

Sage MMS 3.5 - PACKAGE AND VENDOR BACKGROUND

Product: Sage MMS Version 3.5
Date released: April 2006
Databases: Microsoft SQL Server
Reviewed: May-June 2006

Introduction

Sage is the UK's largest supplier of accounting software, and with its Line 50 package dominates the entry-level marketplace. Based in Newcastle, Sage is one of the premier companies in the North East. Recently it moved to new premises at Gosforth Park. This space age new block has two floors, fronted by an enormous open atrium with glass roof, lots of natural light, coffee areas and fountains. Silicon Valley stuff, and very impressive.

In an industry largely run by technicians Sage is renowned for its competence at marketing. While many competitors go through peaks and troughs, Sage seems to just go on churning out growth and profits year after year. It has acquired numerous accounting software suppliers in other countries and has a strong presence in the USA.

Sage competes in the mid-range arena with a number of products - MMS, Line 200, Line 500, and its recently new addition, Sage 1000. The market here is different from Line 50. Whereas Line 50 sales are usually made direct to customers or through their accountants, mid-range packages are sold indirectly through a network of resellers. In this mid-range market Sage enjoys considerable success, but does not have the dominance it enjoys at entry level.

Sage MMS is the next size up from Line 50, and is aimed at the 2-50 user market. So it competes with the likes of Pegasus Opera, Access Dimensions, and Iris Enterprise. MMS was designed to replace the Sage Line 100 product. Introduced in the late 80s as Sage Sovereign, Line 100 has long been the backbone of Sage's offerings in the mid-range. Over that time it has built up a large and loyal user-base. But its original DOS-based design, and the fact that it is built around Sage's own Retrieve database, has made it look increasingly dated compared to other 32-bit Windows packages.

Although Sage continued to modernise Line 100 to serve its existing user base, the company realised several years back that a completely new product was called for. The decision was made to write it from scratch using Microsoft's .NET architecture and SQL Server database. MMS is a complete re-write of Line 100 using Microsoft's .NET architecture, using Line 100's functionality as a starting point. Line 100 is still sold, because there are so many users still out there, but new customers are encouraged to buy MMS.

What is .NET?

According to Microsoft, the .NET (pronounced "dot net") "platform includes everything a business needs to display a web service-connected IT architecture: servers to host web services, development tools to create them, and applications to use them". In summary, .NET is set of tools supplied by Microsoft to software developers to enable them to get the best out of Windows and, in particular, to connect to the outside world.

What is the importance of .NET?

Accounts packages are designed to be on the market for 20 years or more. Increasingly, too, they are becoming the backbone of a company's operations. So when writing a new one it is essential to choose the best platform and the best basic design. Get the basic infrastructure right at the beginning, and it will repay you many times over during the next 20 years because development will be easier and faster.

Right now pretty well every vendor who develops for the Windows market is talking about .NET and SQL Server as being the way to go. SQL Server is very scaleable in that the same software can run on a 2 or 3 user system up to hundreds. And as accounts packages increasingly become the hub of the enterprise, the ability to link them to the outside world becomes increasingly important and that's just what .NET is designed to do.

However, of themselves .NET and SQL Server do nothing. They are simply enabling technologies, which make it possible to do things in MMS which were impossible or very difficult in Line 100. So with MMS Sage actually have two major tasks. One is the basic physical task of rewriting the software under the new platform; the other is simultaneously to redesign it in order to incorporate the improvements that .NET makes possible.

The version of MMS under review is version 3.5, released in April 2006.

Sage MMS - highlights

System Design Sage MMS represents a big overall improvement over Line 100. The open period accounting system has a nice feature that enforces one open period only, in case users forget to close the previous period.

GL Update Both real-time and batch updating are available for the GL. There are good filters on Daybook reports, and a nice, clear screen at GL line level.

Cash Allocation MMS makes allocation nice and easy and boasts a facility to write off write off small amounts. Would be improved with a facility to mass allocate.

Points of concern

Reporting and analysis MMS needs minimum of two Transaction Analysis fields to be capable of serious management accounting. The new ViewBuilder is a good improvement and enhancements will soon create an Audit Trail report that will address this shortcoming.

Report Designer Sage MMS uses the Line 50 Report Designer, which is powerful, but not easy to use.

