

BOB SCOTT'S

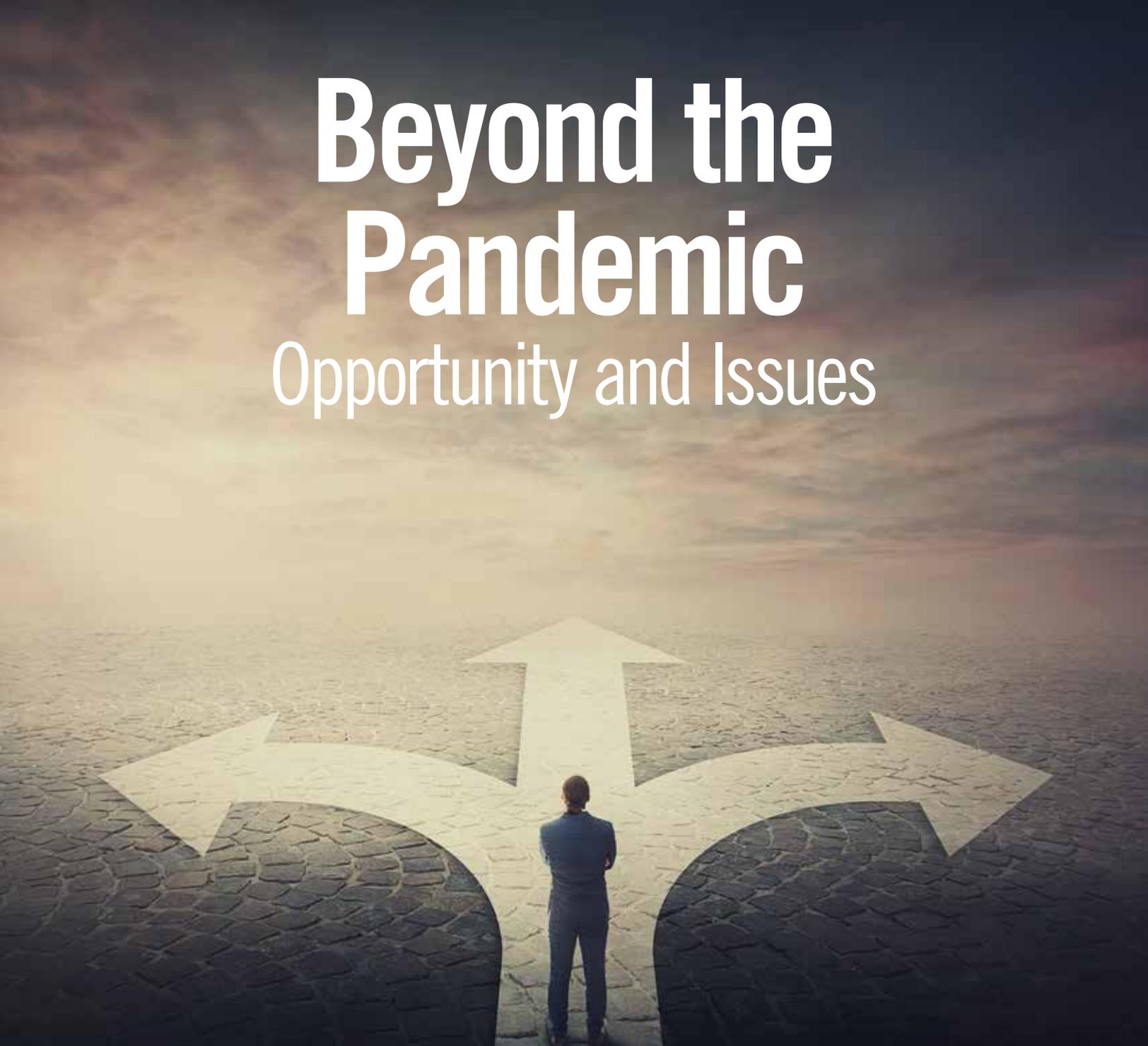


# TOP 100 VARS

2022

## Beyond the Pandemic

Opportunity and Issues



# A New Way of Working after Shutdowns

The Mid-Market ERP business is bounded by two factors this year—the demand for cloud software continues strong on one side. On the other is a shortage of personnel.

The move to the cloud was accelerated by the pandemic, which helped produce the shortage of consultants that many says is the No. 1 issue in this market. The pandemic also accelerated supply chain problems, which in themselves produce the need to rely more on automation.

And businesses everywhere are dealing with the question of—what does it mean to return to the office from remote work?

The good news is that one of the obstacles faced by VARs is being overcome and that is the switch from the sale of licenses for on-premise packages to recurring revenue for subscriptions for cloud software.

The transition “dampened revenue growth for about two years terms of subscription contacts,” says Tim Thompson, CEO of Crestwood Associates of Schaumburg, Ill., who sells Acumatica and Dynamics 365 Business Central.

“I would say the transition is behind us largely. That feels good. We are seeing rapid growth on the subscription side,” Thompson says.

