

PERSIMMON

Building companies are increasingly looking to reduce costs and improve operational efficiency. A complete document scanning, indexing, destruction and data upload service combined with the Invu document management software provided by The Content Group has enabled Persimmon Homes to remove well over one million paper documents a year from the business.

In addition to significantly reducing the cost of storage the company has seen an improvement in operational performance as staff have immediate access to relevant documentation via COINS which is the core business application being used throughout the whole of Persimmon for sales, marketing, finance and HR. Coins has been fully document enabled by The Content Group using Invu so that documents can be easily retrieved regardless of what enquiry the user is making at any particular time. Persimmon is also using the web version of Invu to deliver a document intranet, enabling cross-company information sharing that is delivering significant commercial advantage.

Profitable Construction

The sheer volume of paperwork associated with the construction industry, from purchase invoices to sub contractor payments and architects drawings, has traditionally added major business cost. There is a growing recognition that strong document and knowledge management is becoming a core component of profitable, efficient operations as part of an overall Enterprise Content Management (ECM) strategy.

One of the most profitable construction companies, Persimmon Homes has been transformed over the past few years to a national organisation building over 12,000 homes a year. Established in 1972, the company achieved a full quotation on the London Stock Exchange in 1985. Since then Persimmon has grown rapidly both organically and through acquisition, including the purchase of the Beazer Group in 2001. With a head office in York, the company employs more than 4,000 people across the UK, with core operations located across 33 offices from Exeter to Edinburgh.

Persimmon's corporate structure enables its regional companies, including exclusive house builder Charles Church, to operate with a large degree of autonomy. However, Persimmon recognised a clear opportunity to share information between companies to leverage intellectual property and attain insight into key operational trends, from sales to procurement.

In addition, the organisation has a very strong emphasis on reducing costs and driving up efficiency to sustain its highly profitable operations. Processing over one million documents annually, from invoices and sub contractor claims to plans and drawings, Persimmon identified a very real opportunity to drive out cost by removing paper from the organisation.

"Document storage and retrieval have historically and traditionally represented a very significant overhead for Persimmon," says Rob Holden, Persimmon's Group IT Director.

Document Management

In recent years some Persimmon companies had started to address the issue of paper overload, with several opting to use third party bureau services to transfer documents to disk. However, in 2003, the company decided to embark upon a strategic group wide document management initiative designed not only to remove paper from the organisation but also to provide a platform for cross-company knowledge sharing.

Persimmon opted for the Invu document management software, delivered by Enterprise Content Management (ECM) Solutions provider and construction industry specialists The Content Group (TCG). Holden explains, "The priority for Persimmon was to find a solution that integrated easily with the COINS business software which is used throughout the construction industry. COINS handles everything from buying materials and managing subcontractors to sales and salaries; the ease with which Invu integrates with COINS without any code changing was a very important

component of the decision making process.” He continues, “Invu is both powerful and simple to use and didn’t cost an arm and a leg.”

The other key component was the fully managed outsourcing service offered by TCG, who provide a document scanning service alongside the software implementation and support services. Furthermore, “TCG’s experience across the construction industry was very important,” he says. “Getting the right solution is not just about utilising the most appropriate technology but also having a provider who understands the complexities and intricacies of the industry.

Indeed, although the company’s initial focus was to replace paper with electronic content, TCG has deployed Invu’s functionality to support Persimmon’s knowledge sharing through a document intranet and workflow, providing sustained opportunities to gain further cost and efficiency benefits from the investment.

Cost & Efficiency

On recommendation from TCG, Persimmon opted to implement Invu on a company-by-company basis, addressing first purchase invoices, then sub contractor claims, drawing management and plot files. Documents are now automatically entered into Invu – either via local scanning facilities or via the document scanning service delivered by TCG. Indeed, over the past year, TCG has scanned and indexed over one million documents for Persimmon.

Holden confirms, “By implementing a group wide document management solution Persimmon is gaining significant cost savings, reducing not only the cost of external storage but also the overhead associated with ad hoc use of external scanning agencies.”

Persimmon now has over 600 users using Invu on a daily basis, a figure expected to rise as regional companies extend the solution to encompass all types of documentation. Many companies already have access to a myriad of electronic documents from the financial operation of the business, payment of suppliers and subcontractors, the sale of homes, customer care, on site valuation and procurement via the document enablement of COINS.

The tight integration is providing Persimmon with significant improvements in operational performance, removing the need to re-key data and providing staff across the organisation with immediate access to all relevant documentation. From responding to invoice queries to checking drawings, Persimmon has transformed the speed of information access. He says, “The solution provides not only effective, reliable document management and retrieval but also facilities such as automated indexing based on document content normally only found in significantly more expensive and typically over complex products.”

Together with TCG, Persimmon also worked hard throughout the implementation to ensure full user acceptance, so much so that electronic document management has now become a core component of Persimmon’s IT infrastructure and a significant step toward achieving the overall ECM strategy. Holden explains, “Document management can deliver immediate benefits in enhanced productivity and cost reduction and, as a result, it can be quite difficult to recognise the fact that even greater value can be achieved. We revisited users regularly throughout and after the technology implementation was complete to ensure that the solution was delivering what they expected it to deliver.

Knowledge Transfer

As a result, TCG has also helped Persimmon to leverage the web version of Invu to develop a corporate document intranet that facilitates cross-company sharing of information. This enables information unique to each company, to become a shared corporate resource accessed by individuals across the group.

To date the company has developed a number of business critical information sources, including a buyer’s information service used by buyers across the group to share information on suppliers, their products, prices and performance. “The ability to securely share information across the group is providing Persimmon with a significant commercial advantage,” Holden confirms.

He concludes, "Persimmon is one of the most efficient and focused construction companies in the UK. Removing paper from the business not only removes the cost of external storage facilities but also reduces the size of office premises required, a key financial consideration for a fast growing company, especially in Metropolitan areas. The investment in Invu and the implementation and support services, in addition to the document scanning services from TCG has delivered significant financial advantage and provides a platform for excellent inter-company collaboration that will drive further efficiencies across the business."

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