## What's Inside

## Headline News

Sage MAS 90 ERP is now available on the Applianz system. Using patented virtualization technology and advanced system design, the Applianz system, from Applianz Technologies, Inc., reduces hardware upgrade costs by enabling companies to run the software on existing computing infrastructures. The system, available through Sage, comes bundled with Sage MAS 90 or 200 ERP and allows users to access Sage MAS 90 ERP from anywhere with Internet access. Please contact us for more information.

# Managing Your Cash Flow

**A**voiding cash flow crunches is often a challenge, particularly in tough economic times. Customers start paying a little later, while at the same time suppliers tighten their credit and payment policies. To survive the economic slowdown and be positioned to prosper when economic conditions improve, it is essential to proactively manage cash. In this article, we will take a look at ways you can more effectively manage your cash flow.

### Make And Follow Credit Policies

Naturally, the area in which you can do the most to keep cash flowing is in collecting from your customers. But you also must avoid selling to customers who can't pay—no matter how much you need the business.

Create procedures to check credit before giving terms. Make certain that your customer-facing staff members understand your credit policies and that they follow them. Make it a practice to require that e-mail addresses be included with credit references. It is then a simple matter to set up a template in Custom Office with the credit questions you need answered, thus automating the reference checking process. It also may be wise to recheck the credit standing of existing customers, as their rating may have changed due to the current economic downturn.

Once you have assigned a credit limit to a customer, make sure you take full advantage of the powerful Credit Checking features that are available in Version 4.1 and above. In AR Options, you can choose to base credit limit checking on a dollar limit, an aging category, or both. The Dollar Limit option compares a customer's balance to the credit limit set for them. The Aging Category option allows you to base credit checking on past due amounts. For example, if you set this option to the category of 90+ days, only balances in this aging bucket will be used to determine if a customer has exceeded their credit limit. In addition, you can include open orders in the credit check, thus obtaining a complete view of your customers' financial commitments.

### Motivate Customers To Pay

Keep your organization at the top of your customers' minds with reminders of amounts due. If you sell products, be sure to mail the invoice the same day the product ships so it

## Managing Your Cash Flow

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goes into your customers' accounts payable system promptly. And if you are a service-based business, bill your clients twice a month or once a week instead of monthly.

Don't wait until the invoice is due to remind customers of their obligation. You can generate mid-month e-mail reminders based on criteria within your Sage MAS 90 ERP database; use Business Alerts or Sage KnowledgeSync to make the process automatic.

An excellent way to ensure timely payment is to institute both early payment discounts and late payment charges. Even a small discount can motivate prompt payment, as can penalties for paying late. Print these terms prominently on invoices and statements.

### Implement A Deposit Policy

For large orders or engagements, request an up-front deposit of up to 50 percent. This enables you to cover costs such as material and labor before fulfilling the order.

Accepting credit cards makes it easier for customers to pay on time. They may not have the money in the bank, but they probably have available credit on their credit card. Accepting credit cards also makes it easier to collect deposits up front as discussed above.

### Stay On Top Of Receivables

Make a point of reviewing outstanding receivables on a weekly basis, and take prompt action when amounts become past due. Regularly review total receivables and past due amounts over time so you understand your cash flow trends. The AR Analysis report gives you a graphical view of receivables status that can help you quickly identify potential cash shortfalls and take early action. The Cash Expectation report provides a comprehensive picture of outstanding customer invoices due for up to four consecutive periods and one future period. To obtain a realistic picture,

due dates can be calculated using the average days to pay information for each customer. Totals are provided by customer and division, with a total of all payments due within the period-ending dates specified.

### Don't Leave Money On the Table

Regularly compare your pricing structure against actual costs to make sure that your products are profitable. Small increases are easier for customers to accept.

Are there services you give away that you should really charge for? Do you go out of your way to process rush orders, but fail to charge extra for the service? What about local delivery services? Does your service-based company too often not bother to bill for a five-minute phone call? What about handling charges for shipped orders? Think about what services you are currently giving away for which you could (and should) charge fees.

