nexDimension®

MAKING ENTERPRISE SOFTWARE WORK

Studer Group Addresses Rapid Growth & Expansion with Microsoft Dynamics™

StuderGroup®

ABOUT STUDER GROUP

Based in Gulf Breeze, Florida, Studer Group is a health care consulting firm devoted to teaching evidence-based tools and processes that organizations can put to immediate use to establish operational excellence. Its mission is to make healthcare a better place for employees to work, physicians to practice medicine and patients to receive care. Studer Group has worked with hundreds of healthcare systems, hospitals, and medical groups since the firm's inception in 1999.

Studer Group is comprised of two entities—Studer Group, including tailored coaching services, speakers and Institutes (seminars) and Fire Starter Publishing. Studer Group coaches hospitals and healthcare systems by providing a detailed framework and practical knowledge for creating change.   Fire Starter Publishing, an online e-commerce division, includes books, videos, software, magazines, audio CDs/tapes, virtual seminars and tool kits, all designed to help organizations maximize potential.

THE SITUATION

Since its beginnings in 1999, Studer Group has seen significant growth. What started out as a three-person company has developed into a multi-faceted health care consulting firm. As the company grew to meet demand and expanded to include more products and services, the financial management software it used fell short. What worked when Studer was a smaller organization could not keep pace with its growth. The lack of integration between various systems resulted in lots of manual effort to properly record transactions and prepare reports.

When Lori Clause joined the organization three years ago to lead Finance, Studer was using a popular entry-level accounting package to manage transactions for its two related companies—Studer Group and Fire Starter Publishing. Lori knew from experience that the entry-level accounting package had to be replaced because of all the manual effort that was involved. Lori's perspective was that a higher level of automation and efficiency was necessary to support the organization's immediate and future needs.

"The accounting software we were using was great for a small business, but we were evolving quickly into a much larger business and the features just weren't capable of keeping up with our expanding needs," Clause explained. "We had so much activity between our two entities—Studer Group and Fire Starter Publishing—that we needed a more sophisticated system to keep up with demand. With all the customers, individual attendees, speakers, Institutes and training products we had to manage, the need for integration and consolidation was absolutely essential. And, with the old system, we were never going to get that."

The situation was complicated because the two companies were established in two separate databases and many of the transactions were related either to each other or with the customers they shared in common. Having separate databases meant Studer had to manually keep the master files in synch, including the customer list and chart of accounts. They also had to record any inter-company transactions twice, once in each database.

"The entire organization has embraced the new system. Everyone has been trained and knows how to use it."

Lori Clause, Director of Finance,
Studer Group & Fire Starter Publishing

More importantly, the existing system could not accommodate the structure Studer wanted to manage its training Institutes. For example, there was no way for Lori to see how many times a customer had sent attendees to an Institute. She continued, "There was too much manual data manipulation, which was taking too much time. And that was just the tip of the iceberg. There were many other processes that were just as problematic and disconnected."

THE PATH TO A SOLUTION

Lori believed there were better systems available and began investigating various mid-market Enterprise Resource Planning (ERP) software products. She then contacted nexDimension Technology Solutions, an expert technology advisor to emerging and enterprise sized businesses, to discuss Studer's needs in detail.

Before nexDimension made a recommendation; they asked for the opportunity to conduct a thorough needs assessment that involved the entire organization. Naturally, Studer Group wanted to make the most of its investment, so it was essential for nexDimension to uncover the organization's needs in every department, not just Finance. In this case, everyone was involved in the decision process, from Quint Studer, the company's founder and CEO, to BG Porter, co-owner and President, and on to every department leader including Human Resources, Speakers, Business Development, Marketing and IT.

Based on the needs assessment, the key goals for the new ERP system were:

- **Automation and integration**—The new system had to provide an end-to-end capability to allow data to flow smoothly through the inter-connected processes of sales, operations, accounting, financial reporting and business intelligence.

- **Efficiency**—Business processes, no matter how complex or unique, and their related financial transactions needed to be accounted for properly and the data easily accessible for future decision making.

- **Partner relationships had to be a priority**—The new system needed to effectively manage the processes to support Studer's partner relationships including: contract development, unique pricing structures, resource management, budgeting, profitability analysis, renewals, overall tracking and making the right information available to the right people at the right time and place.

- **Functionality**—The new system had to have capabilities for multi-company processing, inventory management, project costing, financial reporting and budgeting and planning. These capabilities needed to be delivered to users who would be accessing the system both on-premises as well as remotely.

- **Technology**—The new system needed to be based on technology that was consistent with the organization's established strategy of using open architectures and Microsoft® based components.

nexDimension believed Studer could accomplish these goals by implementing a mid-market ERP system that added functionality in key areas above and beyond what was in place, including the ability to easily and economically integrate and connect to a variety of other related systems. Based on this information, nexDimension recommended Microsoft Dynamics™ SL.

"nexDimension was asking us to make an investment, but I was confident, based on our needs and Dynamics' capabilities, that it was the right choice," Clause continued. "But before Dynamics could be purchased, I needed to convince quite a few people in the organization, including the owners Quint Studer and BG Porter. I devised a cost-benefit analysis and, after a lot of discussion and showing upper management what Dynamics could do and how it would benefit us now and in the future, I was given the go-ahead."

THE RESULTS

nexDimension was key in assisting with the implementation, including migrating the existing financial data into Dynamics and setting up customized reports. "nexDimension's assistance was outstanding during the project," Clause explained. "There were no delays or major complications. I had an aggressive schedule when I started and nexDimension met it. It was a lot of work, but we all pulled together and made it happen. We had a successful implementation that was on time and not disruptive. I'm glad we had experts who knew what they were doing and could take us where we needed to be. We would identify a need and nexDimension was there to provide the assistance."

