



Collaborative Solutions

More-effective planning and execution through Workday Professional Services Automation

Executive Summary

Collaborative Solutions, headquartered in Washington, D.C., is a leading global finance and human resources transformation consultancy leveraging Workday cloud applications to deliver successful outcomes for its customers. It is one of the longest-tenured Workday partners, deploying Workday Financial Management, Workday Human Capital Management (HCM), and Workday Payroll to large and midsize corporations.

As the firm grew, Collaborative Solutions realized its non-integrated, manual systems would no longer scale to support efficient operations. As a result, it turned to the cloud-based Workday Professional Services Automation (PSA) application to meet the growing need for improved project and resource management. Workday PSA provided the perfect complement to the Workday suite that Collaborative Solutions had already deployed, including Workday Financial Management, Workday HCM, Workday Payroll, and Workday Recruiting. With Workday PSA, Collaborative Solutions has been able to align sales with service delivery, supporting the company's rapid growth.

The Firm

Collaborative Solutions specializes in the deployment of financial management and human resources systems to large and midsize companies, non-profit organizations, and education and government institutions worldwide. The firm has deployed over 325 Workday projects

in 125 countries and has been successful in completing large, complex projects. With more than 400 employees, Collaborative Solutions has shown growth in excess of 50 percent annually over the past several years.

Issues and Challenges

As its staff grew, the firm needed better visibility across its workforce to make better-informed project forecasting and staffing decisions. But siloed systems limited the firm's resource management methodology, making it challenging to manage its workforce efficiently. More so, with data duplicated and dispersed across various systems, it was difficult to show executives the profitability of current projects.

Thus, the company wanted a single system that would enable more-effective resource management, augmenting its ability to plan for and staff incoming projects.

Solution Objectives

To help increase productivity and improve performance, Collaborative Solutions needed visibility across the entire organization. The firm wanted a solution to help:

- △ Optimize its resource management to more effectively deliver projects
- △ Provide accurate and detailed forecasts to effectively plan and deliver services
- △ Analyze personnel to ensure projects get staffed with appropriate resources

The firm wanted to avoid information from being siloed, and knew that a standalone solution would not provide sufficient access to data across the organization. With its background in finance and human resources transformation with Workday, Collaborative Solutions understood the benefit of using a single system instead of various integrated applications.

The Answer: Workday

Since Collaborative Solutions was already using Workday Financial Management, Workday HCM, and Workday Payroll, choosing Workday PSA was a natural extension that would enable system-wide visibility and a single, reliable data source. Workday PSA provides total visibility into services opportunities, planning, execution, and billing, with an architecture that allows for data structures to be defined in one place—not among several databases. Any change to the data structure is instantly reflected throughout the system, eliminating potential errors and adding consistency.

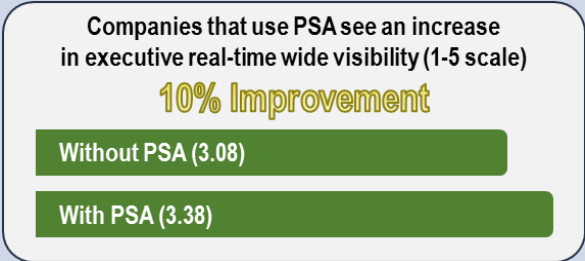
“With the Workday cloud-based system, we can now support our project and resource management needs with a single integrated system.”
 —Bobby Riggs, CFO, Collaborative Solutions

With Workday PSA, Collaborative Solutions could “connect the dots” between the firm’s human resources data and project data, providing improved insights and analytics. By leveraging better insights into its workforce and billing, Collaborative Solutions was able to drive smarter decision-making across the organization. As well, Workday PSA helped the firm set benchmarks for optimizing operations and laid the foundation for continued innovation.

To guarantee a successful deployment, Collaborative Solutions used its own consulting services and Cynergy™ methodology—just as the firm would for its customers—that enabled it to minimize risks, gain efficiencies, and maximize outcomes.

