iCloudAuthority & Clutter

Clutter Reduces Costs While Improving AP Efficiency With iCloudAuthority

Clutter uses innovative technology to streamline two traditionally inconvenient tasks: storage and moving. They utilize clever logistic processes to help customers easily arrange for their belongings to be moved or stored in one of Clutter's warehouses until needed again. They also offer professional movers who can pack up belongings in addition to moving them.

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Challenge

When Eric Chen, head of accounting and controller at Clutter, first joined the company over four years ago, they had recently moved to NetSuite for their accounting needs. In his previous position at Disney, Eric was pleased that many businesses that Disney acquired used NetSuite. So he had quite a lot of experience interacting with NetSuite and had a high opinion of it: "I'm no stranger to NetSuite," he says. "It was a welcome sign when I joined Clutter."

Eric likes the reporting functionality and flexibility of NetSuite. He found it an excellent solution for Clutter's needs: "I felt that NetSuite has a lot to offer even compared to a big ERP like SAP," he says. "For Clutter's size and our life cycle, NetSuite is more than adequate."

He's a big proponent of working in the cloud, especially during the COVID-19 pandemic, when many people found themselves working from home: "The benefit of going to the cloud is so obvious. All you need is just a browser, and then you can work with it. You don't need to download anything; you don't have maintenance."

At first, Eric was focused on the general ledger side of NetSuite. "And then," he says, "because the experience on the general ledger side was great, we branched out into other modules like their procurement module, inventory module, and the AP module."

While he was happy with it, he eventually started looking for add-ons to improve the experience.

"We were changing our bank," he explains. "This was the biggest driver for looking into a payment module." Their bank didn't offer much flexibility in terms of payments to customers, which was something they knew their customers wanted and expected. So they ended up switching to Wells Fargo. But that required some setting up; they still needed to connect their ERP to Wells Fargo. So Eric started looking for a solution to facilitate that process.

Solution

He asked Wells Fargo for recommendations and learned that iCloudAuthority is a highly recommended partner in the space, providing seamless integrations between NetSuite and most banks worldwide. "We needed a solution for NetSuite to push whatever preform added data to Wells Fargo to handle the payment. And that's the beginning of the partnership, I would say."

One of the deciding factors in choosing iCloudAuthority was the ability to implement Zelle payments. Zelle is a digital payment system that allows users to quickly transfer money from their bank account to another registered user's bank account. Many of Clutter's customers wanted to use Zelle because they tend to be individual consumers, not corporations. When Clutter expressed interest in using Zelle payments, iCloudAuthority developed a Zelle module specifically for them and is now part of the solution.

Eric also reached out to several other companies using iCloudAuthority for further due diligence

before deciding to implement the solution. In the end, Clutter chose three iCloudAuthority modules:

- ePayables, which automates bill payments.

- eConnect, which creates secure connections between entities like businesses and banks.

- And, the eRemittance module which automatically communicates with vendors to keep them up to date with information about payments.

Results

Clutter found the implementation process straightforward and quick, with the implementation taking only a few weeks. And once the iCloudAuthority solution was up and running, it added a whole new level of convenience to their bill-paying process.

Because the iCloudAuthority modules are native to NetSuite, they integrate seamlessly with the ERP. "We don't leave NetSuite," says Eric. "It's basically one tab within NetSuite, and we go through it to approve invoices. Once approved, they show up in iCloudAuthority, and we just click a button to execute. It's pretty much as simple as you would imagine. It's right in our ERP, so we get all the upstream processes in NetSuite. So that's one big benefit: the convenience of it."

Clutter has been able to remove other applications used to do similar types of processing but were inefficient. They've been able to streamline these processes using the iCA Payment modules and allocate resources to other business areas. Additionally, they're also now using iCloudAuthority for technical consulting services for other parts of their business.

Looking back on the benefits of the iCloudAuthority solution—the integration with NetSuite, the smooth implementation, the ease of use, the cost savings, and scalability—Chen concludes, "iCloudAuthority really meets my expectations."

Ease of use and security

Many companies are working on payments: cutting checks and doing ACH, wires, Zelle pay, and other payment methods, which can involve manually entering information into a bank portal or Internet suite to execute payments. This process requires many human resources to handle all of the steps and then get the files to the bank. Companies can find themselves using up valuable resources on mundane, repetitive tasks. And on top of that, they never really own the data because it's not in their system.

With iCloudAuthority, automation eliminates manual intervention. Automating the process lessens the security risk of manually handling information and transferring files. It reduces the risk of fraud. The iCloudAuthority solution allows users to remove many of the payment process steps and manage all of the data inside NetSuite.

The system takes around 30 seconds to select all the bills, credits, employee expense reports, commissions, and checks to be issued. "We run the module and select the GL accounts that we want to pay the invoice against. It makes a nice list of invoices that we can pay."

"With one click of a button, we have all the open payable items that have been approved for payments—all pulled into iCloudAuthority," says Eric. "All that information is processed and sent to our bank in a single file for paying."

Cost savings and scalability

Clutter has been using another bill-paying system for some time. Eric sees a significant advantage of iCloudAuthority over their other system: "iCloudAuthority's less expensive," he says, "compared to the amount we pay for the other solution."

The reason is the way iCloudAuthority charges for payments. "The other system charges by the number of payments that they issue; it's a volume-based charge schema." As the company grows and has more bills to be paid, it will cost the

company more to pay those bills. Other systems also charge a per-seat fee: the more people using the system, the more a company has to pay. These extra fees can quickly add up.

iCloudAuthority's solution, on the other hand, charges a single licensing fee—by subsidiary and by payment method—with no per-transaction or per-seat fees. This means cost savings for iCA users, who are not hit with extra fees for every action they take in the software. And, iCA's single licensing fee means predictable costs. Customers know how much they'll pay without worrying about variable costs. They only pay for additional subsidiaries or payment methods, but they never pay additional transaction fees.

This makes the iCA solution very scalable. With other solutions, companies know their current costs but cannot accurately forecast future costs because adding more vendors can very quickly change the overall expense. While with iCloudAuthority, even if a company's payment volume goes from 5,000 to 500,000, there are no increased transaction fees. They would pay the same licensing fees to use the module.

"This means iCloudAuthority is a scalable solution," says Eric. "If you have ten times the amount of transactions, you still pay the same amount. This will save Clutter money as it grows and enable us to forecast costs more easily and better plan for the future."

Send all payments as a single file

One of the key advantages of the iCloudAuthority solution is the ability to put all payment information into a single file. Users select all desired payment methods at the time of payment, and everything goes into one file that is sent to the bank. This "single file" innovation makes the process incredibly efficient. It is beneficial for companies

like Clutter that use multiple payment methods and don't want to create a different file per method.

Eliminating the creation of all extra files means that Clutter can reduce the amount of time spent making payments, increasing the efficiency of the AP staff.

iCloudAuthority also reduces bank costs. Banks typically charge individual file fees for every generated file, but iCloudAuthority consolidates all payments into a single file resulting in only one charge rather than many.

"It's easy to manage," Eric says, "just by clicking the invoices that we want to pay at a certain time, then the system transfers all the information over to Wells Fargo immediately."

All this makes the process of paying bills highly efficient. "Everything is a very smooth process from beginning to end," Eric says, "everything is totally handled; it's what you would expect a payment module should do."

Clutter

Company Snapshot

Company: Clutter

Location: Culver City, CA
https://www.clutter.com/

iCloudAuthority

Partner Name: iCloudAuthority

Location: Burlington, Ontario, Canada
http://www.icloudauthority.com