

The 8 Best Financial Management Tools



Recently on the blog, we talked about financial planning and analysis (FP&A) software.

We're going to continue that discussion today with a closer look at the eight best financial management tools to help your business run smoothly. After all, it's financial management that often separates successful companies from those that struggle.

What is Financial Management?

Financial management refers to activities related to planning, organizing, directing, and controlling an organization's financial activities, including procurement, investment decisions, budgeting, financial planning, billing and payments, and more.

The goal of proper financial management is to ensure the company has enough money to take care of operations at all times, to ensure that all stakeholders receive adequate returns, maintain optimal funds utilization, keep investments safe, and plan a solid capital structure.

Financial management estimates capital requirements, determines the capital composition, chooses the sources of funds, chooses how to invest funds, determines how to dispose of surplus, manages cash, and establishes financial controls to keep the entire system in check.

Considerations for Financial Management Tools

As you choose the business tools to use within your organization, you must first consider a few things.

- **Your Budget:** How much are you willing to allocate to these tools? How much can you really afford to allocate to them? Depending on the size of your company and its operations, you may need more integrated tools and platforms, meaning costs could vary widely.
- **Security:** As you move from paper recordkeeping to an online system, your financial information must be kept safe. The more granular the access control, the better.
- **Making the Switch to the Cloud:** On-premise systems are expensive to maintain, and less than ideal for many companies. A cloud-based approach gives you the freedom and flexibility to keep records and workflows accessible anytime, anywhere, as long as an internet connection is available.
- **Scalability:** The tools you use have to evolve with your business as it grows. If you have to spend money converting to new, more appropriate systems later, then the hassle and expense of using something else aren't worth it.
- **Efficiency with Automation:** Moving to cloud-based financial tools saves time and money. Working with companies like PLANERGY for easy requisition and ordering helps to modernize your financial processes while making your approval workflows and hierarchies more efficient as your business grows.

The right tools with the right features save you time and money, allowing you to focus efforts on more value-added activities.

Build Your Financial Planning Framework with Certinia

All CFOs need solid tools to support them, and while automatic and integrated tools can help make operations more efficient, sometimes, companies need a broader solution.

Certinia is an enterprise resource planning (ERP) software designed to track spending, profitability, resource availability, and more.

It's a cloud-based solution designed to help you streamline your opportunity to cash process, so you can make more money faster and put your financial data to use. Get access to your company's financial health in real-time.

Handle Accounting with Xero

Any collection of business tools you're considering will include an accounting tool.

Using Xero, you'll be able to access everything from mobile devices and integrate with a variety of third-party apps, including integrating Xero with PLANERGY's spend manage software.

Xero's features include automated recordkeeping, expense calculation, invoicing, and report generation.

You can also manage sales orders and inventory with this platform, so you don't have to worry about manual data entry and the error potential that comes with it.

Plans start at \$20/month. While it is great for small to medium businesses, the starter version does limit your monthly transaction volume.

It is missing advanced features that advanced financial teams may require.

Bill Customers Easily with FreshBooks

Customers expect nothing short of perfection when it comes to online billing processes.

FreshBooks can help make your billing process smooth and seamless. Basic online billing solutions are good enough for most businesses, but additional features with flexible pricing are all the better for everyone.

Since Freshbooks is a cloud-based billing system, you can be sure that your company is following best practices, for a value-added experience that helps to boost customer satisfaction and foster customer loyalty.

Designed for small business, FreshBooks automates various important accounting tasks.

It's easy to create and manage entries and export them into your other systems. It's easy to set up and comes with automatic reminders for late payments.

The highly flexible API makes it easy to integrate with a variety of third-party services so you can design the tech stack and workflow that's best for your company.

Track Expenses and Improve Expense Management with Expensify

Maintaining accurate expense records is a tedious undertaking, but with the right tools, you won't have to worry about keeping track of and storing paper copies of receipts.

Monitoring these expenses is often part of accounting tools, so it's a good idea to look for a platform that integrates with your accounting software if this feature isn't already part of it.

Expensify is an expense tracking tool that allows employees to scan receipts and upload cash expenses directly from their mobile devices.

Everything goes to a central repository for fast and easy expense accounting, reimbursement, and rebilling. It generates user reports, so you can easily keep an eye on who is spending how much.

