



## East North East Homes Leeds (in cooperation with Sourcing Vantage)

*A cornerstone of the Sourcing Vantage offer is the ability to deliver procurement policy and strategy as well as services such as e-Procurement and e-Auctions. The company recently worked with East North East Homes Leeds (ENEHL) to help them achieve their spend management goals.*

### The Challenge

With the recent economic downturn, many public sector, government, and not-for-profit organizations have been required to do more with less and to re-think their spend management strategies. East North East Homes Leeds (ENEHL) is no exception.

The ENEHL team needed help with its cost reduction initiatives and turned to David Turner, of Sourcing Vantage, to assist. Many of the commodities that ENEHL purchased for the housing sector—such as brassware, external, and internal doors to name just a few—had never been previously competitively tendered. With approximately 20,000 properties that required replacement parts, the opportunity for savings was significant.

A mandate was put into place in the summer of 2009 that required the team to competitively bid the commodities in order to reduce the cost of its goods and services. Because the procurement team did not have a tool in place to expand upon, they looked forward to gaining exposure to more-modern procurement methods. They knew that they needed software to achieve their cost reduction goals, and decided to look at several companies on a competitive basis to determine the best fit.

### The Solution

The ENEHL/Sourcing Vantage team selected Ariba and the Ariba StartSourcing™ solution over the other vendors for several reasons. Mr. Turner had previous experience with using Ariba solutions and knew that experience would be beneficial.



*“Ariba StartSourcing has excellent functionality, is very easy to deploy, and the fact that it is on demand helps because you don’t have the issue of any necessary IT resources.”*

David Turner  
Sourcing Vantage

He also knew from his firsthand experience that Ariba solutions were easy to use and quite intuitive—both factors that were important to the team. Ariba was also well-known in the marketplace, which facilitated talking with suppliers. Since many suppliers had already used Ariba solutions, training and acceptance would be much easier than with an unfamiliar solution. The fact that Ariba StartSourcing did not require assistance from consultants and could be easily used on a self-service basis was also extremely attractive to the team.

Because ENEHL had not done e-auctions previously, they decided to implement Ariba StartSourcing on a proof-of-concept basis. The first items that were put through Ariba StartSourcing were a combination of design and print services for the ENEHL tenant magazine, which is distributed to all tenants each month. Several other events have been implemented since, with plans in place to conduct capital procurement projects such as kitchen replacements in the near future.

### **The Benefits**

The team has gained significant cost reductions since it began to use Ariba StartSourcing—achieving approximately 18 to 20 percent savings depending on the commodity. According to David Turner, the results have been shared with the board and have—consequently—stimulated a great deal of interest in the tool.

“Ariba StartSourcing has excellent functionality, is very easy to deploy, and the fact that it is on demand helps because you don’t have the issue of any necessary IT resources,” said Turner. “And the pricing model is competitive and makes it easy for clients to initiate Ariba StartSourcing on a trial or proof-of-concept basis,” added Turner.

With such overwhelmingly positive results to date, the team plans to expand the spend management footprint to drive additional savings and improve productivity whenever it is practical to do so going forward.

*“The pricing model is competitive and makes it easy for clients to initiate Ariba StartSourcing on a trial or proof-of-concept basis.”*

David Turner  
Sourcing Vantage

### **Lessons Learned and Future Plans**

The team has acquired several best practices based on the success that they have achieved to date. First, they suggest identifying the commodities to put through—before starting the program—and starting off with some low-level commodities. Pushing the less-complex commodities through in the beginning allows the organization to gain necessary experience while obtaining some solid results.

Secondly, they suggest promoting the success throughout the organization to gain excitement and interest while putting Procurement on the corporate map.

Because of the substantial gains that the team has achieved with Ariba StartSourcing, its next phase includes moving to Ariba Sourcing™—for even-more flexibility with its strategic sourcing projects.

### **About Sourcing Vantage**

*Sourcing Vantage Ltd is the exciting joint initiative of David Turner and Douglas MacKellar who identified an opportunity to launch a new sourcing and procurement service that makes full use of their comprehensive business and procurement experience.*

*Sourcing Vantage can offer a complete and deep sourcing and procurement service covering an extensive range of commodities and services covering both private and public sector clients.*

*A cornerstone of the Sourcing Vantage offer is the ability to offer procurement policy and strategy, as well as services such as helping clients with cost reduction programmes and the implementation and delivery of solutions such e-Procurement and e-Auctions. [www.sourcingvantage.com](http://www.sourcingvantage.com)*

### **About Ariba, Inc.**

*Ariba, Inc. is the leading provider of on-demand spend management solutions. Our mission is to transform the way companies of all sizes, across all industries, and geographies operate by delivering technology, service, and network solutions that enable them to holistically source, contract, procure, pay, manage, and analyze their spend and supplier relationships. Delivered on demand, our enterprise-class offerings empower companies to achieve greater control of their spend and drive continuous improvements in financial and supply chain performance. More than 1,000 companies, including more than half of the companies on the Fortune 100, use Ariba solutions to manage their spend from sourcing and orders through invoicing and payment. For more information, visit [www.ariba.com](http://www.ariba.com).*