The issue was VARs had to surmount the change in cash flow from reliance on license sales to the monthly payments during subscription contracts.

Epicor also reports it is seeing significantly increasing demand for cloud products.



Sanket Akerkar, Acumatica

In fiscal 2021, 56 percent of net new accounts were cloud installations. “This year, we are trending toward 65 percent and finished first half at 61 percent,” says Brenda Nobleza, Epicor’s director of sales and operations for North America.

Still, a large percentage of mid-market companies have not moved to cloud-based software.

“I view the market opportunity as more ahead of us than behind us,” says Sanket Akerkar, Acumatica’s chief revenue officer. “More than 75 percent of mid-market companies that are our targets are not on the cloud.”

One widely expected benefit of subscription revenue would be the more predictable revenue streams would make the reseller businesses more salable. Whether it is the impact of subscription revenue or not, reports are that private equity investors have discovered the ERP channel as a place to invest their money.

That point was made by Mike Reinhardt, CEO of Toronto, Ont.-based Quisitive during April’s webcast for earnings for the Dynamics reseller for 2021.

“Public valuations have dropped but private valuations have not adjusted,” Reinhardt said during the webcast. He said there is “a lot of private money” and that these investors “need a place to put their money and IT services and payments and fintech in general are great places to invest for the next three to five years.”

That is also the opinion of Linda Rose, a former



Matt Kenney, RSM US

Dynamics reseller, and head of Rozebiz. Rose, who wrote the book “Get Acquired for Millions”, has been working as an M&A advisor for several years since leaving the reselling business.

Rose provides advice to channel members seeking to sell and the company’s successes include the sale of Tidestone Solutions to Wipfli in 2020 and of Pioneer BI, when it was acquired by Sapphire Systems early in 2021.

Rose’s analysis is the same as Reinhardt’s—while public investors “stopped a little” during the pandemic, “private equity never stopped.”

Despite the strength of Microsoft in ERP and CRM, these investors are often more attracted to other channels where participants receive higher margins than the Microsoft dealers do. “They are looking at the NetSuite channel and the Sage channel where margins are greater,” she says. While Microsoft margins are “at best 30 percent on products”, they are 40 percent for NetSuite and 50 percent for Sage,” Rose continues.

Seventy percent to 80 percent of the investors eyeing this market are private equity investors, she continued. Their interest in partners? “They are looking at them as a portfolio company or to tuck them into an existing operation,” Rose says.

However, Rose notes, investors are not just looking at income streams. “Partners need to show the stickiness of their customer base,” she says.



Brenda Nobleza, Epicor

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Jeff and Barbara Curran  
Acumatica Customer

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Mid-Market  
SPRING  
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Best Relationship  
Mid-Market  
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# Acumatica

The Cloud ERP

# TOP 100 VARs

	Company	Revenue (\$MM)	Staff	ERP Product Line
1	RSM US, Chicago, Ill.	504.4	1500	Dynamics 365 BC/GP/NAV/SL/F&SCM, NetSuite, Sage Intacct
2	Alithya , Montreal, Que.	395.9	3000	Dynamics AX/365, NetSuite
3	Columbus, Copenhagen, Denmark	209.8 K	2000	Dynamics AX/GP/NAV/365, M3
4	Armanino, San Ramon, Calif.	192	641	Dynamics AX/BC/F&SCM/GP, Sage Intacct/Intacct Construction/Workday
5	Velosio, Columbus, Ohio	123.4	425	Dynamics BC/F&SCM/GP/SL/NAV, NetSuite, Sage 100, SilverLeaf
6	Sikich, Naperville, Ill.	123	320	Dynamics AX/BC/F&SCM/GP/NAV/SL, NetSuite, OpenAir
7	Crowe, Chicago, Il.	101.9	743	Dynamics AX/365, NetSuite
8	HSO, New York, N.Y.	97 E	300	Dynamics F&SCM
9	Vision33, Irvine, Calif.	89.6	452	SAP B1, B1Cloud, B1 Hana, Sage Intacct
10	Sapphire Systems, London, U.K.	73.9 P	410	Infor SunSystems, SAP B1, BYD, S4 Hana
11	Net at Work, New York, N.Y.	73.5	270	Acumatica, MIP, NetSuite, Sage 100/300/500, X3
12	Sunrise Technologies, Winston-Salem, N.C.	65	198	Dynamics 365 F&SCM
13	Enavate, Denver, Colo.	63.5	425	Dynamics AX/BC/F&SCM/GP/NAV/SL, NetSuite
14	Qusitive Technology Solutions, Toronto, Ont.	63	NA	Dynamics 365
15	BDO, Toronto, Ont.	62.5 C	1250	Dynamics AX/BC/F&SCM/GP/NAV
16	Wipfli, Milwaukee, Minn.	62.2	318	Dynamics BC/GP/SL NetSuite, QB, Sage Intacct
17	Copley Consulting Group/Judge Consulting, Wayne, Pa.	60	110	Infor Industrial Cloud Suite, Syteline
17	mcaConnect, Denver, Colo.	60	250	Dynamics 365 F&SCM
19	Aktion Associates, Maumee, Ohio	54	205	Acumatica Construction/Distribution/Manufacturing/eCommerce Deltek Vantagepoint, Infor Wholesale Distribution, CSD/SX.e/FACTS/A+, Sage 100/300, Intacct CRE
20	Stoneridge Software, Barnesville, Minn.	51.6	270	Dynamics AX/BC/F&SCM/GP/NAV
21	CLA, NA	50	NA	Acumatica, QB, Sage 100/500, Intacct, X3
21	Eide Bailly Technology Consulting, Fargo, N.D.	50	225	NetSuite, Sage 100/500
23	Cohn Reznick, New York, N.Y.	48	200	Dynamics 365, IFS, Infor, NetSuite
24	ADSS Global, Miami, Fla., Exton, Pa.	44.5	185	Sage 100c/300c, Intacct
25	SWK Technologies, East Hanover, N.J.	41.7	170	Acumatica, QB, Sage Bworks, 50c/100C/300c, X3

