

Case Study

NEAS



The implementation of Maconomy enables NEAS to achieve better visibility of business performance, increase productivity and improve the ability to bill hours worked.

NEAS is one of the largest providers of facility management services in Norway, administering and operating more than 300 properties. The company has six offices and approximately 140 employees - mainly controllers, lawyers, engineers, security staff and tradesmen. Today, NEAS offers services within property management, facility services, construction management and consultancy regarding fireproofing, legal issues and real estate investment.

Business transparency and productivity tools

In 2002, the company realized that it needed to replace its IT infrastructure consisting of multiple, disparate systems that inhibited full transparency of business performance and activities. NEAS' management needed a way to see which services were sold to which clients and which services and clients actually were profitable. In addition, NEAS wished to improve productivity and improve the value of services to its customers. Many manual routines existed and the systems did not provide the organization with the

appropriate work tools. E.g. client managers could not provide clients with the information they needed without spending a significant amount of time collecting it. Similarly, project managers spent a lot of time reviewing reports generated by Finance and ensuring invoicing was correct.

Better support for property management and project

NEAS needed better support for property management but also for managing projects and tracking hours related to its other services, which were becoming increasingly important for the growth of the company. The management team decided to look at just a few suppliers in order to make a quick decision. While several suppliers offer property management systems, NEAS decided to implement Maconomy because of its strong support of both property management, project control and time management. With NEAS' expected growth in Scandinavia, Maconomy also provided the best support for future expansion due to the system's scalability.

“All in all, the company is now able to take on additional clients and projects without increasing staff.”

Fast and smooth implementation

In March 2003, NEAS decided to implement Maconomy. The company went live internally early May 2003 and in early June for client property management.

“We had an uncomplicated implementation.

People on both sides knew what our business was all about and what we wanted to achieve,” comments Svein Olav Lien, VP of Finance.

Improved project control

Maconomy has provided NEAS with better control of costs related to consulting and construction projects. Employees submit time sheets on a weekly basis using the web-based portal. Hours and expenses are validated when entered as they can only be submitted to open projects and open periods. With one, shared on-line system it has become much easier to follow up on unsubmitted time sheets and unapproved expense sheets. Subcontractors also submit hours in Maconomy via the web portal, making project cost reliable at all times. All submitted hours are automatically proposed for invoicing. Svein Olav Lien comments: “We are pleased to see that we capture hours faster and have improved the visibility of activities.”

NEAS was able to reduce its central staff immediately after going live due to elimination of redundant tasks and time required for gathering and reporting data from several systems. In addition, project managers now spend less time ensuring all costs are in, correcting actual costs,

and dealing with hours and expenses that appear after project closure.

“All in all, the company is now able to take on additional clients and projects without increasing staff,” says Svein Olav Lien.

Decentralized invoicing process

With the implementation of Maconomy, NEAS has moved away from having its finance staff driving the invoicing of consulting and construction projects.

Project managers now have access to all necessary information to review invoice drafts, make changes and approve the invoices after which the central staff print and mail them. Svein Olav Lien explains: “The people responsible for client projects know best which hours and expenses can be invoiced and which cannot. By having all incurred costs available to project managers, we have saved a lot of administrative time for Finance and project managers preparing invoices. At the same time, project managers now feel more accountable for what is invoiced.” Automatic invoicing of long-term contracts NEAS has a number of fixed price contracts and regular services. For these, the monthly invoicing is automated and easily handled by the central finance staff but visible to client managers and project managers for reference and analysis of all client activities.

Minimum administration of small projects

Many small projects arise when NEAS' staff performs the regular services for clients. In the past these were not always documented or required quite a bit of administrative time to register, invoice, etc. Today these projects are quickly captured in Maconomy's sales order module and automatically invoiced.

"We now capture all the small jobs we perform for clients and for which clients expect to be billed without us spending too much time on administration," says Svein Ole Lien.

Efficient property management

In order for property management to be a successful business, NEAS realized processes had to be standardized and automated as much as possible.

Each client is represented as a company in Maconomy where the same chart of accounts and standard customer and vendor information are applied, making it easy for employees to work with several clients. Interest and late notices are automatically generated for review and confirmation by central staff. Supplier payments are made electronically and rent payments are received electronically. NEAS has set up Maconomy so that controllers and client managers spend as little time as possible on administrative tasks by consolidating the information needed.

Increased client services in property management

For each client, NEAS manages the accounting for the facilities in Maconomy. Here, rent payments are also registered and vendor invoices registered and paid. Tenant information is maintained in a facility management system and

rent is billed from here. Integration between the systems, gives employees instant access to any information they need across the two systems via the Maconomy portal where 12-15 reports with drill-down facility are available:

- P & L and balance sheet for each client
- Payment status for tenants and vendors
- Lease income and tenants
- Occupancy rates and other performance metrics for each facility

NEAS can now easily provide this information to its clients and it is also available to them via the web portal. Using this "self-service approach", gives clients access to updates when they need it and requires no resources on the part of NEAS to gather and provide the information.

Instant visibility of business performance

From a business management perspective, NEAS can now analyze the performance of each client, each facility and each service area. NEAS has instant access to gross margin for all clients and services. This information will overtime enable NEAS to select the right clients and prioritize/develop the right services.

"Only by improving productivity and services offered can we become the leading supplier of facility management services and an important Scandinavian player. Maconomy enables us to pursue that road," concludes Svein Olav Lien.

Benefits of deploying a Maconomy solution

- Better support for property management and project
- Improved project control
- Decentralized invoicing process
- Automatic invoicing of long-term contracts
- Minimum administration of small projects
- Efficient property management
- Increased client services in property management
- Instant visibility of business performance