



TRI-STAR CONSTRUCTION PTY LTD

CASE STUDY

Industry:

Construction. (B-BBEE level 3 status)

Client:

Tri-Star is a construction company that specializes in commercial, retail, industrial and multi-unit housing developments, refurbishments and extensions. The business started in 1979 as a painting and renovating business, but less than 20 years later grew to provide expertise in construction. As the business grew, Tri-Star recognised a need to launch Tri-Star Plant and Equipment.

Tri-Star has completed over 370 construction projects and their teams are currently working on projects from R40 million to as large as a R300 million project developing luxury apartments for a client near East Gate; development of RDP houses and Walk ups for ValueMax in Dainfern; and the glamorous Infinité apartments in Bedfordview.



BuildSmart and Candy have been our cost accounting and estimating software solution for more than 10 years. It forms an integral part of the effective management of our company and with accurate cost accounting and management against pre-determined allowable being the core of our industry, we simply can't operate efficiently without this system. RIB CCS is a necessity, not a luxury

Pieter Swanepoel, Financial Director
Tri-Star Construction Pty Ltd



The Challenge:

Tri-Star wanted to expand their business. In the construction industry, as much as 85% of costs are driven by sub-contractor fees, labour and materials. Hence real-time cost management is essential to enable business growth and scaling.

They had also been experiencing challenges in maintaining effective real time communication with their multiple sites which in turn was impacting their real time reporting and the accuracy of those reports. As with many construction professionals, reports are absolutely time critical and a prolonged process to generate them often resulted in the report being out of date (or perhaps too late) once received to be able to take any effective preventative rather than remedial action.

Why they engaged RIB CCS

RIB CCS was selected as the preferred partner for its expertise in the construction industry as well as its proven capability to integrate software solutions seamlessly to maintain the integrity of existing projects. Tri-Star management knew that RIB CCS would put the company's business needs first, then identify the technology solution to best fit that need.

What they asked us to do

Audit the existing ERP system and business processes

Better align its construction and technology processes for greater accuracy across projects

Improve project monitoring to provide the construction management team with accurate data on money and time (actual versus allowable)

Identify areas where efficiency could be improved to positively improve project outcomes

Implement BuildSmart and integrate fully with Candy

The Solution:

RIB CCS analysed the business need then implemented a real-time operational and cost management solution.

RIB CCS consultants integrated both Candy and BuildSmart to streamline business processes and enable real-time management of projects with seamless cost versus allowable, and financial reporting.

Tri- Star uses both Candy and BuildSmart simultaneously, focusing on:

Candy Estimating, Planning, Forecasting, Cash Flow, Valuations & Subcontract Management

BuildSmart Accounts and Site costing

BuildSmart Procurement and Materials Costing

BuildSmart Stock and Inventory Management

BuildSmart Plant Management, Maintenance and Costing, Yard Stock

BuildSmart Sub-Contractor Management

The Result:

Installing RIB CCS's Complete Solution meant that Tri-Star has a software solution that seamlessly integrates the cost management across all areas of the business. As cost control is paramount, this has had a significant impact on the profitability of Tri-Star's business. The company:

- Achieved real time monitoring and accountability - Candy also enables Contract Directors to move quickly around a site capturing measurements in a single click. Tri-Star have now optimised this system so that the Contracts Director can link those measurements and quantities to immediately calculate deductions.
- From a procurement perspective, the integration between Candy and BuildSmart has had immeasurable impact. As 85% of costs are driven by procure to pay and sub-contractor fees, Tri-Star now run all costs through BuildSmart against the contract allowables from Candy using the BuildSmart Procurement and Materials Costing. Ensuring no mismanagement of costs and preventing overspend.
- Control! Control! Control! The right software has given them an intimate level of understanding of budgetary amounts, quantities, rates and actual costs. The integration of end-to-end data has meant their reporting is available as and when required and without input or processing delay. Thus, bringing all the key role players in the company together, to make informed decisions, from a complete holistic view of the project costs, allowing for quick management decisions.

Overall, Tri-Star Construction Pty Ltd recognise that this level of insight is the only way a business in the construction industry can remain sustainable. This kind of control means the business can be better managed, with better control, operate more efficiently with reduced risk, resulting in increased profitability.