Sage 100 ERP | Customer Success

Union Payroll Brings It All Together With Sage 100 ERP

Union Payroll Agency (UPA) provides setup and production crews for Elton John, Paul McCartney, and Cirque du Soleil shows, requiring them to run a professional-quality financial system. Since 2000, UPA has relied on Sage 100 ERP* to manage its accounting and diverse payroll requirements.

"Before, we were struggling with a DOS-based system and papers in binders to process employee compensation information," explains Gary Wright, president and CEO. "This not only hampered our accuracy, but also limited our expansion outside of California."

Sage 100 ERP in the Spotlight

Growth is an important concern to UPA, a provider of production labor for entertainment and trade shows. It ranked as #19 in the Silicon Valley list of 100 Fastest Growing Companies in 1999 and #41 in 2000, and has also been in Inc Magazine's Top 500 list. As recently as 1995, the firm worked only in the Bay Area and earned revenues of $900,000 a year. Today it operates in 20 states and two Canadian provinces, serves almost every major metro area in North America, and grosses upward of $15 million. "We desperately needed a more powerful accounting software package to continue our growth and sustain the integrity of our service," notes Wright.

With its big-name client list, UPA had to be very careful when selecting a replacement for its accounting software. "We surveyed a host of possible solutions before finding Sage 100 ERP," says Wright. "It stood out as the most desirable package for a complicated operation like ours."

Thousands of Codes

By complicated, Wright means the 23,000 employees his firm pays. One week he might be cutting checks for stage hands in Chicago and Philadelphia. The next week it could be lighting and setup crews in Atlanta and Denver. Most of his employees belong to labor unions. UPA therefore copes with 128 different union codes, 1,200 labor codes, and 432 deduction codes.

Today, UPA uses Sage 100 ERP to run all its accounting operations. The software prepares weekly, biweekly, and monthly paychecks, depending on the union contract, and also calculates health and welfare, pension, training, and annuity benefits. "We no longer have to calculate paychecks and deductions based on multiple parameters. Once we've set up bargaining agreement information within Sage 100 ERP, the system does everything for us," Wright notes.

*Sage 100 ERP was named Sage ERP MAS 90 when Union Payroll Agency, Inc. initially implemented this solution. The product names have been updated in this case study to reflect current naming.

Challenge
DOS-based accounting software with paper-based binders hindered company's growth and prevented expansion to other states.

Solution
Sage 100 ERP with full complement of financial modules, for complete automation of complex state-specific reimbursement packages.

Results
Before, two people processed $1M in payroll a year; now three people process $1M in payroll every month; system paid for itself in six months.

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Short Learning Curve

Wright has found the software to be very easy to use. "We can bring new people up to speed in just three months, rather than the 12 it was taking us before," he says. "This is because we no longer have to teach people how to transfer data off of time sheets onto the time card, then check in paper manuals for correct procedures. The result is that the company is less impacted when we experience inevitable turnover."

The initial transition to Sage 100 ERP was relatively easy, too. "Our Sage business partner helped us by locating a union payroll module to automate a lot of our paperwork. They also assisted us with writing specialty reports, such as the new-hire and W-2 documentation required by each state, in the specific format that each state wants," says Wright.

Amazed Auditors

UPA frequently is visited by union auditors. "They call and tell us they'll be here for a week. We reply that we'll be surprised if they stay even half a day. That's how great the reporting capabilities are within Sage 100 ERP," says Wright.

"Whenever auditors see what our system can do, they're totally amazed," he continues. "Our reports eliminate all the heartache of audits by providing detailed reports. As long as we put in the data correctly, we're going to pay people correctly—guaranteed."

Real-World Results

Sage 100 ERP has reduced paper, too. "We probably have 30 file cabinets with personnel folders that we're required to maintain, taking up two storage locations plus a full room on site. Sage 100 ERP allows us to do paperless printing, so we can keep electronic files. We project we'll be able to eliminate three or four filing cabinets of data every year, thanks to electronic recordkeeping."

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>
> Gary Wright, president and CEO
> Union Payroll Agency, Inc.

UPA has been pleased with the service it receives from its Sage Business Partner. "They listened to our story and really understood what we were trying to do with the business," says Wright. "That good advice helped us grow to 15 times our previous size. And even though we've moved out of the area and have people all around the country, they are always there when we need them."

Wright estimates that Sage 100 ERP paid for itself in just six months. "Sometimes we're just blown away when we realize how powerful Sage 100 ERP is, and what it allows us to do with a small, but mighty staff. Ten years ago, we had two people processing payroll of $1 million a year. When we switched to Sage 100 ERP, we had three people doing about $6 million a year. Now we have three people processing $1 million every month. That's a huge improvement in efficiency," he says. "Next to our people themselves, Sage 100 ERP is the most valuable asset we have."

About Sage

Sage North America is part of The Sage Group plc, a leading global supplier of business management software and services. At Sage, we live and breathe business every day. We are passionate about helping our customers achieve their ambitions. Our range of business software and services is continually evolving as we innovate to answer our customers' needs. Our solutions support accounting, operations, customer relationship management, human resources, time tracking, merchant services, and the specialized needs of the construction, distribution, manufacturing, nonprofit, and real estate industries. The Sage Group plc, formed in 1981, was floated on the London Stock Exchange in 1989 and now employs 12,300 people and supports more than 6 million customers worldwide. For more information, please visit the website at www.SageNorthAmerica.com or call 866-996-7243. Follow Sage North America on Facebook at: http://www.facebook.com/SageNorthAmerica and Twitter at: http://twitter.com/#!/sagenamerica.

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