Multi-Entity Management

CASE STUDY

One company's seamless migration of multiple entities to the cloud with Dynamics 365 BC

Company overview

The Little Rock Convention & Visitors Bureau (LRCVB) stands as the official destination marketing organization for the City of Little Rock, Arkansas. Their primary mission is to market and position the city as a premier destination for meetings, sports events, and leisure travel. What sets LRCVB apart is their dual role in both marketing and operations, managing key facilities, including the Statehouse Convention Center, Robinson Center, River Market, and various parking facilities. This unique combination of marketing and operational expertise distinguishes LRCVB within the realm of destination marketing organizations, allowing them to not only promote Little Rock but also oversee and enhance the practical aspects of the city's attractions and amenities.

The problem

In the wake of the COVID-19 pandemic, LRCVB encountered a critical need to enhance their services and streamline operations. This imperative was underscored by the necessity to transition from on-premise accounting to a cloud-based solution so they could work safely from home. This strategic shift prompted a migration from Dynamics GP (GP) to Dynamics 365 BC (D365 BC), signifying a pivotal transition for the organization. They wanted to facilitate a seamless shift while also identifying a solution that could accommodate their evolving needs, including a flexible work-from-home policy. Essential to their discussions with consultants was the aspiration to consolidate financial processes across diverse entities, a move intended to improve intercompany transactions and enhance vendor relations.

> "We oversee several entities and, within the GP environment, each of these legal entities essentially operated as an independent company in the software. This resulted in the need to generate individual invoices for each entity when a customer had multiple billings. Additionally, we required customers to make separate payments, often necessitating extensive and frustrating maneuvering of funds on the backend—shifting money from one 'pocket' to another—to maintain financial equilibrium and process revenue and cash receipts."
>
> Chris Phillips, CFO of Little Rock Convention &Visitors Bureau (LRCVB)

The challenges

■ **Managing separate financial books for various assets**

LRCVB oversees several assets for the City of Little Rock, each with its own distinct financial records. This necessitates a method to efficiently maintain and manage these separate books, including those for the Robinson Center, parking garages, and the River Market.

■ **Complex billing and invoicing for clients utilizing multiple services**

Catering to clients accessing services from different entities requires intricate billing and invoicing processes. For example, convention attendees may utilize services from various entities such as parking, meeting spaces, and event spaces. These transactions flow through different legal entities, adding complexity to the billing process.

- **Consolidating billing from multiple entities was often difficult**

  LRCVB aims to streamline the invoicing process by consolidating billing from various entities into a single, easily comprehensible invoice for the customer. This approach reduces confusion and frustration for clients, making it simpler for them to make payments.

- **Integration with Dynamics 365 Business Central**

  With the transition from GP to D365 BC, LRCVB required a solution that seamlessly integrated with this new financial platform, supporting their operational needs effectively.

- **Expense allocation for shared suppliers was tricky**

  Allocating expenses for shared suppliers or vendors across different entities proved to be a complex task. Segregating expenses for items like paper products for restrooms created challenges, resulting in the loss of potential bulk purchasing discounts.

- **Inefficient setup of new entities could take up to two days**

  Setting up new entities sometimes took up to two days in the system and was a timeconsuming process. This inefficiency prompted a search for a solution that would expedite this procedure and improve overall operational efficiency.

"I truly appreciate the ease of incorporating a new entity. While I may not personally utilize the software as extensively as my team, this is an area where I see direct benefit. Setting up a new legal entity, especially when the city introduces new assets or assigns us to various projects, has become a quick and straightforward process. Establishing related bank accounts and entities is now a breeze, a stark improvement from the previous timeframe of a couple of days for setup."

Chris Phillips, CFO of Little Rock Convention & Visitors Bureau (LRCVB)

The solution

During their migration, LRCVB collaborated closely with a consultant, sharing the challenges they had encountered with Microsoft GP.

It was the consultant who introduced Binary Stream's Multi-Entity Management (MEM) as a potential solution to address these concerns and enhance their accounting processes. Despite initial reservations about adopting an add-on, they agreed to a demo and were immediately convinced of the solution's ability to provide significant time and efficiency savings. Impressed by the demonstrated benefits and process automation capabilities, LRCVB decided to proceed with MEM.

The benefits

Streamlined invoicing and payment process

MEM enabled LRCVB to consolidate billing from various entities, allowing customers to receive one comprehensible invoice and make a single payment. This simplified the process and enhanced efficiency in financial transactions.

Centralized accounts payable function

Previously, multiple checks were required each week for separate companies, resulting in increased overhead. MEM facilitated the centralization of accounts payable, reducing the number of checks and streamlining vendor payments.

Improved vendor and customer relations

Suppliers found it easier to manage accounts as ordering and payment processes were optimized. Customers appreciated receiving consolidated invoices, eliminating the need to manage multiple invoices for various aspects of their events or meetings.

Savings in time and effort

Implementation of MEM led to significant time and effort savings, particularly in accounts payable and receivable functions. This automation resulted in smoother operations and reduced administrative burden.

Effortless addition of new entities

MEM simplified the process of adding new legal entities, allowing for quick and easy setup of related bank accounts and entities within D365 BC. This efficiency was a substantial improvement from the previous setup process.

Enhanced security measures

LRCVB implemented various security measures within Microsoft Business Central and Microsoft 365 platforms, including multifactor authentication and specialized backups. This ensured robust protection against potential cybersecurity threats.

Resilience during uncertain times

The adoption of MEM and cloud-based tools provided resilience during the COVID-19 pandemic. LRCVB efficiently managed operations with a downsized accounting staff working from home, demonstrating the adaptability and effectiveness of the solution.

"Considering our status as a government entity, the significance of well-defined processes has become evident driven by our responsibility to stakeholders and citizens. I've gleaned a valuable lesson—rather than trying to force the software to conform to our existing processes, it's crucial to tailor the processes to harness the full potential of the software's capabilities. This entails a thorough examination of standard operating procedures and policies, even necessitating adjustments to current policies with the board's approval to ensure coherence. While we could have retained certain policies and processes, it would have come at the expense of functionality and efficiency"

Chris Phillips, CFO of Little Rock Convention & Visitors Bureau (LRCVB)

The results

100%
embeddedwithin D365 BC.

2 days+
saved per entity added.

advanced security features.
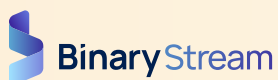
Seamless migration from on-premise to cloud.

improved vendor relations.

better customer experience.

Accelerate your growth with Multi-Entity Management