

MODEC International realizes a million dollar return on investment

MODEC International, LLC

Industry

Oil and gas exploration

Headquarters

Houston, Texas

System

Microsoft Dynamics SL

Challenge

Continued annual growth in excess of 20% forced an upgrade to the company's technology infrastructure.

Solution

NexTec Group's nationwide coverage was a key reason in MODEC International's selection of the firm to lead its new ERP implementation.

Results

- Global data access, anywhere and anytime.
- Online expense report data entry and approval saves hours of labor time.
- One million dollars saved annually through efficiencies.

For more than 30 years, MODEC International, LLC has been a pioneer and a world leader in the oil and gas exploration industry. MODEC is a turnkey supplier of floating storage and offloading vessels, tension leg platforms and production semi-submersibles for the offshore oil and gas industry. The company also provides complete design, engineering, installation, and operations from its offices in Houston, Tokyo, Singapore, and Rio de Janeiro.

The company has enjoyed 20 percent growth over each of the past five years, and last year its revenues topped \$1 billion. What keeps this industry giant grounded as it continues to grow? MODEC relies on Microsoft Dynamics SL and its trusted business partner NexTec Group.

“As a result of all of our technology initiatives, we easily are saving the company \$1 million every year.”

Ed Flavin, Chief Information Officer, MODEC International, LLC

Plan for success

The company's rapid growth was anticipated, and management understood the need to have a technology infrastructure in place to handle that growth. Microsoft Dynamics SL was running in the company's Houston office, but was only being used for core financial activities such as accounts receivable and accounts payable.

“We began looking at our business processes and how we could use technology to improve upon the execution of those processes,” recalls Ed Flavin, chief information officer for MODEC. “The Microsoft Business Partner we had at the time didn't have the resources to guide us through our next phase of growth,” Flavin continues. “We selected NexTec to help us because they have the knowledge, the personnel, and the capacity to serve our growing organization, here in Houston, and in each of our international offices.”

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Success Story: MODEC International, LLC



Flavin is confident that the company made the right decision. “NexTec is instrumental in helping hone our processes, identify key areas for improvement, and proposing and directing the technology initiatives to affect the needed changes.”

Global access to project data

“We are a project-based organization,” says Flavin. “Dynamics SL is very strong in project management, and NexTec has configured it to allow us to access, record, and report on the project data from anywhere in the world.”

Employees around the world are able to access the software over the Internet to run a project report, query a project’s status, or check on the payment of a project-related invoice. By providing direct, fast, and secure access to everyone who needs it, NexTec and MODEC have empowered individuals to find their own answers, and have eliminated a large administrative burden.

Turn hours into minutes

Nearly all of MODEC’s more than 1,500 employees record their time over the Internet through Business Portal for Microsoft Dynamics SL.

“We also collect expense report data this way,” explain Flavin. “It’s taken a paper-intensive process that used to take hours and hours each week and reduced it to only a few minutes.”

Electronic banking tasks, including wire transfers, also were converted from manual undertakings to an automated function. “Our accounting department would spend days each month recording and reconciling these transactions,” recalls Flavin. “Now it takes just a few hours. Our time is extraordinarily valuable, so this represents a significant savings.”

Similarly, the company’s fixed assets used to be tracked in spreadsheets, and monthly journal entries made to account for depreciation. Now, fixed asset tracking is an integrated component of the software, requiring very little time to manage and providing for detailed reports never before possible.

Million dollar ROI

The company estimates that its return on investment in technology is significant. “In terms of straight accounting functions, we estimate that we are saving 10 labor days each month,” reports Flavin. “As a result of all of our technology initiatives, we easily are saving the company \$1 million every year. That’s money that goes straight to the bottom line, year after year.”

International solution

NexTec’s capable team of consultants is working closely with MODEC to roll out Microsoft Dynamics SL in the company’s international offices. Singapore is up and running; Tokyo will follow shortly; and the implementation in Rio de Janeiro will take place next year.

“We really have NexTec to thank for making this happen,” Flavin says. “They have been willing to travel to each of our offices and coordinate the implementation.”

As a result, we’re able to move employees to the locations where we need them, knowing they’ll be productive because the systems are identical.”

Partner for success

Flavin credits the success of this ongoing project to the company’s commitment to investing in its infrastructure, and the solid advice the company receives from NexTec.

“NexTec’s support and advice keeps us heading in the right direction. We consider them a trusted partner in our business—and the results we’ve achieved help me look like an IT genius!”

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**Ed Flavin, Chief Information Officer
MODEC International, LLC**

About NexTec Group

NexTec Group is a leading business solutions provider, delivering comprehensive Enterprise Resource Planning (ERP), Customer Relationship Management (CRM) and Business Intelligence (BI) solutions targeted to the unique needs of our clients.

Microsoft
GOLD CERTIFIED
Partner



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