg in a round hole.

Are you planning to scale your business operation? Are you looking to make cost efficiencies to produce bottom line profits? What features will you want your finance software to include to help you achieve these objectives?

Asking all of these questions early will maximise your business growth while keeping your risks under control. You’ll get a system that works exactly as you need it.
Let’s break down some of the most common questions.

Who is going to use the software?
Anyone using the system should be involved in deciding which software to purchase. **What would your team like to see from a new system and what issues are they currently facing?** It’s important to think beyond the finance team here – consider your IT teams as well as your Executive team and how they would use and could benefit from the software.

What financial management tasks do you need to perform?
At a top level, this could include:
- Basic book-keeping
- Cash flow management and budgeting
- Accounts payable
- Accounts receivable
- Completing and filing VAT and tax returns
- Stock control
- Managing payroll, PAYE, and employee expenses
- Investor relations

What information is key to running your business?
Easy access to essential management information can give you the data you need to make key business decisions and accelerate growth. **Make sure you consider what types of information are most important for your business.** For example, if supply chains are important to your business, you may need instant access to stock information. Also be mindful of how this solution will fit into the data and analytics architecture of your organisation – will it offer the sufficient information you need for reporting?

What other unique needs do you have?
Does your business have any special requirements that your finance software will need to handle? **For example, do you operate more than one business, or trade internationally?** This would require a finance software that can operate in multiple currencies. And do you require your finance software to integrate with other operational areas of the business? This would require a system with API feed compatibility.
SELECTING YOUR SUPPLIER

We’re still in the discovery phase – so brace yourself for more questions! With numerous finance software providers available, make sure you select the software provider that most closely matches your organisation’s needs in terms of efficiency, compliance, and profitability. This will allow you to more easily outline the steps needed to migrate systems.

Here, we look at a three-step approach to assessing your proposed suppliers and products.

EFFICIENCY

1. **How simple a solution does your business need?**
   Ease of use is likely to be a priority for smaller businesses. Larger companies with experienced finance management employees may want more sophisticated solutions.

2. **How easy will the setup be?**
   To help you plan project timelines and complexity, it is important to understand the full setup process and how quickly you can get going. Request the information in advance from your suppliers on how complicated the set-up process will be – what is needed to install it and configure it? And how do we link it with our other systems or software?

3. **How easy will it be to use the software?**
   In any software investment, you need to know that it will be easy to use, and accessible for all members of your team. Can their finance software simplify or automate routine tasks? Can you customise accounts and management reports to match reporting requirements?

COMPLIANCE

1. **Does the software provide an audit trail?**
   For most, if not all, finance teams – your bookkeeping records must be submitted to an auditor for independent review. Therefore, your finance software must be able to provide a clear audit trail to monitor performance. This will also allow for you to make amends where appropriate, such as deleting inaccurate entries.

2. **What is the system’s back up process?**
   Your software should always provide the most up to date information - real-time information where possible. And for auditing and reference, should be able to store up to six years of accountancy information.
1. **How simple a solution does your business need?**
   Sound like a broken record? It isn’t just ease of use to consider when thinking about the type of solution you need, but also the cost. Without taking the time to assess your requirements, you pose the risk of overpaying for a complex system and being locked into a long-term contract.

2. **Do you need any other systems integrating with your finance solution?**
   While there are more software integrations available than ever before, it isn’t a guarantee that your existing systems will work with your chosen software. Check with the supplier if such an integration exists, or the cost that building a usable integration would incur. This could add big expense to your project bill, but it could save you a lot of time in the future!

3. **Who will need training on the system?**
   For your new system, it is important to understand how many people will need training up to use it confidently. Thorough training can be costly but is often less expensive than learning by trial and error.

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**Here is an example comparison table to map this out.**

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<thead>
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<td><strong>EFFICIENCY</strong></td>
<td><strong>COMPLIANCE</strong></td>
<td><strong>PROFITABILITY</strong></td>
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<td>How simple a solution does your business need?</td>
<td>How easy will the setup be?</td>
<td>How easy will it be to use the software?</td>
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<td>Does the software provide an audit trail?</td>
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<td>How simple a solution does your business need?</td>
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<td>Do you need any other systems integrating with your finance solution?</td>
<td>Who will need training on the system?</td>
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Now that you have figured out the business need for your new finance software, it is time to put together your business case. It may seem like a bit of a daunting task, but building a business case has surprising benefits.