Expensify integrates with a variety of third-party tools, such as Quickbooks. The Smart Scanning feature automatically categorizes certain entries to save your team time.

It includes extra features, such as GPS mileage tracking. That said, the user interface isn't all that intuitive and some users report that the receipt scanning feature is a bit slow.

Tiered pricing is available for individuals and business users.

Tackle Budgeting, Spend Management, and Inventory Tracking with PLANERGY

PLANERGY is a procure-to-pay process management tool that takes care of several business processes to help with better financial management.

It integrates with various accounting tools like Quickbooks and Xero.

With the purchase requisition and purchase order features, you can ensure your employees are only ordering products and services from approved vendors to eliminate maverick spending.

Procurement leaders can store contracts in a central repository, for easier compliance management.

With automated approval routing and workflows, you can be sure no purchase orders are left to sit in a pile on someone's desk for weeks while they're out on leave.

With budgeting tools, you can set realistic budgets on a departmental, project, or user level. It will prevent one person or department from making purchases above a certain threshold, at the transaction level, and at the total budget level.

Granular user permissions prevent employees from being able to access data they don't need. Reports give you an idea of your spending habits, so you can find your most valuable vendors, where you're wasting capital, and so on.

Inventory management features ensure that you always have what you need on hand. Three-way matching automation ensures you never pay for items you did not order or receive.

Audit trails keep track of every action taken on a vendor, purchase requisition, purchase order, and invoice so that all employees remain accountable for their

actions.

Designed to help mid-size to enterprise businesses help reach their financial goals, pricing is based on each user license. A demo is available so you can see its ease of use before implementing it within your company.

Get Better Payroll Management with BrightPay

Managing wage distribution, holiday pay, sick leave, and other benefits can be challenging for companies that rely on the standard Excel spreadsheet to manage payroll.

BrightPay is a tool that makes taking care of all of this easy. It's a cloud-based platform that your employees enroll in and can manage, giving them better visibility over their pay no matter what device they decide to use.

It's easy to use and comes with a free trial, so you can make sure it's right for you before committing to using it over the long term.

Prepare Taxes with Gusto

For proper financial management and to ensure adequate financial health, you need a system that helps you automate tax deductions.

Investing in tax preparation software and tools can help simplify various financial aspects of your business.

With Gusto, you can import data from a variety of sources, including inventory management, point-of-sale (POS) modules, and employee compensation systems.

Gusto is a payroll automation tool that handles the majority of the time-consuming work for you. It includes support for filing taxes at the federal and state levels along with healthcare compliance.

While there is support for automated forms and taxes, there's no mobile app or support outside of the United States.

Conduct Cash Flow Analysis with Float

Float is a cash flow forecasting and scenario planning tool that helps you get real-time information about what's going on with your money management.

Business owners can use this tool to make more confident decisions based on data.

It integrates with your accounting platform (Xero, Quickbooks, and FreeAgents are available as native integrations) to pull in the financial information you need.

You can use it to see how adding new employees to the mix will affect cash flow, or what happens if you lose a client, make a payment on a big bill, or receive late payments.

This helps you to better prepare for any number of situations you could find yourself in.

Running a Business is About More than the Money

Successfully running a business, whether it's a startup or an enterprise-level business, is about the money, of course.

Without the cash to support operations, you'd close in no time.

But what matters just as much as the cash itself, is the tools you use to support your business.

If you have the right financial management software to support you, you gain access to a world of data that can help you make better decisions with your money, and grow your net worth.

QuickBooks Desktop for small and mid-sized businesses

QuickBooks Desktop is a flexible accounting software application designed for

small to mid-sized businesses. While the desktop application cannot compete with custom-designed ERP applications, many larger businesses have continued to use QuickBooks Desktop applications for their bookkeeping and accounting needs.

QuickBooks Desktop was first introduced in 1998 and modeled after Intuit's first financial application, Quicken, which provided personal accounting capability, but no double-entry accounting. When QuickBooks Pro was initially introduced it was aimed at the non-accountant small business owner looking for a way to do accounting other than an Excel spreadsheet. In 2000, additional features were added to the application, but it still lacked the specificity that many small business owners were looking for.

That all changed in 2003 when Intuit introduced the first industry-specific editions of QuickBooks, which have grown in popularity and are now available in several editions, including the professional services version, which we'll talk about in this article.

