



**Warning signs
that hammer
home the need
for new business
software**

**in the Building Materials
Industry**

1

**You can't
deliver the business
information that
you and your
customers crave**

3

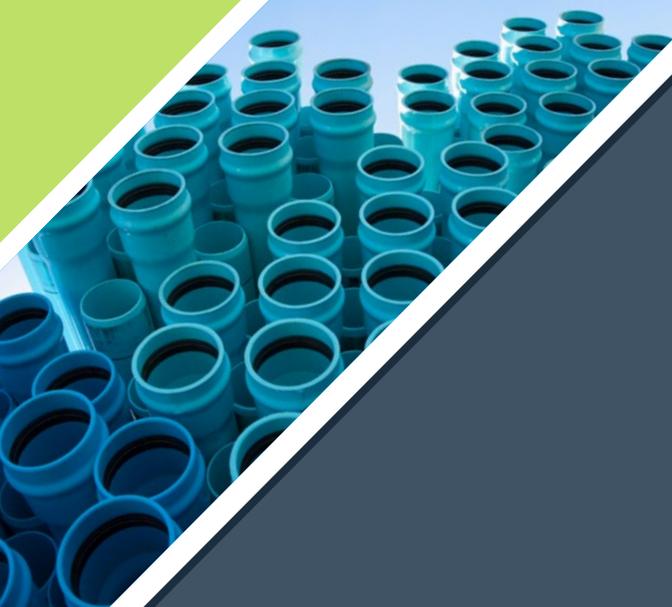
**You have no
control of your
own quality
control**

2

**Weak
traceability
potentially puts your
business at risk**

4

**You can't take
advantage of the
latest technologies
to put you ahead
of the curve**



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**Delivery complications
are distracting
everybody
involved**



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**Promotions and
project pricing drives
sales but wreaks havoc
on profitability**



7

**You can't
capitalise on
offering warranties
and service
contracts**





With such a large spectrum of different organisations involved, the Building Materials industry is subject to some of the greatest business pressures and requirements of them all. The sector is centred around guaranteeing delivery and quality to a wide variety of customers and project influencers, which means that any lapse could lead you to lose your customers within an instant.

Whilst your existing business software may have served you well until this point, you need to ensure that you stay ahead of the competition. You may have already identified some signals that your business software cannot facilitate your future growth or support new business processes for greater efficiencies. If those signs are having an immediate impact on your business, it is crucial that you make the move to upgrade to a product like Dynamics Building Materials.

In this executive eBook we have created a list of the '7 warning signs that hammer home the need for new business software in the Building Materials Industry', that will help you to identify whether it really is time for a change to a more comprehensive business solution.





1

You can't deliver the business information that you and your customers crave

The delivery of building materials often involves the constant demand for multi-tasking for your business; liaising between architects, merchants, specialist show rooms and retailers, consultants, contractors, house-builders or even the end client. Constantly changing project timelines just add to the difficulties.

Having instant access to up-to-date information across your organisation is essential. Data that relies on Excel workarounds and manual adjustments is prone to error and takes too long to prepare. You need to have confidence in your reporting and analysis. Informed decisions need to be made early so action can be taken proactively rather than reactively or you risk eroding your customer service levels.

Every day your staff need to be able to make product delivery promises without their fingers crossed behind their backs. Your core business software must be able to accurately keep track of demand, capacity and your progress on the shop floor to deliver reliable information on "available to promise" and "capability to promise".

