A Controller’s Checklist for Implementing a New Accounting System

Tcharts

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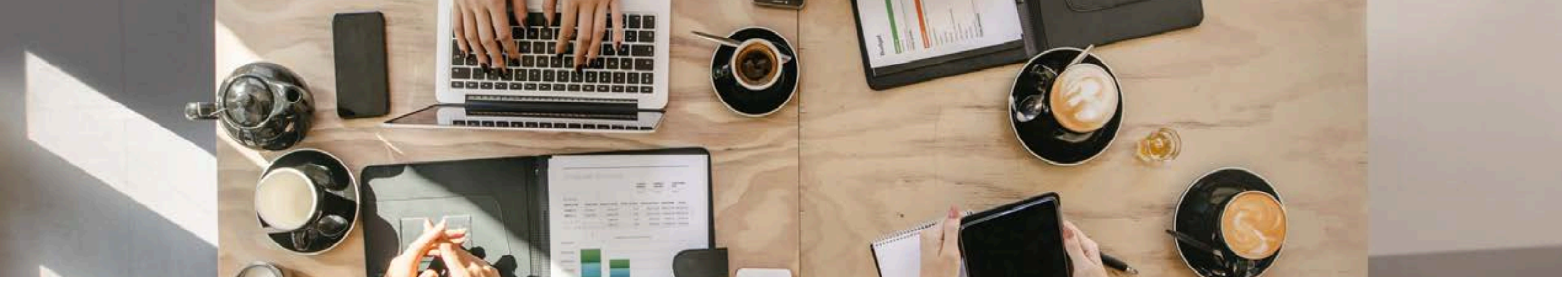


Your Key To Streamlined Software Implementation

There are few career challenges more significant than a new software implementation, and for accountants, adapting to new software while remaining compliant can be an incredible balancing act that holds businesses back.

Both from a technical perspective and in terms of human factors, implementing new software can be expensive, tedious, complex, and time-consuming. To experience success, Controllers and accounting professionals must step out of their comfort zone and get involved in integrations, system management, and training — a daunting feat for many of us.

Yet, switching to modern cloud accounting software can boost revenue and reduce operating expenses, not to mention the positive impact of new technology on streamlining accounting processes — compelling reasons to bite the bullet and work through an implementation.

So, how can Controllers make the implementation process as smooth as possible? Is implementing new software doomed to be an expensive, lengthy process every time?

The good news is that there are things Controllers can do to mitigate the risks associated with a new software implementation. Making the switch to a modern accounting solution doesn't always have to be expensive or lengthy when Controllers are prepared.

In this guide, I've compiled a comprehensive checklist specifically for Controllers about to undergo a software implementation. Curated from my many years of software experience, this guide contains all the tips and tricks to save your business time and money during implementation.

While not a complete guide to project management, this checklist contains precisely the information you need as a Controller to stay on top of your implementation and consider essential factors at each stage. I hope it proves useful and gives you a strong foundation for your next implementation project.

The Map To Successful Accounting Software Projects

Before embarking on your implementation project, the very first step — step zero — is to **map the project and its stages**. This should give you an idea of the resources and skills required at each stage, plus project dependencies and critical timelines.

In this guide, I have broken the project into five stages as follows:

The Planning Stage:

At this foundational stage of the project, you must factor timeline development, resource allocation, budgeting, and risk management.

The Software Set-Up Stage:

The second stage sees every system setting and customization field enabled, tailoring the software to your unique business needs.

The Data Migration Stage

Now, we must import financial data from the current system into the new system and back it up.

The Testing Stage:

Here, we run detailed financial reports to validate the integrity of imported data and perform user testing, ensuring that all our normal processes are accommodated.

