

Sofar Sounds' Accounting Finds New, Better Rhythm with Aid of FloQast



Industry

Music Events

ERP

Xero

Objective

To quickly implement a close management solution that would increase visibility and accountability for their team in their month-end close process.

Why FloQast

- Sought a close management solution that would give the controller more visibility into month-end close tasks being handled by the company's international team.
- Needed a solution that would integrate with the company's current accounting platform as well as its future ERP software.
- Wanted to implement the system in a matter of weeks rather than months.

Results

- Cut the close from 2 weeks to 7-8 days.
- Increased accountability and visibility into Sofar Sounds' accounts and reconciliations.
- Allows Sofar Sounds' controller to focus on managing and developing people rather than tasks.

Sofar Sounds was founded in 2009 as a way to enjoy live music with friends without the distraction of a noisy bar scene. What started as a hobby in London quickly grew into a global community that brings audiences and artists together in roughly 400 cities worldwide.

In 2019, Kyle Ewen joined Sofar Sounds as its Global Financial Controller, and he immediately set out to update and improve the finance team's processes. As it was, the company's close process consisted of a Google spreadsheet with a list of tasks that were not easy to follow. And while tasks and reconciliations had been done, sign-offs weren't always documented and were inconsistent. There was also a delay between P&L close and BS sheet close.

"It was just a big laundry list of things that needed to be done or calculations that needed to be updated," Ewen recalled. "It was difficult to piece it all together and figure out how everything fit into the big picture. It was haphazard." As an ex-auditor, this was a no-no for Ewen.

"I know FloQast is giving me a true representation of where we're at with the close. I'm not wasting my time — or anyone else's — trying to figure out where we're at with the close. It's easy to see our progress, and it takes a lot of stress away."

Kyle Ewen, Global Financial Controller

Ewen had two goals for Sofar Sounds' finance team: Transition the company out of Xero into a full enterprise resource management ERP solution, and implement close management software.

The company identified close management software as the first priority, so they wanted to ensure the solution they chose would work with all of the major ERP solutions.

Testing the Waters With FloQast

Ewen was familiar with FloQast from his previous job as an accounting manager for the U.K. office of a U.S.-owned company. While there, he essentially independently handled the entire finance function. When first introduced to FloQast, Ewen admitted he didn't think it would have that much of an impact on his work. However, Ewen said, "It improved what I was doing and made me more accountable. I quickly became quite a fan of FloQast and what it can do."

Still, after joining Sofar Sounds Ewen felt like he needed to do his due diligence by looking into other solutions. Quickly, however, he became convinced that FloQast was the right choice. Other solution providers wanted to have numerous meetings before the Sofar Sounds team even got to see the product and the six-to-eight week implementation period was a nonstarter.

"With FloQast, we were able to get into the specifics straightaway," Ewen said, "FloQast's attitude was, 'We love our product. Let's show you why,' rather than other providers who talked for 45 minutes about other stuff without even going near their product."

"I don't need to pull people into a meeting to ask, 'Where are we? What are we doing?' I can trust the process. FloQast gives us a roadmap from start to finish. If I see in FloQast that something is falling behind, I can intervene."

Kyle Ewen, Global Financial Controller

Redirecting Time, Providing a Better Roadmap

Now, with FloQast, Ewen can spend more time managing and developing his team.

Ewen uses FloQast's analytics dashboard, Analyze, to see what's been done, what's late, and where his staff spends their time. He also uses it to cheer on the team and spur them to get the numbers in quicker.

Like most businesses, Sofar Sounds has been impacted by the pandemic, but they relied on FloQast for collaboration with team members while working remotely.

"I don't need to pull people into a meeting to ask, 'Where are we? What are we doing?'" Ewen said. "I can trust the process. FloQast gives us a roadmap from start to finish. If I see in FloQast that someone is falling behind, then I can intervene."

What a Difference a Week Can Make

FloQast was also able to get the company live in about a week, and after a few training sessions, the team was up and running.

"Everyone was comfortable with FloQast," Ewen said. "It's very user friendly. Once you understand the logic of it and how to create a new task, it's very easy."

Sofar Sounds saw results right away. Before FloQast, the company's close process took more than two weeks, and many issues would come up later and get passed on to the next month. Now, the close process takes just seven or eight days, and there is accountability and visibility throughout.

"By the time I see the final numbers, I already know where we're at because FloQast makes everything more visible," Ewen said. "I'm seeing the little pieces that make it all up throughout, and by the time I see the whole thing put together, I'm not too worried about the details because I looked at them days ago."

FloQast also has helped Sofar Sounds deal with turnover in the finance department in the last year by ensuring that institutional knowledge about the company's finances and close process doesn't walk out the door.

"It's also easy for staff members to take over tasks rather than doing a complicated handover," said Ewen. "I had the team go through outstanding tasks and they chose which ones they believed they were best suited to take over."

Reflecting on his experience using FloQast as a first-time controller, Ewen said, "I know FloQast is giving me a true representation of where we're at with the close. I'm not wasting my time — or anyone else's — trying to figure out where we're at with the close. It's easy to see our progress, and it takes a lot of stress away."