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# TOP 100 VARs *continued*

Company	Revenue (\$MM)	Employees	Financial Software
26 Marcum Technology, Melville, N.Y.	39	85	Acumatica, Dynamics GP, Intacct
27 Blytheco, Laguna Hills, Calif.	38	107	Acumatica, Sage 100, X3
28 LBMC Technology Solutions, Brentwood, Tenn.	37.1	110	Dynamics BC/GP/SL, Sage Intacct
29 Western Computer, Oxnard, Calif.	33	170	Dynamics AX/BC/F&SCM/NAV/PSA
30 Cargas Systems, Lancaster, Pa.	30.4	177	Dynamics BC/GP, Sage Intacct
31 Baker Tilly, Houston, Texas	30	110	Sage Intacct
31 Arctic IT, Anchorage, Alaska	30	120	Dynamics 365 Finance
33 RKL eSolutions, Lancaster, Pa.	28	94	Sage 100c/500, Intacct, X3
34 JourneyTeam, Draper, Utah	27.1	130	Dynamics BC/F&SCM
35 Archerpoint, Atlanta, Ga.	26	142	Dynamics BC/NAV
36 SIS (Strategic Industry Solutions), Duluth, Ga.	25.5	230	Dynamics 365 F&SCM, PO
37 Clients First Business Solutions, Holmdel, N.J.	25	95	Acumatica, Dynamics BC/F&SCM, SAP B1
38 BAASS Business Solutions, Toronto, Ont., Miami, Fla.	23.6 C	145	Sage 300, Intacct, X3
39 Encore Business Solutions, Winnipeg, Man.	23.4 C	115	Dynamics AX/BC/F&SCM/GP/NAV
40 NexTec Group, Seattle, Wash.	22	124	Acumatica, Dynamics GP/SL, Sage 500, X3
41 Logan Consulting, Chicago, Ill.	19.4	50	Acumatica, Dynamics AX/BC/F&SCM/GP/NAV, QAD
42 Godlan, Clinton Township, Mich.	19.2	80	Infor CloudSuite Industrial (SyteLine) ERP
43 Navigator Business Solutions, Salt Lake City, Utah	19	40	SAP B1/ByD
44 Crestwood Associates, Schaumburg, Ill.	18.5	65	Acumatica, Dynamics BC/GP/SL, Greentree
45 FMT Consultants, Carlsbad, Calif.	18.4	72	Dynamics GP/BC NetSuite
46 Bam Boom Cloud, Liberty Hill, Texas	18	120	Dynamics BC
46 Optimus Business Transformation, Miami, Fla	18	103	Dynamics BC/NAV
46 Synergy Resources, Central Islip, N.Y.	18	100	Acumatica, Infor CloudSuite Industrial, Visual
49 DSD Business Systems, San Diego, Calif.	16.5	150	Acumatica, Dynamics 365, Intacct, Sage 50/100/300/500
50 BKD Technologies, Springfield, Mo.	16	52	Dynamics AX/BC/F&SCM/GP, Sage 100/300/500, Intacct
51 Stambaugh Ness Tech Solutions, York, Pa.	15.4	43	Deltek Vantagepoint/Vision



