# How to Choose an ERP Software for a Professional Services Industry

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How is Professional Service industry different from others? Is there anything we are missing when we are trying to choose the right software? Let's try to answer those questions. Well, the answer is, it really depends. If you are working in a professional services industry, you must know the importance of choosing the right software for your business. When we narrow it down, professional services industry is much different, much flexible and unpredictable comparing to production, manufacturing, or other industries. Because each client receives different products or projects. You need to build/design/consult/engineer different stuff for different people. Therefore, managing people and clients will also be different. Comparing to manufacturing and production industries, where you have predefined known set of workflow or tasks, professional services industry tasks and workflow is unknown or flexible. Moreover, the services you are building might require long term relationship and on-going support from your  company. [](https://www.kpi.com/wp-content/uploads/2017/08/59a6619320a72.jpg)Clearly, as a professional services company you may need something more than just tracking time. You need to predict demand, allocate budget and resources, manage different cost centers, and bill your customers. At the same time, you need a system for managing your customer issues on an ongoing basis. You will have your own supply chain including activities in: sales, planning, delivery, and customer service. The ERP software you are going to choose has to be integrated. Since all your data is focused among the customers, you will need a software which will help you to analyze how we got that customer, what projects we did for this customer, what kind of invoices are there... etc... All information regarding that customer has to in one place. There are some must have tools that need to present in an ERP software for Professional Services industry. And the first one is...

### Project Management

Look for robust project management module in an ERP software. The project management software should have an ability to manage different projects in different multiple locations. A project manager needs to have an ability to view the overall picture of the project on various dashboards. And most important the project management module should be integrated with Accounting module. There should be an ability to assign different cost centers to different projects. If your employees are paid hourly, there should be an ability for employees to fill a timesheet and connect it to their payroll. Also, don't forget about gannt chart and budgeting capabilities. [](https://www.kpi.com/wp-content/uploads/2017/08/1783ff9431ca81ffd212dd18b67b5f64.jpg)Professional service firms need robust project management processes and software. A single engagement may be comprised of multiple projects in multiple locations. An engagement manager needs visibility into each project, as well as a “picture,” a dashboard of the engagement as a whole in terms of progress to date, completed tasks, and outstanding issues.

### Accounting and Payroll

This is the most important part. Maybe this is the single most important part you need to be paying attention to when buying an ERP package. Your billing process can be per client once or even per any engagement-project implementation or customer service. Services you are providing may be provided on a fixed fee/quotation basis, or expense basis or percentage of completion basis.Billing rates can also be different depending on who is performing the task - the senior consultant or a junior employee. Most importantly, if your company collects and applies different invoices to different activities, the system should have capabilities of matching those amounts. There should be expense claims regarding staff assignments or travel arrangements made. And all those standards should be connected with Project Management activities.

### Staff Management

Staff management is as important as Project Management and Accounting. Choose a software which will enforce the employee productivity. Your system must be able to track time and encourage users to work efficiently. Moreover, there should be a proper mechanism to manage leave requests and performance appraisals.

### Sales and CRM and Customer Service

Look for integrated CRM software with emailing capabilities. As a service industry, you might receive all your customer complaints through email. Look for issue management or ticket management capabilities. The CRM part should be customizable, as different companies have different processes of gaining and managing clients. **Conclusions** Depending on a type of your organization, you need to pay a careful attention to choosing the right tools: including an integrated project management, accounting and payroll, staff management, and CRM. When you have those tools in place, go for it! [Sign up for a free trial](http://app.kpi.com), test it, work on it. The following video demonstrates how professional services industries can benefit from kpi.com: [embed]https://youtu.be/JijIDeHngL4[/embed]