

# Achieving High Returns on Investment with Deltek Vision™

Professional services firms automate core business processes to work better, work smarter and become more profitable

## OVERVIEW

For professional services firms to succeed, they must build and maintain healthy client relationships, and aggressively manage and control the projects and contracts they win. Critical to achieving these goals and maximizing returns and profits, is consolidating, automating and unifying all core business functions—from client relationship management, proposal development, resource and project scheduling and planning, and employee time and expense—to financial accounting, billing and human resources. Information from all of these areas must be readily accessible through real-time reporting, so profitability goals and targets can be monitored, and adjusted if necessary, throughout the project lifecycle. Streamlining these processes into a software solution, with one database that can be shared across functional departments, ensures relevant information is available to make vital decisions that impact the bottom line.

Deltek Vision is designed to meet the unique needs of professional services firms, providing a single software solution to manage information, people, time and work to keep a tight reign on projects, enhance client relationships and ensure profitability. The system encompasses key functions and activities firms need to survive: winning new business, capturing billable hours, increasing employee utilization, streamlining project management, increasing revenue and profits, enhancing collaboration, and knowledge sharing.

Consolidating and automating core business processes helps firms realize tangible and intangible returns in critical areas; increase productivity with access to reliable and up-to-date information; preserve knowledge transfer within the organization; create and foster stronger relationships with clients; and most importantly, ensure higher quality project delivery.

## AN EXECUTIVE-EYE VIEW OF PROJECT AND COMPANY HEALTH

To effectively manage an organization, executives need a high-level view of firm-wide performance and activities. Unfortunately, key information is often scattered across multiple systems in multiple formats, making it difficult for executives and managers to examine data to reveal trends and metrics critical to future business decisions. Executive planning and reporting features in Deltek Vision consolidate and aggregate all of the key financial information decision-makers need to monitor cash flow and project revenue and profitability. Past and present corporate performance can be compared, and project status reports can be run for all levels of the organization. These combined capabilities empower executives to make better business decisions that affect the bottom line.

## CENTRALIZED, ACCESSIBLE INFORMATION

Currently, a typical employee spends an estimated 14 percent of his or her time searching for information needed to complete a task. In a firm where the average employee salary is \$50,000, that equates to \$7,000 in wasted raw labor each year for every employee. A 100-person firm saves approximately \$200,000 a year by simply reducing this wasted time from 14 percent to 10 percent.

Deltek Vision centralizes information into a single, unified database shared throughout the firm. Since the system is web-based, information is accessible anywhere, anytime. By bringing together scattered data and documents, Deltek Vision greatly simplifies the process of getting the right information to the right person at the right time.

## INCREASED EFFICIENCY THROUGH AUTOMATION OF CORE BUSINESS PRACTICES

Deltek Vision automates many of the firm's core activities, including processes that are typically handled with off-line systems or using paper forms. Staff members are empowered to enter their own time and expense charges, initiate projects, approve invoices and perform many other tasks that have traditionally required the use of paper forms and keying data. When information is entered, it immediately becomes available to others throughout the firm.

## IMPROVED COST CONTROL WITH INTEGRATED TIME & EXPENSE REPORTING

The most successful project-driven businesses are those who—day after day—stay on top of project and corporate profitability, and give employees and project managers the data they need to keep projects on track. A key factor in managing projects is the ability to efficiently and accurately collect all labor and nonlabor costs. Deltek Vision integrates time and expense reporting, giving employees an easy-to-use tool to enter project-related time and expense data, and allowing managers to review, validate, approve and track expenses associated with projects. Managers have a real-time view of project costs and the constant impact of these costs on project budgets. The time and expense reporting process of Deltek Vision reduces invalid and unauthorized charges and transfers, and provides faster interim reporting. The resulting cost savings can be dramatic.

Another success factor for professional services firms is their effectiveness in marketing employee credentials and experience. The time collection capabilities in Deltek Vision let marketing personnel immediately know when an employee

begins to work on a new project as well as the employee's level of involvement. Marketers can use this data to build targeted resumes and to position resources for future work. This information, gathered directly from the system rather than from project managers and consultants, further reduces the amount of time that billable personnel must devote to nonbillable purposes.

