

Transco Shifts Financial Management Into High Gear With Sage Intacct

CASE STUDY

armanino 

At A Glance

Customer Profile:

Transco Inc. is a diversified industrial company operating through three principal business groups: Transco Railway Products, Transco Products Inc. and Advance Thermal Corp. Each business group operates independently with its own ERP system. The corporate finance department needed a way to automatically consolidate financial reporting across all entities. It turned to Sage Intacct and Armanino to achieve the visibility, consistency and efficiency it needed to drive business performance.

Software & Services

- Sage Intacct
- Armanino implementation, training and integration services

Benefits

- Reduces time to close the books by 4 days
- Eliminates manual consolidation and cumbersome reporting efforts
- Provides dashboards with real-time performance data for improved decision making

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-Kyle Hemenover

Challenge

Transco Inc., headquartered in Chicago, is a diversified industrial company encompassing three principal business groups that provide a broad range of products and services for the railroad, power generation, process and general manufacturing industries. Each business group operates autonomously, with its own enterprise resource planning (ERP) system for finance and operations. This enables each group to focus operations on its specific industry segment, and more importantly, to comply with the regulations for that industry.

To create corporation-level financial statements, the Transco corporate finance and accounting group first had to consolidate the data from the divisions and various organizations. Creating the actual reports meant relying on an older, difficult-to-use system running on an IBM AS/400 server.

“We had to employ a full-time consultant to help us get data into the system and create the reports,” explains Transco’s chief financial officer, Kyle Hemenover. “Instead of a fast, point-and-click type of application, it was based on using function keys to get anything done.”

It was the lack of easy access to all the data required for reporting and compliance that drove Hemenover and his team to seek out a new solution. “We simply didn’t have the visibility we needed into our day-to-day business performance,” he says. “Also, as our customers are becoming more technologically advanced, the metrics they require from us had begun to be much more difficult to obtain with our outdated system.”

Solution

After ruling out the option of introducing a new ERP system for the entire company and its divisions, Transco focused its research on identifying systems that would best fit the corporate finance department’s needs while being the least disruptive across the company. This meant finding a financial management solution that would work well with the disparate ERP systems already in place at the different divisions. That solution turned out to be Sage Intacct, a cloud-based financial management system that seamlessly integrates with Transco’s other systems.

Once the software was selected, Hemenover began looking for an integration partner. “I knew that we didn’t have the resources to do it on our own,” he says. He discovered Armanino LLP, an end-to-end Sage Intacct implementation, customization and integration consulting provider. The largest independent accounting and business consulting firm in California, Armanino is also Sage Intacct’s largest certified value-added reseller (VAR) partner for software, integration consulting and software consulting.

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-Kyle Hemenover

“I really liked the team’s approach,” says Hemenover. “Everyone from Armanino was very knowledgeable, and it was clear that they knew how to best deploy Sage Intacct for our business.”

Armanino implemented the new financial management system for Transco and integrated it with the company’s core systems. “The deployment went off without a hitch,” says Hemenover. “Our experience with Armanino was excellent.”

Armanino helped Hemenover and his team achieve the primary goals for the new system: to be able to consolidate all financial statements from all of the operating entities with the click of a button and to automate as many manual tasks—such as intercompany reconciliation—as possible. Throughout the deployment, Armanino also helped Transco review and revise remaining processes to make sure the proper controls were in place.

Results

It didn’t take long after the go-live of the new system for Hemenover and the rest of the corporate accounting team to start realizing the many benefits of Sage Intacct. Automation of previously manual tasks means that Transco can now close the books four days faster than before. Reporting is also faster, more flexible and easier to perform, enabling the corporate finance team to deliver insights on company performance at the touch of a button.

With clear visibility into its corporate-wide data, Transco can provide the details key stakeholders need to drive company performance. “With Sage Intacct, we’re able to look at margin on a customer-by-customer basis to give us deeper insight into where we’re making more money, whether that’s painting a railcar or repairing certain types of railcars. It helps us make better pricing decisions,” says Hemenover.

Presidents, vice presidents, and other operations stakeholders in the business groups within Transco have newfound access to their group’s financial performance data. “We’ve given operations people in the different entities access to the system and created dashboards for them,” says Hemenover. “Now they have at-a-glance views, whenever they need them, of what matters to them and their group.”

When it comes to reporting, Hemenover sums up his experience with just one word: “amazing.” From automatically consolidated reports to the ability to view granular details, Sage Intacct reporting and dashboards give Transco deep insight into its business. “The dimensional reporting in Sage Intacct gives us actionable data with the ability to drill down from a line item on a financial statement to a single invoice,” says Hemenover. “That was nearly impossible to do before.”

Next Steps

With the first phase of the corporate finance department's transformation complete, Hemenover envisions standardizing the budgeting and forecasting process in the next phase. To do that, Transco would implement a best-of-breed solution that works with its new financial management system.

"Now that we have all of our data in Sage Intacct, we can use it as a basis for more sophisticated financial planning and budgeting with a tool such as Adaptive Insights," he says. He plans to take advantage of Armanino's deep expertise in Adaptive Insights to help Transco deploy the solution.

About Armanino^{LLP}

Armanino provides an integrated set of accounting services—audit, tax, consulting and technology solutions—to a wide range of organizations operating both in the US and globally. You can count on Armanino to think strategically, to provide the sound insights that lead to positive action. We address not just your compliance issues, but your underlying business challenges, as well—assessing opportunities, weighing risks, and exploring the practical implications of both your short- and long-term decisions. When you work with us, we give you options that are fully aligned with your business strategy. If you need to do more with less, we will implement the technology to automate your business processes. If it's financial, we can show you proven benchmarks and best practices that can add value company-wide. If the issue is operational, we'll consult with your people about workflow efficiencies. If it's compliance, we'll ensure you meet the requirements and proactively plan to take full advantage of the changes at hand. At every stage in your company's lifecycle, we'll help you find the right balance of people, processes, and technology.

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