Case Study

eCMS Financial Management, Payroll, Human Resources & Reporting

Sterling INDUSTRIAL, LLC

THE COMPANY

Founded in Indiana in 1982 as a tri-state contractor, Sterling Boiler & Mechanical, Inc., the expanded and rebranded Sterling Industrial, LLC, now has operations across the United States. The contractor now provides civil/structural, electrical and mechanical contracting services for new construction and maintenance/retrofit applications, as well as shop fabricating and machining services to meet virtually every customer need. The firm serves clients in the Energy, Clean Energy, Chemical, Plastics, Aluminum, Metal Processing, Oil Refining, and Paper Processing Industries. Sterling Industrial, LLC, was acquired by Traylor Bros., Inc., in 2016 and is part of Traylor Industrial Group, LLC.

OVERVIEW

Company Name: Sterling Industrial LLC
Headquarters: Evansville, IN
Industry: Industrial Contractor
Construction Services: Mechanical, Boilermaker, Piping, Millwright, Electrical, Steel-Erection, General/Civil, Fabrication Shop
Territory/Locations: 2 Indiana offices and 1 Ohio office
# of Employees: ~500 on average

CHALLENGES

Sterling Industrial, like many of Traylor Bros. companies, conducts joint-venture jobs, which can be difficult to manage without a single enterprise resource planning software supporting the people, processes and infrastructure. Traylor needed to establish an enterprise-wide ERP platform to manage its joint ventures, supporting both its family of companies and any outside contractors working within the same joint venture.

Further complicating matters, Sterling Industrial comprises multiple divisions and performs various job types in high volumes (+2,500 jobs/year with hundreds of sub jobs and job codes). Financial controls had to be implemented to efficiently manage payroll, accounting, time and material, job costing and reporting.

Sterling Industrial is also a union contractor, working with and reporting to +40 different union organizations. Union labor is renowned for its multitudes of trades and, given the diversity of the construction services Sterling Industrial offers, the administration of different types of union labor, including specific payroll reporting and processing for each one, can easily become overwhelming. In fact, Sterling is required to report where each job took place, employee hours, overtime, trade type, benefits, withholding tax and more. Any reciprocal agreements must also be followed, which can differ per union and/or state.

Minimally, union regulations require the reporting and management of job location, employee residence, employee earnings, employee hours (regular and overtime), hours and earnings ratio, deductions, benefits, dues (if applicable) and more. Union labor is paid weekly and errors must receive same-day corrections and paychecks.

Beyond regulations, Sterling Industrial must provide accurate and comprehensive reporting to employees, customers and its parent.

Trying to accomplish all of this with more than 2,500 jobs per year, 500 average employees and significantly more if including joint venture employees (who must be paid weekly) and as many as 40 different union relationships on projects underway across the country, can create tremendous challenges for Sterling.

SOLUTION

Comprehensive Payroll—eCMS is a customizable payroll solution that allows Sterling Industrial to meet unique needs and still adjust on the fly, allowing for exceptions and ongoing changes. The eCMS Payroll application is integrated with core accounting, job costing, human resources and business intelligence applications, eliminating duplicate data entry and unnecessary manual processes. eCMS receives labor time data from various sources daily and processes payroll weekly. The Payroll module processes pay and tax calculations according to various criteria, including the type of employee, craft performed, hourly pay, union deduction (based on dollars and based on hours), benefits, gross pay (with state, federal and FICA taxes), marital status, child support, tax garnishments and more. Once the payroll batch is processed, the system provides administrative personnel with the ability to review, edit and verify information and generate union, customer, management and other reports. The system automatically raises alerts and flags discrepancies to allow corrections before final submission.

Union Reporting—eCMS ERP is a suite of integrated applications that houses a wealth of information. eCMS reporting and business intelligence applications allow this information to be served up in various formats as required by regulations or customer agreements. The reporting tools not only keep the contractor compliant, but allow management to make fact-based decisions regarding their financials, operations and performance forecasting.

Time & Material Billing/Job Costing—Once daily payroll is entered and verified, information is sent to eCMS T&M for customer billing. Customers get to review the granular details of every employee working on the job and what each one did in terms of function and time. eCMS reporting includes all job costs, cost codes, sub jobs, job numbers and more.

Human Resources—eCMS HR application manages 401K and Roth deductions along with their matching benefit, as well as the employee insurance deduction and accrual. eCMS allows these expenses to be distributed down to the lowest level of the job/sub job and cost distribution which allows for more accurate job and financial reporting within the organization.
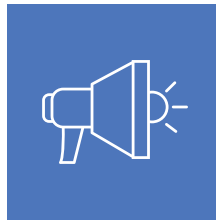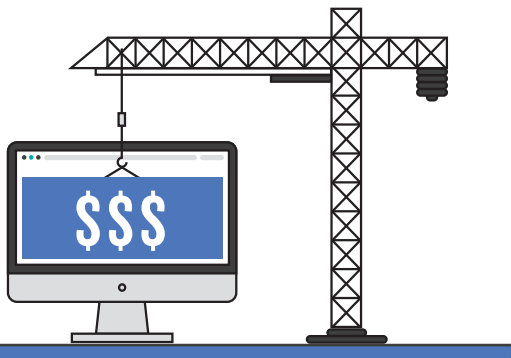
Stable, Reliable and Scalable Platform—eCMS provides a rock-solid platform that is secure, stable and reliable with the ability to customize and configure to meet the very unique needs of large commercial contractors.

RESULTS

- Automated Payroll, Accounting, Job Costing, T&M Billing and Reporting processes enterprise-wide for all jobs, unions, customers and employees
- Streamline the payroll process by eliminated duplicated payroll entry
- Eliminate discrepancies between T&M Billing and Payroll
- Eliminated time-consuming and labor-intensive processes through automation
- Complies with union regulatory and reporting requirements
- Delivers more finished projects without increasing costs or overhead
- Scales easily to meet new and ever-changing business demands
- None of these accomplishments would have been realized with disparate systems and processes—these dramatic business results stem from the implementation of a single ERP platform spanning the Traylor Companies

"The benefits of eCMS have not just been significant, they've been immediate, measurable and we expect them to be long-lasting. Not only have we turned our focus away from slow manual processes, we continue to make faster, fact-based decisions that lead to more jobs being completed more efficiently, and we're enjoying the growth and benefits associated with true automation."

Ken Wahl
Director of Finance
Sterling Industrial

eCMS APPLICATIONS

Accounts Payable, Accounts Receivable, General Ledger, Job Cost, Human Resources, Payroll, Purchasing, Content Management & Workflow, Business Intelligence & Analytics, eCMS Connect, and Integration Suite

Technology Environment:
On-Premise/Private Cloud

"Our entire organization is reaping the benefits of a unified approach to accessing and processing big data – from HR to Payroll, from management to the jobsite, and from our employees to our partners and unions."

Rich Kramer
IT Applications Manager
Traylor Bros., Inc.