



# Drive revenue growth, improve margins & deliver on your promises

A guide to cloud automation for Professional Services and Embedded Service organisations

# 1 Why should we move to a cloud-based Professional Services Automation (PSA) solution?

There are several compelling business reasons to manage Professional Services in the cloud.

**SPREADSHEETS DON'T SCALE.** It's impossible to grow a business as complex as Professional Services with spreadsheets and homegrown applications. You need real-time, accurate data to make both day-to-day and long-term, strategic decisions that will make or break your business.

**CHANGE HAPPENS.** Whether you're acquiring another company, looking to be acquired, or anticipating a business transformation, you need a platform that can support change. Not only does a cloud-based PSA's subscription model easily scale with your growth it can be quickly and easily deployed to a new entity.

**BIGGER TEAM, GREATER NEEDS.** Your team is growing and so are the complexities of managing it. It's time to graduate to a solution that has key features like resource management, mobile access, advanced analytics, billing and revenue management.

**GROWING GLOBAL.** As your company expands, you need a PSA solution that can scale to handle more resources, more currencies, more projects, and more than one delivery focus. Equally important, you want a system that can keep growing with you—so you don't have to replace it every few years.

**BOTTOM-LINE SAVINGS.** Deploying or expanding an on-premises system requires major capital outlays for software, hardware, and infrastructure, plus IT overhead for ongoing operations and maintenance. A cloud-based PSA solution replaces all these expenses with a single, affordable subscription, making it the most cost-efficient system to own and run.

## 2 What are today's must-have features in a cloud PSA solution?

- Seamless integration with the CRM allowing Sales and Services to work together resulting in selling deals at a higher rate and with better scope
- Resource management giving complete visibility into demand and capacity at every level by role and skill
- Manage Billings, Revenue Forecasts and Revenue Recognition in one place
- Collaborative platform allowing you to work side by side with clients and partners
- Exceptional workflow to ensure all time is being entered correctly eliminating revenue leakage
- Mobility allowing your resources to do their job from anywhere
- Customisable dashboards with an unlimited number of dimensions for reporting, analysis, and modeling
- Platform extensibility beyond Professional Services, to Finance and Human Capital Management (HCM), and other key business functions
- Availability of hundreds of fully compatible commercial applications from leading cloud vendors
- Strictly adhere's to key revenue recognition standards (ASC 606 & IFRS 15)

### 3 What kind of cloud-based solution should we choose?

Clouds come in three typical varieties, and they're not all created equal:

**HOSTED SINGLE TENANT.** This model is also known as hosted software-as-a-service (SaaS), or single-tenant SaaS. It means that the vendor houses (or hosts) your PSA solution on its own servers, in its own data centre, or on hardware belonging to a third-party supplier they work with. You have your own private "instance" (or copy) of the software and related data, running on hardware dedicated to your company alone. In technical terms, you're a "single tenant."

**MULTI-TENANT SAAS.** Also known as public cloud, this is a vendor-hosted option in which a single software instance serves all customers. Your company's information is separated from everyone else's. Security is airtight: your data is protected by industry best practice security controls. In fact, on a mature, multi-tenant platform such as Salesforce App Cloud, security is even better than on physically separate servers.

**PRIVATE CLOUD.** In this model, you buy and own the software solution and run it yourself in a "cloud-like" environment that only your company can access. Instead of residing on servers at your physical site, the software runs on cloud infrastructure that you lease from a third party—for example, a service like Amazon Web Services or Microsoft Azure.

## 4 Which type of cloud solution is the easiest and most affordable to run?

As we've already covered, cloud models are not all created equal—especially when it comes to cost and complexity. This chart illuminates the differences at a glance:

	HOSTED SINGLE-TENANT	MULTI-TENANT SAAS	PRIVATE CLOUD
Do we have to buy hardware, software, and infrastructure?	No	No	Yes
Who handles maintenance?	The vendor	The vendor	Your responsibility
Who handles security?	The vendor	The vendor	Your responsibility
Is the system easy to customize to your needs?	No	Yes	Sometimes
Does the system scale quickly and easily?	No	Yes	Sometimes
What is the cost model?	Subscription-based	Subscription-based	Software purchase plus hardware subscription
Are there any cost inflators?	Yes: <ul style="list-style-type: none"><li>• High cost for renting dedicated servers</li><li>• integrating extras you may need</li><li>• Added security</li><li>• Customizations</li></ul>	No: <ul style="list-style-type: none"><li>• One all-inclusive, affordable subscription</li></ul>	Yes: <ul style="list-style-type: none"><li>• Front-end software purchase</li><li>• Cyber-security</li><li>• Customizations</li><li>• Software maintenance</li></ul>
Are software updates automatic and cost-free?	No	Yes	No

**MULTI-TENANT SAAS** is generally the simplest, safest, and most cost-effective option. There's nothing to purchase or install because the vendor operates, secures, and maintains everything. System customisation and extension are quick and easy, and updates are automatic and painless—you're always using the most current software version. In short, someone else handles IT so you can focus on running your business.

