

eCMS Enterprise Resource Planning Case Study



“Parsons Electric processed 5,500 invoices, employed over 200 workers and spent nearly 250,000 labor hours on this project to date and the project is projected to be on time and under budget as a result of the seamless integration among the eCMS applications and the way these applications manage critical business processes.”

— Jeff Moryn, Chief Information Officer, Parsons Electric

Company: Parsons Electric Co.

Industry: Specialty Contractor

Construction Services:

Electrical Services

Corporate Headquarters:

Minneapolis, MN

Territory / Locations: Primarily in the states of Minnesota and Arizona

Client Information: Since 1927, Parsons Electric has provided quality design, construction, service and maintenance to its customers through three operating divisions: electrical, technologies and technical services.

- Annual Revenue \$250M+
- 250+ Employees

Software Applications: eCMS, Account Payable, Accounts Receivable, General Ledger, Payroll, Human Capital Management, Job Cost, Order Processing, Purchasing, Time & Material Billing, Equipment Accounting, Equipment Maintenance, Integration Suite, Document Imaging/Workflow, eForms, Project Collaborator, Service Management and Business Intelligence

Technology Environment:

IBM System i

Challenge: Large-scale, multi-million dollar electrical projects require strict guidelines for project documentation and owner communication. Contractors without an enterprise resource planning solution in place are ineligible to bid on these types of projects. Project owners require that contractors utilize integrated enterprise-class software solutions to manage the mission-critical business processes and to provide accurate, detailed and timely documentation before awarding such large-scale projects. Parsons Electric has been leveraging Computer Guidance's eCMS ERP to successfully bid on and deliver electrical construction projects from design and build to service and maintenance for over 16 years. During this time, they have successfully bid and completed many large-scale, multi-million dollar projects.

One such project was granted with a number of strict guidelines, including required written documentation to the owner on every dollar spent. The challenge presented itself when the contract included penalties if Parsons Electric did not accurately project the costs of the project and quarterly billing amounts thus magnifying the need for accurate and timely data of costs to date. The critical items that the owner required Parsons Electric to provide documentation on included: labor, union benefits, labor overhead, materials purchased, tools used for the project, project progress and actual project costs against budgeted amounts.

Solution: Parsons Electric utilized a number of eCMS applications—Accounts Payable/Subcontracts, Accounts Receivable/Contracts, General Ledger, Purchasing, Job Cost, Payroll, Time & Material Billing and Document Imaging/Workflow—to deliver on these requirements. The project was projected to be delivered on time and under budget as a result of the seamless integration among the eCMS applications and the way these applications manage critical business processes.

The moment the project was initiated, Parsons Electric personnel set up the project in the eCMS Accounts Receivables/Contracts application with the established price of the contract, contracted items and billing cycles. This information was automatically made available in the Time & Material Billing application where the data was consolidated for project owner reporting. When the reports, including certified payroll, were due to the owner, Parsons Electric personnel ran consolidated reports in Time & Material Billing. The consolidated reports included back-up documentation such as payroll checks, purchase orders, time cards and invoices. The back-up documentation was captured in the Imaging application and delivered to the project manager for final approval through the Workflow application prior to presenting the reports to the owner.

Results: It is difficult to measure the savings that eCMS provided to Parsons Electric on this job as it is hard to quantify how the management and reporting of these business transactions could have been completed without the utilization of integrated construction software. Parsons Electric estimates that it would have required a full-time person at the job site and possibly another full-time administrative person in the office to manage these transactions valued at approximately \$100,000. In addition, without electronic workflow, documents would have to have been manually sent back and forth between the field and the office, resulting in additional expenses. Standalone systems or spreadsheets would have to be reconciled and would likely never have presented accurate or timely information, greatly diminished profit margins and owner satisfaction. The financial success of this, and many other large scale projects, can be attributed to the use of integrated construction management technology solutions, particularly Computer Guidance's eCMS construction ERP.



TCF Bank Stadium, Minneapolis, MN



Lone Butte Casino, Chandler, AZ

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