Case Study

Client: Large Residential Apartment Developer

Client Size

(Annual Revenue)

- ○ $10M to $50M
- ◉ $50M to $200M
- ○ $200M to $500M
- ○ $500M to $1B
- ○ Over $1B

Problem

The existing system's Payroll application was no longer meeting the company's needs and did not offer a Human Resources application. Further, because of the many separate corporations and partnerships, it needed strong intercompany transaction processing capabilities that the current system did not have. It also needed a sophisticated financial statement formatter for monthly consolidations. The company has employees in several major cities around the country that need to be able to access the system to get information or change benefit elections.

Unique Challenges

While the company ended a high-end enterprise software system with sophisticated applications, they were not prepared for a system that ran between $1 to $2 million dollars to purchase and implement. They were also very concerned that system of that magnitude would require too much staff commitment. When they looked at several stand-alone payroll and HR applications, they were impressed by the system's sophistication but quickly realized that a non-integrated solution would be more maintenance down the road.

Approach

The company has settled on an Application Service Provider (ASP) in the West that provides service bureau services for a large ERP-style system. This made the use of such a system far more attractive, less risky, and less expensive. The implementation will be handled by the ASP rather than internally, which will also keep organizational commitment reasonable.

Resolution

A plan is being put in place to implement the Payroll and Human Resources applications by December 31 on the service bureau. From there they will implement the financial applications and job cost suite. Once complete, management will decide if it is necessary or economical to bring the service in house.

Lessons Learned:

- Get confirmation on which direction you are taking early on and stick with your plan. Remain flexible but don't vary unnecessarily

- Outsourcing companies and service bureaus have a special place in today's fast moving and increasingly costly computing environment

- Payroll is a complex application (especially in construction) that should not be underestimated by the client or the software developer