

The Cloud Recipe for Restaurant Franchisee Success

StarCorp

Challenges

The Cloud Recipe for Restaurant Franchisee Success

Time is money in the restaurant industry. Revenue and customer loyalty rise when an eatery can quickly serve its diners quality food. The same “time is money” principle applies to financial management at a multi-store restaurant franchisee such as StarCorp, which runs Carl’s Jr. and Hardee’s restaurants in Arizona, Texas and across the Midwest.

With QuickBooks and Excel, the Phoenix-based StarCorp had ample room to improve its financial management efficiency. A lack of consolidation capabilities in QuickBooks meant that the accounting team had to manually reconcile financials for each of its 144 locations. “QuickBooks was just too time-consuming between the different restaurants to have to go through and deal with a set of books for each restaurant,” said StarCorp Controller Cesar Elizondo. “Financial reporting could take a long time, just exporting everything out individually from QuickBooks into Excel.”

The limitations of entry-level software were also seen in payroll. Employees spent needless hours each pay period keying data manually from QuickBooks into the payroll system, “and obviously the more you key in data, the more likely it is you’re going to have errors,” as Elizondo noted. As a young company with strategic growth objectives, StarCorp recognized the need for a modern cloud accounting environment that could improve speed, heighten visibility and scale with business expansion.

Solutions

Groundbreaking Improvements in Business Management

Elizondo had worked with Sage Intacct at a previous employer, and was impressed by the rich functionality and ease of use that the solution offered. StarCorp upper management agreed, and especially appreciated the anytime, anywhere access and real-time data and reporting possible with Sage Intacct. “When we saw the capability of cloud-based management and being able to see the results right away, that’s what really sold us on going with Sage Intacct,” Elizondo said. “We didn’t really look at any other solutions.”

With Sage Intacct live, StarCorp has seen groundbreaking improvements in how it manages the business. Rather than manual bank reconciliations for each of its 144 stores once a month, it now does a single daily reconciliation that covers all the stores with Sage Intacct automation, saving nearly 20 hours a month. The accounting team is saving eight hours per pay period on payroll, as data is automatically exported from payroll into Sage Intacct with no manual work needed. Time spent managing vendor bills has been cut from four hours a week to 15 minutes, and StarCorp is saving another 90 minutes a month with recurring bills.



Company Overview

StarCorp is a successful franchisee of CKE Restaurants Holdings Inc., the parent company of the Carl’s Jr., Hardee’s, Green Burrito and Red Burrito fast food restaurant brands. Based in Phoenix, Ariz., StarCorp operates 144 Carl’s Jr. and Hardee’s restaurants in Arizona, Texas and the Midwest, with plans to open additional eateries in the near future.

Executive Summary

Previous Software:

- QuickBooks , Excel

Results with Sage Intacct:

- 144 bank reconciliations monthly now run as one daily reconciliation
- Eliminated 20 hours a month of bank reconciliations work
- Saving eight hours per period payroll processes
- Improved decision-making with real-time data

THE CLOUD RECIPE FOR RESTAURANT FRANCHISEE SUCCESS

In all, Elizondo estimates that StarCorp has avoided the costs of two full-time personnel who otherwise would be needed. "We've been a lot more productive since we made the switch to Sage Intacct," Elizondo said. "It's really helping my job out as well because I don't have to be so much involved in the smaller transactional stuff and can see the bigger picture."

Results

Better Insights to Manage Costs and Drive Growth

More efficient accounting has freed time for reporting and analytics, leading to greater transparency and informed decisions. For example, management has much better insights into labor and overtime costs across its eateries and can adapt accordingly. StarCorp uses Sage Intacct dimensions to break out in-store maintenance by urgent and lower-priority items, with a scheduled weekly report delivering visibility into costs vs. budget. Cash management is streamlined as well with a forward-looking view at financials, not the rear view mirror look of the past. "Before, we were putting a lot of things in a spreadsheet and not really forecasting," Elizondo said. "Sage Intacct has really helped upper management see where the money's going out."

Reporting in Sage Intacct also supports data-driven decisions on whether to keep a restaurant open as the end of its lease approaches, and whether to expand into a given area with a new restaurant. As Elizondo put it, "The benefits from Sage Intacct have been the real-time data being instantaneous so that we can get the information that we need, and improving workflow processes so you're not bogged down by day-to-day stuff."

With new business ventures in StarCorp's pipeline, Elizondo is confident that the company has the ideal platform for seamless growth. The speed and ease of establishing new entities in Sage Intacct allows StarCorp to accelerate time to value, without the cost and complexity that would have needed in the QuickBooks days. "As we continue to grow, I definitely think Intacct has all the capability that we need, not only for our line of business but for the other business ventures we might be pursuing," he said. "The system just works."

“The benefits from Sage Intacct have been the real-time data being instantaneous so that we can get the information that we need, and improving workflow processes so you're not bogged down by day-to-day stuff.”



Cesar Elizondo,
Controller,
StarCorp

sage Intacct

 www.sageintacct.com

300 Park Ave #1400
San Jose, CA 95110

 877-437-7765



AICPA

Business Solutions

Preferred Provider of Financial Applications