



Impact Fitness Gets Accounting System in Shape for Growth by Moving to Sage Intacct

CASE STUDY

armanino 

At A Glance

Customer Profile:

Headquartered in Brighton, Michigan, Impact Fitness is a multiunit franchisee of Planet Fitness, one of the largest operators of gym clubs in North America. Following an influx of outside investment, the fitness company began rapidly expanding, going from 13 to 22 locations in the U.S. and Canada. Having outgrown QuickBooks, Impact Fitness selected Sage Intacct as its cloud-based financial performance and accounting system. With Sage Intacct, the fitness company now has centralized management of multiple entities, with automatic consolidation across those entities for real-time, detailed reporting to stakeholders and investors.

Software & Services

- Sage Intacct
- Armanino implementation services

Benefits

- Cut the effort required for debt covenant reporting in half
- Gained peace of mind that consolidated data is accurate and consistent
- Saves hours of effort weekly for processing accounts payable

“With the automatic consolidation in Sage Intacct, I know that everything ties out. I don’t have to worry anymore about spreadsheet mistakes or consolidation issues.”

-David Murray

Challenge

Founded in 1992, Impact Fitness is a multi-unit franchisee of Planet Fitness, one of the largest operators of gym clubs in North America. Impact Fitness has a deep commitment to promoting wellness in underserved communities, which is what attracted a recent investment from Bain Capital Double Impact, the impact investing strategy arm of Bain Capital.

With new funding from Bain and Bridges Ventures, a specialist fund manager, Impact Fitness grew quickly from 13 to 22 locations in three states and British Columbia. And the company isn’t stopping there. Its five-year growth plans call for continued expansion in both the U.S. and Canada.

When David Murray joined Impact Fitness as chief financial officer, the company had begun its rapid expansion, and the financial systems it relied on were already showing the strain. “When I started, the company had already outgrown QuickBooks, our previous accounting software,” says Murray. “We had 20 different entities, which meant 20 different QuickBooks files to maintain, each with separate logins and a different chart of accounts.”

To get a consolidated view of the company’s financial performance, Murray and his team had to download and consolidate 20 different Excel spreadsheets every month. This meant that monthly debt covenant reporting to investors was a huge burden. “With QuickBooks, the effort required to slice and dice reports in different ways was the most stressful and resource-intensive effort our understaffed accounting department had to deal with,” says Murray.

Solution

After conducting extensive research on potential new accounting systems, Murray chose Sage Intacct for its multi-entity support, automatic consolidation, sophisticated reporting and accounts payable module. “With its robust cloud-based platform, Sage Intacct came out on top during the evaluation,” says Murray. “Plus, other franchisee groups within Planet Fitness rely on it, too, and it came highly recommended by one of our board members.”

To implement its new financial system, Impact Fitness turned to Armanino, one of the 25 largest accounting and consulting firms in the U.S. and an end-to-end Sage Intacct implementation, customization and integration services provider.

Murray had several goals, in addition to an aggressive timeline, that he wanted to achieve with the deployment of the new software. “This was an opportunity to make sure we have clean, consistent data across our entire business,” says Murray. “For example, we wanted one chart of accounts going forward.”

“With Sage Intacct, we have the scalability, productivity and visibility we need for continued success in the future.”

-David Murray

He credits Armanino with an on-time, successful deployment. “Armanino is great to work with,” says Murray. “My team and I felt very comfortable with their implementation team.”

Results

Despite only being live on Sage Intacct for several months, Impact Fitness is already reaping the benefits, from greater efficiency to more accurate and consistent data and on-demand reporting.

For Murray, the new system means he can sleep at night. “With the automatic consolidation in Sage Intacct, I know that everything ties out,” says Murray. “I don’t have to worry anymore about spreadsheet mistakes or consolidation issues.”

The accounts payable process is far quicker and more efficient than before, with Impact Fitness performing one check run in the consolidated set of books instead of having to do 20 different check runs across different QuickBooks files. “Sage Intacct saves us hours of effort every week just for our accounts payable process,” says Murray.

The reporting functionality lets Murray and his team generate reports on demand, while the effort required for the detailed debt covenant reporting has been cut in half. He cites the robust reporting capability as one of the biggest benefits of the move to Sage Intacct. “The reporting is pretty amazing,” he says. “We can quickly slice the data by location, timeframe and much more.” The company’s lenders are happier, as well, because the reports they receive are more detailed than in the past.

Next Steps

While Murray and his staff are already seeing extensive gains with the new accounting system, he acknowledges that they have just scratched the surface in terms of taking advantage of everything that Sage Intacct offers. “We’re considering adding new capabilities such as integration with our point-of-sale system,” he says. “That integration alone would save my team 40 hours of effort each month.”

In the meantime, Murray is proud of his team’s achievements in supporting the company’s growth and is looking forward to more gains. “With Sage Intacct, we have the scalability, productivity and visibility we need for continued success in the future,” he says.

About Armanino

Armanino provides an integrated set of accounting services—audit, tax, consulting and technology solutions—to a wide range of organizations operating both in the US and globally. You can count on Armanino to think strategically, to provide the sound insights that lead to positive

action. We address not just your compliance issues, but your underlying business challenges, as well—assessing opportunities, weighing risks, and exploring the practical implications of both your short- and long-term decisions. When you work with us, we give you options that are fully aligned with your business strategy. If you need to do more with less, we will implement the technology to automate your business processes. If it's financial, we can show you proven benchmarks and best practices that can add value company-wide. If the issue is operational, we'll consult with your people about workflow efficiencies. If it's compliance, we'll ensure you meet the requirements and proactively plan to take full advantage of the changes at hand. At every stage in your company's lifecycle, we'll help you find the right balance of people, processes, and technology.

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