The more comprehensively you plan, the less likely you are to run into unforeseen challenges so you can get the full value from your proposed finance solution. It is an important step in convincing budget-tight stakeholders to invest in new technology. A well-written business case can help you secure the necessary budget, resources and buy-in from key decision makers.

Just like a sales pitch, your business case should get straight to the point and explain exactly how a new finance system will drive change and enable data-driven decisions: the big picture, the proposed platform, and the expected outcomes.

IDENTIFY THE CHALLENGES

Chances are your decision maker(s) don’t experience the same day-to-day processes as you. So, start your business case with a clear picture of the challenges you face and how you currently respond to them.

Define the problem(s) and describe its impact on the wider organisation. Provide evidence, such as metrics and data, to support your case.
Example finance challenges include:

01 **DATA QUALITY**
It can be difficult to ensure that the data being collected across the business is accurate, complete and consistent. Poor data quality can lead to incorrect forecasting and budgeting.

02 **DATA INTEGRATION**
You might have data scattered across various sources, such as different systems, databases, or even departments. Integrating this data and preparing it for financial planning can be challenging.

03 **LACK OF SKILLED RESOURCES**
Across the UK, there is a shortage of skilled finance expertise. Are you struggling to recruit and retain the talent needed to effectively analyse and report on your data?

04 **LEGACY SYSTEMS**
A lot of businesses are still using legacy systems, many of which may not be compatible with newer technology or tools, making it difficult to integrate your data sources for a simple source of truth.

05 **LACK OF AUTOMATION**
Are you still relying on manual processes for data collection and reporting? This can be time-consuming and prone to errors.

06 **COMMUNICATING INSIGHTS**
Once insights have been gleaned from your reports, effectively sharing them with stakeholders can be a challenge without the right reporting tools.

**SOLUTION PROPOSAL**
Once you have this outlined, it is time to consider your stakeholders. This is likely to be a diverse buying committee, expanding across IT, Sales, Marketing, Operations, Executive Suite as well as your Finance teams.

To increase stakeholder buy-in, you should clearly explain how a new finance system or reporting tool can solve your challenges and how you’ll use this technology to the benefit the whole organisation.

Outline the potential costs, offer an overview of your anticipated benefits, and demonstrate how you can achieve real time to value with this software. It is also critical to include possible implementation risks (both big and small), and how the anticipated benefits will be tracked – for example how many FTEs needed to manage process, number of days to close accounts etc.

Want a ready-made example? Check out our business case template draft.
ENSURING PROJECT SUCCESS

So, you’ve got the green light – and the thought of moving your finance and accounting software is suddenly a lot more real. That can feel pretty terrifying.

With sensitive data involved, many finance teams become cautious about the project – 36% of respondents in a recent study stated that resistance to change and ongoing data issues are a barrier to achieving financial digital transformation.

MHR are here to break the stigma. With years’ of experience in project managing software implementations for a broad range of organisations - here’s our top ten tips to ensure your Finance migration project runs smoothly.

1. Include senior leaders in your project team. Encourage them to promote the migration by being visibly involved.
   
   TIP: Gain stakeholder buy-in and support early to help push decisions through the organisation and ensure project transparency.

2. Build out a clear project timeline including a realistic deadline for completion.
   
   Assess your current processes and choose a timing that works both strategically and practically for your team.
   
   TIP: Don’t just consider the end of the month, quarter, or financial year as a cut off. Your partner will work with you to review your current close process and recommend the best time to switch.

3. Keep the conversation going throughout the project. Software migration is a significant business change, so it is important that updates are communicated to your key stakeholders throughout to ensure both engagement and adoption.

4. Now for the nitty gritty. This is a great time to review your current chart of accounts. Are there old and inactive accounts that can be removed? Are you on multiple, disparate systems that can be consolidated into your new platform?

5. Close off as many open transactions as you can before migrating your data across. This helps limit the amount of data that needs to be moved across. Simpler data, simpler process!
   
   TIP: Need to move over closed transactions for your records? Make sure you have reviewed this with your partner early to ensure enough project time is budgeted and allocated.
6. In the same vein, consider how much historical data you need to bring across to the new system. Do you have the option to store your historical data in a separate system to manage budget and project complexity?

