



Practice Management

innovative • functionally rich • technically advanced

“I am confident the Star Practice Management system will continue to pay for itself many times over.”

Nicos Nicolaides, Managing Partner, Abacus



An in-depth Case Study

Star Practice Management has a range of business intelligence and reporting tools designed to ensure immediate access to key information, and where possible, automation of pre-defined reports.

Back in 2001 PwC set about withdrawing from certain client work in a number of jurisdictions due to conflicts arising from Sarbanes-Oxley legislation – and in Cyprus, Nicos Nicolaides and two fellow PwC partners seized on the unique opportunity this created.

With the blessing of PwC, they were able to acquire a well-established business, with a strong client base and healthy revenue stream, to create Abacus. They sealed the deal by stepping down as partners in PwC, giving up their stake in the firm and settling the balance of the valuation of the business with a cash payment. They also took on a number of the existing staff while PwC agreed to provide practice management services, internal accounting support and IT maintenance to help smooth transition to the new firm.

Everybody benefited. PwC complied with Sarbanes-Oxley; it was pretty much business as usual for the partners and staff, albeit under a new name; and the delivery of high quality client services through Abacus continued without interruption.

Now with offices in Nicosia and Limassol, Abacus is a leading independent professional services firm in Cyprus.

The sub-contracted support agreement served Abacus well until the middle of 2003 when PwC said it would be ending the arrangement and that Abacus would have to take its accounting and IT in-house. The solution was to move to a new Microsoft Nav financial accounting system, employ some of PwC's IT people direct and bring the existing practice management system in-house.

“That suited us for the next three to four years but the practice management system was beginning to show its age. The system was developed in the 1990s and technology had moved on considerably – as had our expectations of what an up-to-date application could do to support the continued growth and profitability of the firm. It was time to review alternatives,” Nicos Nicolaides, Managing Partner of Abacus explained.

Nicos insists that he is not an IT expert but he appreciates the issues that have

to be addressed when deploying technology for business benefit. Before Abacus, he was the Senior Partner in charge of PwC's management consulting services division on Cyprus and also served as CEO of a software house owned by PwC – experience which was very useful during the review process.

“In 2009 we set up an internal project team which included our IT manager and a line partner, and also engaged Nicosia-based IT consulting firm Exelsys, to prepare a statement of requirements and research potential suppliers. The contribution of Kyriacos Fiakkas, the Managing Director of Exelsys, was especially valuable as he had worked on the development of the existing practice management software and had also maintained and supported the system. Kyriacos knew the firm, our people, how we operated and what we needed from a replacement system. He was the ideal person to advise us,” Nicos said.

“The Star response to the statement of requirements was professional and comprehensive,” Kyriacos recalled. “An initial demonstration over the web

confirmed that the Star Practice Management software should be shortlisted – and we followed up with a visit to Star’s offices in the UK where we spent a day going through the system in detail. We discussed with their consultants how they would implement the application, drawing on installations in similar firms.”

“From the moment we saw the statement of requirements we knew that the Star software would be a perfect match,” says Ian Thompson, a Senior Manager at Star, “We have tremendous experience of working with professional services firms around the world. With Abacus, the key challenges we knew we should focus on were a good data conversion from the legacy system and integrating Star Practice Management with the firm’s Microsoft Dynamics NAV finance system as well as their own very impressive HR application, which is also Microsoft SQL based. Star is a long-term Dynamics NAV reseller and has a ready-made NAV interface with its Practice Management system, so Star consultants were very well placed to work alongside Exelsys’ consultants to provide a total solution.”

Nicos commented that the team felt very comfortable that they had chosen the right partner in Star: “There was considerable synergy between what Abacus wanted and what Star offered. Also, our work ethics are very similar, which is very relevant when delivering a large and important project. We anticipated that the Star system would

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Nicos Nicolaides, Managing Partner



help increase our competitive edge through higher levels of efficiency and better access to management information – and in my view that has proven to be the case.”

Abacus is proud of its professional standing and of the fact that it delivers a range and quality of services equal to those of the large international practices – but without the constraints associated with traditional networks. Raising corporate statutory compliance standards, fulfilling accounting obligations, dealing with tax compliance issues, carrying out payroll functions and other related activities – accurately, objectively and with integrity – is at the heart of the business.

