



## Microsoft Dynamics Customer Solution Case Study



### Overview

**Country or Region:** United States

**Industry:** Construction—Heavy and civil engineering construction

### Customer Profile

Based in Tacoma, Washington, Alpha Development specializes in civil works projects for the private and public sector, including road-building, hauling, grading, and underground utilities.

### Business Situation

The company owner wanted tighter integration between project management and financial accounting for more accurate bidding and more efficient operations than competitors.

### Solution

With help from Microsoft® Gold Certified Partner Synergy Business Solutions, Alpha Development replaced its Sage Office Timberline accounting system with Microsoft Dynamics® SL.

### Benefits

- Improved bidding and cost control
- Better operations and reporting
- Greater familiarity and efficiency
- Strong technical foundation

## Better Project Accounting a Strategic Asset for Construction Firm

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John Wheeler, Controller, Alpha Development

Construction firm Alpha Development wanted to integrate project management and accounting systems to more accurately reflect its business operations. To accomplish this goal, the company switched from Sage Office Timberline project accounting software to Microsoft Dynamics® SL with help from Microsoft® Gold Certified Partner Synergy Business Solutions. The integrated project management and accounting software works with familiar applications in the Microsoft Office system so employees can more easily transfer information between applications. Microsoft Dynamics SL also links field and office operations so Alpha Development can more accurately track project costs with a greater level of detail. With more up-to-date reports that reflect the nuances of its business, Alpha Development managers can make better decisions when bidding on projects and managing labor, materials, and equipment.

“Our improved financial visibility gives us valuable intelligence when estimating and bidding on potential projects. For ongoing projects, I know more quickly when a project is veering off course.”

John Wheeler, Controller, Alpha Development

## Situation

Founded in 1984, Alpha Development specializes in large civil works projects for the private and public sectors, including site development, road building, and underground utility construction. The company has grown rapidly over the last four years, expanding from 30 employees to 80 employees and increasing revenues 250 percent. Helping fuel this growth, Alpha Development invests in technology to improve the quality and cost efficiency of its projects, providing its teams with automatic grading equipment controls, computerized earthwork calculation, and laptops.

“Our CEO appreciates the value of technology,” says John Wheeler, Controller for Alpha Development. “When he brought me on board in 2006, one of the things I was responsible for was implementing his vision for integrated project management and accounting.”

Alpha Development CEO Lee Allison wanted to more accurately calculate the real costs associated with a project—labor, materials, and equipment—which would help managers track cash flow and maintain profitability. Managers also needed easier access to up-to-date project accounting information. At the time, the company’s Sage Office Timberline project accounting software did not provide the flexibility for reporting and accounting needed to make the owner’s vision become reality.

“Timberline was not a bad product, but it wasn’t going to be a strategic asset because it did not reflect the nuances of our business,” says Wheeler. “For example, we needed to track equipment costs for each project to accurately assess the true cost to the company for a particular project. And, we needed to get information out of the system easily so that we could make better informed decisions, such as when bidding on a

prospective project. The database technology underlying Timberline made it difficult to get at the data.”

In addition, Alpha Development employees could not easily transfer information between their accounting system and productivity software in the Microsoft® Office system, such as Microsoft Office Project and Microsoft Office Excel®. Field superintendents relied on Office Project to keep track of project resources and timelines, and managers and accounting staff used Office Excel to track and analyze data. Because these software tools and the company’s accounting system did not work well together, employees relied on inefficient and error-prone processes. For example, project foremen drove back to the main office to drop off paper timesheets at the end of each day. “Lee comes from an engineering background, so if something doesn’t work, he wants to know why. And, to him, there was no good reason why the applications in the Microsoft Office system should not work with our accounting systems,” says Wheeler.

## Solution

Convinced that switching systems would help realize the vision for integrated project management and accounting, Wheeler examined offerings from SAP and Microsoft. Eventually, Wheeler chose Microsoft Dynamics® SL because the software is flexible, works with Office Project and Office Excel, and takes advantage of Microsoft SQL Server®.

