

Case Study

Centralizing and Enriching Supplier Master Data **for** **Efficiency and Transparency**



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Context and Background



Website: **www.edfenergy.com**

Revenue: **Over £8 billion**

Employees: **Over 11,000**

Industry: **Energy**



About EDF Energy

As a leader in low-carbon energy, EDF Energy is part of the EDF Group, which covers multiple areas of expertise, from energy generation to trading and transmission grids. As a leading industry operator, EDF's mission is to deliver competitive solutions that successfully reconcile economic growth with climate protection.

As Britain's biggest generator of zero carbon electricity, generated via wind, nuclear and solar sources, EDF works in partnership with its suppliers towards helping the UK to cut its carbon emissions to zero.

Centralizing and enriching Supplier Master Data for efficiency and transparency

EDF Energy, one of the UK's largest energy companies and the largest producer of low-carbon electricity, had an urgent need to rationalize their supplier master data, which was creating much redundant effort and leading to a lack of visibility of their supplier information. EDF wished to centralize their supplier master data, enrich the data, ensure compliance, and syndicate supplier information to the appropriate systems.

Challenges



Lack of data consolidation

Greg Brown, EDF's Head of Procurement Directorate:

“What we wanted to do was to harmonize the master data where it existed in duplicated form without impacting our internal business.

The de-duplication of information, without having an impact on internal business transactions, was probably the biggest challenge.

We invested a lot of time getting that right. We would find outstanding purchase orders with one supplier but then find that the supplier in question had been closed down in favor of another supplier which was exactly the same thing – but how do you manage that? It has to be right first time or it's wrong and you're left with it.”

Lack of supplier oversight

For EDF, it had become critical to be able to monitor their supplier base for compliance and achieve full transparency. Areas such as supplier compliance issues and risk were more important than financial considerations.

Adam Hubbard, Supply Chain Governance and Performance Manager:

“We need to run reporting that shows us which suppliers we have and which suppliers are able to work for which business. We have to understand first how many suppliers there are, and then they need to be onboarded for each business unit and to go through the risk assessment specific to that business unit.”