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# TOP 100 VARs *continued*

	Company	Revenue (\$MM)	Employees	Financial Software
52	Cre8tive Technology & Design, San Diego, Calif.	15	75	Epicor
53	Rand Group, Houston, Texas	14.6	58	Dynamics AX/BC/F&SCM/GP/NAV/PO, NetSuite
54	Business Technology Partners, Deerfield, Ill.	14.3	55	Infor CloudSuite Industrial, Sage Intacct, Syspro
55	Kerr Consulting & Support, The Woodlands, Texas	14.2	133	Sage 100/300/500, 100 Contractor, 300 CRE, Intacct, Intacct Construction, X3
56	Fourlane, Austin, Texas	14.12	75	Acumatica, QBES
57	Answer Company , Vancouver, B.C.	14.06 C	120	Acumatica, Sage 100/300/500, Intacct, X3
58	Innovia Consulting, Onalaska, Wis.	14	85	Dynamics BC/NAV
50	Dean Dorton Technology, Louisville, Ky.	13.76	47	Dynamics BC/GP, QBO, Sage Intacct
60	CompuData, Philadelphia, Pa.	13	56	Epicor, Intacct, Sage 100
60	Vested Group, Plano, Texas	13	66	NetSuite
62	Collins Computing, Mission Viejo, Calif.	12.3 E	38	Acumatica, Dynamics GP
63	Accordant, Morristown, N.J.	12	50	Acumatica for Construction, Sage 100 Contractor, 300 CRE
64	2W Technologies, Pewaukee, Wis.	11.3 E	50	Epicor
64	Warren Averett Technology Group , Montgomery, Ala.	11.3	39	Dynamics BC/GP, Sage 100/100c, QBE
66	BrainSell, Topsfield, Mass.	11.2	60	QBE, Sage 100c/300/500, Intacct
67	Alta Vista Technology, Royal Oak, Mich.	11.1	28	Dynamics BC/GP, Sage Intacct
68	Business Solutions Partners, New York, N.Y.	10.9	41	NetSuite
68	JMT Consulting Group, Patterson, N.Y.	10.9	48	MIP, Sage 300, Intacct
70	Gurus, Montreal, Que.	10.8 C	78	NetSuite
71	Technology Management Concepts, Los Angeles, Calif.	10.5	43	Dynamics BC/GP/NAV
72	Microaccounting, Dallas, Texas	10	29	Sage 100/500, Intacct
72	Paradigm Technology Consulting , Allentown, N.J.	10	68	Dynamics BC/GP
74	Protelo, Folsom, Calif.	9.99	41	NetSuite
75	BigBang, Montreal, Que.	9.8 C	140	FinancialForce, NetSuite, Rootstock, Sage Intacct
76	Mibar.net, New York, N.Y.	9.7	28	Acumatica, Dynamics GP, NetSuite
77	Boyer & Associates, Minneapolis, Minn.	8.85	36	Dynamics BC/GP/NAV/SL, Fundamentals

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### The Consultant Squeeze



Joe Noll,  
RKL eSolutions

With business strong and the channel attractive, the major channel worry is a measure of success—there isn't enough consulting talent to support the growth firms could achieve if they could hire enough people

"The number 1 issue is the lack of consulting capacity, says Nancy Teixeira, head of Sage's North America partner program. The shortage of candidates has also impacted channel behavior.

"There has been some predatory behavior and poaching," Teixeira says. "That behavior will not

be condoned, nor will it be tolerated."

Resellers are testing ways to meet the need (See related article in this report) while vendors are responding with formal and informal programs.

"I can't say that anything I have seen so far will relieve the capacity restraint," says Dana Willmer, a co-founder of Partner Economics, whose services include benchmarking studies of the Microsoft Channel.

Willmer says the most successful efforts do not rely on help from the vendor. "The partners we have seen be the most successful have not relied on Microsoft's programs so as much as they have on hiring on industry and tapping into collage; in other



Linda Rose,  
RoseBiz

cases offshore."

However, vendors are working hard on their end.

Sage has soft launched a consulting pipeline program, employing two outside vendors Teixeira declined to name at this time. With the four-week program, "You won't have a senior consultant but you will have somebody who is billable," says Teixeira. One vendor is training candidates in an acceleration of Sage's training program while the other is helping teach soft skills.

Oracle NetSuite has stepped into the scene with SuiteLife Campus. The vendor is working with part-



Reid Sandelands,  
Accordant

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## VARs Report Return to Work Practices

Much of the economy has grappled with how to return employees to the office as the COVID-19 pandemic has ease. Companies face the issue of who should return to the office and who should not and what kind of hybrid arrangements are optimal for their businesses

With its reliance on consulting, the mid-market reselling business has always been more open to remote work. But not everyone wants to work at home. The comments that follow summarize the steps reported by selected resellers in their Top 100 submissions.

### Accordant

"Accordant has fully returned to the office as an organization, albeit with significant hybrid and remote-first work flexibility. As our business grows, we are increasingly attracting and hiring team members who live and work far from our headquarters in New Jersey. Additionally, many team members who are local to our primary office have hybrid schedules whereby they spend only a portion of the work week in our office."

### Ace Micro

"Ace has always been a virtual organization so all of our staff has worked from home and continues to work from home. We have seen more clients open and willing to onsite meetings and training and hope that trend continues."

### Aktion

"Aktion's staff who normally report to an office have returned to work in the office. We're at pre-pandemic percentages where 75 percent work remotely, and 2 percent are in an office setting."

### CAL Business Solutions

"At this point, most local employees are still working from home, occasionally coming to the office. We do have a few employees that are hybrid model, coming into the office a few times a week. Many of our employees are not located in Connecticut, so they continue to work remotely full time."

