

Success Story

Scaling a global, hyper growth services business

ModSquad

“Sage Intacct’s filterable dashboards and KPIs glean terrific insights that are a godsend for a services business like ours. With transparency into metrics like ModSquad’s average bill rate, percentage of non-billable hours, average cost per billable hour, utilization, gross margin percentage, and cash flow from operations, we can keep our fingers on the pulse of the business and galvanize profitability efforts across the company—our C-suite is thrilled.”

David Wohlwend

VP of Finance and Accounting, ModSquad



Company overview

ModSquad is a global provider of on-demand digital engagement services, known as ModSourcing: outsourcing modernized. The company offers expert-level service in customer support, moderation, social, and community. ModSquad’s experienced professionals engage customers and communities on a personal level across online, mobile, e-commerce, in-game, application, and social media channels. It has strategized, designed, and delivered digital initiatives for clients in more than 70 countries, with the capacity to respond in 50+ languages and dialects.

Results with Sage Intacct

- Instant ROI of 2.5X; Software paid for itself in <5 months.
- Improved gross margins by 2 percentage points in one month.
- Reduced invoice and monthly close cycles by 50%.
- Greater visibility into customer and project profitability.
- Scaled easily without additional finance headcount.

Sage

Company
ModSquad

Location
California, US

Industry
Technology & Software

Sage Products
Sage Intacct





The most notable benefit ModSquad experienced after switching to Sage Intacct came from gaining visibility into its financials.

Scaling a global, hyper growth services business

Over the past decade, ModSquad bucked the trend of traditional customer support by building a network of 10,000+ freelance “Mods” around the world who work with brands like the NFL, NBC, Sony Online Entertainment, Warner Bros., Zendesk, and even the State Department. These digital engagement experts moderate content, chat with customers, and manage communities and social media buzz 24/7/365, in 50+ languages and dialects. ModSquad’s finance team experienced growing pains from trying to keep up with the company’s rapid expansion using legacy Excel-based financial processes.

David Wohlwend, Vice President of Finance and Accounting at ModSquad, shared, “We reached a point where we knew we needed more scalable technology to keep up with our aggressive growth plans. After a full-blown evaluation of FinancialForce, NetSuite, and Sage Intacct, we easily settled on working with Leap the Pond to implement Sage Intacct because we appreciated the solution’s pre-built integration with Salesforce, powerful reporting capabilities, simple interface, marketplace of specialized partner apps, and, most importantly, the Sage Intacct team’s high integrity and ‘customer for life’ culture.”

Increasing margins through insight into customer and project profitability

The most notable benefit ModSquad experienced after switching to Sage Intacct came from gaining visibility into its financials across a variety of operational dimensions. This allows them to slice and dice revenues, expenses, and labor across individual projects, clients, locations, or service lines for deeper reporting and analysis. These insights extend far beyond the finance team, helping ModSquad’s Vice President of Services, Account Managers, and entire C-suite partner in growing the company’s margins.

“Sage Intacct provides the ability to drill down and filter our dashboards, which affords us the freedom to provide on-target estimates for complex work where clients scale our services up and down,” said David. “We’re now watching exactly what our project managers are doing across ten major activities on a project at a very fine grained level, and can monitor KPIs as numbers roll in, know instantly what’s going on and see what needs more work,” added David.

He continued, “Before, our data was too opaque for nuanced variance explanations or fine-grained profitability targets. Sage Intacct lets us effortlessly view actionable information by time period, Account Manager, client, or project, so teams can course correct when needed. And finance is right in the mix, helping to drive smart process change across the company, which contributed to a margin improvement of nearly two percentage points in just one month.”



Supercharging efficiency with integrated booking, delivery, and invoicing

With hundreds of active long-term and short-term client engagements across a range of SKUs and various billing models, ModSquad's monthly time based invoicing used to be a highly complex task that involved building lengthy individual invoices in Excel and then circulating them via email for reviews. As part of the transition to Sage Intacct, implementation partner Leap the Pond helped ModSquad streamline financial workflows, consolidate SKUs, and replace those long invoices with clear single-page statements. As a result, the company significantly improved the client experience, shortened days sales outstanding, and freed up Account Managers to spend more time on client support.

"Before deploying Sage Intacct, we envisioned CRM, time tracking, and finance systems that worked seamlessly together to automate our entire book to-bill cycle. Now, that vision is a reality," David noted. Once a lead is marked as closed/won in Salesforce, it flows right into Sage Intacct, which creates project and contract IDs with the appropriate service SKUs for future invoices. Later, the team uploads data from their labor application directly to Sage Intacct, where they can do all invoicing and project costing without time-intensive, manual spreadsheets. "We know that what we sell is what we deliver, bill, and measure against internally—ultimately creating happier employees and customers. This scalable infrastructure delivered an instant ROI of 2.5X, while improving the transparency of our data and letting our finance team focus on higher-order work," continued David.

Thanks to Sage Intacct, ModSquad minimized lengthy billing meetings and streamlined revenue reporting and invoicing. With the system's multi entity, multi-currency capabilities, the team cut its monthly close and global consolidations process by more than half. "With Sage Intacct, our billing cycle only takes a few days before we can start the reconciliation process and deferred revenue adjustments. This is a great improvement over the time it used to take to get all of our invoices approved by Account Managers and out to clients," David said. "While we are already leveraging much of Sage Intacct's existing functionality, I see a rich vein of informational gold waiting to be mined, and we fully expect to work with Leap the Pond every step of the way to continue to optimize our use of Sage Intacct," added David.