The Solution

HICX deployment overview



Current processes handled

Supplier
Discovery

Supplier
Onboarding

Supplier
Changes

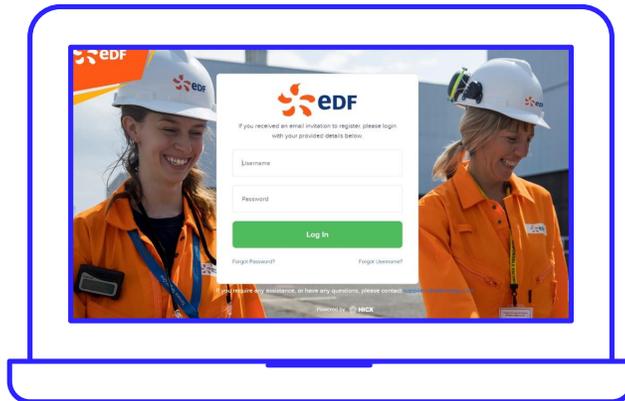
Supplier
Comms

Manage Risk
/Compliance

Manage
Documents

Reporting

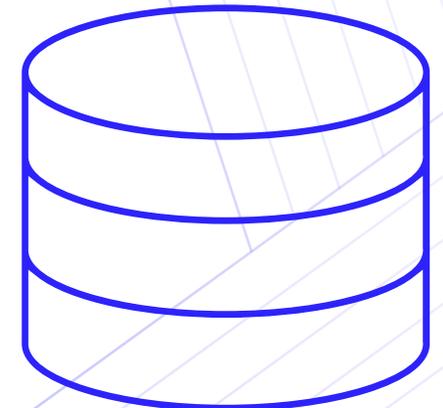
Master Data
Management



Supplier portal



EDF Energy user portal



ERPs

Dedicated Supplier Portal



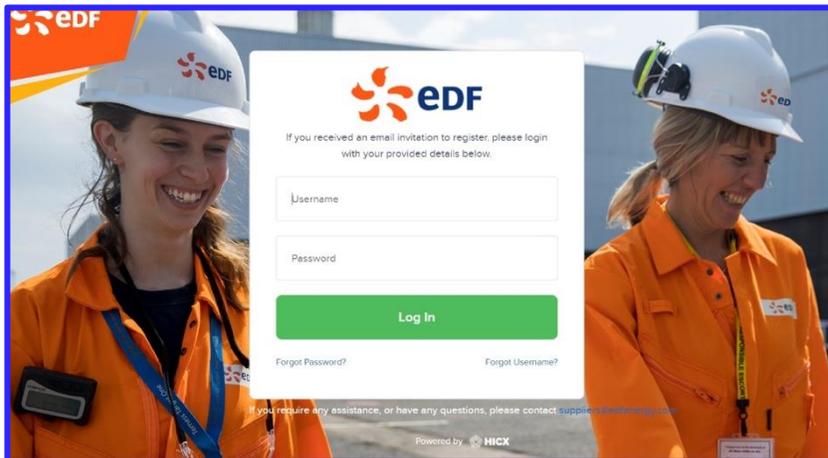
With HICX Supplier Portal, EDF suppliers can upload appropriate insurance documents or Health and Safety certificates, such as OHSAS 18001. These are then visible across the group. This is simpler than email or written questionnaires and allows EDF to immediately analyze responses according to whatever other metadata is stored about the suppliers – category, spend, risk, or anything else.

Adam Hubbard, Supply Chain Governance and Performance Manager:

“HICX is one of only two systems that we used in supply chain that is properly embedded across all of our five different businesses. We use HICX to make a very consistent onboarding experience for our suppliers, while really focusing on what's important within each of those business units. That's why it's really key for us to have a central system that's managed consistently across all of our suppliers.”

Greg Brown, EDF's Head of Procurement Directorate:

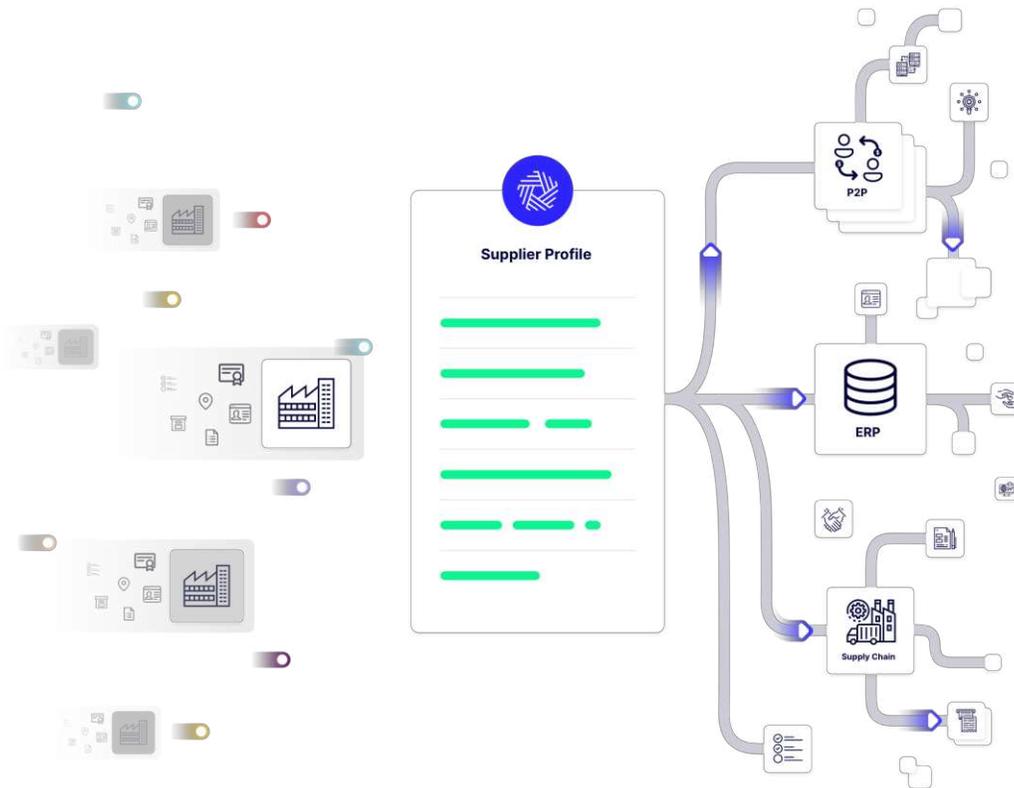
“Historically, I'm very aware we were sending out things like health and safety questionnaires with each business unit asking for the same stuff but in a slightly different way. This was obviously adding massively to the burden within the supplier organizations.”