What is QuickBooks Desktop Professional Services?

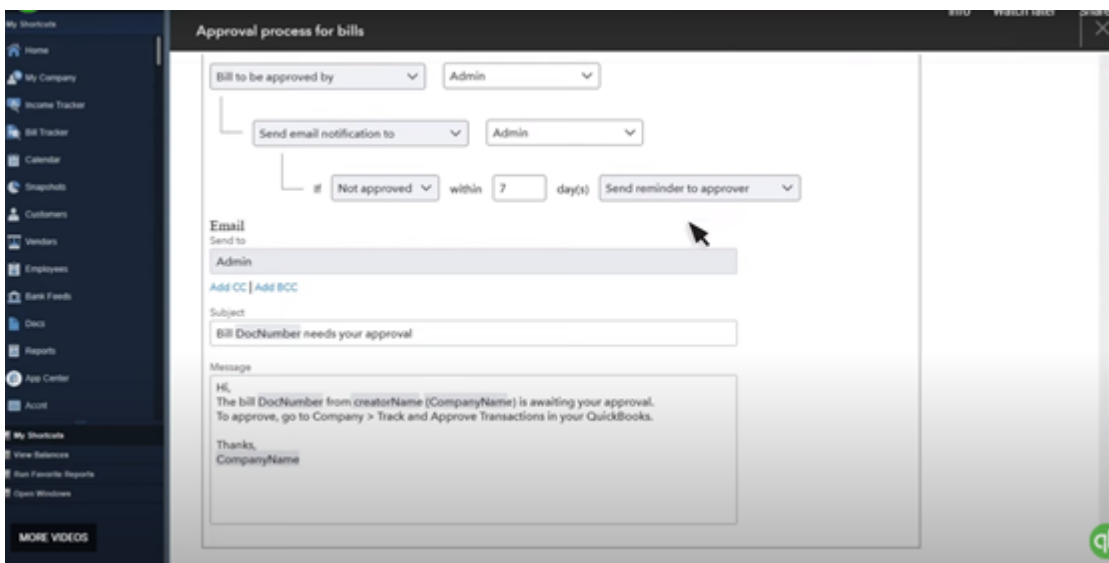
While all niche industries can make an argument for an application designed specifically for their business needs, the professional services industry offers several challenges that need to be appropriately addressed including solid time tracking capability, flexible billing rates, and the option to better track project data.

QuickBooks Desktop Professional Services does that and more. Designed for those providing services rather than selling products, the Professional Services edition is available in both the Premier and Enterprise versions of QuickBooks Desktop.

In this article, we'll take a look at QuickBooks Enterprise for Professional Services, which is designed for mid-sized businesses and can support up to forty system users. However, if your business has less than five QuickBooks users, you may want to consider using QuickBooks Premier Professional Services, a better option for smaller businesses.

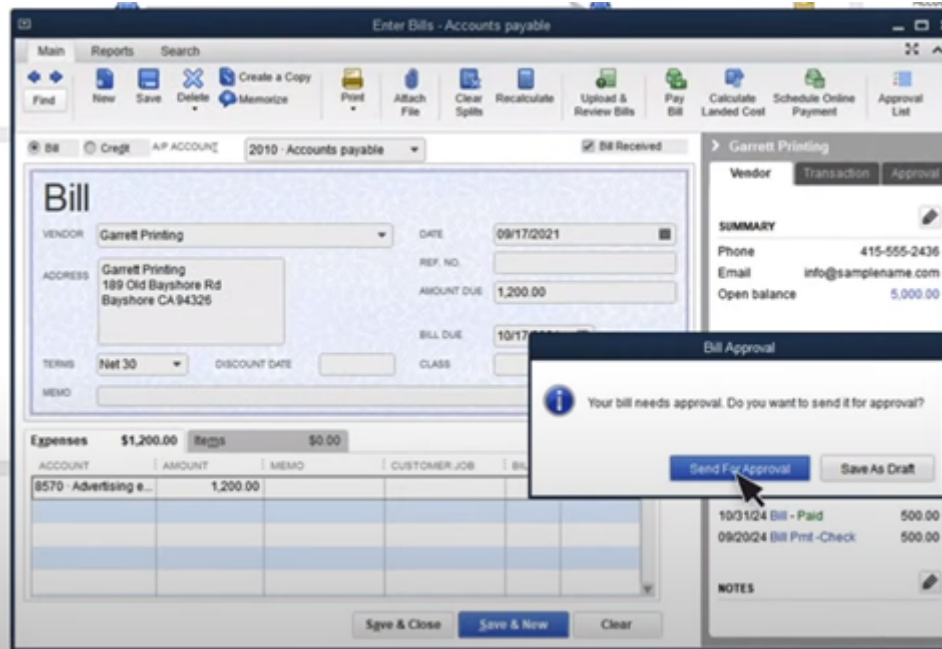
Today, QuickBooks Enterprise Professional Services is loaded with features, including all those found in regular QuickBooks Desktop applications, such as double-entry accounting, online banking, bill payment, and invoicing. But it also includes features and functionality designed specifically for service professionals. Here's a breakdown of some of the latest features.

