

ISG is Building the Dream with a Lightning-Fast ERP Implementation to Run Leaner and Smarter

SUCCESS STORY

AN A/E FIRM WRESTLES WITH ERP CHALLENGES

For close to a decade, the human resources, accounting and project teams at the design and engineering firm ISG had lived with a highly inefficient, opaque and ill-fitting legacy enterprise resource planning (ERP) system. As the firm grew, the teams became increasingly frustrated with the outdated ERP system, and the lack of support from the big-name company behind it.

“As our firm grew, we knew we needed to provide more visibility for team leads on overall project performance. We were also looking for ways to complete basic but time-consuming administrative tasks, such as timesheet reviews and employee onboarding, more efficiently. We wanted access to live data from our ERP system to manage our business in real time,” explained Alec Pfeffer, Director of Finance and Accounting at ISG.

Among the biggest frustrations ISG’s teams had with their legacy ERP system:

- Too much time spent on manual data entry and migration due to a lack of integration between the ERP and other key systems.
- Inconsistent, unstructured billing schedules and processes that hampered cash flow and heightened the risk of billing errors. “We really needed to get away from all the paper-shuffling during billing. This slowed us way down,” said Pfeffer.
- A lack of intuitive, visual reporting tools for a business that is heavily visually-oriented

ABOUT ISG



ISG (ISGinc.com) is a nationally recognized multi-disciplinary

design and engineering firm providing architecture, engineering, environmental and planning services across 11 offices throughout the Midwestern United States.

Founded in Mankato, Minn., in 1973, ISG and its 350+ employee owners serve a diverse array of public and private clients via 12 business units with a focus on commercial, education, energy, food + industrial, government + cultural, healthcare, housing, mining, public works, sports + recreation, transportation and water industries. The firm's strong reputation has grown along with its footprint, and has been listed among the Inc. 5,000 fastest-growing private companies in America, was named a 2021 Hot Firm by the Zweig Group, and has earned the PSMJ Circle of Excellence designation in recent years. ISG ranks #306 on the ENR 500.

An initial move by ISG to address those issues with another ERP system only resulted in more frustration. With that system's vendor and implementation consultant providing subpar guidance and support, and ultimately proving unable to meet ISG's time-to-value deadlines, the firm found itself back at Square One — and highly motivated to find a top-notch ERP solution from a provider that could meet its aggressive 120-day implementation schedule.

Enter Unanet ERP AE.

ISG FINDS A SOLUTION: UNANET ERP AE

Another round of due diligence led Pfeffer and his team to Unanet ERP AE, an ERP solution purpose-built for architecture and engineering firms. Unanet ERP AE is a solution that offers the kinds of tools and functionalities that were most critical to ISG realizing the efficiency improvements, real-time visibility and enterprise-wide system and process integration it needed to keep its workforce lean, and its project-based business running seamlessly. Unanet ERP AE also appealed to ISG for its malleability and scalability, an important consideration for a firm that has been growing through acquisitions and organic expansion of its customer base.

Unanet ERP AE proved to be the “right fit” for ISG, Pfeffer explained, particularly due to the integrated tools it provides that enable the firm's accounting, project accounting and project management teams to share data-derived insight, collaborate in real time and generally work smarter.

Among the Unanet ERP AE features and capabilities that ISG's teams have found particularly valuable are:

- Tools for paperless, automated invoicing, which have helped to systemize the billing process across multiple locations.
- A project startup dashboard to improve visibility into new projects moving through the pipeline.
- Via the Unanet Connect open integration marketplace, a full and seamless integration with Paylocity for managing payroll and other key HR functions.
- An integration custom-built by Unanet to enable Power BI, ISG's analytics platform of choice, to work seamlessly with its new ERP system.

“We’re able to do more with the same number of people. In that sense, we’re seeing strong return on our ERP investment. As quickly as we’ve been growing, organically and via M&A, Unanet ERP AE has scaled with us, enabling us to automate workflows and integrate other business apps easily.”

IMPACT

Not only did ISG meet its aggressive 120-day timeframe for implementing Unanet A/E, the firm quickly began seeing benefits from its new ERP solution. Here's a look at several areas where the new ERP has been especially impactful:

- **A MORE CONSISTENT AND PREDICTABLE REVENUE STREAM thanks to streamlined billing.** What had been a patchwork of disparate billing practices and schedules (the remnant of processes from firms ISG has acquired over the years) has been standardized across ISG offices and practice areas, with all of the firm's close to 700+ invoices now being processed by the 8th business day of every month. Not only has that led to a more consistent, forecastable revenue flow for the firm, it has yielded a noticeable increase to overall cash flow.

