

SAP Customer Success Story Professional Services – Consulting/Implementation Services for SAP Software



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Brad Nicolaisen, President, et alia LLC.

AT A GLANCE

Company

- Name: et alia LLC.
- Location: Milwaukee
- Industry: Professional services
- Products and services: Consulting/implementation services for SAP® software
- Web site: www.et-alia.com
- Implementation partner: Internal team

Challenges and Opportunities

- Excessive overhead
- Cash flow slowed due to long and arduous data collecting and billing process
- Difficulty tracking and managing the large number of internal employees and external contractors
- Manual reporting process

Objectives

- Accelerate invoicing capabilities for faster cash flow
- Enable more accurate and quicker financial reporting and monthly closings
- Improve sales monitoring
- Maintain more comprehensive HR data

SAP Solutions and Services

The SAP for Professional Services solution portfolio

Implementation Highlights

- 4-month implementation
- Within budget

Why SAP

- The most powerful enterprise package in the world, with flexible functionality that allows growth
- HR capabilities that help track internal employees and external contractors

Benefits

- 30% reduction in invoicing costs
- Support for growth
- Ability to set more competitive prices
- Greater ability to control costs and overhead
- 25% reduction in time spent tracking costs, consultants, and projects
- Improved ability to easily perform analytics
- Decreased time to market

Existing Environment

- Manual processes
- Multiple disparate software solutions

Third-Party Integration

- Database: Oracle
- Hardware: HP ProLiant DL380
- Operating system: Microsoft Windows

et alia

SAP® Software Speeds Professional Services Firm's Cash Flow Significantly and Increases Project Visibility

Since 1999, et alia LLC. has been focused on developing, implementing, and supporting software solutions. Yet, the company's own outdated billing process was slowing cash flow and compromising its ability to track data on human capital effectively. As a company poised for growth, et alia needed a clear and accurate view of its operations.

“We needed a solution that was easy to use and could be integrated with our existing solutions, enabling us to get key billing and resource utilization information as quickly as possible,” says Brad Nicolaisen, president of et alia. The company chose integrated software from the SAP for Professional Services solution portfolio to consolidate its invoicing and to capture time and expenses.

The Challenge of Streamlining Business Operations

As a cash business with contractors and clients located throughout North America, et alia's system of manually collecting data for billing was slowing down the invoice process and affecting cash turnaround. By relying on employees and contractors to e-mail time sheets and expense reports to the Milwaukee headquarters, the company was creating more work than necessary to reconcile engagement costs. The process of comparing time spent and expenses submitted by employees in spreadsheet format to actual paper receipts ran upwards of a week for each job. The billing department was required to reenter the information supplied by the employees and contractors, thus duplicating the work. These challenges not only affected day-to-day business operations, they prevented the company from achieving the growth potential it desired.

"Our projects are heavily reliant on teams that are comprised of et alia employees and contractors who are spread throughout a number of locations," says Nicolaisen. "This is a cash business, and we needed to accelerate our invoice process. It was an administrative nightmare to collect all this information through spreadsheets just to reenter it again for invoicing."

A Smooth Implementation of SAP Software

Because et alia deploys SAP® software as part of its service offerings, it already had the knowledge necessary to implement the solution. et alia also knew that SAP for Professional Services would provide the tools it needed to streamline its billing system, enable a faster cash flow, and provide a transparent financial picture of company operations.

Within four months, et alia had the software up and running and was on the road to achieving its business goals.

Making Strategic Decisions Based on Real-Time Data

By implementing the SAP for Professional Services, et alia eliminated multiple external systems, spreadsheets, and databases. As a result, et alia became a more efficient organization able to make strategic decisions based on real-time data. "We've reduced the time spent tracking costs, consultants, and projects by 25%," comments Nicolaisen. "We can look at any project in real time to determine whether we are profitable and to see

where we need to make certain changes based on that information. In the small-to-midsize business space, it is very important to track profitability. We have very competitive rates and try to keep costs down for our clients, while still achieving our target margins."

The company also has a clearer view of how much time is spent on prospects and sales efforts. "We track the costs by project for all presales efforts and ongoing sales activities," Travis Garrod, vice president of et alia, says. "This enables us to determine the hours and dollars we have spent on a prospect before working on an actual project. This helps us make better decisions during the sales cycle."

The company can track consultants in a similar way. By having the ability to analyze each consultant's utilization rate, et alia can more effectively track their contributions to the company – in addition to streamlining many processes. "This capability is helping us make more targeted and strategic business decisions," Garrod says.

"SAP for Professional Services was the right decision for et alia. We've been able to grow and add consultants without adding additional support personnel."

Brad Nicolaisen, President, et alia LLC.

Automating the Invoicing Process

Another important benefit: et alia's new automated invoice process, which has improved cash turnaround, yielding a 30% savings in invoicing costs. Field employees now log time and expenses electronically according to each project, internal order, or cost center. Once approved, data is transferred to the billing department, and invoices are generated automatically. "We have shrunk the invoicing process down from more than a week to less than two days," Nicolaisen says. "Since we have saved money by creating more efficient business processes and have reduced overhead, we can offer our clients better prices."

A Perfect Match for the Future

By implementing the SAP software, et alia has positioned itself for the future.

"We've reduced time spent tracking costs, consultants, and projects by 25%."

Brad Nicolaisen, President, et alia LLC.

"SAP for Professional Services was the right decision for et alia. We've been able to grow and add consultants without adding additional support personnel. Our consultants can record time and expenses in the field, streamlining our invoicing process while providing real-time project cost analysis," Nicolaisen adds. "As a small-to-midsize company, it is very exciting to us that we can now take advantage of this capability to better our business and provide more value to our customers."

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