* **Bill Workflow Approvals - (Platinum version)** Bill workflow approvals is a brand new feature that allows you to better manage your cash flow by creating customizable workflow approvals. This new feature also includes reminders when approval deadlines approach.



You can set up custom workflows with the new Bill Workflow Approvals feature.

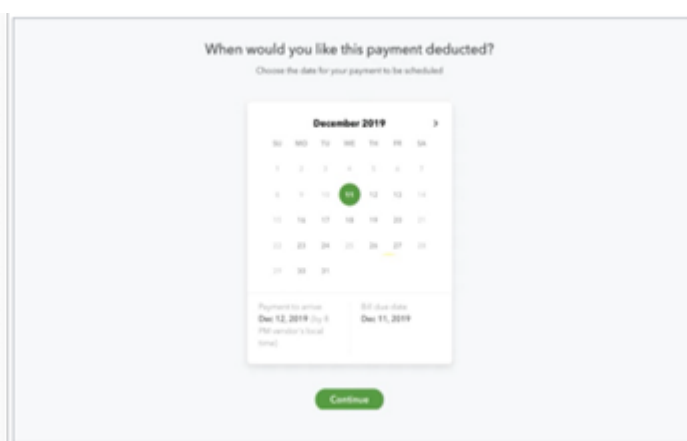
You can choose the custom workflow to suit your business, and can even customize the email message that the assigned recipient will receive. You can also choose whether you wish to copy anyone on the email. Once a workflow process has been set up for a particular vendor, whenever you enter a bill for that vendor, you will receive a message that the bill needs approval.



The Bill Approval option appears when a custom workflow has been set up for that vendor.

This message serves as a reminder that the bill has to be submitted for approval before processing.

*** Scheduling and Paying Bills** - Another new feature in QuickBooks Enterprise Professional Services is the option to schedule bills for payment. A particularly useful feature for smaller businesses with limited cash flow, using the billing scheduling and payment feature allows you to review any open balances, track sales orders, and plan in advance when to pay a bill.

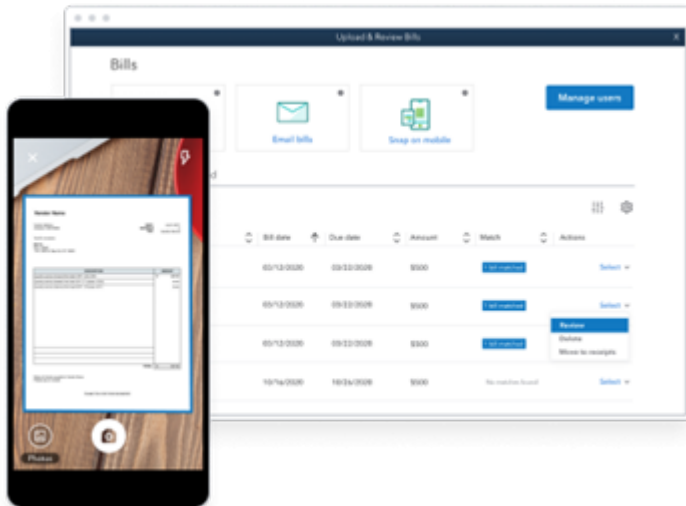


The Scheduling and Bill Payment feature allows you to schedule bill payments.

When scheduling a payment, you have the option to choose the form of payment you wish to use including bank transfers or a physical check.