“Based on my experience, Microsoft Dynamics SL is the best project-accounting system on the market,” says Wheeler. “Microsoft supports the solution with knowledgeable resources. It is highly configurable and runs on a SQL Server database. Moreover, Microsoft has great local partners.”

“We can now divide project costs according to the phase of the project. That’s a tremendous advantage that Microsoft Dynamics SL gives us because we are involved in many long-term jobs.”

John Wheeler, Controller, Alpha Development

### **Tapping Local Partner Expertise**

Alpha Development tapped Microsoft Gold Certified Partner Synergy Business Solutions to implement Microsoft Dynamics SL and a project management system. Synergy specializes in Microsoft Dynamics SL for construction firms and other project-driven companies. The Alpha Development implementation lasted four months and included the financial and project management modules. “The interface in Microsoft Dynamics SL validated our data as we imported it into the system. This helped us to populate the new accounting setup with confidence that it was going to work properly,” says Wheeler.

Alpha Development and Synergy configured Microsoft Dynamics SL to match business processes at the company. “Microsoft Dynamics SL is an extremely flexible software package that also offers full functionality, including AIA billing for construction firms,” says Jered Cady, Executive Vice President at Synergy. “Out-of-the-box, Microsoft Dynamics SL meets ninety-five percent of what companies need and are looking for. The other five percent of work involves customizing reports and interfaces.”

### **Connecting Field and Office Operations**

To more tightly link project management and accounting, Alpha Development uses a Web-based timesheet module for its field foremen. With their laptops connected to cellular networks, the foremen can submit timesheets from the field at the end of each day without having to drive back to the office. The forms gather critical information about the project, such as units of completion and equipment used, so that Alpha Development managers can better plan resources and track costs.

### **Enhancing Decision Making**

While Wheeler could not easily extract and analyze data from Timberline, he now takes

advantage of Microsoft SQL Server Reporting Services to create a number of custom reports that reflect the specific needs of the business:

- **A work-in-progress report** that displays detailed expense information about the dozen or so jobs that Alpha Development is working on at any one time.
- **A job-cost overview** that shows original budgeted costs, revised budgeted costs, and actual costs, along with billing information, job-to-date hours, and posted and unposted transactions. Managers can also adjust the data according to phase of the job or any range of dates.
- **Budget variance reports** that compare labor, materials, subcontractor, equipment, and other realized costs with budget.
- **Revenue reports** that show how much revenue the company earned on a particular day, and profit for that day after associated project costs and overhead are subtracted.

“We’re not stuck with standard reports. SQL Server Reporting Services makes it simple to create customized reports and enhances the presentation and management of reports,” says Wheeler. Employees can subscribe to regular reports that help improve information flow within the company. “If I want to make sure our accounts receivable person keeps up-to-date on accounts receivable aging, I can have that report sent to her inbox on a weekly basis,” says Wheeler.

### **Equipping Staff with Familiar Tools**

Alpha Development employees throughout the company rely on Microsoft software applications to do their jobs on a day-to-day basis. For the office staff and managers that work with the accounting system, Microsoft Dynamics SL works with Office Excel so that data is easily moved between systems without losing context.



Tracking equipment costs is critical to determine project profitability

When superintendents update project-related costs in the accounting system, managers and superintendents can see those changes reflected in Office Project through Microsoft Office Project Server Connector, which links Office Project with Microsoft Dynamics SL. In the same way, project information that is updated in Office Project is automatically applied to relevant financial accounts.

### Benefits

Alpha Development can better control costs, monitor cash flow, and maintain profitability with Microsoft Dynamics SL than with its previous project accounting software. Now, Alpha Development can rely on streamlined operations and unique business processes, giving the company a competitive edge in operational efficiency, resource management, and more accurate project-bidding.