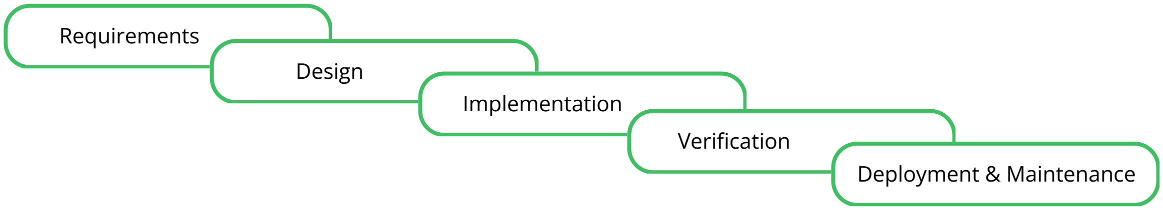
The Training Stage:

The fifth stage sees group training sessions for the accounting team and external users to learn how to use the new system and answer any questions.

The Trial Run Stage:

In this final stage, current and new systems have data entered parallel to confirm everything is operating smoothly before discontinuing the use of the old accounting system and making the final switch.

This five-step model follows the [waterfall model](#) of software implementation, where each phase of the project is completed before moving on to the next.



It's important to note here that some project managers may prefer to use an agile methodology of implementation, where smaller chunks of work are done in sprints before moving on to the next. While agile approaches to project management and implementation work well in some industries, my recommendation here is to stick with a waterfall approach.

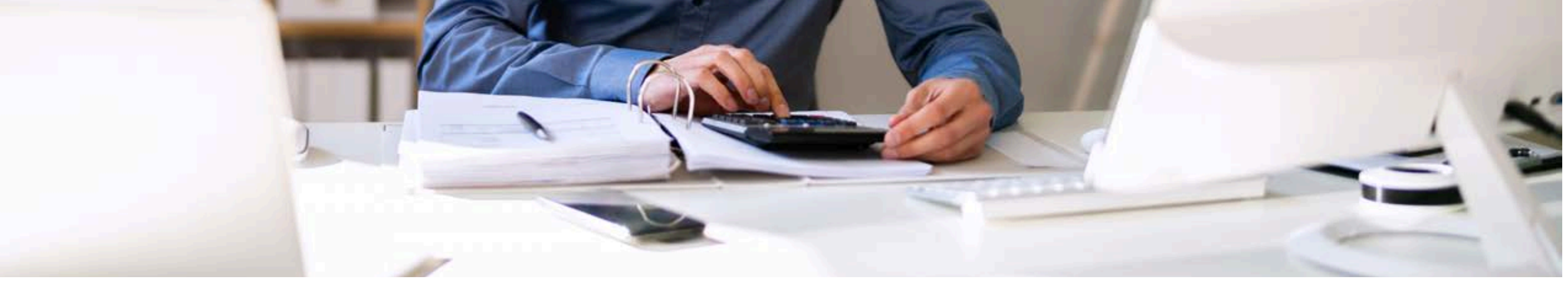
Finally, before we begin with stage one, a word of warning:

> The success of any software project is dependent on the people on your team and the solution you implement.

Without skilled team members and a suitable software solution, your implementation will incur costs and drag out timelines.

What do I mean by implementing a suitable solution? Not all accounting solutions fit every business 'out-of-the-box.' Enterprise businesses aside, If your chosen accounting solution demands expensive configuration or specialized development to accommodate your needs, then it isn't suitable for your business, and you should find an alternative. The best will in the world won't make the implementation of the wrong solution a success.

Now, with that out of the way, let's get into Stage One of your implementation project.



STAGE 1: The Planning Stage

In entering this stage, you should have chosen an ideal software solution and have an idea of when your project will likely begin, plus an approximate idea of the budget allocated. Don't worry if your timelines, resource requirements, and budget allocation are not yet firmly known — it is at this stage that the project details will take shape.

Now, take the time to thoroughly **map out everything you need to transition to your new accounting system from your current software in a realistic timeframe.**

Let's break this down.