*** Upload Bills to QuickBooks** - Using the QuickBooks Desktop mobile app, you

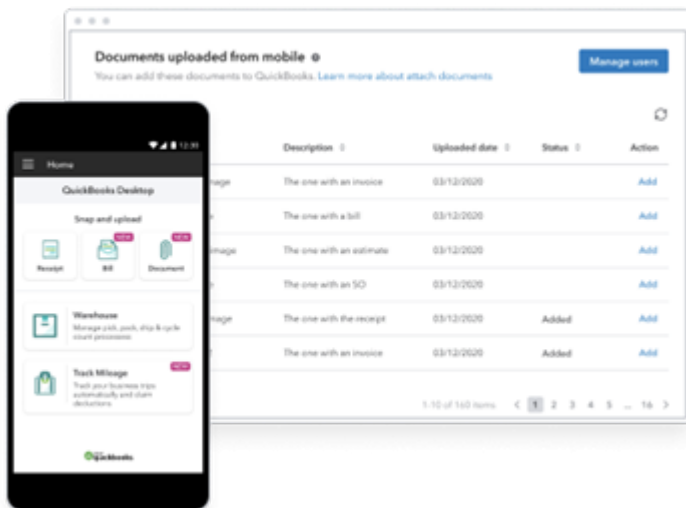
can now upload your bills directly into the application.



Using the QuickBooks Desktop Mobile App, you can easily upload bills.

All you have to do is snap a photo of the bill and click on the import feature. You'll be able to review the bill for accuracy before it posts into your account. Another benefit to using this feature is that you can have your vendors email their invoices directly to QuickBooks, where they will be available for you to review.

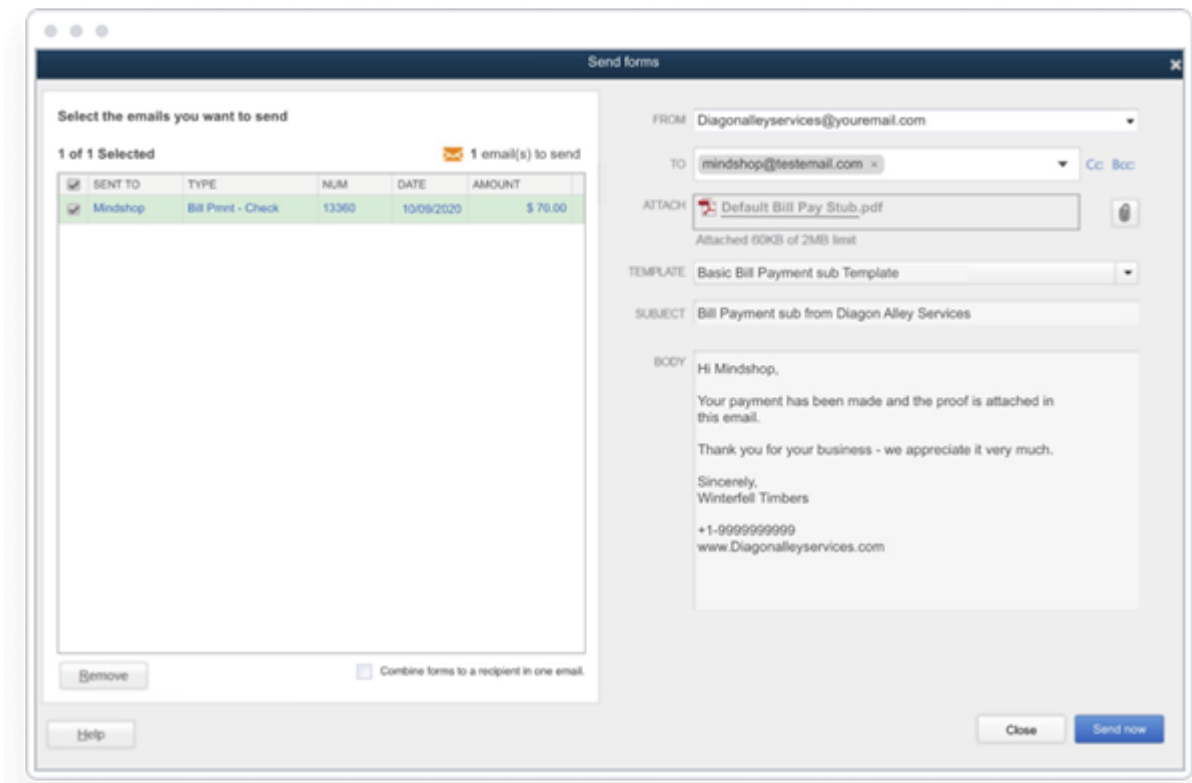
*** Attach Documents to Transactions** - Along with uploading invoices, you can also attach documents to any transaction using the mobile app.