With Dynamics SL up and running, Lori began to make very important changes. One of the first things she did was assign each customer its own unique account number. With one account number, all the transactions related to a particular customer for both Studer and Fire Starter could be viewed on one screen. Now, everyone from the Finance department to coaches can easily view the Institutes and webinars that customers are registering for or the products they are buying.

As time progressed, Microsoft Dynamics SL began providing even more answers for Studer Group. "We couldn't analyze the profitability of a contract in our previous program. We couldn't include the costs for labor along with certain other indirect items that were related to the agreements. Now with Dynamics we can. We also created a Revenue Recognition report that allows us to defer and recognize revenue over the life of a contract instead of during the month the payment was received. Then we created another report to track how much revenue each coach is generating. We used to do both reports manually, but now with Dynamics, they're totally automated. With manual spreadsheets there was too much room for error.

Now, we can run reports that are easy to view and sorted in different ways—by coach, contract, summary level—and that have flexibility so that if a coach changes mid-year, we can change the revenue cycle to start off whenever the new coach began," Clause emphasized.

With over 30 coaches working with numerous customers, keeping track of where each coach was on a daily basis, as well as who might be under-servicing and over-servicing customers, was an incredible task. Studer was using a Microsoft SQL Server™ based deployment tracking system it developed in-house to track the number of days planned to be onsite per each partner agreement, the number of actual days onsite and the variance between the two. Previously, there wasn't any integration between the deployment tracker and the financial system. Now with Dynamics, there is.

Studer also has an e-commerce website that allows customers to register to attend Institutes and purchase products from Fire Starter Publishing. However, reconciling the transaction data between the web registration application, the actual attendance records and the accounting system was a manual and time-consuming process. In the past, Lori had to download reports from the website and manually enter the sales. Now, Institute registrations are automatically entered into Dynamics, and payment information for open account customers is sent back to the website, saving Lori valuable time. "Before Dynamics, we never had this kind of integration," Clause explained. "Now, we can pull all sorts of payment information, including payment status and method."

EXPANDING THE SOLUTION

Lori didn't stop with just the core Dynamics system. She coordinated the installation of Microsoft® Business Portal to address a key need. Once again, Microsoft Excel® was the tool used in the past, in this case by coaches to capture the details for their reimbursable expenses. The Finance department was then responsible for taking that data and re-entering it into the old system. "Now, coaches enter their expenses directly into Dynamics using the Business Portal's web interface from wherever they might be—on the road, in the office or at home," Clause explained. "Additionally, the Business Portal enables coaches to view contract and project information, including the status of Accounts Receivable invoices. This gets the coaches more involved with the business and potential profitability since they can now see a snapshot of their customers' accounts."

The last stage of the implementation involved Microsoft FRx® for financial reporting and analysis and Microsoft® Forecaster for budgeting and planning. In the past, financial reports at Studer Group were compiled manually using Excel. There was no drill-down capability, so in-depth financial analysis required yet another manual step to access the general ledger to answer questions. "Once a month now, we produce departmental reports that we send via email to all the leaders, which enables them to see if they are meeting their financial goals," Clause explained. "FRx has been extremely valuable in the consolidation process. I used to have to run separate reports, one for Studer Group and one for Fire Starter, and then consolidate them manually using Excel. Now, FRx does all that for me automatically."

Clause added, "In my first year at Studer Group, there were very few people involved with the budgets. Now, all our leaders are involved in the process. They have been trained on the new system and input their budgets directly into Forecaster."

SUMMARY

Having used all the tools implemented by nexDimension for a little over a year, Lori has seen tremendous results and even more opportunities. "I see how we are growing and I am working to be prepared for the future." She's also been able to proactively prepare reports in anticipation of department leaders' needs. For example, she's already created a report to assess contract profitability. She explained, "No one is asking for it yet, but it's on my radar screen. Another set of reports coming in the future will be for the business development area. Those leaders are going to want to know the product mix that non-partners are purchasing so they can discuss converting them into partners."

Lori knows that the implementation would never have been successful if the entire company wasn't on board from the beginning. "The entire organization, from Quint and BG on down, has embraced the new system. Everyone has been trained and knows how to use it. While we may have started this process in the Finance department, this installation was not just about financial change. It's been a cultural change. We got the entire company involved from the beginning of the decision-making process and that's made a big difference in how they view and use these new products," Clause emphasized.

So what's next on the horizon for Studer Group and Lori Clause? "We are continuing to grow. We have learned a lot and come a long way. By implementing a true ERP and business intelligence system, we created new and efficient processes that we can continue to expand. We have successfully consolidated and integrated our data and are now working smarter. However, there is still a lot for us to look at and do, but this time we'll be ready. I can't wait to see what the future holds," Clause concluded.

ABOUT NEXDIMENSION TECHNOLOGY SOLUTIONS

nexDimension has a single vision—to provide the most focused, comprehensive and cost-effective corporate performance management, business intelligence and ERP solutions available to emerging and enterprise businesses.

When you partner with nexDimension you are partnering with a trusted business advisor. We pride ourselves on knowing our clients and our extensive knowledge of the software we recommend and implement. Every member of the nexDimension team is dedicated to providing the depth and quality of service to meet your needs. Our staff includes financial, business and technology experts, including CPAs, former CFOs and controllers, computer specialists, software developers, and implementation consultants.

At nexDimension, we go beyond providing and implementing solutions. We know that the investments you make today in business applications and technology will have an impact on your business tomorrow. We guide you to a future powered by a new perspective—one that makes you more efficient, agile, competitive and profitable.

nexDimension®
Powering A New Perspective On Information℠

main (770) 475-1575
toll free (877) 586-2650
fax (770) 475-1576

www.nexdimension.net