Customer Case Study

Neal Electric Corporation

Neal Electric Uses Prolog® Software to Create Paperless Project Management that Increases Productivity by 15 Percent and Provides Greater Control over Costs

Founded in 1958, Neal Electric Corporation is one of the largest commercial and industrial electrical contracting firms in the San Diego area. The company based in Poway, California is recognized for its expertise in design-build and design-assist projects, installation of data and telecommunications systems and the ability to fast-track projects ahead of schedule and budget expectations. Neal Electric provides the highest quality construction and maintenance services – along with a 24-hour emergency service department – to clients in the commercial, industrial, bio-tech, education, gaming, hospitality, medical and military market segments.

In 1984, Tom Neal and Cas Wesolowski joined forces at Neal Electric, combining their knowledge and management capabilities to take the company to the next level. Today, Neal Electric has approximately 500 employees, $80M in annual revenue (with a solid growth rate of two to five percent each year) and a branch operation in Los Angeles.

According to Jeremy Roos, Neal Electric’s San Diego Project Operations Manager, the company’s continued growth made it more and more challenging to manage increasingly complex projects using its current system of disconnected programs. With more than 100 projects to manage each year, says Roos, “We were pretty much winging it as far as day-to-day project management goes. Billings, budgets, correspondence and purchase orders were all tracked in an in-house system using Microsoft Word and Excel. And we used Accubid for estimating and change orders.”

Roos, who was recently promoted from Senior Project Manager to his current position, recognized the need for a sophisticated project management solution. “We had so much redundancy,” he says, “and everything was updated manually. A change order, for example, was entered in the change order log, re-entered on the budget sheet and re-entered on a project review page for monthly work-in-progress reporting. As we grew, this process became a huge task. In addition, making multiple entries created the possibility of error, which posed a significant risk to the company.” Over time, Roos convinced senior management to investigate options.

Easing the Transition to New Software

At first, Neal Electric opted for add-on functionality available for its Sage Timberline accounting system. But configuration issues illustrated the need for a solution designed specifically for project management. “We had heard about Prolog Manager from Meridian Systems because most of the larger general contractors we work with use it,” explains Roos.

“The efficiencies gained from using Prolog have already saved us about 15 percent of our time, which allows us to be more proactive with project management from a cost side. We don’t have to go three or four places just to write an RFI. We now have time to look at the financials and address issues early. That’s huge for us.”

Jeremy Roos
San Diego Project Operations Manager
Neal Electric Corporation
In August 2007, Neal Electric contacted Kelar Pacific, an authorized Meridian reseller with offices in San Diego and Los Angeles, and purchased Prolog. The company had worked with Kelar on previous technology initiatives and felt comfortable having the consulting firm lead its Prolog implementation.

Adjusting to a robust project management system after using basic applications was a challenge for Neal Electric. “Kelar spent a lot of time understanding our business processes and tailoring Prolog to our needs,” says Roos. To ease the transition to Prolog, Kelar created custom reports for things like budgets and purchase orders so they were presented in a familiar format. Kelar also modified screens to remove un-used options to make the interface more user-friendly for the project managers.

To maximize its Prolog implementation, Neal Electric invested heavily in training. Kelar helped the company develop several short training sessions that addressed Prolog modules one at a time. Follow-up sessions reinforced the initial training using methods adapted to different learning styles. Throughout each step in the training process, notes Roos, “Kelar was really helpful.”

**Increasing Efficiency with Paperless Processes**

With basic training complete, Neal Electric began rolling out all new jobs using Prolog. And, even though the company didn’t migrate existing data onto the new software, larger projects-in-progress were transitioned onto Prolog using designated cut-off points.

Almost immediately, Neal Electric realized significant efficiency improvements by standardizing project management using Prolog’s many capabilities, including Cost Control, Document Management for correspondence like requests-for-information (RFI’s) and submittals, Field Administration and customized reporting. Roos estimates that his company’s top management, along with 20 project managers and engineers, currently utilize about 80 percent of Prolog’s functionality.

“With Prolog, we’ve been able to remove redundancies in our processes to make them more efficient – and paperless,” he explains. He uses the purchase order process to illustrate how. “In Excel, we would print out five copies of a purchase order and distribute them manually. Sometimes they wouldn’t come back and we didn’t have a good way to track that. Now we enter a purchase order in Prolog, notify the appropriate parties by e-mail and approvals are done in the software. We know the exact status of that purchase order because it’s tracked in Prolog.”

The process efficiencies gained from using Prolog have translated to measurable time savings for Roos and the other operations staff – and better management of costs. “Even though we’re only in the infancy stage of its use, the efficiencies gained from using Prolog have already saved us about 15 percent of our time, which allows us to be more proactive with project management from a cost side. We don’t have to go three or four places just to write an RFI. We now have time to look at the financials and address issues early. That’s huge for us,” he says.

Having Prolog in place has given Neal Electric a competitive advantage on projects where the general contractor is also using the software. “We’ve got a large job coming up and the general contractor is implementing Prolog WebSite so that all of the project information is in one place,” Roos says. “We’re ahead of the curve on that compared to most subcontractors, which is great.”

As time goes by, Neal Electric anticipates using its fine-tuned project management capabilities as a marketing tool to attract new business. “Prolog keeps us organized, which is a big asset to general contractors,” Roos adds. “Why wouldn’t we want to talk about it?”

**A One-Stop Project Management Shop**

Although Roos reports improved project profitability to-date as a result of using Prolog, he expects a substantial climb in profit and time savings as Neal Electric further streamlines its paperless project management operations and creates even more transparency around dollars and cents.

With these goals in mind, the company will focus on enhancing its use of Prolog through continued training and the addition of executive reporting. Future plans include the integration of Prolog with the company’s other management systems, including its accounting software and SureTrak scheduling program. “We have implemented Prolog as a Neal Electric standard and are building all of our processes around the program,” concludes Roos. “We’re still in the early stages, but are starting to see hard dollar benefits. Prolog is our one-stop shop for project management.”

**Meridian Partner Profile**

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Neal Electric Project Profile

Harrah's Rincon Hotel & Casino Expansion in Valley Center, California

This Harrah’s resort and casino expansion near San Diego was a $165M project completed in early 2005 after less than one year of construction. The project included a new hotel tower with 500 additional guest rooms. The tower, which is 225 feet tall, is the tallest building in San Diego County outside the city limits.

Neal was brought into this project as a design-assist partner by the general contractor, who realized that, with the extremely aggressive construction schedule, they needed support to complete the design and subsequent installation in order to provide the best value to the customer and adequately manage the budget.

Key Project Elements

- Construction of a 21-story hotel tower with 500 new guest rooms
- Addition of 38,500 sq. ft. of new casino floor space
- Construction of a 1200-space, three-story parking structure
- A new Cabana Cover restaurant
- A full treatment spa area with whirlpools and private cabanas

General Contractor: W.E. O’Neil Construction Company
Project Cost: $165M
Completion Date: Early 2005

Results: According to a letter of recommendation received by Neal Electric from W.E. O’Neil Construction Company, Neal’s dedication to the project and coordination of all the mechanical, electrical and plumbing (MEP) systems saved the project owner countless dollars.

Since the completion of the expansion, Neal Electric has built the new state-of-the-art Rincon Fire Station, the General Services Building, remodeled the Tribal Hall, installed back-up generators for the water wells located on tribal lands, installed sports field lighting and snack bar power and recently renovated the Harrah's Low Rise Hotel Tower.