

Teledyne Brown Engineering

Government contractors saving an estimated \$1M using Deltek solution

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Ed Seigler, Vice President of Administration and Quality with Teledyne Brown Engineering

THE CHALLENGE

Teledyne Brown Engineering, Inc. (TBE) executives are as specific and precise as the sophisticated engineering solutions they provide to the Space, Defense, Environmental and Homeland Security industries. Back in 1996 when TBE first started shopping for a back-office ERP tech provider, company executives said they left no stone unturned in their search, and say they initially made the classic error of deploying the “group think-tank” to come to a decision.

“Do you know what a camel is?” said Ed Seigler, TBE’s vice president of administration and quality. “It’s a horse designed by a committee. We not only looked at everyone in the market during our RFP process, we had everyone in the company making the decision. As you might imagine, the net result was what you might expect: time consuming and disastrous. We chose [a product competitive to Deltek Costpoint®] and within three weeks of being ready to ‘flip the switch,’ we just said ‘no’ and halted the installation.”

Seigler added that while the search process and end decision process are painful to remember, the experience laid the foundation of what would become an ongoing positive partnership with Deltek.

THE SOLUTION

Specifically, TBE asked Deltek to accelerate the implementation of Costpoint, the back-end accounting solution at the core of the Deltek Enterprise™ suite. What was initially planned to be a 12-month installation process took nine months of concentrated effort.

“We had a fully populated, working Costpoint demo in two weeks,” he recalled. “Deltek implementation consultants engineered the pilot and provided the data migration experts to populate Costpoint, the original Deltek solution deployed. Our earlier systems had all been home grown, so there was an incredible amount of data integrating to do. Yet, the Deltek system was up and running in nine months.”



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Deltek is a global leader dedicated to delivering enterprise management software that meets the unique needs of project-focused organizations. With over two decades of experience, Deltek enables companies to maximize profitability and productivity, integrating all aspects of their businesses. More than 11,000 customers worldwide rely on Deltek to streamline operations, improve performance and win more business.

THE BENEFITS

With government contracting business, accounting is a complex process that requires flexibility for the continual changes that are driven by the client and that need to be quickly responded to by the government contractor.

"There is an incredibly large opportunity to really gum up the billing process," Seigler said. "The complexity extends to several layers of the engineering and manufacturing process — and the accounting for those changes presents a unique challenge to companies like ours."

Through the development of new internal processes supported by Deltek, Teledyne Brown reports that it has significantly reduced the expense associated with carrying outstanding receivables by an estimated \$1 million or more over the last four years. "We may be conservative (in the amount) because this is an ongoing reduction to the average amount of receivables carried," Seigler said.

In addition, TBE is using Deltek Costpoint Electronic Data Interchange (EDI) for the billing of some of its major contracts. EDI provides an electronic "bill" which is then formatted for the government's Wide Area Work Flow (WAWF) — their electronic invoice payment system — and sent to the government. "Payment made by Electronic Funds Transfer has had a dramatic improvement in our Days Sales Outstanding," Seigler continued. "We have been able to significantly reduce our repetitive labor for billing and improve our cash flow. Deltek delivered quantifiable results for Teledyne Brown."

Deltek Time & Expense automates time and expense processing with Deltek's new workforce automation suite, merging best-of-breed timekeeping and expense reporting into a single, integrated product suite. Through product integration, process automation and automatic policy enforcement, Deltek Time & Expense takes workforce automation to the next level and produces rapid ROI at the same time, as evidenced by TBE.

"We probably do about 9,000 expense reports per year," Seigler said. "Previously, we had a labor-intensive process that involved accounting, charge numbers and approval which was all manually done on the front end and resulted in expense reports being mailed around the company for signatures. I would estimate by automating this process using the Deltek solution and incorporating all of the workflow that moves the expense report automatically throughout the organization, we are saving at least 10-15 minutes each on these 9,000 reports. Even if you calculate this using only administrative-level employees to handle the reports, that amounts to an additional \$30,000+ a year in savings."

According to Tim Thompson, director of information systems and technology at Teledyne Brown, there are other less tangible but equally important ways in which the Deltek solution has positively impacted the company.

"Cost savings are important to us, but there is another important company asset — our people," he said. "If you asked accounting about our month-end closing process, they would tell you that their quality of life has significantly improved since Deltek has been installed."

Specifically, Thompson is referring to what was, prior to Deltek being deployed, a month-end closing process which took approximately six days and required a number of accounting staff to work weekends to close the books. TBE now closes the books in one day and has minimal time expended after normal working hours.

"These are salaried people who don't get overtime pay, so we are talking about a technology improvement that has significantly improved their personal lives," Thompson said. "I'd say they were putting as much as 20 extra hours a month in. Can you imagine what Deltek's solution means to their quality of life? More time doing what they want to do with their own time, and the company's accounting is streamlined."