“The IT tools and software we have adopted underpin our ability to deliver first-class professional services,” Nicos added. “Abacus believes very much in the application of appropriate information technology to help run our business better. We sell time and if we save just a 15 minute unit, or even better an hour, that is equivalent to money coming into the practice. We spare no expense in the drive to become more efficient. And better

efficiency means less day-to-day administration which in turn frees up time that can be spent on servicing clients and building the business.”

Star’s modular approach allows users to focus on those parts of the Practice Management System that are most important to them. At the heart of the system is its powerful time and billing software which links seamlessly to workflow processes, staff resource planning and management, CRM, and business intelligence and reporting tools.

The CRM module helps Abacus manage client and contact relationships, exploit new revenue opportunities and run effective marketing initiatives. And user definable forms – usually found only in high-end ERP solutions – give great flexibility and control over data capture and presentation, providing strict security while underpinning compliance in the key areas of client, job, staff and contact data. This means Abacus can hold a substantial amount of information about companies, clients and engagements in a single location, and importantly, that it can trust the content.



we had to issue every bill due during that period before posting them – and it took an average of three weeks after closing the quarter to complete. Now that we do this in real-time, the process has been speeded up significantly. Time and expenses are entered into the timesheet system online and the billing cycle is finished five calendar days or less after the end of the quarter. Being able to bill two weeks earlier has a positive impact on cash flow and we estimate this saves around €50,000 a year in interest charges. Also, the system is easier and faster to use, so partners and managers can use the time saved to get on with servicing clients and earning more income.”

In addition, the immediacy and quality of management reporting has improved. Abacus has around 150 staff spread across six operational groups, each with its own budget, split into quarters. Performance is tracked through a number of KPIs, such as how much is being billed and profitability, by client and accumulatively across divisions. The information is taken from the online Star Practice Management dashboard, which also updates in real-time, and is fed into a confidential Excel spreadsheet for review. “A complete set of Management Reports could take three or four weeks after quarter end to appear”, says Nicos, “but now, with Star, they

become available for review within just a few days.”

Efficiencies found by bringing together what had been three disparate systems have been significant. New staff and changes to staff details are made in the HR application and automatically inserted into the staff records within Star. Supplier invoices with rechargeable expense items are passed from Accounts Payable in NAV directly into Star. Staff expenses are passed across into Accounts Payable for reimbursement whilst period end financials pass from Star straight into the NAV General Ledger. All of this saves hours of manual effort and eliminates the risk of errors being introduced through re-keying.

“The beneficial impact of Star across the business has been dramatic,” Nicos says, “and substantiates the firm’s attitude to information technology. I don’t have much technical interest in hardware and equipment but I am interested in the business outcome. We are always very willing to look at new technology – we were quick to use BlackBerrys and iPads, for example – on the basis that even if a partner approves just one bill from home, the payback on investment in IT starts to be measured in weeks. I am confident the Star Practice Management system will continue to pay for itself many times over.”

Star Practice Management has a range of business intelligence and reporting tools designed to ensure immediate access to key information, and where possible, automation of pre-defined reports. The Star ‘Dashboard’ – a powerful yet easy to use web-based business information tool – enables partners, managers and authorised staff to interrogate any information in the underlying database and present it in a visual way that is highly intuitive and helpful to the end user.

Commenting on the contrast between the old and the new systems, Nicos said “We invoice clients on a quarterly basis. With the old batch processing system

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STAR
The Professionals' Choice

UK
Star Professional Software Solutions Limited
Star Centre
Building 3 Hatters Lane
Croxley Green Business Park
Watford WD18 8YG
Tel: +44 (0) 1923 246414
pminfo@starplc.com

IRELAND
Star Professional Software Solutions Limited
Carmichael House
60 Lower Baggot Street
Dublin 2
Republic of Ireland
Tel: +353 (1) 661 3030
pminfo@starplc.com

USA
Star Americas Software Solutions LLC
O'Hare Triangle Plaza
8770 W Bryn Mawr
Suite 1300
Chicago, IL 60631
Tel: +1 (773) 867 8343
pminfo@starplc.com