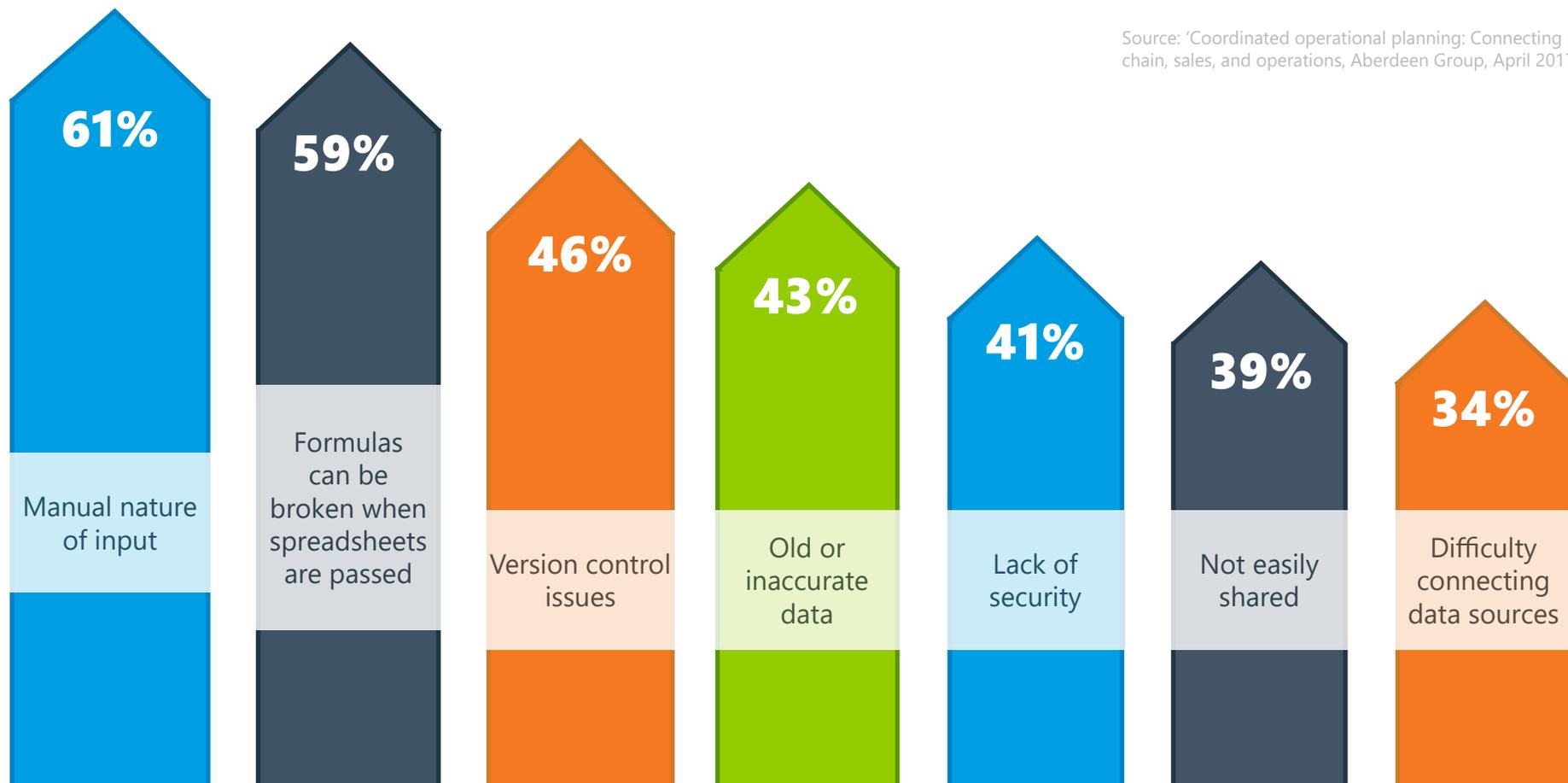
And when things outside of your control change unexpectedly, like the currency in which you buy raw materials, you need to quickly establish what orders, products and contracts are affected – and what can be done to minimise any impact on your cashflow and margins.

In addition, customers are increasingly demanding on-time-in-full (OTIF) reporting as a requirement for both existing contracts and to secure new ones. The market is transitioning to the point where visibility to customers is everything. Producing OTIF reporting without a single, integrated solution across your business can mean many frustrating hours spent scouring through multiple data sources and assorted spreadsheets.

A lack of OTIF reporting leaves you at a disadvantage to competitors who are offering customers total visibility. Slow, time consuming OTIF reporting can also leave you unable to respond quickly enough. If this key KPI falls below standard, you potentially risk damaging a key customer relationship.

The trouble with spreadsheets

Source: 'Coordinated operational planning: Connecting supply chain, sales, and operations, Aberdeen Group, April 2017