Realistic Timeframe

A **realistic timeframe** will look very different across various organizations, but a good rule of thumb is to keep the software implementation stage between 3 - 6 months. 'Simpler' software implementations with small teams and a fully 'out-of-the-box' solution may need less time than this, whereas 'complex' implementation projects across large teams and multiple sites may take longer.

The most important aspect of this process is that your the timeline is **realistic**. Understand that your team may need time to understand the complexities of software implementation, especially if this is the first time they have been involved in a project of this magnitude. Also, consider busy periods during the year in your planning, and factor in the time your team needs to work on the new implementation alongside their already busy calendars.

Also, consider the **talent** available for your project. If you have the budget, it may be valuable to bring in a software consultant to assist with implementation and allow your team to focus on their daily tasks. By bringing on skilled consultants, you can expect to reduce your implementation timeline and benefit from their expertise, but their fees may be expensive. If this is outside of your current budget, your accounting team may be able to support, assuming the department's workload will not be negatively impacted.

Your implementation project may also need **additional resources.** If you don't already use project management software, the implementation project may be a good opportunity to start. You may also need to consider the costs associated with additional software for managing project milestones, including data migration software, integration tools, and developers.

Finally, consider the right **time of year** to kick off implementation. Of course, implementation around key holidays, seasonal peaks, and year-end processes is likely to face additional challenges.

The Planning Phase Checklist

- [ ] Use a project management system, even if it's created in a Word Doc or Excel template, that will help track the progress of the implementation and allow for overview reporting to management on its progress.
- [ ] Create an Implementation Project Plan that maps out every stage by its due date and names people responsible for each stage.
- [ ] Publicly announce the implementation's start and end dates and any incentives available to boost team motivation and involvement.
- [ ] If applicable, hire a consultant or assign staff to the implementation project. Their work should have concise, written instructions explaining the tasks they must complete by their associated due dates. Ensure this agreement is legally binding and compliant with local labor laws.
- [ ] Select the data range that will be imported into the new accounting system and prepare the tools needed to complete the data migration.
- [ ] Decide if the data to be imported will be entered in a summarized journal entry or at the transaction-detail level.
- [ ] Back-up critical data and reports using a third party software solution before the implementation process to mitigate against data loss.
- [ ] Confirm all third-party integrations that will be used and purchase them. Budget for this.

STAGE 2: The Software Set-Up Stage

Now we're happy with the logistics, it's time to begin the software set-up process.

By entering this stage, you should have a clear idea of the steps of your project, when they will happen, and who is responsible for each. You should also have a map of the system and integrations, including ideas of specialized fields and development that your team must realize.

While it isn't necessary to set-up the system in a particular order, as long as each aspect is accounted for, here is my comprehensive list of points to consider:

The Software Set-Up Checklist

- [ ] **Enter the Company's Profile:** Enter your organization's information: company name, logo, address, and so on. Configure any general themes, such as company colors and welcome messages.

- [ ] **Add User Profiles and Roles:** Determine the different roles that will be using the system, such as administrator, accountant, auditor, or sales representative. Assign appropriate access levels to each role to ensure data integrity and security. Most user invites expire after 24 - 48 hours, so remember to follow up with all users so they complete their set-up process. Set strong password policies. This includes requirements for password length, complexity, and frequency of changes.

- [ ] **Two-Factor Authentication (2FA):** Consider implementing 2FA to add an extra layer of security, especially for users with high-level access. Note that some financial software will expect 2FA as standard – ensure that users are familiar with this authentication process and that they have an appropriate phone number or an authenticator app installed. Remember, new users may need training on this process, so return to this issue in Stage 4.

- [ ] **Set-Up Security Features:** If you work with a third cyber-security party firm, ensure that they are informed of your implementation plan and that integration with any cyber-security software is complete before customer data is entered into the new system.

The Software Set-Up Checklist

- [ ] **Set-Up the Chart of Accounts:** Set-up a hierarchical list of all accounts that will be used in the organization. This includes assets, liabilities, equity, revenues, and expenses.

