GOING
GLOBAL

How Agencies Can
Overcome Growing Pains
And Embrace Change

A whitepaper from AccountAbility Access

GOING GLOBAL

How agencies can overcome growing pains and embrace change

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Every day we're bombarded with messages - both from within our own organisations and the wider media - that place an absolute premium on business growth. It's almost impossible not to think this way, such are the expectations of shareholders, decision makers and managers across any business.

As an agency, let's say you're about to start servicing clients in different countries and also preparing to open new offices in these locations. That's good news right? Growth is great after all. Or is it? We'll get to that answer in a minute.

It's important to recognise these global expansions are no longer just the domain of large agency groups. Thanks largely to the internet's power and accessibility, there's been an explosion in the number of SME's doing business nationally and internationally.

In fact, a survey of 2,100 SME's by Oxford Economics concluded that:

"Globalization is a priority for SMEs across geographies and industries. In the coming years, small and mid-sized firms of all types and in every region expect to generate more international revenue and do business in more foreign markets than ever. If they are to succeed, however, they'll need to embrace transformation and innovate at the speed of business."

So how can agencies embrace transformation? The same agencies who are constantly being told to stay nimble, think laterally, to diversify their business, while still wowing their clients with spectacular, award-winning campaigns?

Firstly, not every agency has to open offices in different cities or countries to keep up. But often there's a tipping point when doing so becomes a necessity to service its clients and grow.

Opening an office in a different city - even if it's another city in the same country - presents a host of challenges such as staffing, real estate, equipment and regulatory requirements. Once an agency starts operating from multiple locations, another challenge is maintaining consistent business processes.

Implementing the right software to allow your agency to deal with these complexities is critical. A system that not only provides consistent processes across your finances and project management, but actually makes your agency a better place to work.

Increasingly we see even quite small agencies managing projects for their clients globally

CASE STUDY
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A CASE IN POINT:
How agencies confront multiple-location operations

Let's say a Sydney based agency has just opened an office in Tokyo. The Sydney office needs to produce financial statements in AUD, and the Tokyo office in Yen. So at a minimum their ERP finance system has to facilitate multiple "accounting currencies" in a single database.

Many systems simply don't do this, leading to a number of complex tasks being completed manually.

But there are further challenges to this cross-country scenario. For example:

→ The agency is working on a job for a global client that needs to be billed to the client out of the Tokyo office in USD, but will include Japan VAT.

→ There are staff from both Sydney and Tokyo office working on the job – so timesheets from both countries need to be recorded on the job.

→ A design firm in Australia is also helping out on the job. They'll invoice the agency for the job in AUD and the invoice will include Australian GST. This effectively means the Sydney office is owed money by the Tokyo office because it has incurred costs that will be billed out of Japan.

→ Then there's the small matter of language. The invoice to the client needs to be in Japanese. The Production Manager in Australia doesn't read Japanese and he or she needs to be able to see financial control reports on the job in English. Some of the Japanese staff don't read or speak English at all so they need to use a system that can display everything in Japanese.

So are multi-national agencies capable of dealing with these complexities? After all, many have been doing business across the globe for decades.

AccountAbility's own findings suggest no global agency groups are running a single financial management and project system across all of their operations. Global ERP solutions simply aren't designed with agencies in mind.

The inability of the big agency groups to implement a single global ERP solution hasn't been for a lack of trying or investment. In the last decade most large agency groups have embarked on ERP solutions from the likes of Microsoft, Oracle or SAP. The results of these implementations range from partial success to costly disaster. Why is that?

→ **Cost**
Many 'global agency system' projects are based on high-end ERP solutions. This might be a realistic cost for large offices in New York or London, but try telling the MD of a 50 staff agency in Malaysia he or she needs to find a million dollars to install the global ERP system head office has mandated.

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Going global

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A GLOBAL PARTNER

Functionality
Global ERP solutions generally come from a manufacturing or retail pedigree. They don't, at least out of the box, do what agencies need them to do in terms of job management, the media side of the agency, nor doing business in multiple currencies or languages.

Technology
Most of them are not built on true, modern cloud technology. As such, they're incredibly expensive (or impossible) to implement in a way that they can easily be accessed from multiple locations. The vast majority of legacy systems started life as single market or single region solutions.

In the end, if your software partner can't adapt, how can you?

Ultimately the answers to these problems will be vertical market solutions built specifically for agencies, enabling them to embrace expansion plans and future-proof their operations. They won't come from the legacy agency-specific system vendors though - they have too much invested in old technology solutions designed for specific markets.

A true solution will come from nimble vendors who deliver industry specific systems based on modern cloud based technology. This technology will provide specific B2B participation and connectivity, which we see as absolutely pivotal in agencies remaining competitive and developing new revenue streams.

Undoubtedly these are all complex problems, but they are equally solvable with the right solution partner. At AccountAbility, the challenges of multiple currencies and languages were a fundamental consideration when we started designing our product.

Via our modern technology architecture, agencies also have better performance, speed and security across their operations. Plus we have the flexibility to build new capabilities into the system as an agency evolves.

By deploying the same project and financial management system in all offices, a host of benefits can be unleashed:

Collaboration
Easily finding and sharing information on a single job which is updated in real time makes teamwork across offices possible

Sharing Back-Office Services
Having access to any agency's complete financial and project data in one location allows for the centralizing of back-office operations

Consistency
Business functions are able to be repeated across an entire agency, reducing individual, ad-hoc practices

Access to consolidated data
One database for all offices delivers a 'single source of truth', providing a complete overview of an agency's performance to drive decision making

FUTURE PROOFED

Our belief is that any strategic vision must include system innovation as a priority.

This mean it's more than just a software implementation project - it's an opportunity for agencies to optimise their entire business. And it's why all our clients are ready for the future, today.

Your All In One Agency Solution: AccountAbility's Key Facts & Figures

25 COUNTRIES
using AccountAbility's solution

150 UPDATES
over last 3 years

50,000 HOURS
of software development

200 COMBINED YEARS
of agency experience on our team

Want a quick check of your current solution's performance? Click here

To find out how we can help your agency achieve system integration, contact us at info@accountabilityaccess.com