



## Oilfield Service Provider Uses Flexible Accounting Solution to Meet Customer Needs

### Partner Details:

Arctic Information Technology  
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### Customer Details:

Peak Oilfield Services  
Phone: (907) 263-7000  
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Employee count: 2,000

### Country or Region

United States

### Industries

Energy, Construction

### Customer Profile

Peak Oilfield Services, based in Anchorage, Alaska, is a leading oilfield service and construction firm with four locations including Anchorage, Kenai, Prudhoe Bay, and Valdez.

### Business Situation

Peak Oilfield wanted to integrate its field-based job costing and headquarters-based accounting systems across six sister companies to more quickly respond to customer requests and requirements.

### Solution

The company engaged with Arctic Information Technology to build a Microsoft SQL Server-based job cost system and integrate it with Microsoft Dynamics™ GP.

### Benefits

Faster access to data

“We provide services to oil companies like ConocoPhillips, BP and Chevron who require daily reports meeting specific requirements. With Microsoft Dynamics™ GP, we can meet their needs by providing customized reports.”

Renate Hill, Vice President of Finance, Peak Oilfield Services

Peak Oilfield Services, a firm providing oilfield support services and construction in Alaska, needed to integrate its field-based job costing and back-office accounting systems to respond quickly and efficiently to frequent and varied customer requests. Peak Oilfield engaged with Arctic Information Technology, a Microsoft Gold Certified Partner, to replace their outdated proprietary job cost and billing system with a SQL Server-based application that could easily be installed at each job site and synchronized with headquarters in Anchorage. Peak then transitioned from an Oracle-based accounting system to Microsoft Dynamics GP, which provides the flexibility they need. As a result, information that formerly took hours or days to access is now available in minutes, enabling better decisions and more profitable operation.

### Situation

For 20 years, Peak Oilfield has been evolving to meet the unique and varied requirements of its customers—from the world’s largest oil companies to the state of Alaska. Peak Oilfield’s heritage is in oilfield support services and ice road construction on the North Slope of Alaska. It has since evolved into a group of connected, sister companies that provide mining services, public works construction, clean oil tankers, and build and maintain uninterrupted power systems in remote villages. Together, the five companies bring in about U.S. \$250 million in annual revenue with 2,000 employees.

Early on, company leaders recognized the need to operate efficiently and respond quickly to customer requests. After 15 years of growth, they recognized the need to upgrade systems to take advantage of advances in technology, and to further streamline operations.

### Solution

In 2001, after an extensive software and service provider search, Peak Oilfield engaged with Arctic Information Technology to replace their outdated proprietary job cost and billing system and build and maintain a reliable network infrastructure. Their new Capture job cost system, designed to track all costs associated with projects, was built in Visual Basic with a Microsoft® SQL Server database.

The largest volume of Capture billing transactions—up to 3,000 per month—is processed at Peak Oilfield’s Prudhoe Bay location on Alaska’s North Slope.

Efficient, customizable processes  
Flexible reporting  
Low cost of ownership

Because Internet connections between Prudhoe Bay and Anchorage aren't always reliable, Arctic IT built an application that synchronizes Capture data between locations. There are now 30 people using 12 Capture installations at Peak Oilfield locations and at their large affiliated job sites.

#### **Hardware**

Dell PowerEdge Servers

With their field-based job costing and billing system running smoothly, Peak Oilfield looked to gain flexibility in their accounting system. The company's financials were handled by UNIX-based Oracle financial software, which was maintained in Houston, Texas. The accounting system couldn't easily integrate with the Capture system, forcing managers at Peak to request data and reports from the IT department in Texas, an inefficient and time-consuming process that made it difficult to obtain information in real time for decisions that could have major financial impact.

#### **Partners**

Arctic Information Technology

#### **Product Solution Items**

Microsoft Dynamics

Microsoft Dynamics GP

Microsoft Server Product

Microsoft SQL Server 2005

In 2005, when one of Peak's sister companies was reorganized, Renate Hill, Vice President of Finance, proposed a shared services accounting department be created to manage all of Peak's sister companies. To ensure they had the flexibility and control they needed to quickly access information and better meet customer requests, Hill also proposed they move off the Oracle-based accounting system.

"We had about three months in which to create an accounting system that would support our five companies," says Hill. "Oracle wasn't the way for us to go. Our feeling was that Oracle would require far more time to customize and that it would be too expensive to deploy and maintain."

Hill and her colleagues once again turned to Arctic IT and Microsoft Dynamics GP.

"When we first contracted with Arctic IT to build Capture, I was very impressed with their honesty," says Hill. "When they recommended Microsoft Dynamics GP, I trusted it would meet our needs. I was also very impressed with the interface and ease of use."

Hill now oversees a staff of 14 who use the Microsoft Dynamics GP General Ledger, Bank Reconciliation, Accounts Receivable, Accounts Payable, Payroll, Human Resource and Fixed Assets modules. Arctic Information also worked with Peak Oilfield to create links between Dynamics GP and its field-based Capture system. For example, invoice data generated in Capture update Accounts Receivable and General Ledger in Microsoft Dynamics GP, where it is reflected in financial statements more quickly and accurately than was possible before. Employee payroll information, such as hours, rates, union and cost codes, is transferred out of Capture into Dynamics GP to produce 700 payroll checks weekly.