### Clients First Business Solutions

CFBS reports more than 70 percent of its employees work remotely. "However, we have had 50 percent to 60 percent remote workers 'pre-pandemic' because our clients are not located to a specific geographical territory and our ability to offer skilled team members the ability to work 'remotely in-office' without being at an office. We have seen a gradual request for on-site client services since Q4 of 2021."

### Computata

"Because our staff wanted to continue to work remotely, we sold our 30,000 sq ft office and downsized to a significantly smaller space. Currently, 90 percent of CompuData's staff is remote or hybrid."

### Enavate

"We have not returned to office. Most of our locations will remain fully remote. 100 percent of staff is working remotely. From time to time, team members are voluntarily utilizing office space on an ad-hoc basis, however no official reopening has occurred. Our pre-Covid work environment was a mix of office locations: the United States; the Ukraine, Belarus and remote."

### Marcum Technology

"We offer a flexible, hybrid model with staff

considered fully back in the office 60 percent of the time. The majority of our staff is working some sort of flexible hybrid schedule."

### MCA Connect

"We have adopted a hybrid model working both in office and home office. More importantly, our travel model went from 80 percent prior to Covid to no travel during Covid. We are starting to travel again, but the new normal will be percent 30 to 40 percent and not 80 percent."

### Paradigm Technology Consulting

"We have not returned to our own offices. However, we have begun to return to on-site engagements with our clients. Their policies determine to what extent and under what circumstances we'll be working at their locations."

### SWK Technologies

"Currently over 90 percent of our workforce continues to work remotely. We expect the majority of our employees will remain remote or hybrid. SWK is being optimistically cautious about its return to office policy and planning, and we closely monitor health news to keep apprised of major shifts in the pandemic nationally and abroad."

### WebSan Solutions

"We have not returned to the office at full capacity. Our office is currently open, and we give our employees the option to come to the office if they choose to. 90 percent of our employees are working remotely for the time being. We have always allowed employees to work remotely."

# TOP 100 VARs *continued*

Company	Revenue (\$MM)	Employees	Financial Software
78 Six S Partners, Waterloo, Ont.	8.81 C	55	Epicor
79 I-Tech Support, Ocoee, Fla.	8.8	34	Acumatica
79 Oasis Solutions, Louisville, Ky.	8.8	27	NetSuite, Sage 100, Intacct
81 Central Data Systems, Farmington Hills, Mich.	8.5	52	Infor CloudSuite Distribution, ERP, Field Service
82 Sockeye Consulting, Anchorage, Alaska	8.2	33	Dynamics BC/GP/SL, QBO, Sage Intacct
83 BCS/ProSoft, San Antonio, Texas	8.1	36	Deltek Vantagepoint, Vision; Sage 100, Intacct, NetSuite
83 TM Group, Farmington Hills, Mich..	8.1	38	Dynamics BC/GP/SL
85 WebSan Solutions, Toronto, Ont.	7.7 C	45	Dynamics BC/GP
86 Guide Technologies, Cincinnati, Ohio	7.5	33	Infor CloudSuite Aerospace & Defense, Automotive, Industrial; XA
86 Queue Associates, New York, N.Y.	7.5	71	Dynamics 365 AX/BC//GP/S&CM/PO/SL
88 e2b technologies, Chardon, Ohio	7.4	44	Sage 100/500, Intacct
89 ComTec Solutions, Rochester, N.Y., East Berlin, Conn.	7.2	49	Epicor
90 ACE Micro, Vero Beach, Fla.	7.1	32	Dynamics BC/GP
91 EthosSystems, Scottsdale, Ariz.; Chicago, Ill.	7	25	Sage 100CRE, 300CRE, Intacct Construction/RE
91 Intellitec Solutions, Newark, Del.	7	26	Dynamics BC/GP/SL, Sage Intacct
91 Out of the Box, Tigard, Ore.	7	63	QBE, QBO, QB, Premier, Pro
91 Sererra Consulting Group, Newport Beach, Calif.	7	68	NetSuite
95 CAL Business Solutions, Harwinton, Conn.	6.9	25	Acumatica, Dynamics GP
96 DWD Technology Group, Fort Wayne, Ind.	6.8	27	MIP, Sage BWorks, 50/100, Intacct
97 Accountnet, New York, N.Y.	6.6	14	Dynamics BC/GP/SL
98 Accelerynt, Plano, Texas	6.2	15	Dynamics BC
98 Express Information Systems, San Antonio, Texas	6.2	17	Dynamics BC, Sage 100, Intacct
100 Maner Costerisan, Lansing, Mich.	6.06	23	Dynamics BC/GP, Sage Intacct

*Notes: \*Alithya results reflect fourth quarter ended March 31 2020 plus nine months ended December 31, E Estimated by Bob Scott's Insights, P Translated from British pounds, C Translated from Canadian dollars, K Translated from Danish Krone*

## VARs Explore Solutions to Personnel Shortages

The biggest barrier to faster growth in the mid-market has been finding qualified personnel, particularly ERP Consultants.

