

## | case study |



# A Key Decision Making Tool for Kinetic

“The Topaz solution is a very powerful tool providing financial management as well as having the ability to support decision making on business goals. It supports our needs for fast access to management information on our customers as well as internal cost and financial management. In line with our performance management systems it aids us to make informed strategic decisions about the direction in which the business is going”  
Neil Smith, managing director, Kinetic

The UK recruitment industry is intensely competitive. Squeezed between large managed service providers on the one hand and low-cost start-ups on the other, many established recruitment agencies must fight hard to maintain their success. One company that appears to be winning the battle is Kinetic plc, which counts the Topaz financial system as one of its key competitive weapons.

Kinetic specialises in the provision of flexible workforce management, HR and permanent recruitment services. Under the former heading, it supplies skilled and semi-skilled personnel to industrial and engineering companies, whilst its permanent recruitment services focus on the supply of skilled staff and managers to specific manufacturing sectors such as aerospace and pharmaceuticals. Kinetic HR provides payroll and HR outsource services to a growing number of customers.

Kinetic headquarters is based in Manchester with other offices across the UK. Until recently, it used a financial system that was not designed for management reporting and could not be integrated with other packages. To remain competitive, it needed to identify a replacement that added more than just the production of the financials.

### Reporting and integration

Kinetic chose Topaz Financials, which offered sophisticated reporting capabilities and seamless integration with Kinetic's SaPHuR Tempest pay and bill system. With assistance from Topaz, the implementation was completed smoothly and successfully on time !!!



## Company

- Kinetic plc

## Business

- Recruitment

## Software solution

- Topaz Financials

## Benefits

- Greatly improved reporting capabilities
- Better availability of management information
- Support for strategic decision-making
- Enhanced customer service
- More streamlined processes
- Major time and cost savings

"We were very impressed by the level of commitment shown by Topaz's people," said management accountant Neil Betton. "It only took three months to implement the system, including the SaPHuR Tempest link. I have known comparable installations take as long as a year and still not provide the level of functionality required"

Kinetic installed the Sales Ledger, Purchase Ledger, Nominal (General) Ledger and Cashbook modules of Topaz Financials. In addition, Topaz helped Kinetic to develop a sales analysis application that is integrated with Topaz Financials. This Excel-based application uses financial information in conjunction with data from half a million timesheets to query and report on a wide variety of parameters related to sales and profitability. Every week, the sales analysis file is updated with information relating to 1,500 new timesheets, imported from the payroll.

### Powerful solution

Topaz Financials has provided Kinetic with major benefits in two main areas: management information and cost reduction. In Betton's view, Topaz Financials and the sales analysis application together provide exceptional capabilities for manipulating and analysing data.

"Each week, I can provide a breakdown of sales and profits by region, by client, by industry sector or by branch. In fact, I have never failed to fulfil a request for information, even when people have asked me for large reports comparing data over long periods," he said.

Information from Topaz Financials is fed into the company's balanced scorecard, where it is used for performance management. According to Betton, people are much more aware of the financial position of the business since the Topaz solution was installed. Kinetic's managing director, Neil Smith, concurs.

"The Topaz solution is a very powerful one and supports our needs for fast access to management information. In conjunction with our balanced scorecard (PMS) it enables us to make informed strategic decisions about the direction in which the business should evolve," he commented.

The system's management reporting capabilities are important for Kinetic's customers too. Customers are supplied with a variety of reports that enable them to better manage their own operating costs. Furthermore, Kinetic can easily consolidate data to provide customers with a single accurate online invoice rather than separate invoices for each person they engage. This, claims Smith, has significantly enhanced customer satisfaction.

### Major cost savings

Topaz Financials has also streamlined Kinetic's internal processes and saved the company a great deal of time. For example, nominal journals can be loaded directly from spreadsheets without any need to re-enter data, while a week's cashbook can now be reconciled in an hour rather than a day. According to Betton, the company's monthly management accounts are ready a week earlier than they were in pre-Topaz days.

"By saving time, we save ourselves a lot of money," commented Betton. "Also, financial staff have more time to work on strategic issues such as the performance management system rather than spending all their time processing transactions."

Betton is particularly impressed by the Sales Ledger module, whose event recording and workflow functions provide effective support for the company's credit controllers. In fact, Smith estimates that Topaz Financials has reduced the average settlement period for debtors by one to two days, boosting cash flow by some £180,000. This achievement is all the more notable because, in the industry as a whole, customers are demanding ever increasing levels of credit. Other savings include the halving of support costs compared to the old financial system.

Kinetic Technical, a subsidiary of Kinetic, is now planning to implement the same financial solution. This company's rapid growth has led to a pressing need for more management information. Since it also uses SaPHuR Tempest, Topaz Financials represents the ideal solution for its needs. ■