

QuickBooks or MYOB – which is better for your business?

It's a question I am frequently asked by small business owners, as an accredited QuickBooks consultant I have been concerned that I may be prejudiced, however recently delivering an in-depth MYOB training course enabled me to review all the pros and cons of both products and identify what I love and hate about each. I have not considered price in this because prices are always changing, the differential is generally small and even if you paid an extra \$100, over 4 years that would equate to less than 50c a week – a small price to pay for having software that really suits your business. Following are my impressions and conclusions

MYOB was originally designed for and by accountants, hence many accountants will recommend it over QuickBooks, however accountants have different criteria when selecting software - for example MYOB requires you to use account numbers rather than descriptions – accountants love that but many small business owners would prefer to assign costs to Postage rather than 6-4500 for example. A second example is that MYOB clearly shows journal entries, important if you are an accountant, but what small business owner needs/wants to see these? So what may be suitable for your accountant may not necessarily be right for you.

So what are the pros and cons from the perspective of the business owner?

Cosmetics

Some of the differences are cosmetic but can still impact ease of use. For example, two years ago QuickBooks moved to having the single Home Page – all activities are clearly displayed on one page, MYOB still has the old Command Centres, you need to go first to Sales Command Centre, then Enter Sales – two clicks instead of one. Also QuickBooks allows multiple reports multiple windows to be open at one time and. The Open Windows list at the side of the Homepage allows you to switch between these windows with ease, MYOB immediately closes one report as soon as you run another one, allows a maximum of 9 windows to be open at one time and doesn't give you a list of open windows to enable easy switching.

Reporting

I find QuickBooks is streets ahead of MYOB in terms of reporting. All reports in QuickBooks can be run on a Cash or Accrual basis – the majority of small businesses operate on a Cash basis at least for GST, if not for their financial accounts. In MYOB, only selected reports can be run on a cash basis. QuickBooks has an almost infinite capability to customise each and every report, so if the information you want isn't initially displayed – you can add it and you can modify your selection criteria. MYOB is much more limited in customisation features. QuickBooks allows you to save customised reports in groups for ease of reference and allows you to place reports in a Group and then run the Group – such a time saving option and too easy! Additionally – although you can send reports to Excel from both MYOB and QuickBooks, only QuickBooks exports the formulae as well as the figures – another helpful feature (for Excel buffs/analysts at least)

Financial and Payroll Year Ends

Totally not part of QuickBooks. MYOB is structured around financial years which impacts the flexibility of some reports especially Job and Category reports, whereas in QuickBooks you can run each and every report across multiple financial years. This is an absolute must for businesses working in a project or government grant style environment where start and finish dates do not correspond to financial year start and finish dates. Sure there are reports in MYOB that you can run across financial years, but all too often, the message appears saying it is not possible to run this

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report across financial years. If you are a project based business then this has to be a major factor in driving the decision making process

Locating Transactions

Important functionality and again, I do find QuickBooks more helpful here – once you have recorded a transaction – eg a sales invoice, you can use your Forward and Back arrows to move quickly to the transaction. In MYOB, once it is recorded you have to go to the Register or Journal to locate it – so frustrating – you press Record and suddenly remember what you need to change. The Find function in QuickBooks is incredibly powerful, enabling you to easily find each and every transaction – MYOB doesn't even come close.

Receiving and Spending Money

This is the one area where I find MYOB has a big advantage over QuickBooks. Being able to record non sales and purchases transactions in two screens that look alike is really easy for small business operators. Sure QuickBooks has Write Cheques and Enter Credit Card Charges but nowhere does it have the equivalent in receiving money – you must either do it via a sale (so you must set up an item) or in Record Deposits but in the latter you don't have the opportunity to record a tax code – leaving a journal as the only alternative.

Icon Bar

I do find MS Office 2007 has gone over the top with its arrays of icons making it difficult to find functions, however a few icons can substantially improve speed and user friendliness. I am a keyboard rather than a mouse person but QuickBooks has a customisable icon bar, and a few strategically selected icons do make my life happier. So far I have not located anything like this in MYOB, which could really do with this especially since it still uses Command Centres rather than the single Home Page of QuickBooks

There are a host of other variances between the two products, many relate to personal preferences rather than functionality of substance, but if you are relying on the product for your business information, lack of these features can become very irksome.

- Customisable Data Entry Forms – QuickBooks allows you to define your sales invoice/order and purchase invoice/order layouts but MYOB requires you use one of their 5 pre-defined layouts. If your business has specific requirements for sales invoices for example, the flexibility from QuickBooks is a benefit
- Jobs, Classes and Categories – all really useful if you need to report separately on certain activities or projects in your business. QuickBooks' 'Classes' and MYOB's 'Categories' are similar and both products have Jobs. However in QuickBooks, a job must be associated with a customer which can be a restrictive, but then MYOB only allows one Category per transaction, QuickBooks permits allocation to multiple Classes in one transaction
- User Definable fields – QuickBooks allows you to name each set (eg Serial number, Region) and you can have up to seven sets each for customers, suppliers and employees and five for items. MYOB has 3 Lists and 3 Fields – numbered 1 to 3 - ie you can't name them – very unhelpful.

There is of course lots more, I have really just highlighted the features I consider to be important from a business management perspective and some of the preferences that make my day easier. To a certain extent it is horses for courses, and of course the situation changes with every new release of each product. So although I do support both MYOB and QuickBooks, I am more likely to

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recommend QuickBooks to a business looking to buy software but would not necessarily recommend an existing business switches to QuickBooks.

If you would like further information on the differences between the two products or a discussion on your specific requirements – please contact me at Margaret.carey@businessseez.com .au or 0408 210 552