Resellers who submitted information for selection as part of Bob Scott's Top 100 VARs were asked what steps they have taken to deal with this shortage. Here is a selection of the comments they made.

### Accelerynt

"We offer unlimited vacation and holiday time throughout the year, fully paid benefits for employees and their family, including medical, dental and vision. We also auto contribute 3 percent to each employee's 401K regardless of their individual contribution."

### DSD Business Systems

"We have expanded our search for talent beyond the locale of our offices and have made significant adjustments to our compensation and benefits plans to stay cognizant of personal preferences and on-the-job needs."

### Eide Bailly Technology Consulting

"We continue to expand and review our benefits package to ensure we are on the leading edge of the marketplace. This includes ensuring work-life balance with hybrid and remote work flexibility, offering wellness benefits like staff subscriptions to Calm and a Lifestyle Spending perk, and expanding our paid holiday, family leave, and profit matching benefits."

### Enavate

Among the steps the firm took were that it "Doubled the team member referral bonus." [Added a] "Market compensation study to ensure competitive wages and structured onboarding experience owned by Pod Leadership. Unlimited PTO-Additional partnership with outside search firms to recruit high quality talent."

### Fourlane

"We actually brought recruiting mostly in house. We changed up or job postings to be a little wider for experience and included our pay ranges. We also did a pretty significant increase in pay for our roles in 2021 because we saw inflation happening in the near future."

### Journey Team

"We are putting salaries in the job descriptions. This stands out to candidates letting them know we are open and transparent—and cuts the dance around the salary question time. We are adding

"paths to success" in the job description. In the job description, we outline what success looks like after 30, 60, 90 days and one year. We are pulling those paths to success into our quarterly plans and implementing a mentor system for new employees so they feel like they have an anchor as they ramp up. We designed and implemented an onboarding app to help new employees organize their first-week tasks."

### JMT Consulting

As with most companies, the retention and recruitment of staff has been the number one issue JMT has had to contend with over the past year. For those working from a JMT office, we moved to a hybrid work schedule; we doubled our 401 (k) match; we moved to a PEO to expand our benefits

improving our company culture a top initiative. We know our investment in our employees and helping them maintain a stable work/life balance will be vital to retaining our staff. We are also providing more training and opportunity for advancement for our entire team."

### Stoneridge Software

The company is "Developing our own consultant training program—The Stoneridge Academy. We have invested heavily into creating our own Learning and Development team and providing the tools for continuous training."

### Synergy Resources

The firm is "Recruiting via job boards, LinkedIn, recruiting firms, and college career fairs. Our



offerings; and we reduced the employee contribution for health benefit down to 10 percent and zero cost to the employee for vision, dental and life.

### Out of the Box Technology

"We hired an in-house recruiter to develop and implement a process dedicated to finding high quality individuals for the roles we have openings for. Our internal training program has been very successful in offering new and existing employees ongoing professional development."

### SIS (Strategic Industry Solutions)

"SIS has added an HR/Recruiting division to our organization, and we are continually looking for talented and knowledgeable consultants to join our team. SIS has also made the choice to make

Executive Leadership Team has created career growth paths for each job within Synergy. They also conducted extensive research to ensure Synergy is paying all employees fair market value (and made adjustments where necessary) as well as created incentive plans for all employees."

### Warren Averett Technology

"Our parent company Warren Averett has a Staffing and Recruiting division that helps find qualified talent for our Technology Group. We have been successful finding great talent through them as well as other recruiting companies that specialize in ERP personnel, example Nigel Frank. With our parent company being a traditional accounting firm, we have also been successful in transferring accounting personnel that have great technical skills."

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ners who hire college graduates and do some of the onboarding. NetSuite holds a six-week onboarding course, which includes consulting and accounting training.

“We have had a first cohort already attend,” says Craig West. “We are getting borderline sold out through the first half of the year.” NetSuite had planned to begin one session per month but now is planning for two a month in some cases.

There are two weeks of self-study with four weeks of instructor-led virtual sessions. Resellers pay for the courses in which “we do much of the heavy lifting,” says West.

Acumatica has also aided in recruiting, partnering with Twenty AI, which provides talent engagement services. Twenty AI notes it was engaged by Acumatica to provide a one-stop shop for Acumatica, the Acumatica Talent Ecosystem, providing services such as matching candidates to jobs with VARs and candidates able to register and create profiles.

“Acumatica partners can exclusively source talent,” notes Akerkar. He also says Acumatica is drawing interest from individuals working with Sage and Microsoft systems.

Accordant Co., a construction VAR based in Morristown, N.J., has turned to a resource from which many resellers originated—accounting firms.

Alex Solomon,  
Net at Work

The company, which carries Sage 100 and 300 CRE and Acumatica, has 50 employees and is adding one or two each month. Co-managing partner Reid Sandelands says Accordant has fared well by recruiting accountants. “They come in as consultants—everyone gets put on their independent trajectory of increased responsibility,” says

Sandelands.