## 5 What capabilities should we look for in a cloud platform?

It's important to consider the capabilities built into the cloud infrastructure itself. Each vendor platform comes with different features, and these, too, are not created equal. Here's a handy checklist of must-have capabilities:

**ROBUST SECURITY.** Opt for a platform that protects your critical data from theft or compromise. Look for multi-level security, failover data centres, and automated backup and recovery.

**MOBILITY.** In this era of "bring your own device," your PSA solution needs to work smoothly on whatever smartphone or tablet employees prefer when working somewhere other than the office. This is particularly important for Professional Services companies, since your services team is usually working in the field.

**EASY CUSTOMISATION.** Your cloud platform should offer tools that let non-IT users tailor applications to your company's needs.

**SOCIAL COLLABORATION.** Productivity soars when work teams can communicate and share information right from the page they're on, rather than having to shift back and forth between systems.

**LARGE ECOSYSTEM.** No app should be an island. When you choose a cloud platform that lots of vendors have built on, you gain a ready-made universe of complementary business apps that work seamlessly with yours. This eliminates the kind of integration hassles it hurts to think about.

**PARTNER AND CLIENT COLLABORATION.** The days of project communication being a one-way street from vendor to client are over. In today's world, clients and partners need to be with you every step of the way. Share what you want with clients and partners from your PSA solution without hiring another person to manage another tool.

## 5 What capabilities should we look for in a cloud platform? CONTINUED...

Let's make things more concrete with an example: **Salesforce App Cloud**, the foundation of Salesforce's multi-tenant cloud (see multi-tenant SaaS above), ranks among the largest and most mature cloud platforms in the world, serving millions of users for over 16 years and counting.

- Security-wise, Salesforce App Cloud has all the safeguards listed above, plus audited compliance with high-level certifications including ISO 27001 and SSAE16.
- The platform provides a modern user interface for tablets and smartphones. Users get a consistent experience across devices, with data that's always up to date.
- Apps built on the Salesforce App Cloud platform can be quickly and easily tailored or extended with clicks, not code. No more waiting for IT to get through their own backlog of projects. Instead, non-technical users and admins can customise the system themselves.
- Salesforce Chatter, the business social networking system, is built right into Salesforce App Cloud. It's easy to embed Chatter within your PSA solution, so users don't have to jump to another environment to collaborate and share files and data.
- Salesforce App Cloud wires you into the AppExchange marketplace, a pre-screened ecosystem of complementary business tools that integrate smoothly and naturally with your cloud PSA solution. The most important of these solutions is Salesforce CRM, the pre-eminent system for managing customer relationships. You can embed Salesforce CRM within PSA, to unite all relevant customer and project data on the same screen. Think how much more productive that will make your team!

## 6 Does it make sense to combine Salesforce CRM with a PSA solution that runs on a different cloud platform?

In a word: no.

“Combine” is the operative assumption—or more precisely, the inoperative one. Some reviewers describe such a dual-platform scenario as a “FrankenCloud.” If that sounds exaggerated, consider these disadvantages:

**ADDED COST AND COMPLEXITY.** For apps on separate platforms to play well together—and believe us, they need to—you have to build a bridge between them. One that’s costly and complex to create, maintain, and upgrade... and which, even with all that, can break easily and often.

**DATA QUALITY ISSUES.** When what you need is a single, definitive version of data—but it has to reside in two separate places— you get reconciliation and duplication nightmares, manual rekeying and different versions of the truth.

**DEPARTMENTAL SILOS.** Imagine Sales, Marketing, Services, and Finance each using a separate system with a different look and feel. Add dicey integration and inconsistent data to the mix, and the picture isn’t pretty. It becomes impossible to achieve smooth workflows between departments. According to one customer, this nightmare scenario costs them six figures in lost efficiency—every year.

Bottom line: businesses “cloudify” for simplicity, affordability, and automation. The FrankenCloud approach defeats all three in a single stroke.

## ABOUT FINANCIALFORCE

Founded in 2009, FinancialForce is the leading Cloud ERP vendor with apps built entirely on the Salesforce App Cloud. The company's Financial Management, Professional Services Automation (PSA), and Human Capital Management (HCM) offerings provide services-centric businesses with a platform that organizes sales, services, finance and HR entirely around their customers. Headquartered in San Francisco, FinancialForce is backed by Salesforce Ventures, Technology Crossover Ventures, Advent International and UNIT4.



For more information about FinancialForce: [www.financialforce.com](http://www.financialforce.com) / [info@financialforce.com](mailto:info@financialforce.com)  
Americas: 1-866-743-2220 / UK: 0808 2389791 / Int'l: +44 1423 532832 / APAC: +61 2 9006 135