

Royal Professional Builders

Solution Overview

Industry

Building Contractor

Scenario

Royal Professional Builders was using three separate systems to track all their financial and customer information. They had a difficult time closing the books at the end of the quarter and retrieving customer account information.

Company Profile

Royal Professional Builders Inc., Royal Palm Beach, Florida, builds more than 150 homes per year. The company uses advanced technology and a team concept to build superior quality homes. Royal Professional Builders has received the Most Energy Efficient Homes Award for the past eight consecutive years.

Software Used

Microsoft Dynamics SL
Financial Series
Project Series

Microsoft SQL Server

Benefit

By integrated three information systems Royal Professional Builders has been able to operate more efficiently and make better use of its information. Data entry has been simplified, customer information is easier to access, the books can be closed in days rather than weeks, and project costs can be closely tracked.

Royal Professional Builders new Microsoft SQL based financial and business management system enabled them to increase sales from \$17 million to \$23 million without adding office staff. The Microsoft Dynamics SL application (formerly Solomon) integrated separated information systems enabling the company to more easily access information and provide better customer service.

Previously the company used separate applications to track finances, construction status, and customer data accumulated before a sale. The lack of integration between the applications resulted in multiple data entry and much time spent resolving discrepancies between them. Now all three applications are linked by a Microsoft SQL Server database. Data is entered once, from any of the three applications, and it is available to each of them as needed throughout the construction and purchase of a home. With the recent growth we have experienced, we probably would have needed two additional administrative people. By making all the information about our business accessible from one source, the new system has allowed us to keep up with our growth with the existing staff.

Easier Data Entry

The process of buying property, selling lots, and working with prospective owners to build their homes involves tracking a great deal of information. On the financial side, there are property costs, loans, and payments for land as well as deposits from customers and receipts from their lenders. The company also accumulates information on customers such as credit history, references, amount of deposit, the bank or mortgage company they're working with, the model of home they want built, and so on. Because the nature of the home-purchase process allows customers to make payments before a sale actually occurs, it was not possible to manage all this information in the company's previous accounting system. Some information, such as deposits, could be entered as temporary transactions, but there was no way to track all the additional customer data that was acquired prior to the actual sale.

In the past, financial information was managed in a dedicated accounting system, while customer information was stored in a relational database. Construction management was handled with a third program. The systems were not integrated, so information was entered separately into each one. For example, a customer's deposit was entered into cash receipts in the accounting program and again into the database. This multiple data entry was inefficient and also it made it difficult to keep the different systems synchronized. A deposit that was recorded in the customer database might not be credited to the accounting system, and vice versa. Closing the books at the end of a quarter took much longer than it should have, mainly because so much time was spent resolving discrepancies between the customer information database and the financial data. Having un-integrated systems also made things difficult for the customer service staff. When a customer called with a question about his account, such as whether a payment had been received from a lender, or about progress on the house, the Royal

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Dave Kush
Controller
Royal Professional Builders

Professional Builders representative would have to make a phone call to the accounting or construction department to get the answer.

When Royal Professional Builders decided to upgrade this system, the company turned to a Microsoft partner who recommended Dynamics SL as the foundation for Royal Professional Builders' new system. After sitting down with RPB and discussing their needs, they realized they would need to write a custom program to track all the non-financial customer information that Royal Professional Builders has to manage. The open architecture and strong support by Dynamics SL for industry standards, such as the Visual Basic programming language, would allow them to easily do that. Also, the fact that it's based on SQL Server, which is supported by so many other third-party applications, makes it easy to integrate with other applications. Otherwise, Dynamics SL had everything this company needed, including project management integrated with the financial applications.

Custom Application Saves Time

At the resellers' suggestion, Royal Professional Builders purchased Dynamics SL Accounts Payable, Accounts Receivable, Payroll, and General Ledger, and Project Controller for tracking project costs. Dynamics SL Project Management includes estimating and budgeting (including time-phased budgeting), electronic timecards and labor collection, project accounting, flexible billing rates, purchase order tracking, proactive project analysis and more. A member of the reseller's staff installed the software and then used its customization manager module to adapt screens to the homebuilder's specific needs. This module made it possible to quickly and easily modify screens without changing the underlying source code. We eliminated fields that weren't necessary and would otherwise have to be tabbed through by the user to get to the one that they needed. In a number of cases, this made it possible to combine fields that were previously on multiple screens into a single screen, reducing the number of screens that the user needs to learn and work with.

Integrated Data Improves Customer Service

After implementing the Dynamics SL application, a reseller wrote the customer information-tracking program using Visual Basic, the same language that Dynamics SL is written in. This application tracks all the presale customer information that used to be handled by the relational database program such as credit history, lender, deposit amount, etc. Because the Dynamics SL application is built on the SQL Server database, the programmer simply had to link the custom application to the database to integrate it with the Dynamics SL system. In this way, he was able to create a unique application for this client that is not something they would find in a canned application but it is just as seamless.

This application is linked to the financial and construction information by means of a screen that serves as a window into the Dynamics SL database. By making it possible for customer service representatives to see entries such as accounts receivable transactions, it lets them immediately respond to customers' questions about their

accounts. The custom application also provides access to construction data, making it possible for customer service representatives to see the progress of each house. With instant access to all the information that they used to have to track down manually, customer service is timelier. It is also more accurate. Unlike the past system, there is only one set of records so the builder's representatives know the information they are giving out is correct.

Streamlined Data Handling

The new system has simplified the task of the accounting department in several ways. First, it automatically sets up accounts for all the different houses. A master list of all expenses and receipts incurred in building a home was created when the software was installed. Now when a new house is started, the system creates a new account for the house showing all the expenses and receipts, eliminating the need to generate all those categories by hand. As costs come in, they are easily applied to the correct category. Construction loan payments, subcontractor bills, customer deposits, deposits on land – all one has to do is record it in Dynamics SL. When one prints out the general ledger, everything is broken down by job. The software also makes it possible to allocate overhead costs that are normally not specific to the individual homes, such as a garbage collector that sends one bill for removing trash from the entire development.

The integration of the financial data with project and customer information has eliminated the need to go to different systems and double-check that the data is correct. As a result, closing the books at the end of each quarter now takes several hours instead of several weeks. An additional benefit of this integration is that the information in the database is now more useful to the company. Reports draw from three information sources to provide a comprehensive understanding of the business. Now we can go beyond making sure we didn't miss something and use this information as a management tool. We can evaluate the profitability of the various jobs and spot problem situations quickly.

The construction department uses the new system's project control capabilities to track the progress of each house. Using a task code that was set up when the software was installed, the department updates the system about which tasks that have been completed on the various houses in progress. Once a week the construction staff meets to review work in progress using a report showing current status on a job-by-job basis. Since this information is integrated with the financial system, construction supervisors no longer have to spend time helping the accounting staff determine which bills to pay. Now when the company receives an invoice from a subcontractor, the accounting staff can check the project control module themselves and see immediately whether or not the work has been done.

These new capabilities allow Royal Professional Builders to operate much more efficiently by eliminating data re-entry, providing a single point of access to all company information, and simplifying the entry of accounting data. This makes it possible to operate with its existing office staff of 12 people during a time of fast growth. With data entry time cut in half, closing the books going so quickly, and people having immediate access to the information they need, they can probably handle even further increases in sale volume without hiring more people.

For More Information

For more information about Microsoft Dynamics SL, call **Synergy Business Solutions** at 800-481-8590 or go to www.synergybusiness.com.