Use the QuickBooks Desktop Mobile App to attach documents to any transaction.

Doing so eliminates the need to store multiple documents on your system. You can also upload and attach multiple documents simultaneously if desired.

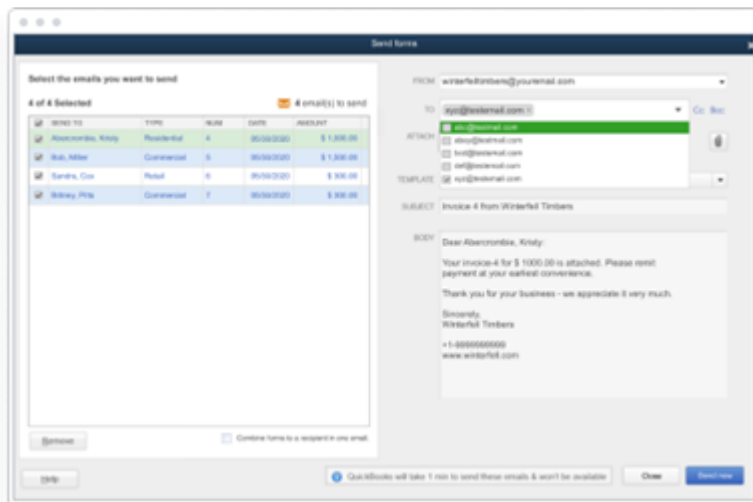
* **Customize Bill Payment Stubs** - Your vendors no longer have to wait for a paper check to receive a bill payment voucher. Using this feature, you can add your business logo and format the payment stub to suit your business.



You can now customize bill payment stubs for all of your vendors.

You can choose the vendors you wish from the dropdown list and create a custom email to send along with the bill payment stub.

* **Multiple Email Contacts** - Do you have a newsletter, targeted sale, or other information you wish to send to a select group of contacts? Using the multiple email contact feature, you can do just that.



The Email Contact List allows you to choose the recipients for a group email.

This is a great way to get custom messaging out to the appropriate recipients without having to manually enter each email address.

The professional services industry offers several challenges that need to be appropriately addressed including solid time tracking capability, flexible billing rates, and the option to better track project data.

Other features

Along with these new features, QuickBooks Enterprise Professional Services also offers numerous features designed for professional services businesses. These include:

Time Tracking with QuickBooks Time Elite (formerly TSheets Elite) – Time tracking is important for any business, but particularly so for service businesses who have to manage timesheets and bill their time accordingly. Using QuickBooks Time Elite, professional services users can track time spent on any project. But even more important, the time can then be automatically rolled up into any subsequent project reports as well as into QuickBooks Payroll, eliminating the need to enter data twice.

This allows users to track their time from any location, whether it's from their home, the office, or the client's office.

Project Costing – It can be difficult to know if a client project is profitable if all

of the project management components are not tracked properly. Not only can you easily track project cost projections in real-time using the job costing dashboard, but you can also track the actual expenses to see if you're on track for profitability or if cost adjustments are needed.

Best of all, QuickBooks Enterprise will automatically create client invoices based on data entered in the system, eliminating the need to bill clients separately.

Flexible Billing Rates - As a professional services firm, your billing rates likely change frequently, depending on the job completed, who completed it, and the level of difficulty in completing the job. That's why being able to assign different billing rates to your employees based on a variety of criteria is so important.

By setting custom billing rate levels, you can assign a rate for a particular level rather than by an employee. For example, at a CPA firm, partner billing rates would be assigned at a different level than entry-level employees.

Reporting - Good reporting options are available in all QuickBooks Desktop applications with the Enterprise edition of QuickBooks Desktop offering more than 200 reports that can be customized to suit your needs. Any customized report can be saved in the application as a template, so you can use the same reporting criteria in the future without having to set it up again.