Requisitions and orders MMS starts with the purchase order; there's no requisitioning module. The basics of service POP are in place with a good free text entry screen.

LAB TEST SUMMARY - Sage MMS v3.5

			POOR	FAIR	GOOD	VERY GOOD	EXCELLENT
TRANSACTION PROCESSING	1.1	OPEN PERIOD ACCOUNTING					
	1.2	PURCHASE INVOICE ENTRY					
	1.3	INVOICE AUTHORISATION					
	2.1	G L UPDATE					
	2.2	ERROR CORRECTION					
	3.1	REQUISITIONS AND ORDERS	N/A				
	3.2	NOMINAL JOURNALS					
PAYMENTS	4.1	CREDIT LEDGER ENQUIRY					
	4.2	RECEIPTS & CASH ALLOCATION					
	4.3	BATCH PAYMENTS					
	4.4	BANK RECONCILIATION					
	5.1	MULTICURRENCY					
MANAGEMENT REPORTING	7.1	G L CODING STRUCTURE					
	7.2	STANDARD REPORTS					
	7.3	VIEW BUILDER					
	7.4	REPORT DESIGNER					

Lab Test methodology

For each software Lab Test, David Carter works with a representative of the software developer to put a series of test transactions through the financial software system. He then works through the application from data entry to payments, procurement, enquiry and reporting facilities. The scores awarded in each section of the chart are detailed in the checklist below, which highlights features that influenced his conclusions.

In this review the terms Nominal Ledger (NL) and General Ledger (GL) mean the same thing and are used interchangeably. The former term is British, the latter American. Similarly PL means Purchase Ledger (AP in US) and SL means Sales Ledger (AR in US).

Sage MMS 3.5 - David Carter's 2003 Lab Test verdict

I am not technically qualified to pass judgement on how well Sage has done it, but there is little doubt that in adopting .NET and SQL Server, the developers made a good choice for their new platform. And they are well ahead of the game compared with their competitors.

In addition, this whole exercise is making Sage a much better competitor in the mid-range marketplace. In the past, when faced with a technological challenge, Sage has usually not developed its own solution, but bought somebody else's and rebadged it - Multisoft, Tetra etc. Relying upon other people's technology weakens your own. In the entry-level marketplace technological leadership doesn't matter very much, but in the mid-range it is vital. By developing MMS itself Sage built up its own skill base and at last turning itself into a technology company.

Looking at the detailed findings, there's plenty of improvement over the last review of Line 100 in 2002. Open period accounting is now much better. Payments entry is better, and so is bank reconciliation, with the ability to re-create statement pages. Data entry screens are clean and straightforward, as one expects from Sage.

There are further improvements in the latest version, 3.5. String search is available in lookups, and you can now customise screens by bringing up a list of available fields, then ticking the ones you want displayed. Using ViewBuilder you can make your own views of the data, store and run them when you like, and publish the results to Excel or as an HTML or PDF file. This is all excellent.

But reporting and analysis is the key feature in any Financials package, and reporting has always been the weakness of Line 100. MMS uses a single multi-segment GL code which most vendors are now replacing with floating codes. Sage said it wanted to implement floating codes in this release but user groups told them it was unnecessary. Well, sometimes you have to ignore your users and go ahead and do it anyway. To be fair, some movement has been made in the right direction: MMS now includes a single Transaction Analysis field which is separate from the GL Code.

As to getting data out, until now MMS has used the Line 50 Report Designer which appeals to people familiar with Crystal Reports, but is way over the top for your average user. So the new ViewBuilder feature introduced in this latest version is very important. It allows you to design your own reports or screens and export the results to Excel and is very similar to the Send to Excel facility in Line 50. It is clearly going to be the principal means for accessing data in MMS.

However, serious reporting uses GL transaction data. At the time of writing, Sage was still developing a view to see GL transactions. During demonstration the view did not retrieve all the required fields such as the narrative description on each GL line.

So MMS is making good progress but is not yet capable of sophisticated management reporting. A second Transaction Analysis field is needed, and a view of all the GL transaction fields (similar to the contents of the Management screen in Line 50). Overall, though, Sage has created a good new platform in MMS versions 3 and 3.5. Now it must keep up the pressure to improve the software - particularly to get this GL Transaction View finally sorted out, to add another analysis field, and to make it easy to amend analysis after posting. I look forward to seeing version 4.