While many of these integrations are managed as daily batch processes, others—such as purchasing information in the Capture application, which integrates with Dynamics GP as part of the process of validating expenses—are handled through Web services, enabling real-time transfer of information.

The overall solution, running on Dell PowerEdge Servers with Microsoft Windows Server 2005 is comprised of two load-balanced terminal servers hosting the Microsoft Office Suite while Microsoft SQL Server drives both Dynamics GP and Capture on the back-end with 14 databases. The hardware and software is

physically hosted at Peak's Anchorage headquarters but is accessed by users at more than a dozen other offices and remote job sites all over Alaska and Eastern Europe. Arctic IT ensures Peak Oilfield's network reliably supports their near round-the-clock seasonal construction projects on the North Slope with a back-up server that's only been called into play one time in six years.

## **Benefits**

By adopting the Microsoft Dynamics GP solution, Peak Oilfield has faster and more flexible data access, the ability to customize processes and reports, and an efficient system that helps them manage their growth more profitably.

### **Faster access to data**

Peak Oilfield's accounts payable clerks process more than 6,000 invoices each month. According to Hill, the ability to drill down into invoice detail is vital. Peak's CEO frequently asks Hill to provide him with detailed information about vendors or particular invoices. To respond quickly, Hill uses the SmartList feature in Microsoft Dynamics GP.

"I just click on SmartList, put in the parameters for the information I want, and get my answer," says Hill. "I export it to Microsoft Office Excel® and send it to my boss. What took days to do before I can now do in two minutes. When I get requests for information, it's usually something that's wanted immediately. Thanks to Microsoft Dynamics GP, I can accommodate those requests quickly."

### **Efficient, customizable processes**

Peak's oil company customers frequently require them to customize processes and reports to accommodate their needs. For example, they require non-standard data fields be included on purchase orders. In addition, they require in-depth company and employee safety records be included on proposals and ongoing progress reports.

Using the easily customizable Microsoft Dynamics GP system, Peak worked with Arctic IT to modify processes and reports to meet their customers' needs. The Purchase Order module, with customized forms and processes, is now being deployed across Peak's companies, automating more than 3,000 purchase orders a month and eliminating time-consuming double-entry. With purchase order data available to remote users through the Business Portal feature in Microsoft Dynamics GP, field-based employees can easily submit and view the status of open orders without having to request information from headquarters in Anchorage

Arctic IT also customized the human resources processes within Microsoft Dynamics GP so they could easily provide safety records to their customers. Having this information at their fingertips allows Peak Oilfield to respond more quickly to requests for bids.

### **Flexible reporting**

Several of Peak Oilfield's customers require daily reports containing customized data which Hill is able to easily deliver with Microsoft Dynamics GP. Recently, ConocoPhillips asked Peak to be a startup vendor for their new electronic billing system, something Peak wouldn't have been able to do with their previous system.

“There was a discovery reporting tool in Oracle, but I found it cumbersome and never used it,” says Hill. “Reporting in Microsoft Dynamics GP is fast, easy, intuitive. It takes the frustration out of trying to access information.”

The faster and fuller access to data at Peak Oilfield enables the company to make better decisions and to operate more profitably, according to Hill. For example, she cites a recent U.S. \$25 million project for which Peak Oilfield managers needed weekly updates on expenses incurred, vendors paid, and other factors. Having immediate access to that information made it easier for the managers to keep the project on time and on budget. Previously, they would only have learned about excess expenses when it was too late to avoid them.

Faster access to vendor information and tight integration between the Capture application and the Microsoft software enable Peak Oilfield to invoice for third-party expenses more quickly, which in turn means that the company is reimbursed more quickly for those expenses by its customers.

“There’s no doubt that we’ve improved our cash flow because of this solution,” says Hill. “And that means we’re operating more profitably.”

#### **Low cost of ownership**

All Peak Oilfield companies are managed in one Microsoft Dynamics GP installation with its multi-company feature. Using Terminal Services in Microsoft Windows Server 2005, Arctic IT configured workstations at Peak’s remote offices update the accounting system at headquarters in Anchorage.

“Having only one main installation of the accounting system really saves on our cost to maintain and upgrade the system,” says Hill.

In less than two years after adopting Microsoft Dynamics GP, Peak Oilfield Service Shared Services Accounting Department increased their services from a company of \$75 million in annual revenues to 5 companies with an annual volume of \$250 million without increasing its accounting staff of 15.

“Microsoft Dynamics GP has definitely been helpful to us in achieving and handling this increase in business,” says Hill. “It’s enabled us to automate processes so that if we’re dealing with 500 employees or 1,000 employees, it doesn’t put any additional burden on us. The software is easy to learn, so new employees can come in and be productive with it immediately.”

In addition to rolling out the purchase order and business portal functionality providing self-service information access in Microsoft Dynamics GP, Arctic IT is working with Peak to upgrade their system to include Microsoft Office SharePoint® Server. By March 2008, Peak Oilfield will be live on Microsoft Dynamics GP Version 10.0. Hill is already planning for the enhanced functionality, including enhanced business intelligence, Microsoft Office® Excel®-based reporting, and flexible workflow automation.

“Because we work so closely with Arctic IT, they’re able to anticipate our needs and make the best recommendations for us,” says Hill. “They’re the best kind of partner to have.”