7. Consider what you actually need from your new system when you move across. Were you using your finance system in the most efficient way? Can you streamline any of your processes to make the system easier to use?
   TIP: Your partner can help you to map out your current processes, and how they can be simplified using your new system. Highlight this at the start of your project to make sure you are only getting the functionality you need.

8. Make sure you review your entire systems infrastructure. It is more important than ever for your operations systems to all work together so you can get things done more efficiently. Does your new software have an open API to feed in your existing systems?
   TIP: By integrating your finance system with your HR and payroll system, you will be able to access real-time, accurate data from across the organisation.
   Find out more about the benefits here:

9. Check the security credentials of your incoming software and partner provider and understand what would happen should the system go down and prepare a protocol strategy. Such sensitive data deserves robust security!

10. Test. Test. Test. Make sure you take the time to test the new system before it goes live to ensure it works how you expected, including any integrations. This will also give you and your team the chance to use the system and get used to it.
   TIP: Split your testing phases into Beta testing (an independent review when implemented) and User testing (getting external stakeholders to test the system) to gather all feedback and assure business-wide adoption.

Getting more from your software is as simple as requesting a demo of MHR Finance, or just asking for a chat. We’re committed to delivering our expertise by listening to your needs and working as an extension of your team.

To find out more, book a demo
TESTING

Once the first phase of the implementation is complete, it is time to test the system. This can be split into two different testing types, configuration and functionality.

CONFIGURATION

This is an opportunity to check that your data has imported correctly and workflows etc act as you expect. These tests can be done with structured scripts and demo data to ensure live data integrity during this phase.

FUNCTIONALITY

This is a chance to test how your processes will run through the system. Split these tests down into specific areas and test for any snags so they can be put right before you go live. This is a great time to get some of the wider team involved who will be using the software so that you can carry out a full review and get early software buy in.

AN EXAMPLE OF SOME KEY QUERIES YOU COULD TEST ARE:

"Can you access the data you need easily?"

"Does it complete all necessary tasks for day-to-day finance management?"

"Is it a flexible system?"

"Is it accessible to those who need it?"

"Are reports easy to generate?"

If any snags do arise, work with your implementation partner to put in corrections then test again. Take your time with this to ensure you are getting the best out of the solution from the beginning.
SWITCHOVER

Once all the testing is finished and you are happy with your new system, it is time to plan the switchover from your old system.

The way that you decide to handle switchover is up to you – you can either do one ‘big switch’ whereby your old system gets turned off, or you can take an incremental approach which means that you only switch on parts of the new system as and when you are up and running.

Here are some other things to think about before making the switch:

| 01 SETTING A SWITCHOVER ‘DATE’ |

Your target change-over date will give you something to build your plan around. Firstly, you should leave enough time for installation, employee training etc. But you should also be sure to leave enough time in your roll-out plan to act as a buffer should any issues arise.

| 02 PREPARE YOUR DATA FOR MIGRATION |

Just like our planning checklist, it is important to decide what data you need to keep and then prepare it for migration.

You will need to keep information such as:

- Chart of accounts
- Clients and vendors
- Accounts
- Invoices and bills
- Staff data and payroll history
- Inventory item records

Next, back up all your data from your current system and ensure you can access it if something goes wrong during the import process. That will keep your data clean for the move.

Remember that some financial records must be kept for up to six years for auditing purposes – so don’t get rid of anything you may need in the future!

| 03 RUN BOTH SYSTEMS IN PARALLEL |

Even though the testing for your new system is complete, it is strongly advised to keep your old software running simultaneously until you are confident that the new software can run independently. That way, you can be certain that business processes will continue while your migration happens.

How long you will need to keep your old software running will depend on your business and the complexity of the finance system. This will also be the time to start training your core team to use the platform. We cover more on onboarding your teams in Section 9.
INTEGRATIONS

Now that you are ready to switchover your core finance system, you can begin integrating third party services.

Your implementation partner should support you with this – building out an integration roadmap as part of your project plan and agreeing both cost and data implications with your team.

Generally, this will involve the implementation of an API (application programming interface). That’s a tool that allows two applications to talk to each other. They extract and share data between the two systems, creating a single stream of data.

