

CASE STUDY

CLIENT:	Gregory Fabrications
INDUSTRY:	Services
LOCATION:	Australia
PRODUCT SUITE:	EXO Business
MYOB ENTERPRISE PARTNER:	Momentum Software Solutions

Better visibility on job progress and job cost gives steel fabrication business added confidence

Overview

Gregory Fabrications is a privately owned steel fabrication and labour hire business servicing the mining and rural sector of Central Queensland.

Founded in 2001, it now has 45 staff working on a wide range of high-end projects. But as business has boomed, so the need for better visibility over the progress and status of jobs has increased. And that's put pressure on internal accounting and management systems.

Outgrowing the old system

The company had been using Quickbooks for the best part of ten years and, according to director Sharon Seawright, they'd got on well with it.

"It was easy to use," she says, "with good reporting and excellent search facilities. In fact," she adds, "there wasn't much not to like".

Where it did fall short, however, was in its costing functionality.

"Say you want to cost a job," explains Seawright; "with Quickbooks, you have to manually enter the constituent parts one by one – labour, materials you've bought, NVT and so on. For the occasional job, it's not a problem, but as our business grew we found that repeating that process for multiple jobs became quite time consuming."

So Gregory Fabrications started looking around for new systems

Weighing up the options

"We looked at a few", says Seawright, "including Jim2 and ITMS. We considered EXO too, but initially weren't convinced we wanted to go down the MYOB route – not because we'd heard bad things about it. It was just that we'd been very happy with Quickbooks and thought we might prefer a system like that".

But as they started reviewing the competition, Gregory Fabrications couldn't settle on one particular system.

"We trialed ITMS for a while," says Seawright, "and from our early investigations, Jim2 looked like it had all the features we needed. But in the end we didn't feel either was supported well enough".

It was only after meeting MYOB Platinum Partner Momentum that they started considering EXO seriously.

"EXO wasn't the cheapest. It didn't even have all the features we were looking for," says Seawright, "but its job costing module is very good. Better still, with MYOB being the business they are, we felt there would always be bigger and better things to come from EXO.

"We didn't have the same confidence with other systems."

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Keeping up momentum

According to Seawright, Momentum played no small part in their decision to ultimately go with EXO.

“Al [Emery, Managing Director] in particular is really switched on. He showed us that EXO was the way forward.”

She adds, “Compared with the sales processes of the other systems we looked at Momentum’s was streaks ahead. They stayed in touch with us and answered all our questions.”

It was the same story during implementation, according to Seawright.

“There was a tiny glitch with stock, but we soon ironed that out. Al is so professional and he made the implementation very easy.”

The pace of change

Asked whether everyone was on board with the switch to EXO, Seawright says she wasn’t surprised that people weren’t jumping at the chance to move to a new system.

“You expect people to stick with what they know, don’t you?”

It probably took three months for people to feel fully confident using EXO.

“There were a few differences that took a bit of getting used to,” she says.

“For one, in EXO you can’t amend invoices once they’ve been sent out. Now I understand why that makes sense from an audit trail perspective. But when you’ve always been able to do something, it takes a while to relearn it.”

Clear costing

While staff may have initially been reluctant to adopt change, the company accountant was quick to see the benefits.

“[The accountant] spent a bit of time up here last quarter doing our budgeting,” says Seawright, “and she commented several times on how simple she found EXO. I think her words were: ‘it’s very straightforward for a budgeting tool’ – which is what you want of course.”

“Reporting is a lot better now, too” she adds – “particularly the work-in-progress reports.

“I can keep track of jobs as they progress, see how the guys in the workshop are getting on and stay on top of invoicing.”

And then there’s the job costing – the main reason for moving from Quickbooks in the first place.

“It really is good,” says Seawright.

“Because our timesheets are linked to job cards in EXO, we can get a real cost on labour. There’s no manual entering of data – everything just flows through the system automatically. At any point, I can dip into a job and see how much it’s costing us.”

Clear for all to see

There are other improvements too. According to Seawright, EXO has allowed them to switch from quarterly to monthly BAS reporting, which has improved cash flow immeasurably.

“The P&L and balance sheet are good too,” she says.

But really, what EXO has given Gregory Fabrications, above all else, is improved visibility.

“Now I can see how we’re doing on a day to day basis,” says Seawright, “and that gives me confidence”.



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