The company had historically sold the Sage line but added Acumatica to expand beyond its traditional construction and real estate markets.

Sandelands says that means “We can go into any vertical”, including financial services and the SaaS software business, arenas it could not penetrate with its prior software business.



Nancy Teixeira,  
Sage

## The Vertical Push

Most ERP Vendors are stressing the need for channel members to specialize and NetSuite has been bullish on its microvertical program which West describes as “hot, hot, hot. We continue to see results that prove that the promise is real.”

The promise is that firms that add their own IP to NetSuite can target specialized markets, ensuring they will have few competitors and that will keep margins high. If VARs can accumulate detailed knowledge of a business sector, “the promise is shorter sales cycle lower discounts, the projects are more profitable. we are seeing all those promises come through,” West says.

The number of VARs selling microvertical packages “is up significantly over the last twelve months,” West says, and he continues that those dealers are growing faster than the others in the channel.

Similarly, Acumatica launched an industry authorization program on April 1, which is “designed to give prospects confidence” in the knowledge of the reseller, according to Akerkar.

The company, which retired its Silver Certification level, leaving only Gold level, is offering is certification in commerce, construction, distribution and manufacturing.

To achieve certification, resellers must obtain 15

badges, with three badges in one of the industries. These are earned through completion of training courses.

Similarly, while Epicor has limited plans for channel expansion it does intend to recruit to fill niches. The company has 20 resellers and 25 service partners, according to Nobleza.

“We have good geographic coverage,” says Nobleza. “We are strategically taking partners when we find a good match. That includes seeking dealers who have something that brings things to the table that we don’t have,” she continues.

In the case of existing VAR, San Diego, Calif.-based Cre8tive Technology & Design that mean “spending a lot of time with them building out their aerospace and defense vertical.” Epicor has done many joint engagements with the reseller.

Epicor will probably recruit to find a VAR to enter the medical device market. “We don’t have any partners in that level in that vertical,” Nobleza says. Food and beverage is another possible area for recruiting a new firm to the program.

## Staying on Top

Demand has remained strong for RSM.US, which has repeatedly been the No. 1 firm in Bob Scott’s Top 100 VARs and achieved that level again this year.

The firm has continued on an award-winning pace with its different cloud products. It was named NetSuite Worldwide Partner of the Year last fall for the seventh time and sixth in a row, and again was named to the Microsoft Inner Circle for its sale of Dynamics.

RSM is seeing all three of its cloud ERP lines continue to perform well. NetSuite is still a choice for high-tech and software companies. Sage Intacct is strong “if the controller is driving the decision” because of strength in core financials. Dynamics is often picked by firms that wish to purchase the entire Microsoft software stack and buy the brand for security.

In general, the performance of Dynamics 365 Business Central is getting stronger.

“I would that BC is accelerating,” Kenney says. It is getting traction in the middle market. He also says Dynamics 365 Finance & Supply Chain Management is “going pretty steady. They are proving they can be functional in larger and larger organizations.”

Interest is also strong because of a general move towards automating business processes through organizations. “We see some things emerging, including a lot more interest in just automating a lot of processes beyond what ERP typically has been, including customer service,” Kenney says. The trend is to erase the difference between front office and back office.

RSM also anticipates automating HR “as the next



Tim Thompson,  
Crestwood Associates

## Choosing the Top 100

The ranking of the Top 100 mid-market reselling firms is based solely on annual revenue. When more than one company reported the same revenue, they are listed as tied.

Few of the companies chosen or considered are public companies that report results with readily available revenue figures. These are SWK Technologies, through its parent SilverSun Technologies, Alithya, Columbus and Qusitive.

Most revenue figures were submitted by the companies themselves. In cases in which resellers declined to provide revenue, estimates were made. Factors utilized in estimating include the

number of employees reported and the typical selling prices of the products they carry.

All companies considered carry products other than financial software, and revenue from those products is included the totals reported here. Candidates were considered if they were in business on Dec. 31, 2021.

Revenues reported are primarily gross revenue. However, some resellers have pointed out that ERP vendors have moved to billing customers and sending the resellers their share, minus cost of goods sold, net revenue. That method, these VARs say, is the proper accounting treatment.

big thing a lot of organizations want to tackle” with automation, Kenney says. He notes that in the public sector, “They view human capital management as part of ERP”.

Crestwood Associates is seeing growth on both of its cloud products—Acumatica and Dynamics BC.

“We are seeing rapid growth on the subscription side,” says Thompson. “Our enhancement plans—for legacy products—continue hold flat month over month and eve grow a little bit.”

Crestwood had a successful 2021 with Acumatica, making that cloud vendor’s President’s Club and being named a finalist for Retail Commerce Partner of the Year. It was also reseller of record for the Customer of the Year award, which went to Green Bay Publishing.

Customers with more complex requirements are suited for conversations about Acumatica while Dynamics BC suites firms toward the lower end of the Mid-Market.

