

## Murphy Company Slashes Billing Time, Saves Costs with PENTA

Even though **Murphy Company** has over a century of experience in delivering mechanical solutions and a long record of excellent performance (it is consistently recognized by *Engineering News Record* as a top-20 contractor), it was saddled with a 25-year-old software system. Since adopting the **PENTA** construction Enterprise Resource Planning (ERP) platform, Murphy Company took five days off its service billing process and cut more than \$100,000/per year in costs related to lost/missing tools, among other benefits.

Under the old software system, access was limited. The system lacked desired functionality in project management, billing, and other areas, and enhancements were not being added. In 2010, a team was assembled to analyze the issues and review software providers. Chief

*“We need to use every tool at our disposal to add value for our customers. We couldn’t do everything we do without PENTA.”*

—Robert L. Koester, Chief Financial Officer, Murphy Company

Financial Officer Robert L. Koester said, “We’re a full-service mechanical contractor with multiple business units. Our idea was to have an ERP software platform designed for construction that understands service and has enterprise-level content management functions.”

### ***Cutting Costs with Inventory Control***

“A real success story is how our warehouse uses PENTA,” said Koester. “We wanted to use the system to track our durable tools and rental equipment. At first they were skeptics, but now, they’re believers and advocates. Since implementing PENTA, we have seen our costs related to lost/missing tools decrease in excess of \$100,000 per year.”

### ***Better Billing and Payroll Procedures***

“We’ve been able to reduce our days to bill by approximately five days in our service department. So many hours used to be put into physically preparing each invoice, taking information from the job reports, and retyping it in Excel,” said Koester. “When I saw what PENTA could do, I said, ‘That’s what we’re going to do.’”

For labor-intensive organizations, particularly those that manage union reporting, payroll can be one of the most difficult administrative challenges. The PENTA eTimesheet and eExpense modules provide self-service time entry and approval capability for those who charge time and expense to projects or overhead expense accounts. “When we imple-

mented PENTA eTimesheet and eExpense, we took a 25-year leap forward, because it had all been done in paper,” Koester observed.

### ***Combining Service and Project Management Systems***

With over 100 service technicians who make over 15,000 service calls per year, field service is a crucial aspect of customer satisfaction and revenue for Murphy Company. Managing field service within the same system used for managing projects and financials was a “must-have” for the new system.

“We had previously built our own service application and underestimated the complexity involved with software required to support our service offerings” said Koester. “Over time we

began to realize that even though we developed a fully-customized service program, we didn’t always get the reliability we had hoped for. We found ourselves having issues where people didn’t trust the accuracy of the data. Since we’ve been on PENTA, we no longer have those issues.”

For project management, Koester said, “Our goal was to get away from having so many folks doing clerical data entry and more of our project staff and project engineers able to manage projects using information in the system.”

“The old blue-screen systems were efficient for data entry, but with PENTA we get much better management capabilities. The data goes into the system once, the right people see the data and review it, and, based on the trends that surface, they can implement change, which helps to improve our opportunities to enhance profit margin on projects.”

### ***Simplifying Reporting and Financial Statements***

“In the past, we had enough reports to fill a huge, thick binder. If someone wanted data, the culture was to ask a person to generate a report—that’s just how it was done. If the person who pulled the report was out or on vacation, the report would have to wait,” said Koester. “Now when someone needs project data, they get the information themselves. They get exactly what they want, when they want it, right from PENTA.”

Koester added, “We got tremendous benefit from PENTA’s organizational unit structure. We set up new financial statements very, very easily. It would have been extremely difficult in our previous system to create new legal entities or operating groups. Now it’s no problem: It’s done in half an hour.”

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Hill York used BAC's innovative ice thermal storage to meet NSU's demands for a reliable cooling system that kept both expenses and the environment in mind. Here, a truck delivers the BAC coils.

## BAC

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of 2,220 tons, allowing NSU plenty of room to grow with 8,800 total tons of cooling capacity for their current load and future cooling plans. Lafferty noted, "NSU has plans for a research facility and a university park plaza and are waiting for approval on a hospital. NSU chose to install the cooling system as an aggressive

growth campaign and as assurance for room to expand."

The central energy plant began with less than 20,000 ton-hours of ice capacity. When installation is complete, it will have a total of 79,200 ton-hours, making it one of the largest thermal energy storage

systems in the world. This fall, NSU will name the central energy plant the Robert S. Lafferty, Sr., Central Energy Plant after Hill York's founder, the current CEO's grandfather.

*For more information, visit [www.hillyork.com](http://www.hillyork.com).*

## PENTA

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While functionality is important, the ongoing relationship between the two companies was also considered critical. "From the start, we knew we wanted to work with a provider with industry experience who views us as a long-term partner," said Koester. "The system has been really well received and our experiences with the implementation and support teams have been very positive."

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Koester recognizes the competitive advantage that PENTA provides Murphy Company. "We need to use every tool at our disposal to add value for our customers," he said. "We

couldn't do everything we do without PENTA."

*For more information, call 262-782-7700 or visit [www.penta.com](http://www.penta.com).*