2

Weak traceability potentially puts your business at risk

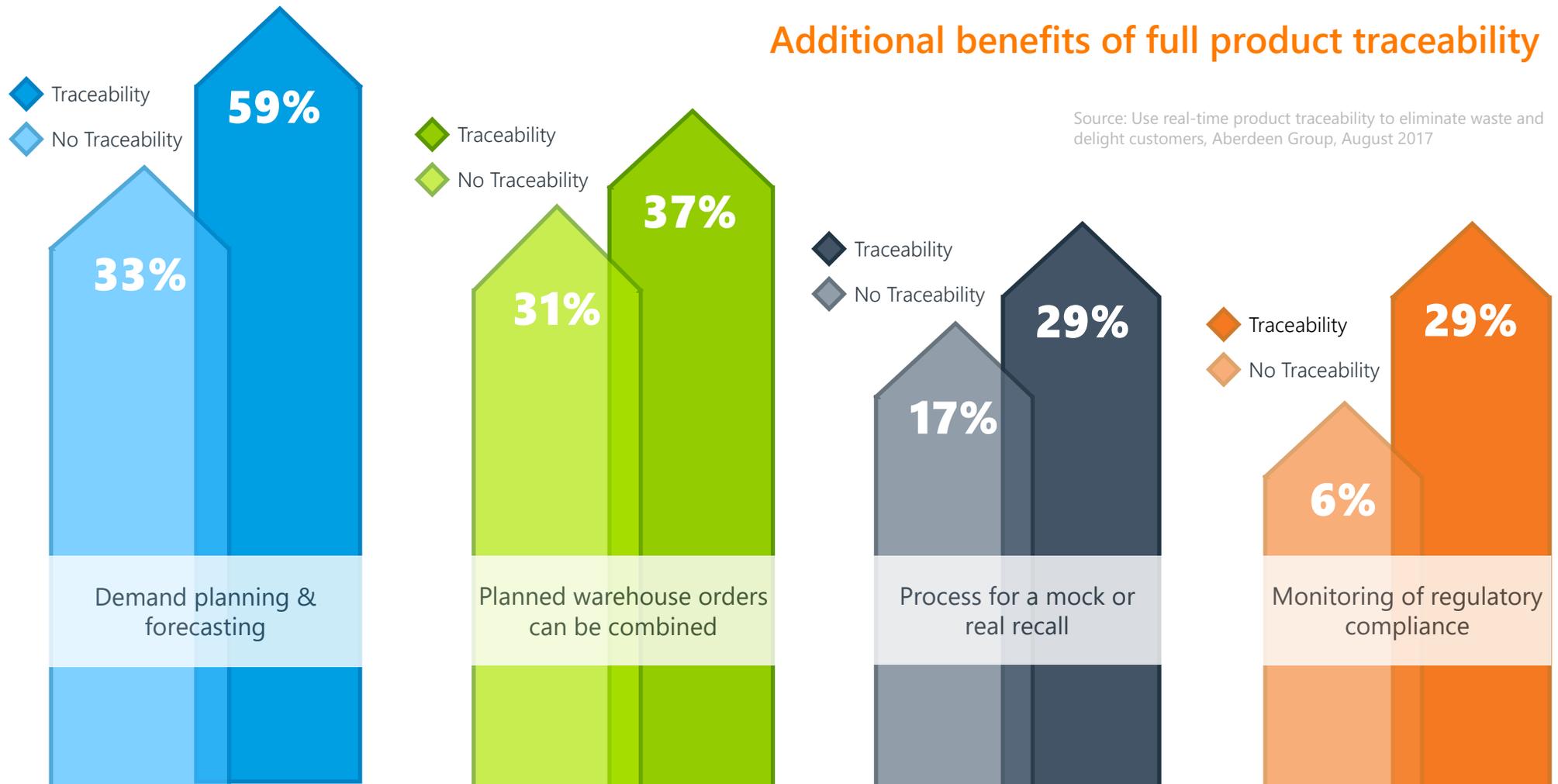
Most building materials manufacturers and distributors need to have full product traceability to ensure they can track and respond quickly to any product issues or defects. Traceability is crucial when it comes to a long supply chain.

Product issues may arise from external sources such as changes in regulation, your own internal production and processes or a result of problems with your suppliers. In every instance, it's vital that you can trace each affected product to limit customer dissatisfaction and ensure customer safety.

Traceability managed in spreadsheets or databases separate to the main processing or production software just creates delays and inaccuracy – and often a lack of confidence in the results. If you can't quickly identify all the building material batches and/or components used to manufacture your finished product – you could lose customers or even put your entire business at risk.

Additional benefits of full product traceability

Source: Use real-time product traceability to eliminate waste and delight customers, Aberdeen Group, August 2017





3

You have no control of your own quality control

Robust quality control and product compliance relies on regular, scheduled product tests taking place at key stages in the receipting and/or production process. Poor quality products can cost you customers (and your reputation) as well as increase your costs (through returns, replacement products and/or potential re-work).