Benefits

Collaborative Solutions began to see improvements across the entire organization immediately upon completing its Workday PSA deployment. With Workday PSA integrated into Salesforce.com, the firm has true visibility into project scope, skills required, completion dates, and potential cost, revenue, and profit.



This integrated information enabled the firm to more efficiently and accurately plan staffing as well as cash flow, revenue, and margin. Within 9 months of deployment, Collaborative Solutions improved billable utilization by over 3 percent through improved planning and forecasting and reduced bench time, while more accurately aligning its resources to its project needs.

Companies that use PSA drive performance higher across professional services organizations

Key Performance Indicator (KPI)	PSA	No PSA	Delta
Year-over-year change in PS revenue	11.2%	6.3%	78%
Administrative hours	168	190	12%
Concurrent projects managed by PM	5.94	5.23	14%
Projects canceled	2.59%	2.73%	5%
Use a standardized delivery methodology	65.3%	61.5%	6%
Annual revenue per employee (k)	\$159	\$147	8%
Average project margin — subs, offshore	27.0%	22.9%	18%

With Workday PSA now a part of its Workday application suite, the Collaborative Solutions team has improved project oversight because all

information flows into the workforce management system and payroll, keeping track of all costs and personnel profiles.

Workday PSA also provided Collaborative Solutions with more accurate and timely project forecasts. Before migrating, Collaborative Solutions used spreadsheets, with individual practices submitting nonstandard budgets that were then manually assembled to determine the overall forecast. Now the firm has reliable and accurate forecasts including estimate-to-complete, estimate-at-complete, and project scorecards to determine the overall financial health of service delivery.

Companies that use PSA integrated with Financial Management improves performance even more

Key Performance Indicator (KPI)	No PSA	Non-Int. PSA	Int. PSA
Year-over-year change in PS headcount	5.4%	8.4%	8.6%
% of employees billable or chargeable	63.7%	70.8%	72.1%
Deal pipeline	144%	169%	182%
Average revenue per project (k)	\$188	\$211	\$239
Project duration (man-months)	26.7	28.0	31.3
Quarterly revenue target in backlog	34.0%	41.1%	43.8%
EBITDA %	12.8%	13.4%	14.6%

Workday PSA enabled Collaborative Solutions to make better-informed business decisions with reliable, up-to-the-minute data. With better insight into project specifics including location, client requirements, skills, cost, and revenue, Collaborative Solutions can maximize billable utilization and profitability.

Ultimately, the firm benefited from an immediate return on investment with increased forecast accuracy ratios, reduced bench time for its consulting resources, and increased gross margins, growing both revenue and client satisfaction.

Conclusion

Collaborative Solutions realized it could not achieve its desired growth and profitability targets with non-integrated applications. By deploying Workday PSA, Collaborative Solutions gained real-time visibility throughout the organization and greater collaboration to help employees work smarter. Collaborative Solutions has already realized improved planning and sales and service execution, all resulting in faster growth and higher profit.

Workday offers a rich, cloud-based professional services automation application to optimize the value of an organization’s people and other assets. Workday tools and process models helped Collaborative Solutions improve performance on projects and other work to optimize the value from all resources. Because Workday is focused on larger professional services organizations, it remains one of the more unique players in the PSA market—one that has delivered significant results to the organizations that have deployed its extensive system.

“[Workday PSA is] helping us eliminate manual processes, staff projects as soon as they’re proposed, and increase visibility into project financials and resource demands...project teams and lines of business are more connected than ever!”

—Bobby Riggs, CFO, Collaborative Solutions

Service Performance Insight (SPI Research) is a global research, consulting and training organization dedicated to helping professional service organizations (PSOs) make quantum improvements in productivity and profit. In 2007, SPI developed the PS Maturity Model™ as a strategic planning and management framework. It is now the industry-leading performance improvement tool used by over 15,000 service and project-oriented organizations to chart their course to service excellence.

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