- [ ] **Products/Services List:** Create a comprehensive list of all products or services offered, along with their pricing and any variations.

- [ ] **Classification Labels:** Introduce labels or tags that can be attached to transactions for better categorization and reporting, e.g., "Operational Expense," "Marketing," or "R&D."

- [ ] **Customize Dashboards and Financial Reports:** Tailor the dashboard to display key performance indicators (KPIs) relevant to the user. For instance, a sales manager might want to see monthly sales figures, while an accountant might prioritize cash flow data.

- [ ] **Automate Reporting:** If possible, set-up automated reporting so that stakeholders receive their required reports on a regular schedule without manual intervention. You may also configure notification settings at this stage, or leave it to individual users to decide for themselves.

- [ ] **Connect Bank Account(s):** Connect your bank accounts to the system.

- [ ] **Connect Third-Party Integrations:** Examples will include billing systems, expense management systems, dashboard reporting systems, timesheet systems, tax reporting systems, etc. At this stage, don’t forget to test them with mock transactions to ensure they are set-up correctly.

STAGE 3: The Data Migration Stage

Once your software is set-up, it's time to populate it with your historical data.

This stage can be complex, especially if you're working with an entirely new system that looks markedly different from your previous system or if you're implementing a new accounting system from scratch.

It's often said that a software system is only as good as the data that is inputted into the system, and nowhere is this more true than at this stage. Poor-quality spreadsheets loaded with test or dummy information will clog up your system and not seamlessly fit into your new fields.

Before you embark on your data migration stage, it's always good to undergo a clean-up process, ensuring that your data is formatted correctly and that test data from previous iterations of your accounting software is removed. Similarly, take the time here to ensure that data is homogenized – for instance, client names across Contact records are all spelled correctly and capitalized uniformly. This will help make sure that the data in your new accounting system is accurate and up-to-date.

My expert recommendation here is to hire an expert to help. While your budget may not allow for support throughout the whole of the implementation, hiring a data migration consultant is a great choice to keep costs low and the project on track. Without expert help, you may find that this stage drags your timelines and eats into your budget.

At this stage, use this checklist to help:

The Data Migration Checklist

- [ ] **Transaction Opening Balances:** Using a Detailed Trial Balance from the current accounting system, record a journal entry in the new software for opening balances. This process is used to enter the financial data without the detailed transactions.

- [ ] **Enter Employees:** Only applicable if your new accounting system offers time-tracking, expense management, or payroll processing services. Import employee information and transaction details if applicable.

The Data Migration Checklist

- [ ] **Enter Customers:** Import all customer details, including contact information, credit terms, and transaction details.

- [ ] **Enter Vendors and Contractors:** Import all vendor and contractor details, ensuring that payment terms, contact details, and previous transaction details are accurately recorded. Pay special attention to vendor 1099 settings in the system.

- [ ] **Review Data:** Pull ledger reports and compare them to your financial reports from the old system to ensure there are no duplicates and inaccuracies.

- [ ] **Save documentation attachments:** While transaction data can be imported into the new system, usually, this will not include documented attachments and images. This data must be downloaded separately, stored, and uploaded if applicable.

STAGE 4: The Training Stage

Your new accounting system should be up, populated with data, and ready to use, but your team may not be ready.

It's important to provide users with comprehensive training that supports their role before they use your system daily. It's not enough to direct your users to the software's training platform, asking them to catch up in their own time.

Similarly, **never assume your colleagues can pick up software intuitively**. Poorly trained teams will likely make costly mistakes as they figure out a system, delaying the full adoption of your new accounting system.

Instead, ensure that users attend mandatory training sessions with software experts. These sessions should be role-based and keep in mind license capabilities. They should be short – no one likes to sit through lengthy training sessions – and delivered by an expert.