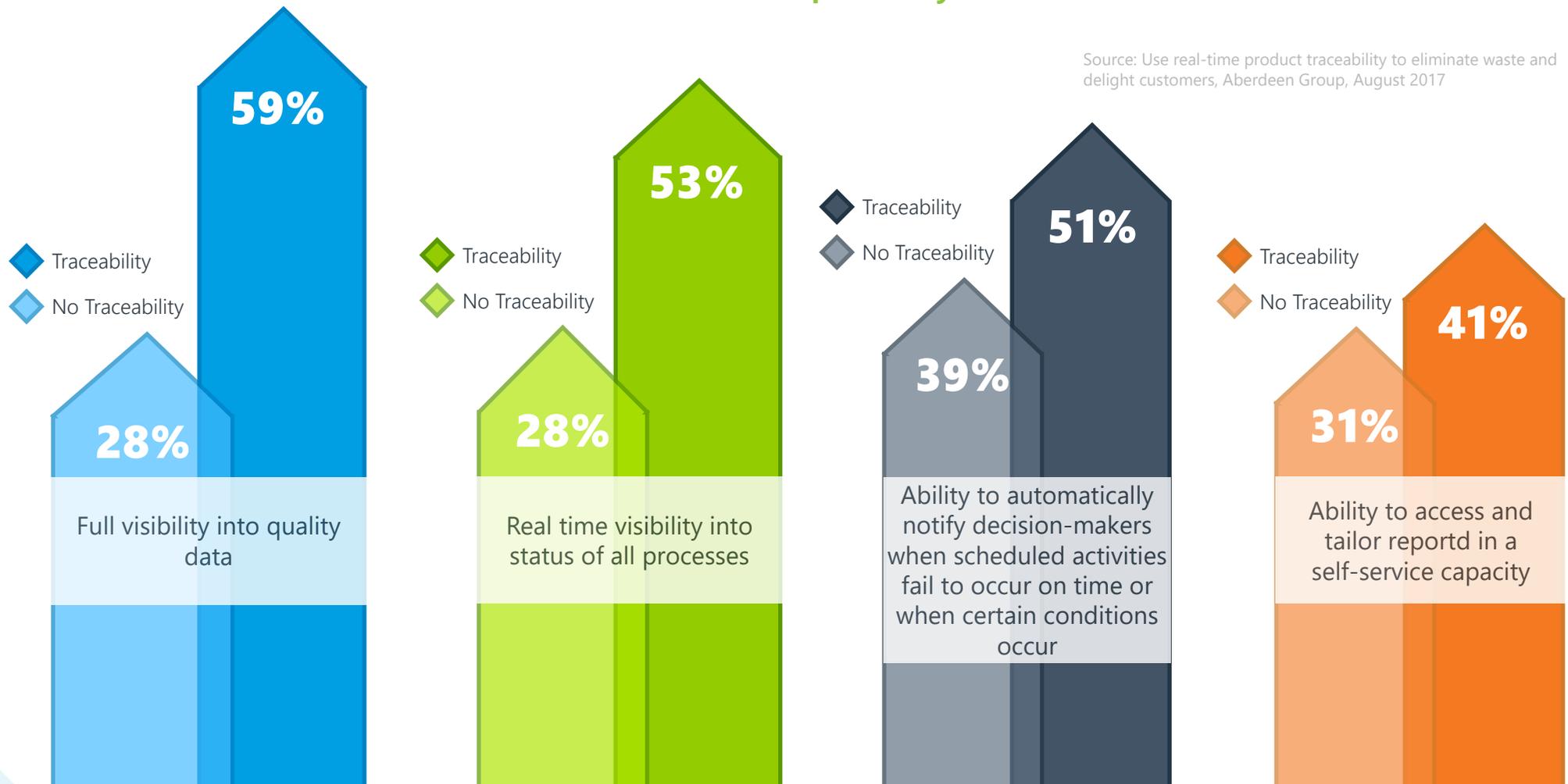
The majority of building materials manufacturers and distributors aim to be certified to the ISO 9001 standard. The standard outlines the requirements for a quality management system, where an organisation needs to demonstrate its ability to consistently provide products that meet the requirements of clients.

Dynamics Building Materials allows you to manage your entire quality process, create rework orders, capture test results and regulate stock to ensure faulty or below specification products don't make it out of the warehouse. It can also help you track/manage machine maintenance keeping the impact of breakdowns to a minimum.

