

MYOB Greentree

Client Eastern Tree Service | Location Australia
Product MYOB Greentree | Industry Professional Services



The cutting edge of managing data

When Cyclone Yasi swept through Queensland in February 2011, Eastern Tree Service's crews spent two months working to clear away the debris. So-called 'hazard work' is just one of the services this company provides. MYOB Greentree easily handles the capture of data for a complex billing system.

Problem

Complex billing needed better handling

Around 95% of ETS's work involves clearing vegetation around power lines. It's regular work that goes on all year round in urban and rural environments, and is paid for by the utility companies. ETS also does environmental work for councils, and electrical services for power companies, including meter reading and street light maintenance. It employs more than 650 people, working out of offices in Victoria, New South Wales, Queensland, Western Australia and Tasmania.

ETS crews cover large distances, and customers are billed on a time basis for people and vehicles. It operates on three types of contracts: hourly rate, unit rate (number of trees cut and ground covered on a job), and a fixed price for 12 months of clearing work in a particular area. All that data has to be fed into a centralised system before billing is done – and that's where ETS was having problems.

"We had Attache for doing accounting and payroll, and Access for job costing, which is critical for our business," explains ETS's CFO, Paul Tymensen. "We've grown considerably in recent years, so we outgrew Attache. Our biggest problem was entering peoples' timesheets into multiple systems that were not connected. We found we weren't able to reconcile between what we were paying the guys and what we were able to bill out."

Without being able to easily verify that the data being captured was accurate, there was no certainty that a correct bill was being sent to the customer, and nor could accurate analysis be guaranteed, to determine whether individual jobs were profitable.

"The contracts we have, typically with the power clients, are anywhere between 5 and 10 million dollars a year and if you're out by 5 or 10%, that's a lot of money to not invoice," Paul says.

Paul won't try to guess how much money errors like that would have cost ETS over the years.

"We knew it was an extensive problem, but we probably didn't have the information to quantify how big the problem was. It probably lost us thousands."

"Costing errors probably lost us thousands."

Solution

Integration simplifies data entry

Having a single entry point for all those timesheets was therefore critical for ETS. After a shopping expedition, Paul had a shortlist of solutions: SAP, Technology One, and MYOB Greentree. "Greentree won because it had an integrated payroll system," he says. "This was our prime concern because this was where the savings were going to be: not having to enter data multiple times. We found Greentree was easy to use – other systems seemed a bit more complicated and what we saw in the presentation gave us comfort that it could meet our needs."

Greentree was fully implemented by July 2009, and since then, Paul and his staff have had a much easier life. “We know we’ve got a reliable system and it’s extremely hard to miss the data now,” he says. “I know I can get the information I need, and I know I can rely on the quality of the information that’s in there.”

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Outcome

Efficiency and accuracy

Greentree’s eTimesheets module allows a single point of entry, sending data to both Payroll and Job Costing. ETS has equipped its trucks with iPads, which send data to Job Costing via the web. The billable and unbillable hours (downtime due to bad weather, breakdowns or illness) are now accurately captured.

“We were very inefficient before in our data entry process, and the accuracy was always questionable,” says Paul. “It was difficult to measure our profitability because we didn’t know what we were losing.

“We’ve grown enormously in recent years, and I think we’d have struggled then to fill some of the contracts that we do now. Job costing is the biggest part of our business and without Greentree’s Job Costing module on some of them, I don’t think we’d have known whether we were making money on them. If you’re not billing out 90% of the time, you don’t make money.

“With Greentree, we’re more efficient and more accurate. We can now have faith that we can go into a new contract area and know exactly what the performance of that contract area is doing at any time.”

“We’ve grown enormously in recent years, and I think we’d have struggled without Greentree.”

| Before | After |
|---------------------------------------|--|
| + Complex billing difficult to manage | + Fully integrated job costing and payroll |
| + Multiple data entry issues | + Multiple entry eliminated |
| + High risk of error | + Reliable data means accurate billing |
| + Money slipping through the cracks. | + Confidence when bidding for big contracts. |