### Improved Bidding and Cost Control

With the combination of project accounting and financial management functions in Microsoft Dynamics SL, managers at Alpha

Development can make informed decisions about equipment, labor, and materials. Managers now have visibility into greater detail regarding equipment costs for each project—more than what was available in Timberline. “Apart from our people, our equipment is probably our most important asset. Tracking those equipment costs is extremely important to determining the true cost of a project,” explains Wheeler. “Our improved financial visibility gives us valuable intelligence when estimating and bidding on potential projects. For ongoing projects, I know more quickly when a project is veering off course.”

According to Wheeler, the general ledger in Microsoft Dynamics SL is the best in the industry. “The ability to track entries and trace transactions is superb from an accounting standpoint,” he says.

### Better Operations and Reporting

Because Microsoft Dynamics SL is configurable and takes advantage of standard Microsoft products and technologies, Alpha Development can better align its software system with how the business operates.

The report customization and management available through SQL Server Reporting Services also helps Alpha Development managers analyze and act on information that is specific to their business. “We can now divide project costs according to the phase of the project. That’s a tremendous advantage that Microsoft Dynamics SL gives us because we are involved in many long-term jobs,” says Wheeler. “Creating reports that meet specific needs is quick and easy. One morning, an insurance auditor was in the office, looking for some information that was not on a standard report. I was able to adjust an existing report to find the right information, publish the report, export the data to Office Excel, and send it as an e-mail

to the auditor. The entire process took less than five minutes.”

#### **Greater Familiarity and Efficiency**

Because Microsoft Dynamics SL works with and like familiar applications in the Microsoft Office system, employees at Alpha Development can work with the latest financial data in Office Excel or track up-to-date project costs in Office Project. Alpha Development has also been able to replace paper forms with electronic forms that are configured to work with Microsoft Dynamics SL. Employees no longer need to handwrite information so there is less likelihood of data-entry error. Furthermore, when an employee enters data, the interface in Microsoft Dynamics SL checks the validity to ensure that it works in the system.

“Just being able to simply perform a copy-and-paste operation between applications in the Microsoft Office system and Microsoft Dynamics SL is a tremendous advantage for us,” says Wheeler.

#### **Strong Technical Foundation**

Alpha Development relies on accurate, up-to-date project and financial information to stay competitive, so it is reassuring to Wheeler that Microsoft and an ecosystem of partners like Synergy support Microsoft Dynamics SL. Because Synergy consultants are familiar with their business and implementation, they can easily diagnose problems when needed.

“We had power-supply issues in the trailer housing our database server, which caused some problems unrelated to the software,” Wheeler explains. “When I called Microsoft, they were able to put me in touch with the right technical teams to resolve the problem. It was reassuring to talk to the people who own the technology underlying the software. That’s not something every business software vendor can offer.”

With Microsoft Dynamics SL, Alpha Development knows that it will benefit from future technological improvements, such as newer versions of the Microsoft .NET Framework and integration with the Microsoft Office system. “Knowing that our product is from Microsoft gives me peace of mind that we will not be stuck with outdated technology in the future,” says Wheeler.

## For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234 in the United States or (905) 568-9641 in Canada. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to: [www.microsoft.com](http://www.microsoft.com)

For more information about Alpha Development products and services, call (253) 846-2804.

For more information about Synergy Business Solutions products and services, call (206) 859-6505 or visit the Web site at: [www.synergybusiness.com](http://www.synergybusiness.com)

## Microsoft Dynamics

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

For more information about Microsoft Dynamics, go to: [www.microsoft.com/dynamics](http://www.microsoft.com/dynamics)

### Software and Services

- Microsoft Dynamics
  - Microsoft Dynamics SL
- Microsoft Office
  - Microsoft Office Excel 2007
  - Microsoft Office Project 2007 Professional
  - Microsoft Office Project Server 2007

### Technologies

- Microsoft SQL Server Reporting Services

### Partners

- Synergy Business Solutions