



**BARRATT**  
DEVELOPMENTS PLC

# Barratt Developments builds a **better supply chain** with Medius Supplier Management



Case study



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# The Company

Barratt Developments is the largest housebuilder in the UK, with 6,000 employees working across an average of 380 active sites in 27 housebuilding divisions and a turnover in excess of \$4.7bn.

Underpinning the group's corporate vision to 'lead the future of housebuilding', Barratt is committed to process improvement across its business. 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 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 sourcing both time consuming and expensive.

## The challenge

# 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 an 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.

## The challenge

# 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 sourcing process, ensure adherence to compliance policy and integrate effectively with back office systems, Barratt turned to Medius to implement Medius Sourcing, a module of Medius Spend Management.

# The solution

Medius has a flexible and easy to use solution, allowing Barratt to track and manage all aspects of the onboarding and sourcing 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.



## The solution

# 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 standardized format and upload additional information as necessary. 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 Medius 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.

## The solution

# Managing risk and improving compliance

Medius delivers a centralized 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 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.

Barratt enjoys **streamlined sourcing** process and **improved purchase power**.



## The solution

# Revolutionizing 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 Medius, suppliers and subcontractors can log into their account to view event details and submit responses. Unique to the industry, Barratt can design questionnaires and events 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.

## The solution

# Keeping it local

The integration capabilities of Medius Connect, in tandem with Medius Sourcing and Medius Contract Management, 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.



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

**Matthew Paul, Group Commercial Manager, Barratt Developments**

## The solution

# Structured, centralized data for business decisions

Receiving multiple responses in a standardized electronic format makes it easy and quick, cutting process times by up to 85%, for the organization to analyze supplier responses. The Barratt team generates evaluation reports via Medius for in-depth analysis, assisting them to pick the best and most suited primary and secondary offers. With structured and centralized data, commercial and site managers can prioritize suppliers and manage sourcing activities easily across the entire supply base.

By formalizing and documenting the entire 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.

# The implementation

After a series of workshop sessions to document Barratt's functional requirements, usability and branding needs, Medius 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 Medius as the technology and service provider.



The combination of a highly configurable and intuitive supplier on-boarding and sourcing 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 implementation

# Seamless integration

Unique in the procurement technology space, Medius Connect 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. Medius 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 Medius system also interfaces directly to Barratt's architectural CAD drawing solution Conject.

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

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

## The implementation

# 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 realized the potential of the system.

And unique in the industry, Medius operates a quarterly release cycle, providing every 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 program, combined 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 result

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

# 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 sourcing events 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

Barrett is planning to further invest in Medius to enhance processes including approval automation and enabling additional integrations. Medius continuously evolves with the business as it grows allowing it to achieve better efficiencies and lower overhead.



Electronic trading is not widely used in our sector and we believe we will be one of the first organizations in housebuilding to realize the many benefits a sourcing solution can offer us.

Matthew Paul, Group Commercial Manager, Barratt Developments



# About **Medius**

Medius AP management software replaces the work and worry of invoices with AI and automation. Medius goes far beyond basic automation by using artificial intelligence to do the work - so invoices get coded, approved and paid, and your business can trust your budgets and forecasts without the fear of potential fraud. And you won't have to worry about implementation and ongoing administration costs, because you'll start seeing the value immediately and the innovation won't stop. To learn more, visit [medius.com](https://medius.com).



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