



Joined-up e-Procurement, One-Step-at-a-Time

best practice for purchasers and suppliers
in public sector e-procurement

brought to you by

The Imaginist Consortium

The Imaginist Company
Lindale House
35 Sunnydale Gardens
London NW7 3PD

Tel: 020 8201 1478

Email: results@imaginist.co.uk

Website: www.imaginist.co.uk

e-Procurement *has to be in place in every local authority by 2005.*

In itself, e-procurement is just a set of systems and online tools that can be combined in a number of ways to enable local authorities to achieve better, lower cost procurement.

But it seems to be more difficult than that. Why?

Well, what have you got today?

- **Costly bureaucracy** – cumbersome paper-based requisition, approvals and invoice-matching processes still prevail in most councils. The sourcing to payment cycle involves lots of paper and costly manual processes.
- **Departmental 'tribalism'** – in most councils procurement is devolved, so departments control their own budgets and manage their own spending. Local decision-making is seen as essential – which is appropriate for some service delivery-related spends but not for everything. Centrally agreed contracts with preferred suppliers tend not to be used.

The result? Little useful management information, commitment accounting or control of spending until it's too late. So a change is needed.

Okay, so what should it look like?

- Everyone using an electronic ordering system from their desktop, which provides useful management information. This enables smarter buying decisions; faster processes for buyers, no paper to slow things down; achievement of cost and efficiency benefit targets.
- The authority is better able to use its spending 'clout' to get better prices; devolved ordering replaces devolved contracting; there is agreement on when decision-making needs to remain with local managers to reduce risk eg social services.
- More informed and targeted use of local suppliers and links to community plan targets eg to involve more BME-owned businesses.

How are you going to achieve this?

Experience shows that simply imposing control from the centre does not work - it challenges the ability of the front line officer to make service delivery decisions and that is rightly regarded as a priority.

Departments are the experts in their own domain and will resist losing control of their spending.

So conflict is inevitable, isn't it?

Well, no. We can help you achieve the benefits of e-procurement and avoid the pitfalls, **One-Step-at-a-Time**.

What is One-Step-at-a-Time?

One-Step-at-a-Time is a simple but effective approach to e-procurement for public sector organisations. This approach ensures 100% take-up of e-procurement and rapid cost-benefits to both purchasers and suppliers.

One-Step-at-a-Time means that you will achieve your IEG e-procurement targets, quickly and without a huge investment.

One-Step-at-a-Time comprises:

1. Supplier analysis and impact assessment
2. Business case
3. e-Ordering
4. Alignment
5. Implementation
6. Ongoing savings

You can choose to use all the features of **One-Step-at-a-Time** or to 'pick and mix' as your requirements dictate. We recommend that you use our experts from day one to guide you – they will pay for themselves several times over within months.

Who are we?

The Imaginist Consortium is an informal alliance of 'best of breed' independent specialist companies with a track record of innovation and success, that co-operate under the leadership of **The Imaginist Company** to deliver joined-up e-procurement, **One-Step-at-a-Time**.

Over the past 2 years we have been responsible for developing and publishing best practice in e-procurement supplier adoption for the Office of Deputy Prime Minister's Local e-Government National e-Procurement Project. A wealth of published material is available on our website: www.imaginist.co.uk

We have the knowledge and experience to help you achieve the targets being set by government, at a cost that's affordable and quickly recovered out of cost benefits.

See the back pages for a list of **Imaginist Consortium** companies.



*Peter Duschinsky,
Managing Director,
The Imaginist
Company*

*Here are the **One-Step-at-a-Time** steps in more detail and how the Imaginist Consortium companies combine to deliver it*

1. Supplier Analysis and Impact Assessment

We carry out an analysis of your suppliers using the data from your financial ledger. This identifies the immediate opportunities to influence department spend behaviour and make immediate savings.

As part of the analysis we also assess the potential impact of e-procurement on your local business community, identifying the local SMEs that would be at risk from rationalisation, so that you can develop a procurement strategy linked to your community plan as required by the National Procurement Strategy. We have the expertise to guide you through the legal and policy issues surrounding this complex area.

→ **Imaginist, Exor, SpikesCavell, Local Futures**

2. Business Case

We use the supplier data to help you develop your business case for a low-cost e-procurement solution that will bring you rapid benefits. This includes benchmarking of current costs to understand where the 'low-hanging fruit' savings lie and helping to form an implementation plan to gain these. This will be essential to ascertain the performance improvements that will need to be proved for future CAPs. If you are a District we use our expertise to help you develop a collaborative approach with neighbouring Districts and perhaps the County. If you are a larger Borough or Unitary, we look at the benefits of collaborating with neighbouring councils and other public sector organisations in your area.

One of the secrets to success in developing a business case is obtaining buy-in and commitment from the organisation. We help to identify where process time savings can be translated into real improvement in meeting service delivery targets, securing the support of key spending departments for change.

→ **Imaginist, Evaluate, SPS**

3. e-Ordering

We help you plan and quickly take the essential first step - the relatively small-scale change from manual requisitioning to an online free-text ordering system. This provides real trading data within months, from which you can start to influence and improve your organisation's buying efficiency.

The e-ordering system automates the purchase order and approvals process; capturing your transactions and passing commitment accounting data through to your financial management system.

