



Customer Testimonial

Destiny Resources

SEISMIC SERVICES PROVIDER PROJECTING \$0.3 MILLION ANNUAL SAVINGS, PLUS IMPROVED ABILITY TO SUPPORT LARGER BUSINESS BASE

Overview

Before the world gets its first sips of new energy sources or mines valuable minerals, there is an important prerequisite. That first step is seismic survey mapping and shot-hole drilling, an important safety and planning requirement that helps to guide energy explorers do their jobs. Destiny Resource Services Corp. is a \$50+ million global provider in this seismic surveying, mapping and shot-hole drilling space.

Like most services organizations, Destiny's "destiny" is linked to the dynamic change factors inherent in "people-based" businesses; a market that Agresso calls Businesses Living IN Change (BLINC). Unlike other services companies, Destiny is also tied to one of the world's most volatile and unpredictable industries: energy. Finding the right balance of financial controls, nimble reaction speed and new opportunities for supporting services revenue without adding headcount – is a constant challenge.

The Need

Destiny first implemented Agresso financial solutions in the late 1990's and was at point in its

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business evolution where it required better information and operational controls. It also needed improved access to all of types of business data: financial-, people- and supply-related. Equally important, as the company has expanded from its Canadian roots into the U.S. and other countries, the need for mobile input and access devices accelerated. In early 2006 a decision was made to move to a centralized data repository starting with the upgrading of the Agresso financial core module and then adding the Project Costing and Billing, and Procurement Management modules. The newly added modules were implemented in 2007.

"Our vision was to build on the strengths and benefits we already had in our business model and in our initial Agresso investment in a core financial software solution," said Patrick Egli, CFO and VP of Finance for Destiny. "Our end game was to leverage our resources to squeeze costs, impact profit margins and gain a competitive advantage in our service activities. Our reporting in the past was limited to only giving us the basic minimum of what we needed. Opportunities at both the bottom and top line were being overlooked because we only had basic summary information which lacked the necessary detail to better understand the cost dynamics in order to better react to change."

While the problem was clear, Egli said that concerns over "the cost of change" both financially and organizationally were of primary importance. The limitations of the current system comprised of demanding spreadsheets tracking many cumbersome job cost and revenue elements, and new communications/tracking requirements regarding compliance issues, forced a realization that change from the current environment was needed.

"We were always operating in reactive mode when a new compliance mandate or major new opportunity came on line," Egli said. "Our goal in adding Agresso's modules was to minimize resources dedicated to time-intensive administrative tasks, and instead have more resources supporting revenue-generating and cost saving opportunities. By shifting employee time away from accumulating data to interpreting and reacting to data we could improve both our financial performance predictability AND support future growth without having to hire additional personnel."

Destiny used the highly-customizable framework of Agresso Business World to create a solution that matched its needs. The company's individual project templates can define cost and revenue items for Destiny field personnel to input operational data easily, and make ongoing adjustments. The information is now aggregated and validated automatically at Destiny's headquarters. Destiny has a full trailing history of both past and present data, plus summaries in the general ledger system for cost-tracking and invoice generation.

The Benefit

Through the new Agresso solutions, Destiny projects two distinctly quantifiable benefits: the ability to operate with fewer resources on non-essential,

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non-profit generating work, and the ability to support a larger business base. While the total committed investment to Agresso's new modules is approximately \$0.3 million, Destiny predicts a payback of one year and annual repeat savings of at least the amount of the initial investment each year.

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On an ongoing basis, project managers can compare/contrast performance on individual projects by a wide variety of customizable parameters: individual/team performance, internal/external compliance mandates, supplier cost variances or other intangibles related to geographies, weather, workforce capacity, etc. "With clear insights into the data, the organizational reaction time to either an

opportunity or challenge will be quicker and is now a key factor in our growth strategy," Egli said.

Additionally, there are improvements that will favorably impact Destiny's future performance:

- Reduced "Organizational Reaction" Time
- Improved Analysis for Business Trends and/or Potential Acquisitions
- Faster Compliance Response to SOX and Internal Controls.

"We have had a long and successful history with Agresso and its financial applications," Egli said. "We had already seen those benefits and we were ready to take it to build it to the next level with the Project Costing and Billing, and Procurement Management modules. Equally important is the ongoing support and partnership that we have with Agresso with our continued ERP development activities."



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