

# Case Study: Caley Construction Ltd



The Scottish Government has made considerable progress in standardising and simplifying the tender process for suppliers and particularly SMEs, which have communicated to the government over the years that they have found the process of bidding for public sector contracts time-consuming, expensive and sometimes prohibitive.

The Government's introduction of PCS-Tender (developed, implemented and powered by BravoSolution) as a free-to-use, e-sourcing solution across the country, has dramatically changed the lives of the suppliers that have opted to use it. The system has stripped out unnecessary duplication and waste from the bidding process and reduced timescales for contracting authorities. The suppliers that bid for and win the contracts have seen a wealth of benefits: Caley Construction Ltd is one of those suppliers; it has been using PCS-Tender since the platform's inception.

Caley Construction Ltd is one of the leading civil engineering firms in public realm work in Scotland. It is not a large concern, but has more than 30 years' experience in the industry, with both public and private sector clients. It has made a name for itself in environmental improvement work, stonework and grounds maintenance, and infrastructure development projects. With projects extending across Scotland in partnership with local authorities and registered social landlords, the public sector accounts for about 70 percent of Caley's annual turnover.

The most recent tender it won through PCS-Tender was the pathways extension for Glasgow's historic, 143 acre park, Rouken Glen.

## **PCS-Tender broadens the supplier's scope of award possibilities**

The awarding Council, East Renfrewshire, has used the PCS-Tender system for three years, issuing the first tender in March 2013. The Chief Procurement Officer, Diane Pirie, advised that all contracts are issued through the system. "The Scottish Government provides many modules of PCS-Tender and we make use of all of them – that is how we derive best benefit. The government is dedicated to encouraging an improved, joined-up, more efficient procurement process for local authorities and our suppliers, and provides us with the tools to help make that happen. PCS-Tender is updated by Scottish Procurement to reflect legislative changes, therefore the council is creating tenders with up-to-date information, so it makes sense to take advantage of this and the other benefits – making it easier for suppliers to bid is one of them," she explained. "As a council, we only accept a bid that comes through the system – so it's in suppliers' interests to use it if they want to open up their field of possibilities."

Many local authorities are now working in this way across Scotland, with more and more SMEs opting to use PCS-Tender. Historically, smaller suppliers have been deterred from using the system, through uneasiness over process change, complexity and the time needed to learn a new system, however, as Diane points

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out: “It does mean there is a certain amount of behaviour change needed for both suppliers and buyers. For example, we took the decision to go from creating tenders in MS Word and uploading them, to populating them online – it was a total change for us, but it has had a tremendous impact on our efficiency. You have to learn to consider the system as something more than just a document exchange mechanism to get the full benefits. With new capabilities becoming available, such as Supplier Management, Contract Management and Performance Management, making use of all the capabilities allows for a more streamlined, transparent and efficient process.

“We do understand the hesitancy that some suppliers might have, and we have had concerns ourselves sometimes that smaller suppliers may not bid for some of our contracts, so we have made it clear that they have simply to contact us or the BravoSolution Helpdesk and we will assist them with the process. Some of our existing suppliers do tell us that they have found the system perfectly easy to use, and, in fact, it has brought them much-needed savings in terms of time and effort.” Caley Construction’s experience is a good example.

## **Caley Construction finds using PCS-Tender an intuitive, step-by-step process**

Claire Hughes is Administrator within the Accounts function at Caley Construction. It is her job to check the portal for relevant tenders, populate the questionnaires, ensure compliance has been met and check for accuracy and completeness before submission. “This system is incredibly simple,” she said. “I search for keywords, such as, maintenance, landscaping or civil engineering, and I am presented with a list of tenders that fit our capability. I open the adverts that are of interest to me and there is a description of the job. Then I can decide whether to express an interest. It cuts out the waste, for example, it only shows me

those tenders that fit our parameters, so it wouldn’t bring up electric works, or tenders of an amount above our threshold. It’s quite targeted and saves a lot of time in the search phase.”

Once Claire has found a tender for which she would like to express an interest, the system takes her intuitively through the process. The job is added to her personal list of tenders, and in the same place she can open every document pertaining to that job, like bill of material, drawings, contracts, specifications, and so on.

“We love the automation,” she said. “The system is fool-proof: it tells you exactly what you need to attach, and by when. In an easy step-by-step process, you just click and attach your documents, at any point it informs you of your progress, highlights any questions you haven’t yet answered, and double checks everything for you. You can’t make a mistake, or miss anything out, or miss a deadline – it gives you complete peace of mind.”

## **Standard PQQ\* is the biggest efficiency**

PCS-Tender has a built-in standard questionnaire, with questions relevant to the capability and suitability of the potential supplier to perform the contract. If Caley Construction had to choose one thing that has transformed the bidding process for them, then it is this.

“The standard PQQ is a godsend: it is a structured questionnaire backed up by evidence. It is simple to fill out, often just a tick-box, Yes/No exercise, and once you’ve populated it with your standard answers, you never have to do it again. So things like company registration details, your profile, contact details etc, and your accompanying certificates, like H&S, insurance, environmental certificates, all that is stored and pulled into your next tender, creating much less work. You can upload as much as you want, you just click and attach, at any time in advance of the submission deadline, so you don’t have to worry about remembering to do

\*Please note that as of 18th April 2016, the SPQQ was superseded by the European Single Procurement Document (ESPD). Similar in functionality and purpose, the ESPD is a standard form for use by all EU member states, which replaces pre-qualification questionnaires, and should make the process of bidding for a public contract easier. Its purpose is to remove some of the barriers to participation in public procurement, especially for SMEs.



