

Simplicity Gave SJE Carpentry & Joinery a Competitive Edge

"A great return on our investment even in the first few months. As a direct result we are staying on tendering lists and winning contracts... I now have a business that will do well even in these tough times for the construction industry. I recommend Simplicity wholeheartedly. "

Jim Sanders, Joint MD, SJE Carpentry & Joinery

SJE were looking for a solution that would help them improve their margins while making it quicker and easier to prepare accurate tenders for large contracts.

They looked at stand alone purchasing systems but instead chose Simplicity's award winning business management solution due to its ability to manage not just purchasing but the whole contracting business process; from initial quote right through to project completion and billing the client.

About SJE Carpentry & Joinery

SJE are a specialist supply and fit joinery subcontractor in the South East of England with an annual turnover of £5.5 million.

Founded in 1995 the company has grown steadily by successfully completing a wide range of projects valued between £50k to £3m for a variety of market leading clients. Their projects range from hotels to hospitals, schools, universities, theatres, leisure centres, residential areas, government offices and numerous commercial developments.

SJE's Needs

Before implementing Simplicity, SJE felt that they had reached the limits of what their staff could achieve. The company was winning sizeable contracts but information in head office was all over the place – in people's heads, on emails, in Excel spreadsheets and even scraps of paper.

On site the situation was even more extreme. Site teams were often dealing directly with suppliers when materials didn't arrive. If they couldn't get hold of the head office contact who'd placed the initial order, duplicate orders were often made. Mistakes also resulted from different people recording information about the same order and it not being clear exactly what had been ordered and at what price.

Although SJE never disappointed their clients, their margins suffered and they incurred a lot of unnecessary expense.

Highlights

- Negotiate better supplier deals
- Improve profitability while offering better pricing
- Demonstrate tight project control
- Improve cash flow
- Access & update back office records while on-site
- Improve efficiency and eliminate duplication
- Manage variation orders and bill for every penny

Staying Competitive with Simplicity

On implementing Simplicity, SJE found that the solution gave them a competitive edge for three key reasons:

- 1 They were staying on tendering lists and winning contracts against larger competitors, being able to demonstrate tight project control and respond quickly and accurately to tenders.
- 2 They were able to offer competitive pricing while staying profitable as they had all the information they needed to negotiate better supplier deals and cost jobs more accurately.
- 3 Their cash flow improved as they had more precise information about costs and stage completions so could bill clients sooner with fewer surprises from unpaid creditors.

Making Profitability Simple...

Simplicity helped SJE to become far more profitable

Negotiating Better Supplier Deals

Prior to Simplicity SJE weren't always negotiating the best terms with suppliers as they didn't have visibility of how much business they placed with each supplier or a comparative view of supplier pricing. Simplicity enabled them to see detailed information on all supplier offers, reducing their suppliers from 50 to 15 and negotiating the best deal with each of them.

Winning More Contracts

Simplicity not only simplified the tendering process, but also enabled SJE to offer much more competitive pricing without eroding their profit margins as they could assess margins far more accurately with their new job costing process.

Enhancing Efficiency

Using Simplicity SJE was able to ensure that all materials, tools and site teams would always arrive at the right place on schedule with minimal effort from head office. With just one flow of information, a single place to find documents and one point of data entry, costly errors were eliminated. Additionally, the system offered them several inbuilt checks to ensure data accuracy as jobs move from one department to another.

Eliminating Duplicating With Remote Access

Simplicity ensured that orders were no longer duplicated due to incomplete information on site. Project managers could access the most recent drawings, records, costs and scheduling information whether in the office or on site (via handheld devices). They could see who placed each order and delivery times, and even update back-office records from their handheld devices, entering variation orders or delivery confirmations in real time.

Improved Profits & Controlled Variation Orders

Simplicity made it easy for SJE to monitor and control profit margins through tight control of projects, and project costs, during the whole project life-cycle. With all variations accounted for and controlled by an automated sign off process they could offer much more competitive pricing while billing for every penny and improving profitability.

Improved Cash Flow

The improved cost control that Simplicity gave SJE also enabled them to improve their cash flow, having visibility of stage completions and being able to submit more timely and accurate invoices to clients. It also eliminated invoice disputes by offering their customers far more transparency.

"Simplicity has helped us maintain our competitive edge. It's not just that we can demonstrate we have a complete business process working. I now have tight control over projects, over tendering and pricing and everyone is working much more smoothly as a team. Even my hardest working manager can now go on holiday and come back with no backlog to catch up on!"

*Jim Sanders, Joint MD,
SJE Carpentry & Joinery*

Demonstrating Tight Project Control

In the current market SJE found that major contractors required assurances that their subcontractors would remain in business during the contract and guarantee period, and that they wouldn't cause expensive delays because staff and materials don't arrive on schedule or meet required quality standards. Simplicity enabled SJE to demonstrate that they have the business processes and IT systems in place to deliver tight project control and maintain a healthy, profitable business that will service their clients long-term.

Easy to Use & Easy to Implement

Simplicity's team worked in partnership with SJE to tailor Simplicity to their requirements. SJE's IT and Compliance Manager was particularly surprised to see that the physical installation caused no disruption, and that the Simplicity team were prepared to go to great lengths to customise reports to individual requests from the SJE team. Moreover, even SJE's least technically minded users found Simplicity easy to use.

Simplicity
Solutions for better business