

## ProjectAIMS *Solutions*



### Dah Chong Hong Engineering – Integrated Cost Control System

#### Profile

Dah Chong Hong (Engineering) Limited (DCH) is a leading engineering company that provides engineering, electrical and mechanical contracting, maintenance services, supply and installation of building materials. The company is a subsidiary of Dah Chong Hong Group, which is a subsidiary of CITIC Pacific Group, a blue chip stock on the Hong Kong Main Board.

#### Challenge



In order to provide the best service and most competitive tender prices to its customers, DCH determined that the company needed an effective and efficient project management and cost control system that fully integrated with the existing Oracle financial system. DCH also needed a user-friendly system with the ability to handle engineering and mechanical maintenance service. DCH required that this system track project sales and profit forecasting, have the ability to perform automatic calculation and booking of project sales, and contain features to measure profit and loss according to DCH's established accounting policy.

#### Solution

DCH selected ProjectAIMS' Solution over other technology solutions because of the efficient and effective project management and cost control system with the capability to customize and integrate software applications to meet unique requirements.

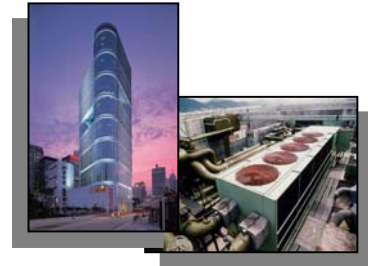
The implementation focused on two tasks. The first task was the implementation of Prolog cost control functionality to effectively manage a project's budget and cost. A well thought-out implementation and training plan, complete with user acceptance testing, is paramount to success. These systems are so powerful, with many features, that it takes a very methodical, planned approach to customizing, integrating, testing, and user training.

The second task involved the development of a data-bridge that transferred information from Prolog to DCH's financial accounting system. Through the data-bridge, cost control data was transferred to the Oracle financial system within the accounts receivable (AR), accounts payable (AP) and the general ledger (GL) modules. After settlement within the Oracle Financial AR and AP, the data was sent back to Prolog. This completed the interface process.

***"We suffered a lot in the past collecting different bits of information from different systems in order to have a full picture of our project status, especially the financial performance status. Thanks to ProjectAIMS, the system has strengthened the DCH risk and cost management ability. Our managers can easily enter the system and research the details for each project by searching, filtering and sorting as they want." According to Patrick Kang, Assistant General Manger of DCH.***

## Utilization

- Track and manage the budget and cost of all engineering and maintenance projects
- Track the money given by the owner
- Track the expenditures and commitments
- Track the amount of savings or overrun
- Create and maintain all types of contract, including the Main Contract between DCH and an owner, and the subcontract or purchase order between DCH and subcontractor or supplier
- Prepare a billing summary of the completed work for the owner each pay period
- Record invoices DCH have received from subcontractors to determine the value of the progress payments to the subcontractors
- Create and track "Owner Directed Changes", i.e. changes DCH expect the owner to pay for or changes the owner has agreed to pay for
- Track "Internal Changes", i.e. changes which do not affect the owner's cost, but DCH might need to absorb the cost
- Project Manager can track actual paid date and amount (income or outgoing) easily by the seamless integration with accounting system
- Use automatic alert to identify cost overruns



## Benefits

- Duplicate effort has been eliminated and accuracy has been improved
- Reap the benefits of sharing information between project management software and corporate financial system
- Save significant time in report preparation
- Standardize the reporting format across all projects
- Allow management to make better informed decisions in real time



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Hotline: 800 820 0626 (Shanghai) 852-2866 6221 (Hong Kong)