Daston

Provides Industrial-Strength Software to Government Contractors

Daston Corporation is an information technology consulting and services company providing IT and cloud solutions to federal, state and local government agencies as well as individual corporations. Daston has accumulated nearly three decades of experience managing IT projects from concept to completion, including all needs analysis, design, configuration, implementation, training and ongoing operational support. ISO 9001:2008-certified, Daston's team is well-equipped to handle large, highly complex projects. Headquartered in Leesburg, Va., the 60-person team approaches every new project from an experienced, consultative and enthusiastic point of view.

"Daston started its business by providing desktop support and staff augmentation for the federal government. Through that work, we wound up getting contracts with most of the federal agencies."

Gary Callen, President, Daston Corporation

"NetSuite has the same security level as global financial institutions, with credit card process certified by VISA, USA. This is important because the government requires contractors to have cybersecurity certification, and uses credits for transactions of $25,000 and under. This is critical for our clients that may be working on sensitive government contracts. Our competitors can't say this."

Sheila Tomlinson, NetSuite Practice Executive, Daston Corporation

From Start to Finish

Working with government contractors whose annual revenues range from $100,000 to $20 million, Daston provides a bundled offering that encompasses outsourced accounts payable, accounts receivable, financial reporting, job costing, incurred compliancy submissions and individual time sheets.

"These government contractors want to focus on their core competencies rather than their back-office and are looking to completely outsource their accounting services, from soup to nuts," says Sheila Tomlinson, Daston's NetSuite Practice Executive.

As more organizations shifted to cloud computing in the mid-2000s, Daston became one of the first Google Cloud enterprise partners in the Mid-Atlantic in 2006. Since then, the company has become certified partners with software providers like NetSuite, CloudLock, Virtru, AODocs, and Authentic8 and others.

"We started selling Google email services, encryption services, collaboration tools and cloud services to the federal government (and some foreign governments). At the time, Daston was using MAS 80/90 as an on-premises, back-office system. To support our cloud practice, Daston started looking for an enterprise resource planning (ERP) system provider to partner with, but we quickly learned that few ERPs were 100% cloud-based," said Callen.

"It was disingenuous for Daston to be promoting its cloud practice and continue to use an on-premises back-office system; consequently, we decided to implement NetSuite and modified it to meet the required rigor for government contracting," he added.

Working against Daston were the many on-premises ERP providers who were pushing back against the cloud at the time. That sentiment changed as 1) customers began demanding more cloud-based options and 2) cloud-related security concerns related to government deployments faded.

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Getting Compliant

In 2014, one of Daston's biggest competitors began sunsetting its lower-priced applications as a ploy to increase prices.

"Our phones started ringing off the hook," recalled Callen, who began selling NetSuite with government compliance (DCAA).

Even better, NetSuite got behind Daston's mission of providing a DCAA-compliant ERP that government contractors utilize for timekeeping, accounting, invoicing and reporting.

"We signed our first 'NetSuite with DCAA' client in 2014, and that aspect of our business has been growing ever since. Our NetSuite practice today represents about 10% to 15% of our revenue and is the fastest growing business for Daston, so it's a significant part of our company," said Callen.

Measuring the Benefits

Becoming a NetSuite BPO Partner has helped Daston Corp.:

- Offer its small government contracting clients an end-to-end solution that's DCAA compliant.
- Give clients an affordable way to replace Excel spreadsheets and point solutions like QuickBooks with industrial-strength software.
- Provide in-depth, actionable analytics and reporting capabilities that organizations can use to manage risk and make smarter decisions.
- Help its clients get comfortable using a world-class cloud ERP that—once the organization is ready—can be easily switched from BPO to an individual software license with no reimplementation or related disruption to operations.
- Partner with accounting firms that are enthusiastic about being able to offer their own government contractor clients a BPO solution using a secure, powerful tool designed for their specific needs rather than Excel or QuickBooks.
- Encourage those accounting firms to bring even more clients into the fold. "The accounting firms are uber-excited to learn NetSuite," said Tomlinson.
- Improve its brand recognition and differentiation. "People are excited about what we have to offer," Tomlinson said. "Anytime you can get there and show everyone something objectively better, it's going to be a real market disruptor."

Advantages to Partnering With NetSuite

- A superior platform born in the cloud. Daston has been a 100% cloud IT consultancy since 2009, making it a perfect partner for an ERP that's been cloud-based since day one. "We got rid of our last on-premises applications over a decade ago," said Callen, "so everything NetSuite offers fits very well with our internal skill sets." For example, Daston handles email services and security encryption for federal agencies that want to move away from running costly servers and bring their own IT into the cloud. "NetSuite is right where it needs to be in terms of fitting nicely with our overall business," Callen said.
- Partner-rich and partner-centric. Having partnered with other software providers in the past, Daston knows a solid partner program when it sees one. "With its BPO program, NetSuite has bent over backwards to educate us, bring us into the fold, help us, and serve as our ongoing advocate and advisor," said Callen. "We're absolutely pleased with that partner-centric mentality."

- A highly-scalable platform that integrates well with other solutions. It's one thing to have a piece of software that dictates how processes will be handled. As a NetSuite partner, Daston can customize the solution to meet its needs and fit its own best practices. "We have a solution that can grow with us and scale with us; that's huge," Tomlinson said. "With Oracle now owning NetSuite, they're putting even more development dollars into the tool set. We don't see that happening with any other competitors in the ERP space."
- A partner that's committed to continuous improvement. Daston also benefits from NetSuite's regular updates and software/platform improvements. "This puts NetSuite head and shoulders above any other ERP solution on the market, especially for government contractors," said Tomlinson. "It adds best business practices from day one and is constantly being improved."
- Out-of-the-box compliance. On the day that Daston finishes an ERP implementation for a new government agency, that agency is immediately compliant. It builds out all the required reports, sets up the appropriate key performance indicators (KPIs) and develops the project status reports. These are all critical points for government clients that deal with a constant flow of new security and compliance requirements. "NetSuite has the same security level as global financial institutions," said Tomlinson. "Our competitors can't say that."
- The BPO advantage. Being a part of NetSuite's BPO program means Daston can offer a leading ERP to small government contractors whose annual revenues are under $15 million. (Of the 23,000 total contractors, roughly 12,000 are in that category.) "NetSuite provides a real service to the government contracting community and gives them an industrial-strength accounting system that they can use remotely," said Callen.
- A stairway for customer growth and expansion. By factoring customer growth and progress into its own stairway, NetSuite helps partners like Daston offer a broad range of support services to its end user base. "We can give our customers the best price fit for where they are, and then grow with them as they take on more sophistication and require additional software modules," said Tomlinson. "We can walk up that ladder with NetSuite; that's a huge advantage for our clients."

To learn how an Oracle NetSuite BPO partnership can benefit your organization, email us at bpo@NetSuite.com

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Company Snapshot

Company: Daston Corporation

Industry: IT Consulting and Services

Location: Leesburg, VA

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