

## Acumatica Construction Edition vs. Sage Intacct Construction

A Solution Brief for Growth in the Construction Industry

### HOW ACUMATICA CONSTRUCTION EDITION SHINES NEXT TO SAGE INTACCT CONSTRUCTION

The construction industry has traditionally been slow to change and adopt new practices. With today's demand for real-time, cloud-based technologies, this shift is more necessary than ever. However, not all solutions are designed with the construction industry's specific needs in mind.

One such cloud technology is Sage Intacct Construction (SIC). It is true that SIC is natively cloud-based and its core financial foundation is strong. But, pitted against Acumatica Construction Edition, Sage Intacct Construction falls short in many construction-specific categories.

The Sage Intacct platform is strongest as an accounting and financial management solution. The number of companies using Sage Intacct Construction (SIC) is relatively low at this time. Certified SIC partners are also small and historically sell legacy Sage Construction solutions prior to the rebranding.

Pricing for SIC is user-based and can add up quickly when adding modules and Independent Software Vendor (ISV) solutions. The reliance on these modules and ISVs to supplement Sage Intacct Construction's core platform translates to a cost-prohibitive pricing structure for many small construction firms.

Acumatica Construction Edition, on the other hand, is well-established and trusted within the construction industry. Customers continue to rate Acumatica high in usability and affordability. Because Acumatica's pricing is based on usage, not the number of users, it is easy to scale up and down as business needs change. Many of the core features that come natively within Acumatica, must be added for additional costs with Sage Intacct Construction. With Acumatica's open API structure, adding modules and partner solutions is fast and straightforward.

This solution brief details Sage Intacct Construction's history, pricing structure, strengths, weaknesses, and how the product compares to Acumatica Construction Edition. Learn why construction businesses choose Acumatica to modernize and grow with an arsenal of resources for support, services, and certified product extensions.

### **COMPETITIVE COMPARISONS: ACUMATICA VS. SAGE INTACCT CONSTRUCTION**



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### **PRODUCT EVOLUTION**

### Two aging Sage financial platforms come together to produce an expensive yet limited solution

### **SAGE**

The Sage Group, AKA Sage, was founded in the United Kingdom in 1981. It primarily focused on estimating and accounting software for small businesses. The initial accounting software that launched Sage became the basis for Sage Line 50. The same group also wrote estimating software for printing companies. Later The Sage Group went on to sell their software to a wider market via resellers.

In 1984, the company launched Sage software, a product for the Amstrad PCW word processor. The sale of their solutions grew and the company was first listed on the London Stock Exchange in 1989. In 2001, Sage acquired Interact Commerce Inc. to move into the CRM market. Sage continued to grow over the years with a series of other key mergers and acquisitions, leading up to the purchase of Intacct.

#### **SAGE INTACCT**

Intacct was founded in San Jose, California in 1999 as a true cloud-native software. The Sage Group acquired Intacct Corporation in 2017 for \$850 million. It was after this acquisition that the product was rebranded as Sage Intacct. The construction-specific Sage Intacct Construction product was released in 2020 and was only available at the time to early adopters.

Even today, Sage Intacct is not strong in construction-specific features. There is no project management for construction built into its core, nor a native payroll solution. These gaps are likely due to SIC's market position in comparison to other industries where Sage Intacct is stronger. There are over 14,000 customers using Sage Intacct, mostly in the United States. However, the large majority of users are in the professional services industry (47.6%) with only 3% or around 420 of Sage Intacct's customers being in construction and real estate.

Sage Intacct Construction (SIC) is sold both via Value-Added Resellers (VARs) and directly to the customer. There are nearly 500 Sage Intacct certified partners, but only a small fraction of them sell Sage Intacct Construction. Prior to the acquisition of Intacct, most of the VARs that do sell SIC were previously already established as Sage Construction software resellers. When Sage Intacct expanded into the construction and real estate industries in 2020, they pointedly targeted their existing Sage legacy customer base for migration, an effort that continues to this day.

"Acumatica is real-time accounting for the project itself. It lets the project managers know where they're at from a financial standpoint to help make decisions."

