

# SM Consulting, Inc. (SMC)

## Leading Government Services Firm Improves Business Efficiency, Reduces Time for Monthly Accounting Processes by more than 30% with Deltek Costpoint®

**“Since Costpoint allows us to get more information out of our ERP system than we ever have before, we’ve been able to spend more time discussing what the data tells us about our business, instead of struggling to produce essential and required reports. We’ve definitely raised the bar from a financial services perspective.”**

Sarah Otchet, CFO with SMC

### THE CHALLENGE

Prior to 2005, SMC used QuickBooks coupled with a variety of spreadsheets to handle cost pool calculations, billing and other more complex accounting needs. However, in the 2000s, the firm’s business began to focus more prominently on the federal marketplace. As SMC’s federal business grew, the federal accounting requirements quickly exposed clear limitations in QuickBooks.

“As our focus changed, so too did our internal accounting requirements,” said CIO Dennis Courtney. “Initially we thought we could make QuickBooks work, but over time our manual workarounds created a lot of additional labor costs and increasing levels of frustration for our staff.”

Determining cost structures for bidding was particularly frustrating, said Courtney. His staff expended countless man hours per month updating this information for inclusion in new business proposals. In addition, merging billing data into QuickBooks was also becoming labor-intensive.

### THE SOLUTION

In 2005, Courtney and the executive team at SMC made the decision to replace QuickBooks with an enterprise management solution capable of handling complex government requirements. “Our public accounting firm recommended Deltek, because several of Deltek’s solutions are extensively used by federal contractors,” Courtney said.

SMC went live in May 2006 with Deltek Costpoint, ERP software designed specifically for sophisticated, large-scale project organizations. According to Courtney, the implementation was “exceedingly smooth,” comprising an initial Costpoint rollout, and with the potential to implement Deltek Time Collection, employee-facing software timekeeping software for project-focused businesses.



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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

In less than one year, SMC is already experiencing rapid and tangible benefits that the firm attributes to Costpoint. The time spent each month to close the accounting books has already been reduced by more than 30 percent, and according to Courtney, they will likely achieve 50 percent time reductions by the end of the year.

“Before we implemented Costpoint, we invested a lot of time and energy ‘muscling’ the process of accounting and allocating labor costs,” Courtney said. “We used to have to reconcile timesheets, indirect costs and job allocations and a variety of other financial data manually, then verify and double-check the information. Now we spend far less time on mechanics. Costpoint serves as a central hub for all our project data, automatically calculating complex data such as indirect rates with the click of a button.”

SMC has also experienced improvements in data quality since implementing Costpoint. In particular, Project Manager Hugh Allan noted a dramatic improvement in the accuracy of invoices for SMC’s customers, which improved the firm’s monthly cash flow as well. He also pointed to notable improvements in SMC’s governance processes.

“With Costpoint, we’ve been able to secure our general ledger so that access is limited only to those individuals who need it,” Allan said. “Costpoint gives us the flexibility to make sure that only the right people are seeing the right information.”

Costpoint has also opened up new business opportunities for the growing firm. As Courtney explained, “Thanks to Costpoint, we’re now examining cost plus contracts with the federal government—an area we’d previously shied away from due to the complexity of managing bids and executing on the contracts.”

## THE DELTEK ADVANTAGE

In less than one year, SMC experienced rapid and tangible benefits from using Costpoint, including improvements to its accounting processes, more efficient processes and improvements in data quality. Costpoint has also opened up new business opportunities for the growing firm and allowed SMC to implement new best practices across the firm.

In just a short time, Costpoint has also allowed SMC to implement new best practices across the firm. Because the firm can leverage project and resource data stored in Costpoint, SMC is now able to more flexibly calculate sales commissions for each project. In addition, the company has created a new tiered project structure that will ultimately give management more visibility into margins and growth opportunities.

## ABOUT SM CONSULTING, INC.

A premier IT consulting firm, SM Consulting, Inc., (SMC) provides intelligence services, e-business solutions, enterprise consulting, language translation and staffing services to both government and commercial customers across the country. Since its inception in 1996, SMC has been recognized by both Inc. Magazine and Deloitte & Touche as one of the fastest growing technology firms. Today the 500-employee firm has more than \$80 million in annual revenues and touts a robust client base, including marquee customers such as Verizon, Amerisource and the Department of Defense, as well as numerous Fortune 1000 companies.