Usually, you will have a variety of instruments that you use for conducting product inspections. It is important that the upper and lower limits for these instruments are properly indicated. Consequently, in calibration registration you can specify how much of a product is to be tested, how the test is to be conducted, who will perform the calibration and what the ultimate limits are in the product approval process.

Benefits of quality control as an integrated part of your core business software

Source: Use real-time product traceability to eliminate waste and delight customers, Aberdeen Group, August 2017



4

You can't take advantage of the latest technologies to put you ahead of the curve

Regardless of whether you trade with the major merchants, Independent DIY retailers or buying groups, the trading channels you need to operate in are being driven by your customers. Electronic Data Interchange (EDI) is demanded by the major merchants and online ordering is being used more and more by the smaller independent merchants, builders, plumbers and electricians.

Whilst you may be driven to implement EDI or online trading to meet the needs of your customers, if you can't also exploit these technologies for your own benefit it just adds complexity and cost to your own operations.

EDI trading partners already supported by Dynamics Building Materials



Dynamics Building Materials provides integrated EDI out-of-the-box i.e. as standard and pre-integrated to the core business software meaning no more protracted, error prone printing and re-keying of orders. And as result, your order processing is much faster, more reliable and at a reduced "cost per transaction".

For high volume products, integrated EDI means you can almost instantly react to varying customer demands. EDI orders are automatically imported into Dynamics Building Materials, passed to the warehouse for picking and are ready for shipping in less time than it took to print the original EDI order and assess the changes.

Additionally, Dynamics Building Materials can provide an integrated trade website that always reflects stock availability as well as customer specific pricing and/ or delivery instructions. Integrated online ordering means a more convenient option for customers and a more efficient and cost-effective option for you. Reducing the need to handle orders over the phone or by email, could be a pivotal factor in your next stage of business growth.



“The buying process online is extremely easy for our customers to use, they have access to technical information and up to date stock information. They can arrange their delivery on a specific day and even delivery to a different address.”

Lauren Young, Procurement Manager,
Eastbrook Company

5

Delivery complications are distracting everybody involved

With many building materials for major construction projects supplied via the merchants, keeping track of consignment stock can be a daily challenge. With the “change of ownership” unrelated to the shipment and receipt process, countless building materials companies end up managing consignment inventory with manual, offline processes. Not only does this slow you down, it creates endless opportunities for errors.

With integrated tracking for consignment stock and customer reserved stock, Dynamics Building Materials will give you complete transparency of the products you have in every location. Helping you to effectively manage stock levels in your warehouse, through your merchants and contractors, as well as enabling you to keep a close eye on what’s been sold. And with Dynamics Building Materials’ integrated handheld solution for the warehouse you can also better manage the movements in your own warehouse(s) to optimise warehouse capacity, drive up productivity and get up-to-the-second information on stock availability and location.



A high-angle photograph of a warehouse floor. A worker wearing an orange cap and shirt is operating a yellow pallet jack, moving a pallet of wrapped building materials. The floor is a light green color. To the right, there are blue metal shelving units with wooden pallets. A large, bright green diagonal stripe runs from the top left towards the bottom right, partially overlapping the text area.

With often bulky products, restricted access for deliveries straight to site and multiple project sites, business software for the Building Materials industry also needs the capability to optimise both loads and routes. In addition, you need to consider delivery restrictions and handle multiple ship-to addresses.

For building materials companies that supply the house builders, you need to be able to manage orders and deliveries with housebuilder-specific product kits by site and by plot type as well as track delivery based on build status.

