

Sage MAS 90 offers Tower Mechanical Services better job costing functionality as well as powerful union benefit automation through a third-party module.

Tower Mechanical Services

Tower Mechanical Services, based in Oshkosh, Wisconsin, offers HVAC, plumbing, and architectural sheet metal services to help clients transform their structural visions into reality. The company's focus is on the commercial sector, providing services to schools, retail centers, healthcare facilities, and more. Current projects include the new College of Business & Economics for UW-Whitewater, Linden Park Elementary School in Madison, and River Crest Elementary School in Hudson.

The Challenge of Union Benefit Tracking

Founded in 1998, the company has grown from 20 employees to its current payroll of about 50. Except for eight office staff, all employees belong to labor unions, which adds significant complexity to the tracking of employee benefits. In addition to their core employees, Tower Mechanical Services often brings in other union workers on jobs, adding to the amount of benefit data that must be tracked.

Unionized employees' health and welfare, pension, and other benefits are calculated based on the amount of time they work on each job—and each union's benefit structure is different depending on the union contract. With both plumbers and sheet metal workers on the payroll, the firm tracks benefit data for a multitude of unions. For example, while there is one sheet metal workers' union in the state of Wisconsin, there are ten different locals, with benefit info varying for each.

Since its inception, Tower Mechanical Services had used Peachtree by Sage for its accounting needs. Over time, the company began tracking financial data such as union benefit and job costs outside of the system using Microsoft Excel. By 2007, the company had reached a point where this manual tracking had become overly cumbersome. In addition, the data didn't integrate with the financials and that was a concern. In October 2007, working with Schenck Technology Solutions, Tower Mechanical Services upgraded from Peachtree to Sage MAS 90 ERP. Included were the job cost module and a third-party union automation module produced by Kissinger. With MAS 90, union benefit information is set up once and the system automatically prepares paychecks using the correct parameters.

More Accurate Job Costing

The powerful job cost functionality of the MAS 90 system has been especially helpful for Tower Mechanical Services. Taking into account human error, the firm's management was certain that the job costs they were calculating "by hand" were not as accurate as they could be. Today, job costing flows seamlessly using MAS 90, burden and overhead costs are allocated to jobs appropriately, and profit or loss can be calculated more precisely for each job. "We're confident that our job costing is much more accurate today with MAS 90," says Ellen Perdue, Assistant General Manager. In addition, Tower Mechanical Services' AIA percentage-of-completion billing (required by general contractors) is automated, relieving the accounting team of the time-consuming, hands-on process of the past.

Tower Mechanical Services' implementation was fast-tracked in order to have the system in place prior to the start of a new fiscal year—the project was completed in just over a month. When asked about the team from Schenck, Ellen identified their responsiveness, helpfulness, and experience as key factors in making the implementation successful.

"Mary Jo Krueger, who worked with us on a day-to-day basis in getting the system up and running, has the patience of a saint," she chuckled. "They were a wonderful team to work with."