- JEREMY STURGEON, DIRECTOR OF OPERATIONS SPOHN ASSOCIATES, INC.



### **PRICING STRATEGIES**

## User-based Sage Intacct pricing coupled with expensive add-on modules creates a costly pricing structure

All Sage Intacct software products are based on the number of licenses or users purchased. The pricing structure for Sage Intacct Construction follows suit by offering Business User (unlimited access) single licenses, and 10-pack employee (limited access) licenses, along with the option to add entities and modules for more money.

The Sage Intacct pricing model inhibits the overall use of the software. Small to medium-sized construction companies may find the user-based pricing hard to justify. Many construction organizations have seasonal workers or may need to hire consultants and auditors. Such a structure creates an inability to grow up or size down. With Sage Intacct Construction, businesses are not able to remain agile and evolve to changing trends.

Acumatica, on the other hand, includes a comprehensive construction-specific core with a simple and straightforward pricing structure. Companies can choose from SaaS or a private cloud subscription (PCS). Pricing is based on system usage, not on the number of users. Unlimited stakeholders can be added at no additional cost. This allows construction companies to scale their ERP costs with seasonal fluctuations, not based on headcount.

"When you have certain standards, processes, systems in place, it's really easy to find out what's wrong and what isn't. So we've furthered that by really dialing in on those things that are out of compliance."

- ERIC HUGUNIN, COO
PHOENIX RENOVATION AND RESTORATION INC.

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### **CORE FEATURES AND GAPS**

# Sage Intacct's lack of construction-specific features restricts a company's growth trajectory

Sage Intacct Construction positions itself as a "best-in-breed" native cloud financial and operational solution. But in general, Sage Intacct does not provide many details about its construction-specific features. In fact, SIC does not include embedded CRM, construction project management, payroll, or field service features. Therefore, users must purchase these all separately from ISVs. Because CRM is not native to Sage Intacct Construction, Salesforce is the preferred CRM of choice. This requires more expensive licenses and integration functionality.

Within the core offering, SIC has sub-contract management plus deferred and recurring revenue features. It does support change orders but lacks the ability to analyze profitability, and view audit trails and commitments for each change. Risk mitigation and compliance management are only addressable within Sage Intacct Construction by adding third-party solutions. The same is true for document management capabilities.

### How does Acumatica line up next to Sage Intacct Construction? Read more here.

In contrast, Acumatica's platform includes robust payroll, CRM, financials, inventory, job cost accounting project management, and compliance management. Acumatica Construction Edition has native compliance management, AIA & Bonding reporting with substantiated billing. Embedded document management gives users one centralized location for all documentation. The CFMA Benchmarker tool helps companies compare financial performance to other CFMA members. Sage Intacct Construction offers nothing like this to its users.

Features	Description	Acumatica	Sage Intacct
BASE FUNCTIONALITY			
Project Accounting	Both systems have solid Project Accounting and Job Costing capabilities for Construction.	•	
Payroll	Acumatica has native payroll. Intacct requires 3rd party software or 'white-labeled' solution.	•	•
CRM	Acumatica has embedded CRM. Intacct requires 3rd party software such as Salesforce or SageCRM.	•	
Inventory Management & Warehouse Management	Acumatica has Inventory and Warehouse modules within the suite. Intacct has limited inventory features and lacks WMS.	•	•
Document Management	Acumatica has embedded Document Management. Intacct requires 3rd party software such as PaperSave or DocLink.	•	
Multi-language Support	Based on .NET, Acumatica supports multiple languages, translations, and localizations. Intacct is an English-only system.	•	0

"If we can be the best in the business, then good talent is going to come to us. And if our employees are well-equipped, we're going to be successful."

- MATTHEW SHAMP, EXECUTIVE DIRECTOR CARLSON LAVINE INC.