Advanced Reporting - Advanced reporting allows Enterprise users to access raw data to create reports and graphs from scratch. In addition, the Professional Services edition of QuickBooks (and all niche editions) also offers bundled reports designed specifically for professional services businesses. These reports include:

- **Billed and Unbilled Hours** - This report can be run by person or by project, and provides management with a good view of all billable hours as well as how long an employee has spent on a particular project.
- **Costs by Project** - Costs need to be looked at throughout the life of a project. Running the Costs by Project report allows you to see exactly how much you've spent to date, allowing you to make adjustments to your forecast mid-project when needed.
- **Project Costs Detail** - Still wondering exactly why your project has gone over budget? Run the Project Costs Detail report to see exactly how funds were spent.

- **Cost to Complete** - Not sure if you have enough in the budget to complete a project? Just run the Cost to Complete report, which displays both percentage complete and cost to complete, allowing you to make any adjustments before the job runs over budget.
- **Project Status** - One of the most important reports for management, the Project Status report provides a summary view of all projects in progress along with a guide that shows you whether the project is on track for on-time completion.

Payroll Processing - All QuickBooks Enterprise editions come with QuickBooks Enhanced Payroll, which allows you to pay both employees and contractors. Enhanced Payroll also includes both printed check capability as well as free direct deposit. For those that want additional help with payroll, a subscription to Assisted Payroll will take care of all payroll taxes including filing and payment.

QuickBooks Enterprise Professional Services also includes a custom chart of accounts, can monitor project progress, track unbilled time, and electronically invoice clients. Multi-level data permissions are available, so management can establish permission levels for multiple groups of employees, ensuring confidentiality throughout the life of the project.

In addition, you can prepare custom proposals for potential business, accept mobile and credit card payments from your clients, and even integrate with Salesforce CRM for better client and sales management. For those that require integration with outside e-commerce channels, an optional e-commerce integration add-on is available that offers seamless integration with online stores and marketplaces.

Like all QuickBooks products, QuickBooks Enterprise Professional Services is designed to work on a Windows platform and is not currently available for Mac systems. Available as an annual subscription, Intuit offers three versions of Enterprise:

1. **Gold** - The Gold version of QuickBooks Enterprise includes Advanced Reporting, access to QuickBooks Priority Circle, and QuickBooks Enhanced Payroll. The Gold version supports up to 30 system users and starts at \$1,489.50 for the first year.

2. **Platinum** - The Platinum version includes all Gold level features as well as Advanced Inventory for tracking inventory items, Advanced Pricing, and Bill Workflow Approvals. The Platinum version supports up to 30 system users with a subscription starting at \$1,831.50 for the first year.
3. **Diamond** - The most advanced version of QuickBooks Enterprise, the Diamond version can support up to 40 users and includes advanced features such as QuickBooks Time Elite, and the Salesforce CRM Connector. Diamond subscribers also have access to QuickBooks Desktop Assisted Payroll. The Diamond version of QuickBooks Enterprise starts at \$3,618 the first year.

All subscription levels include customer support, online data backup storage for all QuickBooks data, product upgrades, and training tools.

Is QuickBooks Enterprise Right for Your Business?

A great option for mid-sized and growing professional services businesses that are looking for a better way to manage project costs and billing, QuickBooks Enterprise Professional Services is an all-in-one application that you will not soon outgrow.

What's your goal today?

1. Use PLANERGY to manage purchasing and accounts payable

We've helped save billions of dollars for our clients through better spend management, process automation in purchasing and finance, and reducing financial risks. To discover how we can help grow your business:

- Read our case studies, client success stories, and testimonials.
- Visit our "Solutions" page to see the areas of your business we can help improve to see if we're a good fit for each other.
- Learn about us, and our long history of helping companies just like yours.

Book a Live Demo

2. Download our guide “Preparing Your AP Department For The Future”

Download a free copy of our guide to future proofing your accounts payable department. You’ll also be subscribed to our email newsletter and notified about new articles or if have something interesting to share.

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3. Learn best practices for purchasing, finance, and more

Browse hundreds of articles, containing an amazing number of useful tools, techniques, and best practices. Many readers tell us they would have paid consultants for the advice in these articles.

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