“Business Central has come a long, long way in the last 18 to 20 months,” Thompson says. Nevertheless, Microsoft continues to have a messaging challenge because of the company’s multiple ERP lines.

“We still face some confusion in the space,” he says.

Like everyone else, Crestwood faces the labor squeeze. “We are absolutely seeing the shortage of talent,” he says. The issue calls for resellers to build internal support systems for nontraditional ERP consultants. “A couple of other partners have a running start on that side of thing,” Thompson says.



Craig West,  
Oracle NetSuite

RKL eSolutions takes a different tack than RSM with its multiple cloud lines. RKL is a Sage loyalist, although it originally sought to bring on Intacct, in 2017 right before Sage purchased the cloud line and left the firm with a Sage-only ERP line.

But it’s not just the cloud product that has done well in the last year. “It was a good year. We stayed busy with our installed base,” says Joe Noll, president of RKL eSolutions. That includes having “a great year in Sage 100 and X-3”.

The venerable Sage 100, Noll says, remains suitable for those with inventory needs that cannot be

served by Intacct and who do not need a product as sophisticated as X-3.

The VAR did simplify its product line by selling its Sage 300 business, which it sold to Acumen Information Systems in July 2021.

RKL has signed on to carry Intacct’s Construction Edition, although so far the action has been only demos—as of the interview in April, there had been no sales. As RKL did not carry the Sage Construction and Real Estate products previously, it will probably seek to acquire another dealer to establish its construction practice.

RKL is not jumping into the Intacct Manufacturing Edition, which is to be introduced into the United States this year. “We are not impressed yet,” he says. Noll says the new edition is not built on the Intacct platform and appears to have been originally designed for the X-3 market.

Along with RSM US, Net at Work is one of the few Top 100 firms to offer three cloud ERP lines—in this case, Acumatica, NetSuite and Sage Intacct. But in general, Net at Work’s hallmark has been a wide range of products and services.

For years, it has had a partner program with other resellers that it has used as a preliminary to possible acquisition. It has document management, managed services and HR businesses, among others and in July Sage accredited its Cloud at Work sister company to host Sage customers who are migrating to the cloud.

Co-president Alex Solomon says that the business can provide the wide variety of services to its customers. For example, if it is hosting a customer’s ERP application, it can also host infrastructure.

“We become not only the implementer but support the customer and the company that road maps out their technology plan,” he says.

Net at Work’s newest cloud ERP line is Acumatica, which the firm took on in the summer of 2019. This year, it acquired Acumatica dealer ProServe Solutions, bringing in both new customers and ProServe’s founder Chris Cleary to manage the Acumatica practice and three Acumatica MVPs, including Cleary.

“Our objective is to move our business to the subscription model. ProServe already started on that path,” says Solomon.

Much of the new business for Intacct comes from the migration of customers from other Sage products. Net at Work does not migrate Sage desktop customers to the other cloud packages.

## Guide to Software Products Listed

Here is the key to products listed in this chart by vendor. When abbreviated, the abbreviations are listed first with the fuller name in parenthesis. In many cases, the name of the company is also the name of the basic product.

Product lines have been expanding with both Sage and Intacct adding editions—both have Construction and Manufacturing Editions. While the Dynamics line continues to expand, most of the action is on the CRM side.

### Acumatica

**Community Brands:** MIP (MIP Fund Accounting) Deltek: Costpoint, GCS, Premier, Vision, Vantagepoint

**Epicor:** Epicor

### Fundamentals

**Infor:** Infor Cloud Industrial Suite, WD (Wholesale Distribution): CSD/SXe/FACTS/A+, M3

**Intuit:** QB, (QuickBooks), QBE (QuickBooks Enterprise Solutions), QBO (QuickBooks Online)

**Microsoft Dynamics:** AX, GP, NAV, SL, 365, BC (Business Central), F&SCM (Finance and Supply Chain Management) PO (Project Operations)

**MYOB:** Greentree

**Oracle:** Oracle Cloud, JDE (J.D. Edwards), NetSuite, OpenAir

**PowerGP Online QAD**

**Rootstock**

**Sparkrock**

**SAP:** B1 (Business One), B1 Cloud, ByD (Business ByDesign)

**Sage North America:** BWorks (BusinessWorks), Intacct (All editions) Sage 50, Sage 100, 100c (100cloud), Sage 300, 300c (300cloud), Sage 500, Sage 100 Contractor, Sage 300 CRE (Construction and Real Estate), Pro (SagePro ERP), X3.

**Syspro**

**Velosio:** Silver Leaf CPC Workday

**Bob Scott** has been informing and entertaining the mid-market financial software sector with his email newsletters for 213 years. And he has been covering this market through print and Internet-based publications for 31 years, first as technology editor of Accounting Today and then for 12 years as the editor of the former Accounting Technology. He has been executive editor of The Progressive Accountant and ERP Global Insights (formerly Bob Scott’s Insights) since 2009.