David Carter, May 2003

Update note - August 2006

Since this MMS Lab Test was written, Sage has completed work on the GL Transaction report. This will be incorporated in version 4 of MMS, due February 2007, but is also immediately available as a download from the Sage website.

After installing the download, a new menu option called Transaction Audit Trail appears within the MMS System Manager. Similar to the Financials screen in Line 50, it displays all the GL transaction lines and seems to include all the important fields needed for reporting. Facilities for selection, sorting and export to Excel seem good and this new report will be indispensable to anyone wishing to write reports in MMS.

Lab Test Feature Checklist

1.1. System design: Open period accounting - VERY GOOD

- Maximum 20 periods in a financial year. Different periods can be open for different ledgers.
- Can re-open a closed period. Can post forward or back and MMS will recalculate balances.
- Nice feature - can enforce one open period only in case users forget to close the previous period.
- Overall a big improvement over Line 100.

1.1.2. System design: Transaction types - GOOD

- Each transaction is stamped with its own unique sequential number, date, source and userID. Good.
- But no unique sequence for individual transaction types (except sales invoices).
- This could make auditing difficult.

1.2. Purchase invoice entry - VERY GOOD

- Data entry is nice and clean. All on one screen.
- Large window in the centre of the screen for entering VAT. Odd, but no real problem.
- Grid is clear and easy to read. Easy to amend errors in previous lines.
- A new feature in 3.5 is that all screen grids can be re-arranged. So you can now summon up a list of available fields and tick which ones you want displayed. Good.
- Version 3.5 also includes a string search facility. Good
- One or two minor complaints: Cannot make supplier reference field mandatory; no warning if invoice number is duplicate; authorisation box doesn't identify the individual authoriser; no ability to analyse costs to a product code.

1.3. Invoice Authorisation - GOOD

- Unauthorised invoices are posted to an Unauthorised Control account in the P&L.
- But the individual authoriser is not identified on the invoice, so it's not possible to segregate invoices for one particular manager for reports, chasing up, etc:
- When invoices return from managers, the operator lists the unauthorised invoices on the screen. Good
- There's no facility to filter out those for manager X, and authorise en masse. Instead you have to authorise them one at a time. OK, but long-winded.

2.1. GL update - VERY GOOD

- Both real-time and batch updating available.
- Good filters on Daybook reports. Nice clear screen at GL line level.
- But key fields such as Narrative and GL description are not shown at line level.

2.2. Error Correction - FAIR

- You can change reference number and due date, but not the amount or analysis codes. For these, you must put an adjustment journal through the nominal
- Or you can Autoreverse a faulty purchase invoice and void it.
- No facility to Autoreverse a faulty sales invoice into a credit note, nor to make a copy of a faulty sales invoice and amend it. Very basic - inferior to Line 50.

3.1. Requisitions and orders - NOT APPLICABLE

- Purchase Order module is really designed for stock.
- The basics of service POP are in place as there is a good size screen for entry of free text. But MMS starts with the purchase order; there's no requisitioning module.

3.2. GL journals - GOOD

- Good, clear screens.
- Good variety of recurring journals. Easy to recall to screen and amend.
- VAT handling is good. VAT in nominal journals goes into the VAT return
- But no ability to autogenerate a balancing line, for example to Petty Cash account in a petty cash journal.
- No F6 to copy a narrative from one side of the journal to another.
- No intercompany journals.

4.1. Credit Ledger Enquiry - VERY GOOD

- Excellent "drill down" options to see transactional detail, nominal analysis, VAT.
- Also drill down to see matching of invoices and allocated payments. Very good.
- Facility now available in 3.5 to customise which fields are displayed on the screen. Good.
- Payments drill down does not show whether it has gone through bank reconciliation.

4.2. Receipts & Cash Allocation - VERY GOOD

- Can group the day's bankings under a single Pay-in Reference.
- Can choose to allocate against invoices now or later.
- Allocation screen made up of a top box containing the credits, and a bottom box containing the invoices to match them with. Makes allocation nice and easy.
- Facility to write off 1p there and then via a "write off small amounts" option.
- Good reports - lots of Select options.
- But no facility to mass allocate, ie to group invoices into, say, monthly totals and allocate a payment against the whole lot.

