



Pegasus reasserts itself in the SME accounting market

by Gary Simon

The last decade has witnessed one of the most tumultuous periods for business software in the UK mid-market. Unprecedented levels of merger and acquisition activity combined with the rise of global mid-market providers has re-defined the software landscape, challenging the way that software is delivered and transforming many systems in the SME space from mere bookkeeping systems into fully fledged business information systems.

It's a situation very familiar to Pegasus Software, the Northamptonshire-headquartered software house that has been one of the mainstays of the British software scene for almost three decades. In recent years the business has changed hands as the market consolidated and although widely used (more than 100,000 users log onto Pegasus products every day), temporarily disappeared off the radar screen. Now established as an autonomous trading unit of the Infor group, the fiercely independent business solutions vendor is mustering its partner resources, developing leading-edge product and positioning the Pegasus brand once again at the forefront of the SME market.

Kevin McCallum, Commercial Director of Pegasus and a veteran of the mid-market, knows that competition for both new customers and dealerships in this sector is intense. Global brands such as Microsoft and SAP have deep pockets and have been actively marketing their wares into the SME sector which is the engine of the UK economy. But success in the small and medium business sector is more than brand image and technology. It is about having deep knowledge and understanding of the issues that small businesses face day in and day out and being able to give direct advice and help rather than referring them to some clever automated support from a website.

This is where Pegasus with its strongly loyal band of dealerships on the ground scores over the global brands that can often seem impersonal and detached. Speaking to FSN, McCallum said, "We have approximately 120 business partners in the UK, 60 percent of whom have been associated with Pegasus for over 15 years. That track record means that customers can turn to locally based support that is steeped in product and business understanding accumulated over many years."

That proposition is very different from the 'one size fits all' offerings of the global vendors, many of whom are relatively new to the business software market, having come from a technology background or perhaps downsizing from the large-scale ERP market. "Contrast that to our network of dealers and 80 developers of Opera II (Pegasus' most successful suite of business software with more than 9,000 licences) who can modify and bespoke the software," adds McCallum.

The ability to modify software and meet specific needs is a key differentiator but so is Pegasus' understanding of the mid-market mindset, in which value for money and ease of use are the primary concerns. It is these factors which have underpinned recent development of the Pegasus Opera II suite, helping small businesses to drive out more productivity, enhance competitiveness and better manage profitability.

Of course, these days no developer of business software can ignore the impact of Microsoft technologies (for example SQL databases) and the benefits of integration with Microsoft Office and Outlook. But it is sometimes difficult to decide when key functionality should be ceded to a third party or when customers would benefit from a more familiar and consistent in-house user experience. It's a balance that Pegasus seems to have judged well.

The latest version of Pegasus Opera II takes full advantage of Microsoft technologies where necessary; for example, the Outlook interface gives it an instantly familiar look and feel. But Pegasus has reserved some key functionality in-house rather than leveraging native Microsoft products in the areas of business intelligence, customer relationship and document management. The result is a very appealing collection of capability, which is pitched appropriately for the level of skills in the mid-market and which automatically takes full advantage of all the data in the system.

Business Intelligence in the mid-market has been hotly debated. Very often the products look appealing but they are simply too complex to set up and use, placing them beyond the reach of many small businesses. Pegasus Executive Dashboards is an exception. It has a very appealing interface (available to every user over the web) which is completely user-definable.

Pegasus Executive Dashboards make Business Intelligence accessible to the SME through a set of highly configurable miniature windows on performance.



But Pegasus have taken the hard work out of the system by pre-configuring a collection of these windows on performance that allow hard-pressed managers to look at, say, debtor days, sales orders outstanding and cash balances at a glance and drill down on underlying transactions in real time.

Each of the windows (there are up to 50 to choose from) are presented as colourful but meaningful charts, gauges and dials which direct the user to problem conditions that need to be resolved. Furthermore, users can select the windows that are most relevant to them 'out of the box' and 'filters' allow information to be further refined as needed without any special IT knowledge. It is the way that mid-market business intelligence should be. Simple and effective, it is instantly tailorable to different roles in the business, and without complexity it leverages data available in the system to show the latest position. It's Pegasus at its best and a good example of how an in-house development can pay dividends, allowing customers to manage their businesses more easily rather than relying on complex links to third party products.

The software vendor has taken a similar approach to Customer Relationship Management which it calls Sales Pipeline Management. Once again, there are no complex interfaces to manage. Prospects and customers are held within a single database so that quotes, for example, can be sent to new

prospects taking full advantage of the Opera II Sales Order Processing system, and prospects can be converted to customers without duplicating entries. The latest version also supports remote users who need access whilst on the move. It is another example of Pegasus being 'in touch' with the needs of its user base by presenting easy-to-use functionality within the system, helping its customers to improve competitiveness without relying on complex third-party CRM systems.

Document management is also placed within reach of the SME (both technically and financially) with Opera II's new capability which allows documents of any description to be scanned, bar-coded and appended to transactions ready for retrieval at a later date using simple search criteria. SME customers will appreciate the productivity gains they can obtain using this technology, allowing them to grow their businesses without necessarily adding to headcount.

So is Pegasus just another mid-market player or does it have more to offer in the UK marketplace? The answer is that there is no substitute for experience. What Pegasus offers through its knowledgeable dealerships and its deep-seated understanding of the culture of small business is a solution designed to help small enterprises thrive and be more successful. At last Pegasus has emerged from its involuntary hibernation and with Pegasus Opera II we are about to see a very worthy brand once again take its rightful position at the forefront of SME solutions.

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