Multi-Entity Management

CASE STUDY

Upgrading their ERP system saved the Starboard Group over $38,000 per year

Company overview

The Starboard Group is a leader in the franchise industry ranked among the top 100 franchisees in the United States. They currently operate over 182 Wendy's restaurants in the Alabama, Florida, Illinois, Michigan, Missouri, New Jersey, Pennsylvania, Virginia, and Wisconsin markets.

Identifying complexities

When the Starboard Group first began using Microsoft Dynamics in 2009, it only operated a fraction of the restaurants that it owns today. As they scaled, it became clear that this ERP was not enough to meet the company's growing demands. Giovanni Lima, CFO at the Starboard Group, needed a new solution to implement Starboard's three-year strategic plan effectively.

> "I knew that with our company's aggressive growth targets over the next few years, we would desperately need a better solution. We just needed a stable and scalable platform for growth without having to re-invent the entire system. The overhead and inefficiencies of managing over 30 databases separately was onerous and just not scalable to our business model."

Running a small team of high-performing individuals gives Starboard a competitive edge. Therefore, ensuring the team does not get bogged down with system or application limitation is a priority. This is consistent with Starboard's decision to scale down to then properly scale up.

The challenges

- **Processing data across multiple entities was time-consuming.**

- **Too many databases to manage effectively.**

- **Unable to ensure that vendor data was correct across all databases.**

- **Difficult to see company performance across all entities.**

- **Problems with adding new restaurants during high acquisition periods.**

- **Lack of consolidated reporting.**

- **Unable to manage intercompany transactions and keep a consistent master record.**

The solution

To hit its ambitious annual growth targets of 200-300%, Starboard Group implemented Multi-Entity Management (MEM). Switching to MEM eliminated productivity issues and streamlined intercompany processes. They consolidated their operations in a scalable manner, giving them a centralized system for payables and receivables. As a result, the company is now more efficient with its available resources.

Benefits of MEM for the Starboard Group

Simplified accounting processes by sharing a single master record across all legal entities with both company and user-level security.

Streamlined intercompany transactions, including payments, receipts, payroll, invoicing, and purchase orders.

Created consolidated real-time reports across all business entities for faster month-end, and year-end closes.

Reduced intercompany accounting overhead by managing multiple entities' transactional tasks such as cash receipt and payment journal entries.

Eased performance of maintenance tasks such as backups, system upgrades and the addition of new entities.

Gained comprehensive information about the well-being of the entire organization to make better business decisions.

"Being able to easily access and pull reports across all companies and entities within a database enables us to plan for growth and achieve profitability targets more effectively."

Giovanni Lima, CFO

The results

$8,100
annual savings on Accounts Payable processing

Eliminating the need to switch between company databases saved time and money.

$38,437
average annual savings

Streamlining processes has led to significant cost reductions.

$20,625
annual savings on regular processing

Streamlined processing of accruals, portfolio analysis, consolidations, and more.

$481
savings on each new company or entity acquired

Efficient integration processes led to cost savings for every acquisition.

$9,231
annual savings on reporting

Improved efficiency led to substantial savings in reporting costs.

Accelerate your growth with Multi-Entity Management