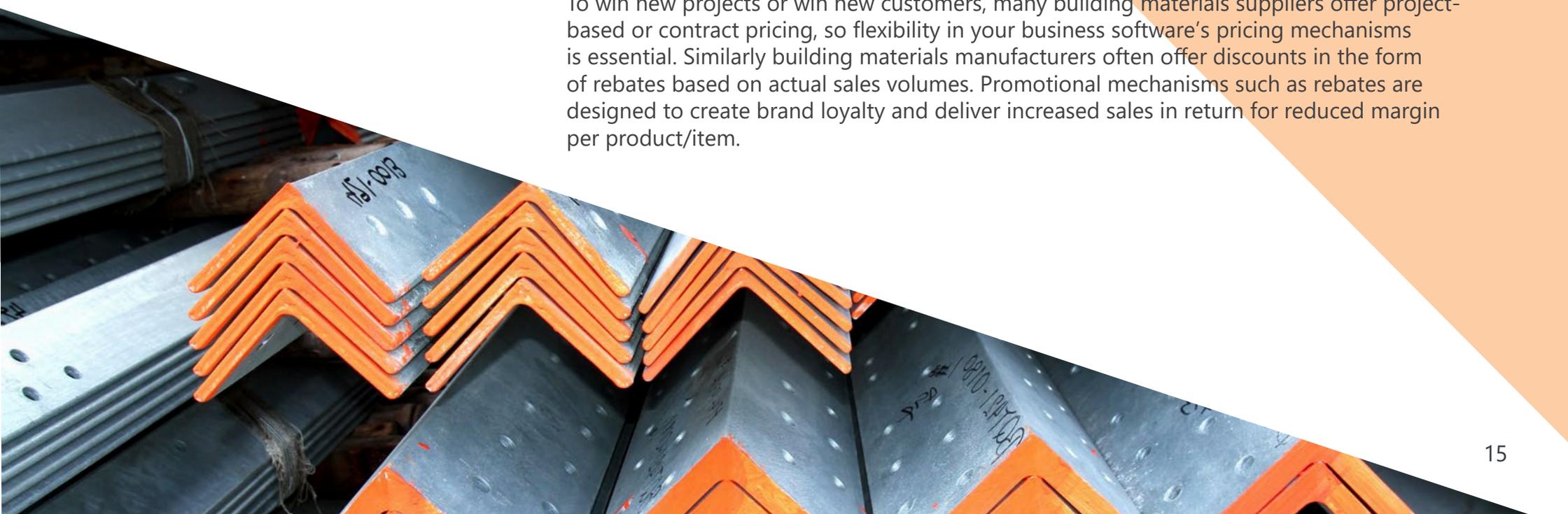
With so many different products, changing delivery locations (on projects) and a multitude of different customer types, ensuring you can reliably and consistently meet your customer's expectations can only be achieved with a single integrated business solution specifically tailored to the Building Materials industry.

6

Promotions, project pricing and contract pricing drives sales but wreaks havoc on profitability

Growth is an exciting prospect for organisations, but only if you're able to manage it efficiently. The possibility of expansion and gaining new customers can create a brand-new set of challenges that your current software might not be able to handle.

To win new projects or win new customers, many building materials suppliers offer project-based or contract pricing, so flexibility in your business software's pricing mechanisms is essential. Similarly building materials manufacturers often offer discounts in the form of rebates based on actual sales volumes. Promotional mechanisms such as rebates are designed to create brand loyalty and deliver increased sales in return for reduced margin per product/item.





However, if you can't easily keep track of project-specific pricing, contract pricing, rebates or other promotional mechanisms in your core business system, it's all too common for the wrong project pricing to be applied or for a promotional offer to carry on beyond its agreed criteria – and your profitability goes down the pan!

With Dynamics Building Materials, you can easily create a whole host of flexible pricing and promotional agreements. This means better management of your cashflow forecast (by accruing for future rebates), easier tracking of qualifying purchases and time-periods as well as being able to measure the performance of all your promotional pricing.

7

You can't capitalise on offering warranties and service contracts



Servitisation - a shift from services that support the product, to services that support the customer and their businesses, from reactive services such as warranties to proactive services such as leasing products or systems, or selling outcomes, not products."

Source: *The Future for Construction Product Manufacturing*, Construction Products Association, October 2016



Offering long product warranties (over and above those of your competition) can improve your sales and boost customer loyalty; as delivering peace of mind is often a winning proposition.

However, if you are considering offering a longer than average warranty to gain market share, you need to be confident that you have the right products that can deliver guaranteed profitability.

You need complete visibility of all customer and technical issues logged for your products. You need to understand the reasons for the issues (they need to be logged against the correct "reason code") and you also need be able to understand the full costs involved in servicing those warranties.

On a more operational level, and especially if you also offer maintenance & repair contracts, you need to have reliable repeatable processes with clear roles and responsibilities for both logging and resolving issues/service requests to improve customer service and drive up staff productivity.

Your core business software requires capabilities like visual dispatch boards and service tasks to help you better allocate work and track open service orders based on their priority and expected response times. Full warehouse integration is needed so warehouse picks can be generated automatically to release items for service jobs. And integral contract management is required to deliver advance notifications when preventative maintenance jobs, SLA deadlines or contract expiries are approaching – so you and your team can act proactively and in time to make a difference.

