



CASE
STUDIES

Barratt Developments builds a better supply chain with web3 S2C



BARRATT
DEVELOPMENTS PLC



WA>>> DIGITAL

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Barratt Developments is the nation's largest housebuilder, with 6,000 employees working across an average of 380 active sites in 27 housebuilding divisions and a turnover in excess of £3.7bn.

Underpinning the group's corporate vision to 'lead the future of housebuilding', Barratt is committed to process improvement across its business and putting in place the best tools to recruit, manage and vet suppliers forms a key part of that strategy.

The challenge

A complex sourcing process

Sourcing has always been a challenge for the construction industry. It differs from other sectors in the UK economy in terms of project complexity, financial investment and the impact of unpredictable issues such as weather and ground conditions. Commercial and site managers have to factor in all these elements when making purchasing decisions, making their jobs more difficult.

Barratt is no exception. Due to the size of the business the company works with a big pool of suppliers and subcontractors, making the processes of supplier pre-qualification, management and tendering both time consuming and expensive.



Regulatory Compliance

Monitoring and enforcing health and safety regulations can be problematic due to the disparate locations of construction sites. Central procurement process, and in particular supplier selection, therefore plays a vital part in ensuring staff health and safety, as the terms and conditions of awarded contract can stipulate the need to comply with existing regulations and the high standards required on projects. With employee safety naturally paramount to the business, Barratt's aim was to only trade with suppliers and contractors with valid documentation and accreditations in place.

Systems Integration with existing systems

Barratt uses a number of legacy systems which are involved with the daily operations of the business. The new solution had to work seamlessly with existing infrastructure so the company could automate data flows without any disruption to business operations.

In order to streamline the tendering process, ensure adherence to compliance policy and integrate effectively with back office systems, Barratt turned to Wax Digital to implement the eSourcing module of the cloud based, comprehensive **web3 Source to Contract (S2C)** suite.

The Solution

web3 is a flexible and easy to use solution, allowing Barratt to track and manage all aspects of the onboarding and tendering process while improving visibility and operational efficiency.

From the Request for Information (RFI) stage through to Request for Proposals (RFP), data is passed automatically from one linked stage to the next ensuring a streamlined, controlled procurement approach.

Supplier Information Management

Systematic on-boarding process gives Barratt rich, up-to-date information.

The Supplier Registration Form (SRF) allows suppliers to register their details in a standardised format and upload additional information as necessary via the **web3** Portal. Not only does this save time and effort for Barratt to reach out to their suppliers and subcontractors, they can also align the onboarding process with the project schedule effectively.

Leveraging the unique integration capabilities of **web3 Connect**, the system features automatic validation of certain suppliers' information from third party sites and data sources, including:

- » Companies House Integration for validation of company number, status and filing history
- » VAT checker / UTR checker to prevent invalid tax invoice that can lead to invalid tax claims
- » Bank account lookups to avoid invoice fraud or payment failure

This helps reduce the administrative burden, eliminate suppliers' proposal errors and prevent defective bids from reaching the evaluation stage.

Managing Risk and Improving Compliance

web3 deliver a centralised online hub for Barratt where suppliers and contractors can submit proof of mandatory certifications including the Occupational Health and Safety documentation and Public Liability insurance details as part of the on-boarding process. Only suppliers with the correct documentation are allowed to trade with Barratt, safeguarding the health and safety of Barratt's workforce, its reputation and its liabilities.

The system automatically reminds suppliers and contractors to resubmit their mandatory documents when they are due to expire, ensuring they update their documentation in time in order to continue trading with Barratt. As a result, information and compliance remains current and accurate across thousands of suppliers without any administrative overhead on the company.



eSourcing

Barratt enjoys streamlined tendering process and improved purchase power.

Revolutionising the Request for Proposal (RFP) Process

Once a supplier is on-boarded, Barratt can have an overview of all the suppliers and subcontractors' information and their performance data. The business can then segment and choose the right suppliers for further engagement and evaluation.

Through the **web3** supplier portal, suppliers and subcontractors can log into their account to view tender details and to submit tender responses. Unique to the industry, Barratt can design questionnaires and tenders around specific risk management and category needs, with dynamic question sets that flex according to a supplier's previous answers to ensure only tailored and relevant information is submitted to Barratt.

