

Client Profile

Contractor

The Knight Group Discovers the Benefits of Investing in IT

The Knight Group are contractors who have discovered the benefits of investing in IT. This £60 million group of businesses estimates that it will save almost £25,000 a year following the purchase of the Summit 2000 financial solution and the use of the RedSky IT Xchange. The significant cost savings occur by, saving time, reducing the amount of errors and ultimately reducing the cost in the buying process.



eProcurement with Summit software saves Knight Group £25,000 a year

Based in East Anglia, The Knight Group was founded 25 years ago by John Knight and has three main businesses specialising in house building, ground works preparation and environmental land reclamation.

One of the reasons for the Knight Group's expansion and recognised excellence is its civil engineering and groundworks operation. This part of the business provides the infrastructure to allow Knight Developments to begin its work on the development of new homes. One of the major aspects of the division's work is to provide road works and sewers to sites to adoptable standards, along with site

clearance, bulk earthmoving and foundations work. The company's continuous commitment to excellence has brought them seventeen top 100 NHBC Housing Site Supervision Awards and numerous other commendations.

Gary Spicer, Finance Director for the Knight Group, is very enthusiastic about the way his company has demonstrated a commitment to information technology to improve its business processes. "As a group of businesses we are quite diverse," says Gary, "over the last 25 years of trading, our business has changed considerably and adopted IT gradually in line with these changes.



“I estimate that we are saving about £2000 a month due to the Summit financial software flagging up invoices that do not match the original order ”

Knight Group

Sector - Contractor

Founded - 1972

Employees - 350

Turnover - £60 million

Solution used - Summit 2000 & Xchange

About RedSky IT

RedSky IT is a market leader within Construction, providing IT solutions to over 1500 companies including 40% of the top 100 contractors, 14 of the top 50 AEC consultants and many hundreds of small and medium sized businesses. With over 30 years' experience, we offer a complete portfolio of software solutions to help construction, contracting, house building and professional services firms manage their operations.



We are now at a point where the business is using a complete single source business solution from RedSky IT, making the sharing of data both easy and essential”.

A Commitment to IT

Gary Spicer came to the Knight Group from British Telecom, a worldwide force in telecommunications. When he joined the company, Gary found that there were only 4 fully functioning PCs operating in a group that employed well over 200 staff. Whilst many of the group's staff are normally working on site, there were about 50 employees who were office based, yet the majority of these did not have access to a PC or the network. Gary recognised the need to address this, so he immediately started to review the IT needs of the company.

Initially the Knight Group replaced its entire IT infrastructure with a new network for over 40 PCs, a sophisticated company-wide intranet and the RedSky IT Summit 2000 solution. “We had worked with RedSky IT for some years and they were committed to a partnering principle of working with customers to find IT solutions that best suited the company, rather than just attempting to sell a piece of catch-all software,” explains Gary.

Reducing the Cost of the Ordering Process

Summit 2000 opened up instant access to business critical data from the financial application to any employee who needed it in their role. “The biggest benefit of installing Summit has been felt by the buying department.

Having created the supplier database they can now instantly access all orders and compare prices of materials without having to laboriously search through catalogues or old invoices. All the information they need to do their job is already on the system for them,” explains Gary, adding, “each individual item has its own product code which corresponds to the price and product details. All the buying team now have to do is pull down that product code to fill out an order. This has given our business a major cost saving in raising orders, which used to be a very labour intensive process”.

Once Gary had identified savings in the raising of orders, he looked at how he could improve the next step in the process – sending out orders to suppliers. He again

spoke to RedSky IT and found out more about their newly launched RedSky IT Xchange Solution – a solution that would enable the Knight Group to send orders to their suppliers electronically.

As Gary details, “The impact Xchange would have on our ordering process was immediately obvious. Our Group has 3 buying departments each processing 50 orders a day. Our buyers would use either fax or telephone to place the order, with 75% of orders taking 15 minutes of our buyer's time. The cost of the call could reach over £1 per order. So quickly I could add up the cost of placing an order and this was far more than the cost of ordering via Xchange”.

After the buyer had placed the order by phone or fax there would be a rekeying job – entering all the order details back into Summit. This is time consuming and errors can occur. By using Xchange with Summit they now enter the order details into Summit accounts, click the Xchange button and the order is sent electronically to suppliers whilst all data populates the relevant ledgers.

Each month the Knight Group will process literally thousands of orders from hundreds of suppliers, such as Willis Builders Merchants, Essex Groundwork Supplies and BOLTS Building Supplies. One main area of concern for the company was the accuracy of invoices received from the supplier after the order had been placed. It was both a lengthy and time consuming task checking orders against invoices and the company was sure that inaccuracies occurred, which meant it could be losing money.

Summit 2000 has addressed this, as Gary explains; “Now Summit automatically checks every order against its original invoice. I estimate that we are saving about £2000 a month due to the Summit financial software flagging up invoices that do not match the original order. This saving alone justifies the investment in the RedSky IT solutions”.

As Gary concludes, “The Xchange and Summit solution is another example of IT improving a business process in the Knight Group. It fits into our current ordering process and with a simple click of a button we can send orders to any of our hundreds of suppliers. We save time, money and reduce errors which all justifies the investment in IT”.