



CASE STUDY

Energy Maintenance Service, LLC

Additional revenue through improved billing and bidding

Overview

Industry

Wind Energy

Location

United States - Gary, South Dakota

Scenario

- ◆ Difficulty getting quality financial data
- ◆ Possible lost revenue due to inaccurate bidding and an inconsistent manual billing process
- ◆ Needed software solution capable of automating data to reduce manual entry

Solution

The company moved from QuickBooks & GP MaTe to WennSoft and Microsoft® Dynamics® GP complete business solutions

Benefits

- ◆ Additional revenue captured due to improved billing process and more accurate bidding
- ◆ More reliable financial data
- ◆ Integrated workflow
- ◆ More automated business processes

Software Used

- ◆ WennSoft Job Cost
- ◆ WennSoft Service Management Series

Company Overview

Joe Kolbach, president and CEO of Energy Maintenance Service (EMS), founded the company in 1998 based upon a growing need in the wind industry for a dedicated service organization that was capable of providing an independent and unbiased approach toward asset management and optimization of equipment performance.

Based in wind-rich Gary, South Dakota, EMS' de-centralized operations are highly mobile with a labor force that can provide timely service to all major wind developments located throughout North America. Since 1998, EMS has evolved from a regional service provider offering basic support services to a multi-faceted provider of products and services with a focus on the North American market.

In February 2004, Fagen, Inc, one of the largest heavy industrial contractors in the U.S. established an ownership interest in EMS. Together Fagen and EMS offer a complete construction and maintenance portfolio of wind industry products and services that is second to none.

Transition From An Outdated System

EMS was running an outdated business-software system that caused numerous problems and led to possible lost revenue. Their disparate systems, QuickBooks® and GP MaTe™, didn't interact well, and they provided no security for the company's financial data. They led to delayed billing opportunities and provided no historical perspective on past work.

EMS worked with DFC Consultants to find a solution. Located in Fargo, North Dakota, DFC provides consulting services to customers to help them increase efficiency, accurate financial planning and budgeting through powerful business software.

In 2007, DFC worked with EMS to install a complete business solution from WennSoft: WennSoft Job Cost, Service Management Series and Microsoft® Dynamics® GP. WennSoft solutions offer the reliability, accuracy and reporting functions EMS needs to be one of the nation's premiere service organizations within the wind industry.

Reliable Financial Data

EMS previously had difficulty getting quality financial data. Prior to 2007, they used QuickBooks which didn't offer lock-down security with the fiscal data. Because of this, invoices could be changed after the financials had been posted, undermining management's

confidence in their accounting numbers.

“A customer could call an employee and ask for a change to be made to an invoice that had been issued six months prior,” said Allen Phillips, Accounting Manager for EMS.

“The employee could go into QuickBooks and make the change, yet the system would not be updated.” WennSoft Job Cost and Service Management Series, includes security that prevents invoices from being changed after they’ve been posted to the accounting system. If a change needs to be made to a posted invoice, EMS has the option to do a credit memo or create a new invoice.

“WennSoft gives EMS better, more reliable financial data,” said Phillips. “This gives our management team confidence when making decisions because we know the financial data is completely up-to-date.”

Integrated Work Flow

EMS’ ability to create jobs in their old system was limited. “In QuickBooks, we really only had the ability to create a job name,” said Phillips. “We had to go to many other sources for documents, such as handmade spread sheets, files in our system or hard copies of contracts.”

Now that they are using WennSoft, all the information is stored in the Job Cost tables. This gives EMS flexibility to view information in a variety of ways. They can look at profit and loss, or view the profitability by cost-code element, such as labor versus materials. “The system is very flexible,” said Phillips.

Improved, More Competitive Job Bids

WennSoft helps EMS develop accurate, reliable bids that won’t undercut their work and will be in-line with competitor’s bids. The result has been additional revenue.

Access to historical data has become an essential part of the bidding process. Before creating a bid, EMS examines past jobs to determine anticipated costs, profit-margins, labor and material. This information prevents the company from under bidding jobs.

“WennSoft gives us the right information so we don’t leave money on the table,” said Phillips. “When we do a quote, we’re confident that our estimates are right in the ballpark with our competitors. If we do a bid for \$19,000, we know that our competitors should be right in that same range.”

Improved Billing Captures Unrealized Revenue

When EMS used QuickBooks, their billing process was problematic. They occasionally missed opportunities to bill labor performed outside the scope of the contract, and it was difficult to tie costs to a particular job. These problems led to potential lost revenue.

By switching to WennSoft, EMS became better at recognizing additional billing opportunities. For example, now they can compare costs against estimates during any stage of a job’s completion. If at the half-way point of a job, they see that the number of hours is exceeding the estimate, they can examine the data within the job to see what’s causing the overage. If the overage is due to out-of-scope work, EMS can discuss additional costs with the customer. “

Guys on the job don’t always know what’s in the scope and what’s not in the scope, so it’s important for our



About WennSoft

WennSoft, a Microsoft Gold Certified Partner, provides innovative business management solutions for public and private sector organizations focused on project management, field service and equipment/fleet management.

WennSoft services include assessment, training, implementation and go-live support. With more than a decade of experience in delivering superior applications in the field service and construction industries, WennSoft is the solution provider of choice.

WennSoft solutions also enable EMS to instantly see what work has been billed. At any time, they can look at a job and tell how much is posted, when the last invoice was sent and what items were included on each invoice. This has improved their ability to quickly see billing and revenue by job.

“WennSoft has helped us capture additional revenue because we consistently catch unbilled work,” said Phillips. “Before, it was possible that we were losing revenue because we didn’t have a good way of accounting for everything associated with the job got invoiced. Now, it’s almost automatic.”

Going Public

Having WennSoft was essential for EMS when they went public in January of 2008. As a privately held company, EMS had total control over how they ran their books. However, now that they are a publicly-traded company, they have to be compliant with all the federal regulations, including the Sarbanes-Oxley Act (SOX).

QuickBooks is not SOX compliant. It lacks analytics and requires the user to create spreadsheets and manipulate data, which can be impacted by user errors. “Had we been on QuickBooks, going public would have been a difficult challenge to provide the reports and information needed for the acquisition and audit that we underwent,” said Phillips.

WennSoft is an enterprise solution, allowing users to pull reports out of the system.

“WennSoft and Microsoft Dynamics GP have audit and security systems that make it easy to get reports that back up your efforts,” said Phillips.