



Microsoft Dynamics Customer Solution Case Study



Construction and Distribution Divisions Successfully Managed with One Solution

Overview

Country or Region: United States

Industry: Construction and distribution

Customer Profile

Based in Fort Wayne, Indiana, the Strahm Group specializes in interior construction, including renovation and redesign, and the distribution of building products.

Business Situation

Business operations at the Strahm Group were inefficient and burdened with an extensive paper trail. In addition, only the accounting department had access to the company's existing enterprise resource planning solution.

Solution

Real Solutions, a Microsoft® Certified Partner, implemented Microsoft Dynamics™ NAV business management software and an industry-specific add-in to manage construction projects.

Benefits

- Centralize business processes
- Enhance customer service levels
- Manage inventory
- Enable business growth

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Carrie Henry, CFO, Strahm Group

Headquartered in Fort Wayne, Indiana, the Strahm Group provides commercial interior construction services for private and public buildings and distributes drywall, steel framing, acoustical ceilings, doors, door frames, and bathroom partitions. In business for more than 75 years, the company had been hesitant to adopt new technology in the past. Consequently, the staff had to rely on the accounting department to generate all reports and financial data. In 2003, the Strahm Group turned to Real Solutions, a Microsoft® Certified Partner, to implement Microsoft Dynamics™ NAV business management software. This solution centralized all company data, providing access to accounting, inventory, and project information for sales staff, estimators, site managers, warehouse managers, and the company's owner. Since implementation, the Strahm Group has streamlined operations, provided better customer service, and gained the flexibility to grow.



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Situation

Founded in 1930, the Strahm Group began as a small wood-flooring company based in Fort Wayne, Indiana. The company has grown steadily, with 140 employees today, while redefining itself as a commercial interior construction firm that specializes in design, planning, furnishing, and distribution.

Projects range from complete interior renovations of old buildings to more standardized construction projects that are based on designs provided by other firms. The interior construction services of the Strahm Group include drywall, floor coverings, ceramic tile, acoustical ceilings, painting, and plaster.

The Strahm Group has traditionally been relatively hesitant to change business processes or adopt new technology. Carrie Henry, Chief Financial Officer of Strahm Group, recalls the company's IT situation in 2003. “Back then, not everyone had a computer,” she says. “Most of our sales staff did not have a computer on their desk, or if they did have one, it only had Microsoft® Office and e-mail. The only people that had access to our accounting system were the accounting staff.”

Because of this arrangement, the Strahm Group staff had to submit a request to get a printed report from the company's aging Real World enterprise resource planning (ERP) system. The accounting staff also struggled with the system, and month-end closing was frequently delayed until the end of the following month.

“Our old solution did not meet all of our needs,” says Henry. “We were just getting by. It was in a UNIX operating environment, and we began to question the reliability of the system.”

In the distribution division, all documentation, including purchase orders, was written out by hand. This information was then delivered to accounting staff and reentered into the ERP system. If a customer made an inquiry about a past order, an employee would have to go through file cabinets and manually search for invoices. In addition, inventory could only be accounted for and adjusted on a quarterly basis.

With so few employees able to access the ERP software, it was clear to the Strahm Group that the company needed a new system. The staff realized that if they could centralize their data and make it accessible to everyone who needed it, business processes that once relied on accounting staff could be evenly distributed among departments.

“We knew we wanted a Microsoft product, so it was just a matter of trying to see if we could find the right fit,” says Henry.

Solution

In 2003, the Strahm Group turned to Real Solutions, a Microsoft Certified Partner, to implement Microsoft Dynamics™ NAV business management software. Headquartered in Chicago, Illinois, Real Solutions is one of the largest companies in the area that implements Microsoft Dynamics NAV and stays dedicated to its mission to provide people and companies with solutions that truly fit their business needs.

Microsoft Dynamics NAV paired well with the needs of the Strahm Group by providing advanced functionality for warehouse management, sales, distribution, and accounting.

