

CFO's Guide to Replacing Accounting Software



Food & Beverage

Replacing Accounting Software

No software lasts forever. Eventually, food and beverage companies outgrow their legacy accounting systems and need more complex functionality to manage more complex business processes.

Modern business solutions include features like real-time data collection, analytics, reporting and mobile access that simple accounting systems don't come equipped with. As your business grows, your software should provide you with the features you need to continue your success, not hinder it.

Deciding to upgrade your accounting software to an all-in-one solution like an Enterprise Resource Planning (ERP) system is a big undertaking. And it's important to understand what's driving the need for a more robust solution. Ideally, a new software system will help you make notable gains in efficiency, productivity, growth and cost-savings. But choosing the right time to upgrade and the right system to upgrade to can seem daunting.

This guide is designed to help CFOs get a better understanding of the whens, whys and hows of upgrading their accounting software. In this guide, you'll learn:

- The signs it's time to replace your accounting software
- Why CFOs should consider a food-specific ERP solution
- How to go about choosing the right solution for your business



Knowing When It's Time to Upgrade

One of the many questions CFOs ask when deciding whether to replace their accounting software is, "Why now?". Below, we outline the signs it's time to replace your current solution.

Lack of Scalability

Systems that don't grow alongside your company without incurring additional costs and complications can severely limit potential.

Lack of Reporting Functionality

To make the best decisions for your company, you need access to the data that matters most to your business. Traditional accounting systems are limited in reporting size and scope.

Storage Limitations

Many accounting systems limit the amount of data or records you can store at any given time, which forces companies to purchase additional storage or be highly selective about the data they keep.

Data Silos

Accounting software that doesn't integrate with other mission-critical business systems can create unreliable data and limit your insights.

Unreliable Data

Human error happens, and when you're using a hodgepodge of software solutions to run your business, multiple data entry processes will undoubtedly create inaccuracies and make it hard for decision-makers to make good decisions.

Lack of Visibility

Accounting software that doesn't provide visibility into your entire organization makes it impossible to make decisions for the company as a whole.

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Knowing When It's Time to Upgrade...

Measuring Performance Instead of Improving It

Basic accounting systems record past transactions based on past performance instead of helping you predict future performance and making strategic adjustments accordingly.

Lack of Manufacturing & Inventory Capabilities

While some accounting solutions can handle managing minor manufacturing and inventory records, as your company grows and transactions increase, your software likely won't be able to keep up.

Our new infographic dives deeper into these 10 reasons to replace your food and beverage accounting software.

[Download it here.](#)



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Upgrading to an Integrated Solution

Because an ERP system manages all areas of your business including production, operations, finance, food safety, compliance and recall management, you no longer require multiple systems to manage individual departments. By eliminating the need for multiple systems and the inherent errors that come along with duplicate data entry, business leaders can ensure superior data integrity and more efficient business processes.

To make sure you choose the right solution for your food and beverage business, look for a system that integrates the following features:

Inventory Management

Inventory management has a direct effect on a food and beverage company's bottom line. It costs money to store raw materials and finished goods. Plus, the longer raw materials sit in your warehouse, the higher the risk of those materials spoiling before they can be used in production.

Proper storage and handling of certain ingredients, such as those containing allergens, is critical to ensuring food safety and preventing cross-contamination, which could lead to costly recalls.

Look for an ERP solution that can:

- Accurately monitor multi-site inventory levels and expiry dates to better manage waste
- Provide visibility into inventory valuation with multiple costing options
- Effectively manage allergen segregation

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Upgrading to an Integrated Solution...

Production Management

The right ERP solution will help you manage production scheduling, planning, batch processing and consolidation. By integrating data from across your entire business, you can break down barriers between departments and create more efficient production processes.

To ensure you're choosing the best software solution for your business, look for a system that can:

- Provide real-time access to operational and financial insight for better decision-making about production
- Simplify production scheduling and minimize production line setup
- Improve operational efficiency and reduce production waste

Planning

Forecasting is a big part of optimizing your manufacturing facility, but traditional accounting software often limits how effectively companies can make accurate predictions. Because

ERP integrates data from sales and marketing, operations, maintenance schedules and more, food and beverage manufacturers are better able to adjust their output to meet demand.

Look for an ERP solution that can:

- Streamline planning, scheduling and inventory processes with multi-site Material Requirements Planning (MRP) functionality
- Track costs so you can better understand which product lines are more profitable and adjust accordingly



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Upgrading to an Integrated Solution...

Quality & Safety

Ensuring compliance with stringent and ever-changing food safety requirements is extremely difficult. Traceability, quality and preventative features found in a food-specific ERP solution helps you maintain compliance and food safety without affecting profits.

To ensure compliance, look for a system that:

- Supports your GMP, HACCP, SQF and BRCGS standards
- Integrates quality control for inspections to assure conformance to specifications
- Ensures safety with full lot/serial traceability, product recall management and comprehensive allergen tracking

Catch Weight Management

To take your business to the next level, you need catch weight management functionality that accurately records and manages catch weight products and properly accounts for those weights from receipt through consumption and/or sale.

- For Catch Weight management, look for a system that:
- Tracks actual product weights through core business processes such as Procure to Pay, Plan to Produce and Order to Cash.
- Manages actual weight products using three different units of measure – pallet, case and piece – to streamline inventory handling, improve production efficiency and meet even the most nuanced of customer demands.
- Automates the many steps involved in processing catch weight products and minimize the time spent building or breaking pallets, and scanning, weighing and labelling products.



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Selecting the Right System

Choosing the right solution for your company is overwhelming. We mentioned above that selecting an ERP solution built specifically for food and beverage manufacturers will help you manage the unique challenges of the industry more effectively. To perform at its full potential, your company needs a solution developed and implemented by experts who thoroughly understand your challenges and needs.

Compared to generic ERP solutions that require extensive customization to address the food safety, inventory, production, allergen management and item tracing challenges inherent to the food industry, a food-specific ERP will come equipped with the tools you need to ensure success. For more help on the ERP selection process, download our [ERP Selection Guide for Food and Beverage Manufacturers](#).

NexTec Group's FoodBusiness ERP provides end-to-end management of your entire food and beverage business. By connecting departments, data and operational processes into a single solution like FoodBusiness ERP, you'll have access to a single version of the truth, giving you complete visibility into business performance and providing you with the data you need to make the most accurate business decisions.

If you'd like to learn more about how FoodBusiness ERP can replace your accounting software to help streamline operational efficiency and manage growth, [download our brochure](#) or [reach out to us](#).



See FoodBusiness ERP in action

Schedule a Demo



FoodBusiness ERP

Connect with NexTec expert to explore how a modern ERP can improve your business.

Let's Talk

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FoodBusiness ERP

NexTec FoodBusiness ERP is a complete business management solution purpose-built for food and beverage manufacturers and distributors. Powered by Sage X3 and delivered by NexTec Group food industry experts, FoodBusiness ERP provides a single system to manage your entire business through finance and operations, compliance, quality, and traceability. Leading food and beverage companies trust NexTec FoodBusiness ERP to manage their day-to-day operations and make food better.

To learn more, visit www.nextecgroup.com or follow us on LinkedIn.