

Midsized Business Case Study



**Maui Land & Pineapple
Company, Inc.**

Maui Land & Pineapple Company

Land Manager Consolidates Financial Software to
Simplify Reporting, Reduce Headcount



Story at a Glance

Fred Rickert wondered why he lived on Maui when he spent all his time in the office. As Vice President of Finance and Treasurer for Maui Land & Pineapple Company, Rickert spent 12-hour days trying to get basic information out of older, highly customized financial systems. Before any more staff quit over the aggravating software, Rickert standardized on Microsoft® financial software. MLP now has a single, consolidated database of financial figures that users can easily query. Auditing takes one-third less time, accounting headcount has been trimmed by 20 percent, and Rickert has ten extra hours a week to do more—and relax on Maui time.

Trouble in Paradise

Fred Rickert lives in paradise, but he was trapped in financial purgatory. As Vice President of Finance and Treasurer for Maui Land & Pineapple Company (MLP), Rickert was trying to steer a complex business using a tangle of antiquated financial systems and a maze of spreadsheets. “I was working 12-hour days, six days a week, and spending a lot of time managing unhappy employees who despised working with these systems,” he says.

MLP owns and manages 25,000 acres on the island of Maui—4,000 acres in pineapples, 11,000 acres in marine and watershed preserves, and a high-end resort community. For financial management, the resort side of the business used Lawson financial software, and the pineapple business used IBM AS/400-based software. Around 2000, management set out to standardize the company on J.D. Edwards

software, but the implementation was never completed. It required three hours to generate a simple trial balance report, and monthly closings were accomplished through sheer heroism.

The organization was overly reliant on a handful of super-users to perform rudimentary data extracts, and every new capability required custom coding. Because of the extensive customizations, J.D. Edwards could not be upgraded easily and produced rough data. “I used spreadsheets to manage the business, which was cumbersome and time-consuming,” Rickert says. “Executing basic financial functions took so much time that I didn’t have time to think strategically.”

Single Financial System

Rickert finally reached the point where he had had more than enough. To maintain his

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Fred Rickert, Vice President of
Finance and Treasurer,
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sanity and his staff, Rickert decided to move the company to a single financial system. After evaluating the latest version of Lawson and Microsoft Dynamics® GP business software, MLP chose the latter. “We wanted a solution based on a widely used infrastructure for which we could easily find skilled personnel, consulting resources, and third-party products,” Rickert says. “Microsoft fit the bill far better than Lawson.”

MLP deployed the Microsoft solution in 2006 and at the same time consolidated its redundant purchasing, accounts payable, and other financial teams into a single corporate services group. The concentration of staff and resources on a single system gave management better visibility into the company’s financial health and allowed the company to create one staff to manage corporate-wide transactions.

MLP achieved efficiency gains by replacing multiple customized solutions with readily available modules and extensions. “With JDE, you had to build custom widgets,” Rickert says. “If you need add-ons for Microsoft software, there are several vendors to choose from and support teams to answer our calls.” MLP uses third-party modules for digital signatures, self-service data querying, property management, and Sarbanes-Oxley compliance.

Better Insights

Inquiries and analytics are much more readily available and can be run on demand versus waiting for the IT staff to provide data. “When we used multiple systems stitched together and the CEO asked why our property leasing revenues were down, it would kick off a long line of questions to multiple departments that would take hours or days to resolve,” says Zubin Gidwani, Financial Systems Manager for MLP. “By centralizing on Microsoft, the first responder

has access to the needed data.” MLP makes data available through Microsoft Office SharePoint® 2007 Server and uses Microsoft FRx® Financial Reporter to simplify reporting.

“Everyone is working more normal hours, including me,” Rickert adds. “Things are done right the first time and don’t have to be redone. I’m saving at least ten hours a week that I can use to better steer the business and find other areas for improvement.”

Staff Trimmed by 20 Percent

ML&P has been able to reduce its accounting team by 20 percent (through attrition), which “gave us the ability to right-size the company,” Rickert says. “We had good people, but they had to compensate for bad systems with a lot of extra work.” Rickert can now focus on streamlining cumbersome business processes, which will yield even more savings.

Auditing is more time-efficient, too. MLP’s previous separate and redundant systems were terribly difficult to audit. With one financial system and set of processes, MLP now has one company-wide set of standardized processes, which take one-third the time to audit.

And Rickert has traded Saturdays in the office for Saturdays in the Maui sunshine.

Lessons Learned

- Allocate time and staff involvement to preplan for process change.
- Automate workarounds your staff may have developed to compensate for previous system flaws.
- Actively manage and standardize charts of accounts.



Executive Biography

As Vice President and Treasurer of Maui Land & Pineapple Company, Inc., Fred Rickert has led the company’s efforts to consolidate operating units and develop central service centers. Rickert has also served as Corporate Vice President, Chief Financial Officer, and Vice President of Finance of Maui Pineapple Company. Previously, Rickert served as Chief Financial Officer of the Port of Oakland.

Customer Details:

Maui Land & Pineapple Co., Inc.
Phone: (808) 877-3351
Company size: 838 employees
Web site: www.mauland.com

Software & Services

Microsoft Dynamics GP 9.0
Microsoft FRx Financial Reporter
Windows Server® 2003
Microsoft Office SharePoint Server 2007
Microsoft SQL Server® 2005

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