



SAP Business One with Job Costing breathes new life into Australian engineering firm

Flogging a dead horse

When Australian-based Wastech found it was struggling with an outdated financial system it turned to a local software supplier, City Software Business Solutions, to bring efficiency and flexibility to its financial processes.

Wastech was using an off-the-shelf accounting system to manage its work-in-progress and job costing functions and had re-developed the product far beyond its original capability, creating speed and data integrity issues.

Neil Bone, Wastech managing director, says that excessive time was being spent on completing the accounts and balance sheets each month. On top of that staff spent a substantial amount of time developing and maintaining numerous Excel spreadsheets, which were designed to beef-up functionality.



Wastech, like many other small to medium sized manufacturers, undertakes lower volume jobs that require a degree of flexibility in the way the job is costed and invoiced. Many software packages are simply unable to job cost for quoted jobs, cost-plus jobs and progress claim jobs.

"We were looking for a system that allowed us to buy and bill labor and material directly to the job. The other goal was to eliminate as many Excel spreadsheets as possible while integrating a large number of other business processes into one package," Bone says.

Additionally, Wastech required a means of reporting on performance and a clear view of the real time work-in-progress status.

SAP Business One with Job Costing was the natural choice due to its ability to adapt for multiple job costing environments and to integrate all the CRM, accounting, field service and job costing processes into one package.

A breath of fresh air

Wastech manufacture, install and service waste and recycle equipment, which means undertaking a lot of jobs that require standard equipment to be customized to suit each installation.

With SAP Business One and Job Costing for SAP Business One Wastech now has all the ability to record and report the true cost progressively on every job.

Another key benefit, Bone notes, is the ease of implementing the solution, which has resulted in greater efficiency in cash flow management for Wastech.

"We can now progressively invoice building industry jobs, releasing the profits from long-term jobs to smooth out the profit and loss report on a monthly basis."

As a result, Wastech is able to sail through the P&L peaks and troughs typically associated with long-term jobs.

Prior to deploying SAP Business One with Job Costing, staff spent hours juggling data and used complex spreadsheets to calculate work-in-progress values. This is now a thing of the past.

"Thanks to the teamwork of Enprise and City Software Business Solutions we now have automated monitoring functionality, which has removed any element of human error and inaccuracy. We are now in a much stronger position to rely on the integrity of the data and the simple reporting brings high visibility across the business."

Clear cost savings

Wastech is already recognizing considerable ROI and, as far as Bone is concerned, the business benefits from implementing SAP Business One with Job Costing are endless.



Your business Your solution

Wastech Job Costing Case Study



"Staff have easy access to historical CRM data to help close deals while the implementation of the approvals and alerts system ensures the business runs closer to budgets."

Thanks to the work of City Software Business Solutions and its integral understanding of business issues, the company is now in a position to look at further improvements, rather than maintaining an out-of-date system.

To further streamline their Field Service processes, Wastech is now planning the roll-out of PDAs, allowing staff to bill labor and materials to jobs while out in the field, something that is expected to reduce the administration time from 25 to 7 minutes per job.

"With 350-400 service jobs per month the savings will be significant. The knock-on effect is that invoices will go out within hours of job completion, rather than days or even weeks."

The increase in cash flow will virtually pay for the upgrade, adds Bone.

"I cannot praise City Software Business Solutions enough. The team quickly grasped Wastech's business requirements speeding up the customization and implementation process."

Highlights

Summary

Wastech has effectively replaced its reliance on Excel spreadsheets and complex data extraction processes for one fully-integrated job costing system with business management capability. Management has been freed up to focus on more progressive activities thanks to accessible reporting.

Business value

- Multiple job costing and invoicing methods
- Automated monitoring of work-in-progress, job costing processes and simple reporting
- Integration of Job Costing with SAP Business One to provide one seamless software system that simplified all business processes.
- Progressive invoicing and profit release option for long term projects

Key outcomes

- Reliance on Excel spreadsheets has ceased whilst accuracy and integrity of data has improved
- Rapid employee acceptance as training was easy
- Time and cost savings across the business
- Cash flow improvements