Keeping it Local

The integration capabilities of **web3 Connect**, in tandem with **web3 S2C**, enable Barratt to draw on third party data to deliver value-added services, including geolocation functionality enabling users to search and qualify suppliers based on their geographical location.

A postcode lookup means they can highlight suppliers that are able to work within defined or multiple geographical areas, quickly and easily refining supplier selection to just those contractors within a set radius of the project site.

Structured, centralised data for business decisions

Receiving multiple responses in a standardised electronic format makes it easy and quick, cutting process times by up to 85%, for the organisation to analyse tender responses. The Barratt team generates evaluation spreadsheets and reports via the **web3** platform for in-depth analysis, assisting them to pick the best and most suited primary and secondary offers. With structured and centralised data, commercial and site managers can prioritise suppliers and manage sourcing activities easily across the entire supply base.

By formalising and documenting the entire tender process and history, Barratt gains full visibility and insight into the effectiveness of their sourcing activities, which in turn empowers them to improve future processes. Barratt also enjoys increased transparency and accountability by creating watertight audit trails, allowing auditors to do a more thorough, accurate assessment of the business.

"We work with over 4,000 suppliers and contractors and **web3 S2C** significantly enhances our supplier risk manage processes, ensuring only those with the appropriate certification can work with us."

Matthew Paul
Group Commercial Manager Barratt
Developments

The implementation

After a series of workshop sessions to document Barratt's functional requirements, usability and branding needs, Wax Digital delivered on a tightly managed project plan to ensure a smooth and precise implementation. The system was rolled out across the 27 UK divisions in a phased approach, starting with Manchester and Southampton as the pilot sites.

With data exchange across a number of third party systems, integration was the key to this project and integration expertise, flexibility and competence underpinned Barratt's decision to choose Wax Digital as the technology and service provider.

Seamless Integration

Unique in the procurement technology space, the **web3 Connect** Integration Platform as a Service (iPaaS) is an intuitive integration platform that provides enterprise-class integration capabilities entirely out of the cloud. It is purpose-built to deliver real time collaboration, future-proof your integration and increase the value of your IT investments. Connect is supported by our dedicated Integration Services team to ensure low impact, extensive business transformation.

In addition to the third party services referenced earlier, the Barratt **web3** system also interfaces directly to Barratt's architectural CAD drawing solution Conject.

Version management, making absolutely sure that the correct drawings accompanied a supplier tender process, was an ongoing challenge for the organisation but the **web3**-Conject integration allows users to link directly from one application to the other and grab only the latest version of architectural drawings.

web3 Connect also integrates with Barratt's ERP system Coins, pushing clean validated supplier data from **web3 S2C** straight into Coins to keep the core financial system right up-to-date.

Service and Support Excellence

A series of training sessions along with tailored user guides were delivered to all the 27 divisions across 7 weeks to ensure that Barratt fully realised the potential of the system.

And unique in the industry Wax Digital operates a quarterly release cycle, providing every S2C client with a brand new update every three months as part of their on-going subscription agreement - it's a continuous cycle of sourcing innovation right through the contract term at no extra cost.

This continuous innovation programme, twinned with a highly configured and integrated solution, ensures Barratt enjoys both a targeted solution and the benefits of an ever-extending best in class software suite.



"The combination of a highly configurable and intuitive supplier on-boarding and tendering process and a seamless integration layer means that we delivered the system very efficiently right across our complex supply chain"

Matthew Paul
Group Commercial Manager
Barratt Developments

The Result

By harnessing the **web3 S2C** system, not only did Barratt make substantial time and cost savings on the tendering process, the company also saw an increase in overall procurement effectiveness due to streamlined and automated workflows.

"Electronic trading is not widely used in our sector and we believe we will be one of the first organisations in housebuilding to realise the many benefits an S2C solution can offer us"

Matthew Paul
Group Commercial Manager
Barratt Developments

Just a few of the benefits include:

- » 141 Barratt buyers are benefitting from reduced cycle times, increased responsiveness and a highly intuitive means to drive down the cost of business
- » Dozens of electronic tenders to date have delivered significant cost savings to the business, through a process which is 85% more efficient than the manual alternative
- » Nearly 1,500 suppliers have entered and updated their own account information, ensuring it is rich, accurate and up to date with virtually no management overhead for Barratt

Barratt is planning to invest into the system to further enhance its functionality, such as automating the approval process and enabling additional integration. **web3** will continuously evolve with the business allowing it to achieve better efficiencies and lower overheads.



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