CASE STUDY

sage Intacct

Life Sciences Consultancy Nets $4 Million in New Profit with Sage Intacct

Halloran Consulting Group

Challenges

Halloran Consulting Thrives with Project-Based Accounting

Founded in 1998, Halloran Consulting Group is a top life science regulatory, quality, and clinical consulting firm that provides deep and broad domain expertise tailored to each client relationship. The firm is a trusted partner and subject matter expert, proven by its track record across a long-standing and diverse client base. Since 2014, the Boston-based firm has seen revenue growth of nearly 200 percent, winning a spot on the Inc. 5000 list of America's fastest-growing companies for five consecutive years. Clients that range from startups to global corporations — their numbers roughly doubling over five years to 150 — rely on Halloran's highly experienced team to deliver a flexible, integrated partnership approach that successfully propels clients to their next inflection point.

Halloran is accelerating that rapid growth with its adoption of Sage Intacct in a best-in-class environment, realizing huge gains in project profitability, billable utilization, and other key metrics. The 85-person firm has eliminated problems of disjointed information across multiple systems — financial data in QuickBooks, sales data in Salesforce CRM, and project data in NetSuite OpenAir professional services automation (PSA). With that fragmentation, Halloran didn't have a unified view across its project-based business. That meant limited insights, and a great deal of manual work for the small finance team to close the books in 20-tab Excel spreadsheets and generate basic reports.

"We could either see budget vs. actual project data in OpenAir, or company-wide financial margin information in QuickBooks, but we couldn't look at everything together," said Tania Zieja, recently promoted to Halloran's CFO. "It was very piecemeal. It was also very hard to lock down a report and trust the integrity of the data." To aggravate matters, integration between QuickBooks and OpenAir failed regularly, and Halloran had similar difficulties connecting Salesforce and OpenAir. Dealing with a massive QuickBooks data file that was prone to failure and data corruption, Halloran knew it was time to upgrade systems.

Solutions

Project Margins Rise 12%, Billable Utilization Up 36%

Sizing up its options for financial management, including Oracle NetSuite and Microsoft Dynamics GP, Halloran selected Sage Intacct for its powerful integration with Salesforce, its project accounting module, robust dimensional reporting, and role-based permissions. "We felt that Sage Intacct was head and shoulders better as far as ease of use, user access controls,

Halloran CONSULTING GROUP

Company Overview

Halloran Consulting Group is a life science regulatory, quality and clinical consulting firm that provides deep and broad domain expertise tailored to each client relationship. In working with one of the most expansive and relevant clinical pipelines in the industry, Halloran empowers its clients with the knowledge and strategies needed to achieve their next development milestone and optimize their organizational operations. Learn more at www.hallorancg.com.

Executive Summary

Previous Software:

- QuickBooks

Results with Sage Intacct:

- $4 million in additional profit in new billing model
- Project margins rose 12% through real-time insights
- Billable utilization increased from 50%+ to 68%
- DSO reduced 43%, opening $1 million in monthly cash flow

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revenue recognition, and the reporting factor," Zieja said. Leaving Salesforce in place, Halloran replaced QuickBooks with Sage Intacct in 2017. The company also got rid of OpenAir, and installed Nexonia for time and expense management.

Halloran has achieved remarkable gains in key metrics since adopting Sage Intacct as its system of record. The firm increased profit by $4 million after adopting a blended-rate consultant billing model, thanks to insights generated through Sage Intacct and customizations that weren't possible with OpenAir. "If we didn't have Sage Intacct, there's no way we would have been comfortable making such a big change to our billing structure," Zieja said. Meanwhile, project margins rose 12% in 2018, and billable utilization leapt by 36%, from just over 50% to 68%. Days sales outstanding (DSO) plunged by 43%, from 120 days to 68, opening $1 million in new monthly cash flow. Write-offs dropped from 3% of revenue to virtually zero.

"We really hit it out of the park last year because we were able to see real-time data," said Zieja, whose achievements were recognized with a 2019 Ventana Research Digital Leadership Award. "Any time we saw things going south, we were able to react really quickly rather than waiting until the quarter was done." Another catalyst in Halloran's transformation has been the elimination of hours of manual work in its old environment. Time needed for the monthly close has dropped from 20 days to 10, while accounts payable processes that took several days are now complete in hours, due in part to the Sage Intacct-Nexonia integration.

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Tania Zieja, CFO, Halloran Consulting Group

Results

Finance Transforms into a Strategic Partner for Growth

Invoicing time has been cut from a week to as little as two days, even as the number of monthly invoices has doubled to 120. And despite Halloran's rapid growth, its finance team size has increased only nominally, from 3.5 full-timers to just four. With Sage Intacct and Salesforce integration, Zieja's team generates reports showing budget vs. actuals, project profit, billable utilization, billing status, and more. Sage Intacct also captures daily time entries made by consultants into Nexonia for timely insights and streamlined billing. Rather than spending 90% of her time in spreadsheets, Zieja relies on Sage Intacct dashboards to monitor and analyze the business. The time savings has empowered finance team members to invest their skills to help drive growth as a more strategic partner to the business.

"The visibility we have through Sage Intacct is great," Zieja said. "It's helped us improve profitability and make faster, better decisions because at literally the click of a button, we can see what's going on in the business. We can compare it against past performance and look at our pipeline forecast." In addition, the finance team has time to operate at varying altitudes — flipping easily between granular project data that project managers view, or service level data that the executive team is interested in, rather than manual crunching scenarios or editing endless spreadsheets.

"Before, we were stuck in the day-to-day weeds of closing the month. We'd get two days to breathe after the close, but couldn't analyze the data or get new projects done — there was no time," Zieja said. "Now I can look at my dashboards and reports and know that the data is solid and literally up to the minute." Energized in its newly orchestrated environment, Halloran has its sights set on doubling its business in the next several years. Zieja and other Halloran executives are confident that the firm has the right processes and technologies in place to achieve that goal.

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