### Reduce Inventory And Streamline Product Lines

Excess or obsolete inventory adds a heavy burden to your costs. Can excess inventory be returned to the vendor? Could you reduce the number of SKUs by eliminating low volume or similar items?

### Negotiate With Suppliers

Suppliers value your business and are often willing to offer special terms, especially for larger orders, giving you time to collect from your customers. It is better to request special terms up front than to pay late.

### Lower Banking Costs

Bank charges and transaction fees can really add up. If you do all your banking with one institution, or hold assets such as certificates of deposit, your bank may be willing to waive checking account and other service fees.

If you have several loans such as a vehicle loan, an equipment loan, and a business line of credit, review the rates and terms. You may be able to consolidate them into a single lower-interest account.



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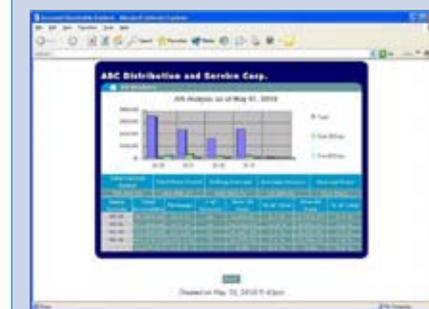
With the AR Analysis Report, you can check the status of outstanding amounts quickly and easily.

### Sage MAS 90 Can Help

Have you optimized cash flow in your business? Sage MAS 90 contains the tools and features to help you implement many of these suggestions. An excellent way to anticipate potential cash flow crunches is through the use of the Estimated Cash Flow Analysis report in the Bank Reconciliation module. This cross-module report displays current cash in each of your bank accounts, adds in cash expected from Accounts Receivable, and subtracts cash that needs to be disbursed through Accounts Payable. The report can display up to four periods that you can define, such as weekly or bi-weekly. Give us a call with your questions.

# Are Legacy Custom Reports Holding You Back?

Are you running an older version of Sage MAS 90 ERP? Customers tell us they stay on older versions because of the time and money they spent having custom reports built. Those reports are no doubt essential to running the business effectively, but with versions of Sage MAS 90 that are built in the Business Framework (4.0 and above), there are easier and more dynamic ways to obtain the key information you need.

## Fewer Custom Reports Required

With older versions of Sage MAS 90, creating custom reports requires specialized knowledge of Crystal Reports and Sage MAS 90 file structures. When you update to Sage MAS 90 Version 4.2 or above, you may find you can eliminate the need for most, if not all, of your old custom reports. Business Insights Explorer (BIE) and Business Insights Reporter (BIR) are easy to use. We will look at some examples to give you ideas about which of your custom reports could be replaced and even improved using BIE and BIR.

## Business Insight Explorer

Do you have a report organizing customers by telephone number so customer service staff can easily locate an account? Or perhaps a report that lists invoice history by purchase order number? The Primary customer grid data view in BIE allows you to put any column on the left side and sort by it. Once you set up a special view organized the way you want it, you can save it with a descriptive name and recall it instantly.

Another common custom report is one designed to assist with collecting past due amounts. Using the filtering capabilities in BIE, you might create a Collections view listing only customers with past due amounts, or customers with amounts over 60 days, or with past due amounts over a certain dollar amount. Custom fields can be added to views for special calculations to total past due values.

Now your collections manager has the subset of customers they need to work with, and it can be regenerated at any time to keep the information current. From within the view, they can:

» Sort by any column to prioritize the order to follow up
» Use the list to make telephone calls, and add memos regarding the conversation from the Tasks section of the Navigation bar
» Perform a mail merge with Microsoft Word to create dunning letters that include specific past due amounts—ready to send by mail, e-mail, or fax.

It is also very common to have customized sales reports. Sales managers need to stay on top of performance of their team and their most important customers. A personalized BIE view of your customer list for sales management might include a customer list sorted by salesperson, with subtotals on current and past activity amounts. You also may want to see a list of top customers by year-to-date revenue and compare that activity to the prior year. Have sales to a top customer dropped off since last year? Early detection enables you to identify and resolve customer satisfaction issues before you lose the customer altogether.