## SHORTER BILLING CYCLES, IMPROVED CASH FLOW AND INCREASED UTILIZATION LEVELS

According to a report on professional services automation published by the Aberdeen Group in 2002, professional services firms that invested in front and back office automation solutions realized an average five-year annualized return on investment (ROI) of 96.7 percent. This highly impressive ROI comes primarily from two benefits: increased billable resource utilization (average increase of 8.1 percent) and decreased invoice cycle time (average decrease of 11 days). Both benefits are delivered by Deltek Vision.

The Time Management, Expense Management and Billing modules of Deltek Vision are tightly integrated to make billing processes notably more efficient. Labor and non-labor costs are quickly and accurately collected through the time and expense reporting system to continuously feed the billing process. This sophisticated billing module saves time, reduces billing errors and generates invoices that clients understand, approve and pay. Moreover, the system can generate accounts receivable aging reports and desktop alerts to notify project managers and accounting personnel of late receivables. This expedites the collection process and reduces billing cycles.

For example, a 400-person firm that raises firm-wide job chargeability from 58 percent to 63 percent creates an additional 41,600 billable hours per year. At an average billing rate of \$100 per hour, this firm would generate \$4.16 million in additional revenue.

## IMPROVED PROJECT MANAGEMENT AND DELIVERY

Project reports with stale data, even if only a few days old, are inadequate for controlling costs and ensuring the profitability of a project. A \$200,000 project with a five-month schedule will burn \$10,000 or more of budgeted dollars in a given week. The fast and accurate delivery of project cost and budget information affords managers the flexibility to apply time and materials to the right tasks at the right times. "Small adjustments" throughout an engagement can make big differences in keeping projects on schedule and within budget.

With Deltek Vision, firms benefit from a fully integrated project management solution. One application with one database is used for all scheduling, budgeting forecasting, and managing resources. The resource planning capabilities of Deltek Vision are fully integrated with its back office accounting and time and expense tracking systems, allowing for costs associated with a project to be fed back into project plans in real time. This functionality gives managers immediate awareness of projects straying from the budget; problems can be quickly identified, addressed and resolved.

### **GREATER MARKETING EFFECTIVENESS**

Developing and tracking effective marketing campaigns is a multi-stage process involving the consolidation and management of contact lists, establishment of budgets, cost tracking and ROI analysis. Consider the savings on a typical 10,000-piece marketing mailing costing \$20,000 in design, production and printing fees. Relying on a conventionally maintained mailing list, which is not continuously updated by people across the firm, could result in a list where half of the contact information is outdated. Nearly 5,000 pieces of mail at \$2 each are wasted; this \$10,000 doesn't include the associated postage and mailing fees.

Deltek Vision offers comprehensive marketing campaign functionality that allows for the development and delivery of campaigns to targeted contact groups. Campaign reporting gives marketing managers the information they need to improve future efforts. Furthermore, because all key employees contribute to a single pool of client and prospect data, the company's lead information is more accurate and timely, and free of inconsistencies and duplications.

### **IMPROVED CLIENT RELATIONS**

According to Harvard Business Review, it is six to seven times more expensive to acquire a new client than to retain an existing one. For this reason, effectively managing client relationships and information is critical to the success of any professional services firm.

While a wide range of customer relationship management solutions, geared toward product-oriented companies are available on the market, they are structured around transactional relationships companies develop in order to understand product-buying trends of customers and further future product sales. Deltek is the only software provider that offers client relationship management solutions that help

professional services firms develop long-term relationships crucial to the firm's success. In a project-based, professional services environment, client relationship management is the key to building partnerships with clients using internal business processes from sales, services and marketing.