What's more, it has broken down data siloes, enabling people to work from a single source of truth. "The accounting team and the billing team essentially see the exact same screens, so they are able to communicate and collaborate to get invoices out the door quickly," said Pfeffer.

- **MASSIVE TIME SAVINGS on payroll processing and employee management.** Gone are the time-consuming, inefficient, and error-prone processes ISG use to maintain employee information across multiple HR systems. Automated payroll workflows increase efficiency and full integration between Unanet ERP AE and Paylocity, ISG's HRIS and payroll system, ensures data integrity and enables data to flow seamlessly and bi-directionally — a 360° sync.

From recruitment, hiring, benefits election and payroll, the flow of employee data is largely automated, significantly reducing mind-numbing data entry for billing and accounting team members.

The less time they spend on manual data entry, the more time they have for higher-value work to grow the business.

- **STAYING LEAN as the firm grows.** While ISG's customer base and workforce have grown, the firm has been able to maintain its HR headcount at 2.5, a direct result of using Unanet ERP AE to simplify payroll and other HR functions. This is a major consideration for an overhead-sensitive firm like ISG. "It's helping us keep our HR team lean. We're able to do more with the same number of people. In that sense, we're seeing strong return on our ERP investment. As quickly as we've been growing, organically and via M&A, Unanet ERP AE has scaled with us, enabling us to automate workflows and integrate other business apps easily."
- **INFORMATION AND INSIGHT FLOW UNIMPEDED IN REAL TIME among and within teams across the business.** Ready access to a single version of truth for specific projects, lines of business and across the firm's project portfolio leads to faster, better decision-making along with greater collaboration. For example, the handoff of a project from business development to project management is now largely automated and easily can be tracked via dashboards.
- **BETTER DECISIONS, FASTER.** Expedited month-end close and other reporting efficiencies enable the firm to put data in the hands of key stakeholders within the firm, so they can make better-informed decisions. Unanet ERP AE's seamless integration with the PowerBI analytics platform provides automated real-time reporting and analytics.
- **BUILDING THE DREAM.** A fresh infusion of advanced, integrated ERP capabilities and tools is driving digital transformation at ISG, enabling the firm to dial in billing, project accounting and project management. "That's our focus. From the administrative side of our business, that's what we strive to be really good at."

KEYS TO SUCCESS

Recommendations for a sustainably successful ERP implementation, based on ISG's experience:

1. Find an ERP tailored to specifically to your kind of business.

With an ERP solution purpose-built for architecture and engineering firms, and designed for project-based businesses, ISG finally has a system that maps specifically to its preferred processes, systems and workflows.

2. A genuine implementation partner makes all the difference.

Having aborted one ERP implementation due largely to substandard vendor support, ISG's needs were met with Unanet ERP AE implementation: a true — and ongoing — partnership-based relationship. Beside meeting the firm's aggressive implementation timeline, the Unanet team has been consistently accessible and ready to answer questions ISG has had during and after implementation. The Unanet team made an effort to understand ISG's business and specific ERP needs, and was there to assist as the firm moved to remote working. "We avoided a lot of paper-shuffling that could have been a real nightmare during COVID," added Pfeffer.

3. Look for an ERP solution that offers open integration with the systems on which your business depends.

With the ability to seamlessly connect Unanet ERP AE with Paylocity for payroll and other HR functions via pre-built application connectors available in the Unanet Connect integration marketplace, ISG has the software building blocks for a fully integrated digital ecosystem centered around its ERP solution. Pfeffer notes, "With the open architecture Unanet ERP AE provides, you can plug in your HR system, you can plug in a CRM through API integration and really any other software that supports API Unanet ERP AE can connect with. At the end of the day, we're able to continue to use our platforms of choice."

4. Build a powerhouse implementation team that represents all relevant stakeholders within the business.

From principals to HR, finance, project management, IT, sales & marketing and more, be sure the right stakeholders have a seat at the table and a voice throughout the due diligence and implementation processes, because that tends to increase team and individual buy-in.

5. Give employees the ERP training and resources they need to succeed.

To boost user adoption, provide plentiful training opportunities (one-on-one and in small groups), plus information sessions for people to ask questions and air concerns about the new system.

Where Information Means Insight

Unanet is a leading provider of ERP and CRM solutions purpose-built for Government Contractors, A/E, and Professional Services. More than 3,200 project-driven organizations depend on Unanet to turn their information into actionable insights, drive better decisionmaking, and nurture business growth.