4.3. Batch Payments to Suppliers - VERY GOOD

- Can group suppliers, and run Suggested Payments report.
- Good facilities - run several days ahead, take settlement discounts and credit notes
- De-tag two invoices? Yes.
- Payment run - can print cheques, rerun cheque numbers if scrunches up.
- BACS output. Different banks supported via a third party add-on.

5.1. Bank Reconciliation - GOOD

- Receipts - can tick all receipts which are grouped within a single day's pay-in reference.
- If one cheque has bounced, can now display all cheques within the day's banking and tick them individually.
- Payments - good searching via cheque number or amount.
- Can post bank charges etc on the fly.
- Captures Statement Page number and date - Very Good.
- Can print a list of statement pages with closing balances. Then sort the bank account in Page number order.
- Can't interrupt a reconciliation and come back to it later. Must balance to close the program.

6.1. Multicurrency - GOOD

- Mixed currency accounts can hold invoices in one currency only.
 - Now offers multiple exchange rates by period. Used to be one only.
 - Clearly identifies whether amounts are local currency or base currency.
 - Reports can now be made in local currency as well as base.
 - Looks OK for trading via Purchase and Sales ledgers.
- For reporting to an overseas parent, holds in base currency and calculates at run-time.

7.1. GL account code structure - FAIR

- Single multi-segment account code, format 8-3-3, same as Line 100. First segment is usually GL code, second is Cost Centre, third is Department.
- Our test example was 82100-ADM-SAL - Professional Fees - Admin Dept - SAL.
- Fixed multi-segment approach requires set up of codes for all combinations, and so a lengthy chart of accounts. However, it IS possible to see all transactions for GL segment 82100. MMS will list all the balances rolled-up, then display all the transactions on 82100, whatever the CC and DEP. Good
- Can also switch off CC and Dep codes for balance sheet accounts. Good
- Can view P&L on-screen. Similar to Windows Explorer - can expand from group down to account level, then look at transactions within a balance. Good.
- No CC or Dep filter on the screen P&L view. But filter is available on printed reports.
- New Transaction Analysis allows you to analyse to another dimension, for example to staff member for Entertainment account, or car registration no for Motor and Travel account. Applies to one ledger rather than to one account. But it's a good start.
- Conclusion: a slight improvement over Line 100, but MMS needs minimum of two Transaction Analysis fields to be capable of serious management accounting.

7.2. Standard reports - GOOD

- VAT report is OK. VAT held in header record, so one VAT amount per transaction.
- Can reprint a VAT return later.
- Reports don't flag out of period invoices
- Aged debtors/creditors: Summary and Detailed versions available. Can be aged on both invoice date and due date.
- Unauthorised invoices shown in Detailed report, not Summary
- Can re-create Aged debtors for previous period. Good.
- Mixed currency gives totals by currency. OK.
- No separate column for Unallocated credits or forward periods.
- GL audit trail doesn't print any supplier details. Fair (see 7.3 ViewBuilder below).

7.3. ViewBuilder - VERY GOOD

- Key new feature in 3.5 is the introduction of the View Builder feature. Modelled on the similar facility in Line 50, you can bring up a list of customers, for example, then a list of all the fields available in the customer record. Tick the fields you want to see in your report, and the results are displayed to screen. Very good.
- View builder lets you define a view, for example to see all the transactions for a particular project or manager, that you can store and run at any time.
- Simple to export results to Excel, or publish them as an HTML or PDF file.
- View Builder is a very important addition since it provides a way to access data held on Sage MMS, in particular the GL transaction data which is the basis of most reports. Sage is developing a more complex GL transactions view to contain different types. In the demo, it did not contain all the required fields such as the narrative description on each GL line. The new code should be available as a download from the Sage MMS website.

7.4. - Report Designer - GOOD

- Sage MMS uses the Line 50 Report Designer, a Crystal-like banded report writer using Structured Query language for filters and presenting the user with lots of data tables with technical-looking field names.
- Helpful Report Designer Wizard, but it only produces part of the report.
- Report Designer is powerful, but not easy to use. Creating reports will be a fairly techie process.