Since Deltek Vision maintains all client information in a single shared database, intelligence about the firm's clients and marketplace persists, even as individual client managers come and go. Pooling knowledge creates a far more comprehensive and accurate database of decision-makers and influencers at all levels of the client organization, giving the firm the ability to drive more far-reaching and cost-effective direct marketing and client awareness programs. Because everyone in the firm shares this intelligence, each client interaction is enhanced by a clearer awareness of context, greater sensitivity to needs and quicker action on problems and opportunities.

### **STREAMLINED AND EFFECTIVE PROPOSALS**

Because it's typically the first deliverable to a new client, a proposal creates a lasting impression of a firm's quality of work, creativity and individual style. A winning proposal must be targeted to specific clients and projects and effectively deliver the firm's message and convey their unique capabilities. Submitting substandard proposals will have the opposite effect, with a dramatic impact on the ability to acquire new work in the future. Conversely, firms that automate marketing and proposal processes to reduce costs and produce distinctive, highly customized proposals will increase the likelihood of winning business. In addition, by spending less on proposals, marketing budgets can be allocated toward other areas.

With Deltek Vision, everyone contributes to the proposal process by constantly maintaining information, including up-to-the minute employee, project and client information that is used by proposal writers. Proposal automation features allow for quick searching through this database of information to select and incorporate employee, project and firm-wide data that specifically address prospect requirements. Endless hours spent finding, organizing and formatting proposal information are freed for more creative tasks. Deltek clients have reported reducing proposal generation time by 33 to 50 percent using Deltek solutions. In some cases, the timesavings and cost reductions are even more dramatic.



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Deltek® is a leading provider of enterprise applications software designed specifically for project-focused businesses. For more than two decades, our software applications have enabled organizations to automate mission-critical business processes around the engagement, execution and delivery of projects. More than 12,000 customers worldwide rely on Deltek to measure business results, optimize performance, streamline operations and win new business.

## THE BOTTOM LINE

Since its release in 2002, hundreds of professional services firms in a wide range of industries have selected Deltek Vision to automate critical front and back office business processes. These include the systems integration and information technology firm Next Century Corporation; architecture and design firm Beardsley Design Associates; accounting firm J.H. Cohn; and landscape architecture firm The Portico Group. Their quotes indicate the benefits and ROI they have experienced.

- “Deltek Vision allows us to track projects from the moment we identify an opportunity through collection of the final invoice. We no longer need to buy and integrate several different packages to cover the phases of all projects: CRM, proposal generation, time and expense collection, financial reporting and invoicing.” John McBeth, President and CEO, Next Century Corporation.
- “We’ve been looking for an integrated solution for a long time, and Deltek Vision is it. We have already received some great responses to the enhanced reporting capabilities.” Pat Pohl, Controller Beardsley Design Associates.
- “Deltek Vision has allowed us to more efficiently and accurately share information with each other and has provided us with the critical information we need when preparing proposals and tracking referral activity. Using Deltek Vision, we have successfully eliminated more than 15

separate databases. This in turn has helped us obtain accurate and up-to-date information on contacts and clients, purge duplicate entries from our mailings, and integrate our CRM system with our time and billing so we always have 100 percent client population.” Alicia Olesinski, Director of Marketing and Practice Development, J.H. Cohn.

- “I think Deltek Vision has the ability to revolutionize the way we collect, store and retrieve our information. We are able to keep it in one place and have it accessible no matter where we are. I have not seen another product on the market that even comes close to this. Deltek Vision is, in my mind, the most creative thing in this industry since Auto CAD.” Tim Nicoulin, Chief Financial Officer, The Portico Group.

## ABOUT DELTEK

With more than 12,000 customers worldwide, Herndon, VA-based Deltek is the leading provider of enterprise management software for project-focused organizations. Founded in 1983, Deltek enables companies to maximize profitability and productivity, integrating all aspects of their businesses. Deltek Costpoint®, Deltek Vision® and Deltek GCS Premier® power a myriad of front and back-office applications including accounting, billing, resource planning, budgeting and control, business intelligence, CRM and proposal automation, employee time and expense, HR management, procurement and materials management and project management. Deltek’s clients include Bechtel, CACI, HOK and Verizon.