

PULLMAN POWER

Customer Case Study



About Pullman Power

“Success is in the details.” Of the fifteen operating principles that guide Pullman Power, this one probably best illustrates how the company has achieved such remarkable success throughout its 107 year history. The Kansas City-based engineering and construction firm is known the world over for its ability to deliver complex chimney, stack, and silo projects for power plants. The company’s work can be seen – sometimes peering up above the clouds – in locales ranging from Wyoming to Indonesia.

Attention to detail is critical, as Pullman’s projects can involve the meticulous orchestration of work being performed 1,000 feet off the ground on top of a chimney that might be twenty or thirty feet wide, all the while coordinating the activities of a helicopter hovering a hundred feet above.

One way Pullman has maintained its position of leadership in the market for so long is through the innovative use of technology. That extends from the tools used in the field to the software used in the office, such as 3-D modeling software used by the engineering and design group.

In fact, the company recently outfitted its estimating department with advanced project cost management software from HD, leading to streamlined estimating and bidding processes, and tight integration with its Shaker COINS accounting software.

Company Challenges

Ironically, it was the company’s success in the estimating department that led to the need for new estimating technology, as the company’s continued growth and ability to secure new business was putting undue stress on the Excel-based estimating approach used previously. “We could get estimates out the door with Excel,” said Bill Overstreet, Chief Estimator at Pullman Power. “But we identified an opportunity for real business benefit, and that was to close the loop between estimating and accounting. We wanted to speed up the process of converting estimates to budgets, and we weren’t going to do that with Excel.”

COMPANY:

Pullman Power

INDUSTRY:

Power and Energy

ANNUAL REVENUE:

Approximately \$200 Million

EMPLOYEES:

250

HEADQUARTERS:

Kansas City, MO

WEBSITE:

www.pullmanpower.com

HD SOLUTION(S) IMPLEMENTED:

HD Estimating



PULLMAN POWER'S CONTINUED GROWTH AND ABILITY TO SECURE NEW BUSINESS WAS PUTTING UNDUCE STRESS ON THE EXCEL-BASED ESTIMATING APPROACH USED PREVIOUSLY.

RESULTS:

- The initial test in HD came within sixteen dollars of the original estimate.
- After basic training users quickly adopted the new system phasing out the old Excel spreadsheets.
- Within six months more than 90% of the company's projects were being estimated in HD.
- "...everything went as planned and there were no surprises."

Hard Dollar

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Solution Strategy

Bob Charles, Vice President at Pullman Power, began researching systems and ultimately narrowed his focus on the solution from HD. After a couple of product demonstrations, Charles, Overstreet, and the rest of the Pullman team knew that HD was the right solution to achieve their objectives. It was also of great comfort to know that HD was already being used with great success by many of Pullman's peers and partners in the power industry, such as Zachry Holdings and Alstom Power, both major power plant contractors.

"It was obvious that HD is built on modern technology and that makes it extremely easy to use, plus the integration with accounting was exactly what we needed," said Overstreet. "Beyond that, HD just has extremely robust functionality that fits the way we work, including support for multiple currencies." In addition, Overstreet cited anticipated time savings in the estimating and budgeting process as key reasons for selecting HD.

With the help of internal resources, Overstreet was able to get HD loaded quickly on a remote server in Maryland, where the parent company – Structural Group – was already hosting other applications for its subsidiaries. The process went smoothly, and the estimators in Kansas City were then able to access the HD application from a thousand miles away.

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Gaining Results

The first step was to enter an existing estimate into HD as a test, to make sure the totals came out reasonably close to the original version done with Excel. Overstreet was pleased that the initial test in HD came within sixteen dollars of the original estimate. "It gave us great confidence to see that there was less than a hundredth of one percent difference between our original estimate and the test we did in HD," said Overstreet. After some basic training, users quickly adopted the new system and began phasing out the old Excel spreadsheets. Within six months of training, all projects greater than \$100,000 were being estimated with HD, representing more than 90% of the company's projects.

The next stage of the initiative involves deploying HD's real-time integration with Primavera P6 scheduling software. That will enable Pullman Power to easily keep estimates and schedules in sync, forecast project-level cash flow, and run "what if?" scenarios across a project's budget and schedule.

Overstreet is particularly excited at the prospect of using HD on projects in the nuclear industry, which is expected to surge in the coming decade, as well as wind farms and other new markets for the company.

The whole experience with Hard Dollar, "has been exactly what we hoped for," stated Overstreet. "We're definitely getting our money's worth. With technology, there are so many factors that go into success, and we're pleased to be able to say that everything went as planned and there were no surprises."

If that sounds like a description that could also apply to any of Pullman Power's multi-million dollar chimney projects, that's no accident. The company's culture instills careful planning and communication in every endeavor. After all, success is in the details.