Delivering warranties and/or service & maintenance contracts impacts your process costs, people costs and product costs so it's essential that you manage them in the most efficient way – and with complete visibility. With Dynamics Building Products you can enhance your warranty and service management processes to build your reputation, increase customer loyalty and deliver profitability.

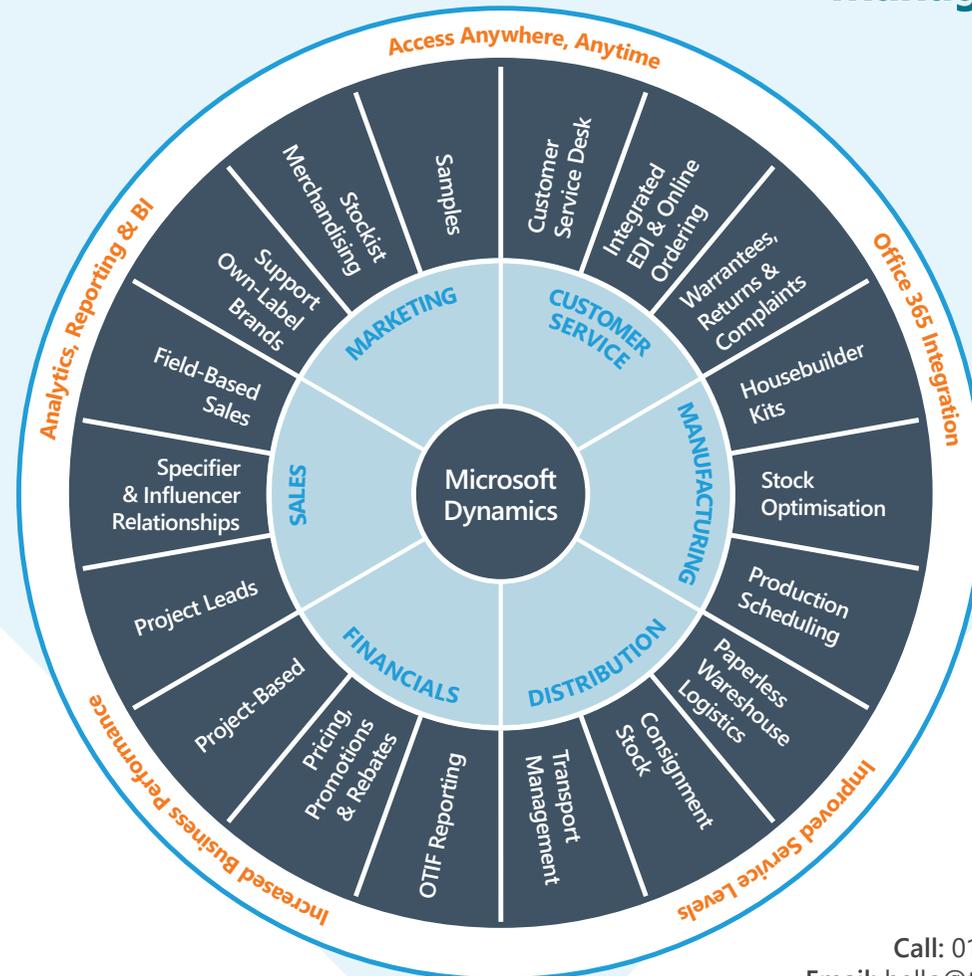
One solution. Complete visibility.



Multiple, disparate applications mean reduced productivity, duplication of effort, high error rates and a lack of visibility. Delivered on-premise or in the cloud, Dynamics Building Materials provides real-time and accurate information throughout your organisation.

Microsoft Dynamics has been seamlessly extended to include building materials industry-specific requirements to ensure your business makes the most of its IT investment. It enables you to effortlessly track every aspect of your business interactions, from specification to quote, production, delivery and cash.

Our Dynamics Building Materials solution already helps organisations like Alumasc Group Plc, Biasi, Charlton & Jenrick, Click Plastics, Eastbrook, Epwin Group (including Permadoor, Profile 22, Swish Building Products and Quay Plastics), Eterna Lighting, Karndean, The MX Group, Selecta Systems, Wade International and Winlock to name a few. Even house builder Persimmon use Dynamics Building Materials for their own product supply business.



Learn more about Dynamics Building Materials & book a place on our Webinar below

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