### **PLATFORM LIMITATIONS**

### Sage Intacct Construction adopters lack choices for both deployment and pricing

As previously mentioned, Sage Intacct Construction is a native cloud solution. But all Sage Intacct customers have only one deployment choice available to them. Pricing is based on the number of named users and only via subscription pricing. Implementing Sage Intacct Construction requires customers to upgrade on a set schedule, rather than when it is convenient for the user. Other platform limitations include the fact that SIC is available on tablets and smartphones but is not optimized for mobile viewing. It is also an English-only system with a single base currency.

SIC touts how easy it is to personalize to suit users' specific needs. Customizations are possible but are limited by permissions based on the user's license. Additionally, the ISV solutions capable of integrating with Sage Intacct Construction are restricted in number and in scope. This leads to a lack of choice with add-on functionality and another required purchase to the core per-user license amount.

Acumatica lets customers choose the deployment and license model that suits them best. The comprehensive mobile app gives users anywhere, anytime access to project and financial details. By supporting multiple languages and currencies, Acumatica is built for worldwide use and global growth.

Acumatica Construction Edition comes standard with many of the features that Sage Intacct Construction users get with ISV purchases. The comprehensive Acumatica ISV Marketplace lists hundreds of vetted solutions to tailor the solution as needed. Acumatica's open architecture is designed for no-code and low-code integration. Connect to shipping systems, job scheduling, estimating systems, project management, and more. In fact, Acumatica is a core member of the OpenAPI Initiative, a standards governing body focused on creating, evolving, and promoting a vendor-neutral description format.

"Now we have the capability of tracking change orders and change order requests and then also capturing the cost side for budgets within Acumatica, which prior, was all done outside of our ERP and was a nightmare."

#### **SUMMARY**

Sage software began as a standard accounting and estimating software for small businesses. Today, Sage Intacct Construction poses a best-of-breed approach. But it is clearly not an all-in-one solution built for the construction industry. SIC does have strong core financials but lacks a native CRM or any vertical functionality. With user licenses, expensive add-on modules, and limited ISV functionality, SIC adds up to a costly investment that still falls short of construction industry needs.

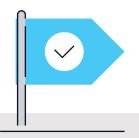
Acumatica Construction Edition is a complete, cloud-based construction and accounting solution. With superior mobile technology that enables a 360-degree view of your business anytime, anywhere from any device. The user-friendly platform includes robust financials, job cost accounting, project management, CRM, payroll, inventory, and service management. It is the only software that offers true SaaS multi-tenant technology and a private cloud option.

Acumatica is the choice for general contractors, specialty contractors, land developers, and the construction industry as a whole. When evaluating modern, future- proof solutions, business leaders must consider several critical criteria.

To maximize the software's power, look at each vendor's:

- Pricing Strategies: Acumatica's pricing is based on system usage, not the number of users. This makes it easy to scale up or down as company needs change and evolve. Unlimited users can be added at no additional cost, as opposed to Sage Intacct's user-based pricing structure that limits growth and flexibility.
- **Core Features:** Acumatica comes standard with many of the features Sage Intacct Construction users must buy separately. Embedded CRM, job cost accounting, compliance, and many other construction-specific features are built into Acumatica's core.
- **Platform:** Easily integrate with hundreds of applications to meet every customer's needs with the Acumatica Marketplace. Stay agile enough to move vertically into other industries when the need presents itself. Use the Acumatica mobile app to access comprehensive reports and company data from anywhere on any device.

The best choice for your business is a true cloud, construction-specific solution that is already well-established in the industry.



"When we add a new company, we don't have to buy extra software user licenses. We just create a new branch in Acumatica and quickly integrate them into Dukathole Group."

GRAHAM LEONARD,
 CHIEF FINANCIAL OFFICER,
 DUKATHOLE GROUP



Acumatica Cloud ERP is a comprehensive business management solution that was born in the cloud and built for more connected, collaborative ways of working. Designed explicitly to enable small and mid-market companies to thrive in today's digital economy, Acumatica's flexible solution, customer-friendly business practices, and industry-specific functionality help growing businesses adapt to fast-moving markets and take control of their future.

For more information on Acumatica, visit www.acumatica.com or follow us on LinkedIn.