These are just a few examples of how BIE can replace legacy custom reports with powerful, dynamic querying.

## Business Insights Reporter

If only a formal printed report will do, BIR alleviates much of the learning curve required to master Crystal Reports for Sage MAS 90. A front-end application for Crystal Reports, BIR is sophisticated, yet simple and intuitive for users. It was designed to help even a novice user create simple reports quickly and easily.

Here are the top features found in Business Insights Reporter:

» Wizard driven for ease of use
» Data presented in logical views making the selection of the right data table simple. No need to understand underlying data structure to produce informative reports
» Output to multiple formats, including Excel, Adobe PDF, or XML
» Point-and-click calculations based on the Advanced Lookup Engine (ALE) Customization Wizard
» Built-in role-based security—you define which roles have access to reports
» Support for three-hole punch margin and page collation controls
» Allows creation of links to additional data sources.

To speed you on your way to recreating custom reports, the Sage MAS 90 help files include complete file layouts, and cross references so you can match old field names to new field names. We would be pleased to perform an analysis of which of your old custom reports can be replaced with BIE views or easily recreated in BIR.

Upgrading may be more straightforward than you think, and you will be able to take advantage of all the powerful features of the Business Framework, such as faster, more flexible data entry, enhanced security, and batch processing. Give us a call.

# IN THE SPOTLIGHT:
## Selecting A Point Of Sale Solution

Does your organization need a point of sale solution? While the ability to accept payments and quick print Sales Order invoices within Sage MAS 90 ERP may be sufficient for light retail sales, such as the occasional *Will Call* sale, if your retail sales are expanding, you may need more. There are several point of sale solutions available for Sage MAS 90. In this article, we will discuss what to look for in a point of sale solution and highlight a new Sage Endorsed Solution, AccuPOS.

### Easy To Use

A busy cashier or food service worker needs a simple, fast interface so they can record sales information with minimal keystrokes and maximum speed. At the same time, the organizations they work for need to integrate that sales information into their inventory and accounting system. Look for a solution that works just like a cash register on the front end, and leaves all the inventory management and accounting detail to your ERP software.

### Data Entry Flexibility

What types of input devices do you use? Make sure the solution you choose accepts data from the devices you plan to use. Your input device may include computer touch-screens, barcode scanners, scales, and wireless input devices. Also, be sure that the system you select can accept all types of payments, including cash, credit cards, EBT, gift cards, and sales on account.

### Tight Integration

Ideally, a point of sale solution should be designed from the ground up to work in tandem with an existing ERP and accounting system. By selecting such a system, you can avoid duplicate data entry, and at the same time avoid potential data conflicts that can occur if there is an inventory management system within the point of sale system. Look for a system that can integrate with Sage MAS 90 by posting line item invoices into accounts receivable. This allows the subsequent posting process to use all the built-in rules of Sage MAS 90 to adjust inventory quantities, post the correct amounts to your general ledger sales and cost of goods accounts, and properly record sales tax liability.

Do you need to be able to process point of sale transactions in standalone mode? Is Sage MAS 90 offline when the accounting department is closed, or do you have off-site point of sale locations? If so, make sure the solution you choose can work as a standalone solution.

Also consider how the system handles credit card processing. Is it built into the system or will you need to purchase additional software or services?

### AccuPOS Point Of Sale

AccuPOS Point of Sale is an Endorsed Solution designed to work with Sage MAS 90. AccuPOS imports your existing inventory and customer lists from Sage MAS 90. When processing transactions in AccuPOS, they can be attached to existing customers, create new customers, or not record sales against Accounts Receivable customers at all – it is your choice. AccuPOS retail sales transactions appear as detailed invoices in Sage MAS 90, and the tendered totals from AccuPOS are posted to accounts that you define, allowing you to make bank deposits directly from Sage MAS 90.

Please give us a call for assistance identifying an appropriate point of sale solution for your organization.

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