Supplier Data Management



By leveraging HICX's master data management, EDF Energy now has a single source of truth with automated real-time data collection and validation which ensures no duplicate supplier data is entered.



Adam Hubbard, Supply Chain Governance and Performance Manager:

"It's very easy to gather the right information at source when setting the supplier up. Two or three years down the line, when they have had different people looking after us as a client, details have changed and, especially if someone is leaving their job, the chances of remembering to update 20 different customer systems, combined with the fact that you're leaving and someone else is taking over, are slim."

Risk Categorization



With HICX, EDF Energy was able to develop a category risk matrix which automatically calculated risk of each supplier and which was then used as part of the qualification process.



EDF has over 1,600 product service categories which carry risk in relation to areas such as human rights, the environment and anti-corruption. Categories of risk depend on the particular supplier and the environment in which the goods are delivered. All of this is now automated and calculated in real-time during the onboarding process to determine which actions and authorizations are required.

Notably, EDF Energy has been able to tackle financial risk and financial crime. The way in which they have done it has **“allowed them to create clear models that can be replicated across other areas,”** Adam Hubbard, Supply Chain Governance and Performance Manager, explains.

Outcomes



- ✔ Simple and straightforward onboarding
- ✔ Specialist teams (e.g. risk, data, credit, financial crime) can check for relevant standards at exactly the right times
- ✔ Validations, such as via third party data punch outs help maintain the accuracy and integrity of the data on an ongoing basis
- ✔ Risk and business impact can be calculated in order to drive real-time decision making
- ✔ Ability to engage with suppliers about specific initiatives
- ✔ Rapid, mass communications with suppliers during times of crisis or disruption
- ✔ Greater collaboration and synergy between EDF and suppliers

Greg Brown, EDF's Head of Procurement Directorate:

"The opportunities that come from the consolidation and enhancement of data can have a healthy impact."

Adam Hubbard, Supply Chain Governance and Performance Manager:

"During the early COVID pandemic, we were able to send out communications through HICX to our supplier base very easily because we already had that single database of our suppliers and their contact details. There was no need to collect the data manually and waste time on finding out who is the best person to contact."

The wider value for EDF Energy



Since the implementation of Supplier Information Management, new opportunities for improvement and value creation have been identified across the organization.

The system delivers substantial time savings and has helped foster collaboration and synergies between EDF and their suppliers by providing a common basis for discussion.

Adam Hubbard, Supply Chain Governance and Performance Manager:

“With Net Zero sustainability goals, the Modern Slavery Act 2015 and changes due to Brexit, we're constantly coming up against new requirements, new potential risks and new issues. HICX provides us with that place to add these new requirements onto, which is a good place to be, having a really good core structure and then being able just to add on stuff as needed.

One of the things I've inherited coming into EDF is properly engaged supply chain team and that has been enabled because of HICX.

I've also seen some of the larger source to pay systems and what they can offer, and frankly I think they would struggle to do what we do in HICX.”

About HICX

Who are we?

The HICX Supplier Experience Management platform enables businesses with thousands of suppliers to efficiently on-board and manage the end-to-end lifecycle of all suppliers, to achieve a single version of truth for all supplier data, and to remove the friction from supplier relationships. Some of the world's largest companies, trust HICX for the management of their supplier data, these include Unilever, Mondelez, Lenovo, Baker Hughes, Orkla, BAE Systems and EDF Energy.

The Leaders in Supplier Experience Management (SXM)

Supplier experience refers to all the interactions that take place between an organization and its suppliers. **Supplier Experience Management (SXM)** is the practice of creating the conditions in which a buying organization and all of its suppliers can achieve mutual success together.

Costas Xyloyiannis, CEO of HICX:

“SXM, for me, it’s more around creating a one-to-one approach to every supplier. At the core of SXM is a data topic. The true benefit for large organizations embarking on the SXM journey is solving the massive data challenge which they have today. Without strong data, you cannot be efficient. Experiences are now fully digital. The philosophy here is that better experiences create better data and better data creates better experiences.”

Click [here](#) to find out more about SXM and the benefits it can offer your organization.