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working on 10 tenders all with different councils). The responses are straightforward and the system constantly saves your answers. Having got so much out of the way in advance, all you have to do each time you want to bid is remember to update any certificates that might have expired, populate the fields that ask for your experience that qualify you to do the job (as that is specific to each tender), confirm that you are eligible, and attach any related documents. Then you press a button to submit it by 12 noon on submission day.”

“If we weren’t using the system, we would have to collate all our paperwork, get it ready to post and make the physical trip to the post office; we would have to factor in the time for delivery, and hope it gets there on time, and that there are no slip ups. We would of course have to make full copies of everything – in triplicate! Prior to all of that, we would have to have it all ready in advance so we could check it all carefully before sending. And then of course, there’s the filing. Believe me, we’ve been there – it takes a lot of time and a lot of stress. So PCS-Tender is definitely the way forward.”

#### **Automation, organisation and compliance go hand-in-hand**

The system has transformed the way Claire works in other ways too. All tenders are stored and allocated a number, with deadline dates.

“You can check daily or as often as you like for an update of where you are with each tender. This is useful when you have a lot of tenders on the go at the same time. It forces you to be organised; I choose to work on each tender in deadline date order, which is how they are stored. It also makes you naturally compliant, because it won’t let you forget anything.”

“You can also check out new tenders, and get automatic alerts if anything changes, like budget or tasks being postponed to be performed later, so you are always up-to-date. If you notice something by the same buyer, it can show you what you’ve already sent them – it’s incredibly useful.”

All the functions point to time saving and compliance. But one other feature of the system stands out for Claire which gives her another head start.

“It’s also a very good messaging system. If you have any questions pertaining to a job or just something you are not sure about from the advert – for example that might be about metrics and whether they mean metres or inches (something you can’t afford to get wrong and affect the pricing) – you can get quick answers via the portal, no wasting time on the phone. And because it stores and tracks all answers, you can see the answers to questions other suppliers might have picked up on, that you might have missed – so you all get the same information at the same time – it’s a much fairer playing field.”

#### **SMEs will be able to bid for more tenders**

SMEs are often deterred from bidding, especially for larger contracts, because of the amount of time and resource required. There is also the fear of wasted effort, since larger contractors are able to under price jobs, offsetting them against others. It’s a tricky balance for SMEs to get the bidding right. As Claire has witnessed:

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“The way I look at it is this: we, or any SME, can be working on 500 tenders a year; we know we will win 50 to 60 of those jobs, that’s about 10 percent of the tenders we put in for. That’s a lot of work for the 90 percent you don’t win, especially if you are doing it manually. So what’s the answer if you don’t want to lose out? Your response is to bid for more tenders. But you can only do that if you have an efficient process where manual input is minimal.”

Diane, from East Renfrewshire Council, fully endorses the Government’s drive to make it easier and fairer for more SMEs to bid for government contracts.

“There’s one myth we need to dispel,” she says. “It has long been the concern of some suppliers that the buyer is able to open their bids and see details, especially the price. But this is not the case – it cannot be done. This is a locked-down system with security and an audit trail in place to make this impossible. The buyer can only see the submitted responses after the closing date and time has passed, and for added transparency the commercial aspects can only be viewed once the Technical evaluation has been completed.”

“We will be seeing new public procurement regulations coming into force, which will promote sustainability, community benefits, and working with and supporting small suppliers. It is in the interest of councils to package tenders in a way that makes it easier for more small suppliers to bid. Large companies are likely to have dedicated people writing bids, but smaller companies might have one person who does everything. The tendering process can be viewed as burdensome in some suppliers’ eyes and it stands to reason that small companies don’t bid for as many contracts as the larger ones. However, PCS-Tender aims to address this through the standard pre-qualification document (SPQQ) and the electronic vendor management (eVM) facility. This will reduce the need to repeat standard information and make it easier for small companies. It means they need only submit the majority of their information once, and can bid

more often without worrying about taking up valuable time and resource.”



## About BravoSolution

**Leverage Proven Global Results** - The best procurement teams in the world partner with BravoSolution to create unrivaled advantage and outperform desired results. Today, 100,000 purchasing executives across 70 countries and 700,000 suppliers globally rely on BravoSolution products and services.

**BravoAdvantage™** - BravoAdvantage is the strategic procurement platform that enables organisations to generate more value, influence innovation and reduce risk. Powered by a unique supplier-focused approach that integrates supplier lifetime value throughout the entire procurement process, BravoAdvantage provides the visibility, insight and transparency required to power and improve every procurement initiative and decision. Benefits of BravoAdvantage include full lifecycle process support that increases maturity, integrates both strategic & tactical processes, and enables cross-functional collaboration.

## Engage a team of Global Procurement Experts

BravoAdvantage is powered by the combination of a team of global procurement professionals with years of practitioner experience and cutting-edge, proven processes designed to help with organisational transformation and management, implementation, adoption, support, and procurement strategy.

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