Here's my checklist for this stage:

The Training Stage Checklist

- ☐ **Ensure Users are Set-Up and Assign Licenses:** Avoid delays in your sessions by ensuring all users are set-up correctly with the right license for their role. This should be done before the training session begins.

- ☐ **Schedule and Hold Training Sessions:** Send out mandatory training invites as far in advance as possible. To not overwhelm your team, create groups with specialist training based on the individual functions team members will perform. Allow your training to be interactive so that participants can ask questions as they are utilizing the system in real-time. If the sessions can be recorded, great! Following the training, collect feedback from users about their experience and use this to improve training materials or system configurations.

- ☐ **Allow Users to Test the System:** In this stage, before the Go Live, it's important that your users can enter into the system and perform their daily tasks.

- ☐ **Create Training Materials:** Repurpose your training content into manuals, video tutorials, and FAQs to assist users in navigating the new system after the live sessions. These tools will also benefit new hires within the organization or absentees who missed the training.

STAGE 5: The Trial Run Stage

You've reached the final stage of the implementation project: the Go Live.

At this stage, you should have a fully trained team, a system set-up and populated with data, and software that has passed final initial tests. But before you move over to the new system forever, it's vital that you embrace **the trial run stage**.

This is a step uniquely important to financial systems, where unplanned downtime could cause serious repercussions to a business. The trial run allows you to maintain your previous system at the same time as using your new system to ensure that things run smoothly.

This step also allows for advanced testing. As your users work through their daily activities, they will raise issues as they encounter them, and your implementation team can make configurations as needed.

A standard trial run session is 30 days, but it could require up to 90 days for more complex accounting systems.

The Trial Run Checklist

- ☐ **Publicly Announce the "Go Live" Date:** This is the date you will officially make the switch, turning off your previous system. Remember, the best practice is to start using the new software on the first of a new month, marking a clean transition period, and you should inform clients and stakeholders of the switch so they can prepare.

- ☐ **Back-up Data and Reports:** Ensure your data from the old accounting software can be accessed anytime. Pay special attention to reports typically requested from auditors and third-party stakeholders.

- ☐ **Implement Testing & Bug Processes:** Document glitches in the system and work closely with the software's support team to quickly remove issues. On top of working in a new system, continued bugs will frustrate the accounting team, so you must implement a process where bugs can be identified and resolved promptly. I suggest maintaining this process even after the go-live date so any new issues can be addressed and closed.

Upgrade Your Accounting Software with Tcharts

While I hope this e-book will help you with your implementation project, the most significant factor in determining the success of your new accounting system may be out of your control.

The ultimate factor for streamlined implementation, effortless daily use, and minimal costs is the choice of software itself.

For many small to medium businesses, the software available within their budgets simply cannot meet their needs, leading to error-prone workarounds and costly additional development. Alternative solutions on the market are clunky enterprise-level platforms or unusable niche products, meaning that smaller, scaling businesses are left behind.

Before you embark on your new system implementation, honestly appraise the new software you have chosen. Does it meet your needs now, and will it be able to adapt as your business grows? Are you banking on expensive development work or planning on adopting a workaround to your new system? These issues will end up costing you money and time later in your growth journey, and they're best avoided right now in the implementation phase.

If this sounds familiar, then **Tcharts could be a viable alternative** for your business.

Tcharts was built exclusively for companies with more than 50 customers but less than ≤$20M in revenue. It works for businesses like yours out-of-the-box, meaning your implementation process is rapidly streamlined, and it's easy to use, convenient, and simple to scale.

Tcharts is the only generalized accounting software for scaling accrual-based companies and is an affordable one-stop-shop solution that requires zero development work or additional tweaks to get it to fit.

I'd be thrilled to show you how Tcharts can improve your accounting system in a completely free, no-obligation demo.

To schedule your demo, email us now at demo@tcharts.com or book a time that suits you and your team here. We'll walk you through how Tcharts can boost your department's productivity.

Book a time with us and discover how TCharts can streamline your accounting system today.

Tcharts