As with your core finance system, we recommend running some test transactions between each system you have integrated to make sure that the link is working as expected before going ahead.

We recommend integrating your HR and Payroll solutions with your finance system as this will create clear and real-time visibility of every financial aspect of your business – from your people and purchases to your invoicing and reporting.

THIS WILL ALSO HELP WITH:

- Higher Data Accuracy
- Faster Flow of Important Information
- Reduced Operations and Systems Maintenance Costs
- Increased Monitoring for Improved Understanding
- Greater Data Security
- Better Data Management

And that’s to name a few! A software migration project is a great opportunity to encourage and action business transformation – and integrations is the key.

Did you know?
Finance from MHR has pre-built integration with existing MHR solutions and can easily integrate with other systems?

Read more on what we can do here

LEARN MORE
MAKING THE MOST OF YOUR NEW SYSTEM

Now you’ve pulled the trigger on your new finance software, there are several steps you can take to ensure that you get the most out of it – including team onboarding, ongoing partner support and regular reviews.

**01 TEAM ONBOARDING**

Your new software is here and it is time to roll it out to your team. This is the most crucial part of your entire migration project. It’s what will decide whether you have a truly successful implementation.

A great starting point is to find your software champions – those in the organisation whose enthusiasm will help bring others on board. Train these champions first, then ask for their active participation in the roll out. The more hands you can get on the process, the easier the roll out will be! These could be people you involved earlier in the process, when you asked them questions about what they needed the system to be.

Another great way to encourage onboarding is to focus on employee benefits. Find a way to frame the change in benefits that matter most to your team. Are your team still relying on manual processes and spreadsheets to pull data together? Your new software will save them hours of time. Struggling to pull together visual reports for your c-suite? Your new software will take care of that for you.

**02 ONGOING PARTNER SUPPORT**

Customer support is essential, especially for something as vital to your business as finance software. It becomes even more so if you are transitioning from an old system to a new one.

Take advantage of the support that will be made available to you from your implementation partner. Look for whether your partner offers additional resources – such as blog posts, FAQs, and tutorial videos – to support your onboarding and quickly answer any common questions you may have.

**03 REGULAR REVIEWS**

The roll out plan doesn’t stop when your new software is up and running. Keep the lines of communication open and be receptive to employee feedback. As those that will be using the software day-to-day, they can confirm whether you are seeing the benefits as you expected, and that the software fits within their process requirements. If not, can your partner support in improving outcomes over the long-term?
Here at MHR, supporting organisations to switch their HR, Payroll and Finance software is our bread and butter.

Our consulting teams help to plan the deployment and configuration of your finance solution, ensuring it reflects the way your business works and doesn’t entail significant disruption to normal operations.

We can plan and manage every stage of the implementation process and fully support your users throughout, ensuring business disturbance is minimised at all stages of your implementation journey.

As a cloud-based solution, Finance from MHR enables a more straightforward implementation than a traditional, on-premise system, with no new hardware to be purchased and deployed, and simple, remote configuration.

**MHR are a Microsoft Partner company**

Experts in data analytics, data platforms and all things Azure, MHR are ideally placed to enable your organisation to realise the full potential of Microsoft Dynamics. Benefit from our market-leading input on migration, implementation, training, and customisation.

**Why Finance from MHR?**

For business finance as it should be – dramatic results without the drama.

For organisations wishing to streamline, improve and simplify their finance processes, Finance from MHR, offers an unbeatable solution. The features that make Finance from MHR stand out include:

- Best-of-breed technologies covering every aspect of finance, CPM and analytics
- Highest flexibility and ability to adopt new tools
- Expert support to help clients plan, implement and maximise the benefits of their finance solution
LET’S START THE CONVERSATION

Your journey to a better finance system and improved decision-making starts right here.

Getting more from your data is as simple as requesting a demo from MHR, or just asking for a chat.

We’re committed to delivering our expertise by listening to your needs and working as an extension of your team.

See our market-leading finance solutions in action:

BOOK A DISCOVERY SESSION
About MHR

MHR International Group is a global software and consultancy company specialising in HR, payroll, finance, employee engagement, learning and analytics, and artificial intelligence services. We maximise employee engagement, generate better data insights and improve efficiencies for over 1300 companies, ranging from SMEs to large multinational corporates across both public and private sectors.