The key to the entire implementation was the flexibility of Microsoft Dynamics NAV. To align the solution with the specific needs of the

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Strahm Group, Real Solutions provided a number of customizations, including:

- Posted quote tables for tracking
- Automated unit of measure (UOM) calculations for linear foot per piece and square foot per piece.
- Conversions for UOMs and quantity per conversion
- Customer margin percentage tables for pricing
- Resource pay rates based on class, zone, and county
- Project timesheets

Project Management

The Strahm Group extended Microsoft Dynamics NAV with Wilcomp ProjectPro, an add-in program with functionality specific to the construction industry. ProjectPro treats every job site as its own project, enabling the Strahm Group staff to track cost, bill customers, and obtain customized reports.

“With ProjectPro, the Strahm Group can break down a job into activities, process, and tasks, and manage the materials that they need,” says Ed Williams, President of Wilcomp. “They can even track material codes, labor codes, and equipment.”

The Strahm Group can now generate weekly production reports that analyze projects at the task level and track all areas of interior construction separately, including ceiling work, drywall work, and floor covering.

In addition, field supervisors can report on payroll and track metrics, such as time spent installing ceiling tile versus hours billed. This helps project managers determine if they are ahead or behind on a project at any given time. ProjectPro can also help produce performance evaluations of each individual or crew at a job site.

Distribution, Sales, and Accounting

In the distribution division, Microsoft Dynamics NAV helps staff manage all business-related processes. For example, with Microsoft Dynamics NAV, sales staff will create a purchase order. After the trucks arrive with a shipment and warehouse staff unloads the materials, the receiving document is taken from the trucker and the items are marked as received in Microsoft Dynamics NAV. These documents then go to accounting and are matched with the invoice so that the vendor can be paid.

Benefits

Because the Strahm Group had invested very little in IT in the past, Microsoft Dynamics NAV has provided a new framework for both conceptualizing and managing business operations. “I never thought we could get a computer to go through all the thought processes that we used to do manually,” says Henry. “We’re still very reliant on paper because we have a comfort level with making sure we match up that actual document with the invoice before it gets filed away. But I am just thrilled with our progress.”

The Strahm Group was very open to the changes brought on by Microsoft Dynamics NAV and was willing to make the necessary changes to business processes that would improve operations in the long run.

“The willingness to accept change and participate in all phases of the project, made it an enjoyable project to be part of and contributed directly to the ultimate success of the project,” says Dan Czerwinski, Consultant for Real Solutions.

Centralize Business Processes

Since implementing Microsoft Dynamics NAV, the responsibility of managing an ERP solution has been distributed across the company. Currently, 43 people at the Strahm Group use Microsoft Dynamics NAV. These

people include sales staff, estimators, site managers, warehouse managers, accountants, and even the owner. For accounting alone, the solution has redefined the way the department does business. "Our accounting staff uses Microsoft Dynamics NAV each day to pay vendor invoices, track activity on projects, research cost items, and prepare our financial statements," says Henry. "When we arrive at work, we open up Microsoft Dynamics NAV, and we use it all day long."

The Strahm Group measures its return on investment by the ease of access to information. For accounting, this means more time can be spent focusing on job-related tasks rather than producing reports for the entire company or managing software.

Enhance Customer Service Levels

Now when a customer places an order with the Strahm Group, sales staff can easily call up a history for that customer. Says Henry, "If a customer needs to reorder a particular product which had previously been purchased, the sales staff can find the product information within Microsoft Dynamics NAV. We no longer have to search through the paper copies of customer invoices that are stored in filing cabinets."

Manage Inventory

With Microsoft Dynamics NAV, the Strahm Group is now able to cycle inventory counts every day. Staff members are provided with a list of things that need counting and these numbers are then compared to the count in the system. Any differences can then be reconciled or adjusted immediately. Because inventory is automatically tracked, sales staff can now quickly gauge the success of the various products.

Enable Business Growth

With the right IT infrastructure in place, the Strahm Group has continued to grow as a company and streamline financial processes without having to add additional staff. Since 2003, annual sales have increased by more than U.S.\$4 million. "Our volume of work has gone up and we still have the same number of staff members in our accounting department," says Henry. "And we can now have financials done by the twentieth of the month."

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

For more information about Strahm Group products and services, call (260) 489-2537 or visit the Web site at: www.sgiinc.com

For more information about Real Solutions products and services, call (312) 621-9100 or visit the Web site at: www.realsolutions-na.com

For more information about Wilcomp products and services, call (585) 368-5080 or visit the Web site at: www.wilcomp.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



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