GovCon Startup Makai Soars, Elevated by a Ready-to-Scale ERP System

Motivation for Seeking a New ERP Solution

In English, the Hawaiian phrase *Kūlia i ka nu'u* translates to, "Committed to the pursuit of excellence." Several years ago, Stephanie Hutch, founder and CEO of the professional services and government contracting firm Makai, set out to build a business that would live up to those words, which are emblazoned across the Massachusetts-based startup's web site.

As she was launching her business in 2020, Hutch had a significant amount of foundational work to do – including securing 8(a) certification to be eligible for a federal program that provides support to disadvantaged small business owners (including Native Hawaiians). She knew having strong business software infrastructure in place would be critical to her fledgling firm's ability to not just survive but thrive.

The Challenge

- **Enable efficient workflows for Makai's government contract work.** With an eye toward the kind of project-based government contracting work the firm would be performing, much of it for the U.S. Department of Defense, Hutch decided an ERP (enterprise resource planning) system would be the logical starting point. Having worked for another defense contractor prior to launching Makai, she knew the ERP system needed to be tailored specifically to government contractors. It would need to have with strong timekeeping and expense capabilities, along with robust compliance and reporting tools.

- **Avoid awkward and cumbersome ERP solutions.** Her extensive experience with various defense contractor ERP systems in her previous role provided her with a clear idea of the type of system her new firm needed – and the type of system to avoid. "I'd worked with ERP systems that other government contractors used, and they were really terrible – clunky and not intuitive."

- **Identify a system that personnel can use easily.** Unanet's ERP system used in-house by her previous employer stood out because it was just the opposite: easy and intuitive to use. Implementing that system, she decided, would be "one my top priorities" in starting Makai on the road to excellence.

Founded in 2020 and based near Boston, Mass., Makai is an 8(a)-certified professional services firm that primarily provides weapons system engineering services to the U.S. Dept. of Defense, along with other services to government and commercial clients. The company also has developed a proprietary mobile communications product, HONU (hardened operations networking unit), that provides an edge computing platform for creating secure private networks in locations that lack connectivity. Makai's parent organization, the **Kekoa Foundation**, supports, promotes and advances the overall welfare and economic condition of native Hawaiians in the state of Hawaii.

The ERP Solution

The organization selected Unanet ERP GovCon because:

- **They knew it worked.** There's no better way to evaluate software than with hands-on experience, and Hutch's experience with a variety of government contractor ERP systems identified the solution that would be the right fit for her startup: Unanet ERP GovCon. "The founder at my previous employer was an early Unanet ERP adopter, and she had told me that through the years, Unanet had been very responsive to customer feedback, and that the system scaled with them as they grew," Hutch explained. "As a manager, I was using the system, too, for project reports, running burn-down charts and resource management, and everything with Unanet was so straightforward, especially compared to the ERP systems other firms were using. I'd always come back to Unanet and be so thankful for the interface and the reports we could run. So, I knew from day one that Unanet was the ERP tool I wanted for Makai."

- **It helps them stay up to date with government regulations.** Its compliance tools would be valuable in helping the firm meet the stringent requirements of various DoD and federal regulations, and most importantly those of the DCAA (Defense Contractor Audit Agency).

- **It leveraged the power of automation for multiple business functions.** Managing time and expense was simple with Unanet ERP GovCon's powerful, heavily automated set of capabilities. She could build from there to keep costs low for the brand-new business.

- **Unanet and Makai collaborated to find the right fit of solutions.** The Unanet sales team understood the measured approach Hutch wanted to take with her software investments and acted accordingly. "They never pressured me to buy more than I needed."

- **They could configure their unique set of solutions to their specific business needs.** Unanet ERP GovCon's compatibility would enable her to easily add other functionality, like financials, as the firm matured.

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- **The compliance-readiness of the ERP solution put the firm in strong position to start winning prime U.S. government contracts.** Already the firm has won three prime contracts, which Hutch attributes in part to the system's compliance tools. They proved invaluable, she said, in helping the firm successfully navigate the DCAA approval process. "It's setting us up for success," she said. "I think we're in a really good position compared to other GovCon startups."

- **The firm can easily accommodate different contract structures thanks to the ERP system's GovCon-friendly flexibility.** That one of Makai's prime contracts is firm fixed-price, one is fixed price level of effort, and another is cost-plus hasn't been an issue for the firm.

- **Stellar support during and after implementation has set the stage for success.** "I felt very supported by Unanet throughout the implementation process, and their Help Desk is really helpful," said Hutch. That support saved her and her team valuable time and avoided what could have been a major IT headache during startup.

- **The ERP system's reporting tools have helped put Makai in the good graces of DCAA auditors and the firm's own program manager.** "DCAA seems to love our reports," Hutch said, "and our program manager can run a report and it tells him everything he needs to know, right out of the system. It's been great."

- **Simplified processes are saving time and data-entry drudgery.** Members of project teams (and up-to-date information about their license status and skills) can be easily onboarded into the system. Their time and cost are straightforward to manage in cost-plus contracts.

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Keys to Success

- **Find a solution that readily scales with your firm as it matures.** Hutch said she's committed to growing Makai inside and outside the government contracting space. "As we grow, we also can grow into other features of Unanet. It will scale with us. QuickBooks is okay for now, but Unanet's financials functionality is definitely something we'll look at scaling into."

- **Choose a starting point for your software infrastructure investments and build as the business and its ambitions grow.** Hutch chose the time and expense solution within Unanet ERP GovCon as the foundation for Makai's digital infrastructure. She can easily add additional functionality later.

- **Lean heavily on past experience in choosing software.** Hutch's prior hands-on usage of other government contractor ERP systems gave her indispensable insight into what she did and didn't want in an ERP system. Based on her previous success, she trusted Unanet would be the right solution for Makai.

- **Find a provider that's a problem-solver, partner and ally, not just a software vendor.** In making a long-term investment in an ERP system, a firm deserves a similar long-term commitment from the solution provider to support the customer along every step of the ERP journey. Too often, however, vendors put their own interests above those of their customers. Not Unanet. "The Unanet sales team understood we're a startup," said Hutch. "They never pressured me to buy the whole suite upfront. They treat me like a true partner."

- **Seek a solution that's integration-ready.** Hutch envisions soon integrating a customer relationship management solution, Unanet CRM GovCon, into Makai's digital infrastructure as she seeks to build a full, seamless digital ecosystem for her firm. Unanet gives her an advantage in that regard with the straightforward integration between Unanet CRM and Unanet ERP, and with the Unanet Connect marketplace, where she has access to prebuilt integrations with a range of best-in-class applications, from Flowtrac to GovTribe to Paylocity.

Unanet

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