Initially, buyers will continue to use the suppliers they like using, and suppliers will not notice any difference. The buyer and supplier 'road-blocks' to roll-out disappear. In most implementations the first cost benefits will come within months, paying for further improvements.

The technology can be provided by your financial systems provider or by a marketplace provider – as independent consultants we would help you source the best solution for your needs. Where a longer-term solution is planned which will provide full end-to-end capability, we might suggest an interim solution to get those 'quick wins'.

→ **Imaginist, @UKPLC, Evaluate, SPS**



4. Alignment

We have found that the conventional way local authorities have attempted to implement e-procurement misses out a vital step - alignment. If you just re-engineer the business processes and introduce the new technology using traditional communication programmes, take-up is poor and the desired benefits will not accrue.

The Alignment programme takes staff and managers from different departments through a 3-part awareness and alignment process and assures success:

- An initial half-day workshop
- A modular online self-teach programme
- A final wrap-up half-day workshop

The programme allows staff and managers to become confident with the new concepts and explore the changes to their jobs while acknowledging their importance to the organisation.

This is not a training programme in how to use e-procurement – it is an alignment programme. By giving staff the chance to discuss the issues affecting them and understand their role in the new e-enabled organisation, you can resolve potential conflicts that will hinder cross-department working and joint ownership of the changes needed.

→ Imaginist

5. Implementation

Assuming that you do not already have a solution in place, we can help you source, plan and implement the essential components that, together, provide the end-to-end benefits from e-procurement.

These include using e-Tendering, linking your e-Ordering system to your financial management system and using an e-Marketplace to channel your catalogue and Request for Quote purchasing activity.

We have the software tools and skills available to allow you to automate and upgrade the processes across your entire supplier relationship cycle, from selecting and shortlisting suppliers, management and evaluation of tenders, to contract management, performance monitoring and supplier feedback.

We advise on coding standards and provide a low-cost product coding service, which ensures accurate data for analysis of what you buy, to enable smarter procurement decision-making. No need to worry about training buyers to use the right codes.

Suppliers are well-catered for too. We understand how to join up buy-side and sell-side solutions, to enable you and your suppliers both to benefit – a more sustainable model than one which simply passes your costs on to your suppliers.

We are working to help councils set up Kick-Start™ supplier recruitment and accreditation initiatives. This enables local and other quality suppliers to be e-Commerce enabled at a minimal cost and with immediate benefits to both sides, including merchant accreditation and e-Invoicing capability. Their products and services become available online to a wider audience at a reduced cost and you are able to take advantage of this in your procurement.

Reach-out programmes are being designed for a number of councils which have carried out a supplier analysis and impact assessment and now want to increase the number of local BME-owned businesses bidding for council work. We are working with representative organisations, local chambers of commerce and national government-backed projects and can provide advice and support if this is a priority for your council.

→ **Imaginist, @UKPLC, Coding International, CompuCares, Evaluate, Exor, ProcurementInline, SPS**

6. Ongoing Savings

An e-procurement system will only provide ongoing savings if it is used to power the work of a professional procurement manager. From the start, we can offer this quality of procurement advice and support to enable you to negotiate better deals and take advantage of the council's buying power, either on your own or, more usually, as part of a collaborative group.

If you do not have skilled procurement managers, we can provide this resource to help you to carry on saving money from your e-procurement programme, year on year.

→ **Imaginist, Coding International, Evaluate, Exor, SPS**

Clients

The Imaginist Consortium companies, between them, are working with a significant number of UK public sector organisations, including:

- Audit Commission
- Barnsley Metropolitan Borough
- Bournemouth Borough Council
- Bristol City Council
- Buckinghamshire County Council and Districts
- Corporation of London
- DWP
- Essex County Council and Districts
- Hampshire County Council
- Harlow District Council
- Hertfordshire County Council and Districts
- Home Office Youth Justice Board
- Kirklees Metropolitan Borough Council
- London Borough of Newham
- National e-Procurement Project
- National Smartcard Project
- NEPO
- Norfolk County Council
- Nottingham County Council, City and Districts
- Reading Borough Council
- Thurrock Borough Council
- UKAEA
- Wakefield Metropolitan Borough Council
- Walsall Metropolitan Borough Council
- West Sussex County Council and Districts
- Woking Borough Council
- Wycombe District Council

Want to join our list of satisfied clients?

For further information or to arrange a meeting:

visit our website: www.imaginist.co.uk or email us at results@imaginist.co.uk
or ring us on 020 8201 1478

The Imaginist Consortium comprises the following companies, working together to deliver joined-up e-procurement, **One-Step-at-a-Time**:



www.imaginist.co.uk

The Imaginist Company Limited

Peter Duschinsky, Managing Director
peterd@imaginist.co.uk
Tel: 020 8201 1478

Independent consultancy - provides vision, leadership and strategic advice in e-procurement and supplier relationship management. Project managers to ODPM National e-Procurement Project



www.ukplc.net

@Ukplc

Lyn Duncan, Director
Lyn.duncan@ukplc.net
0118 9637000

e-Commerce solution provider - helps you e-enable suppliers, including Kick Start™



www.codinginternational.com

Coding International Limited

Terry Ashmore, Managing Director
terry@codinginternational.com
0238 0554111

Product classification service - enables you to make informed buying decisions



www.CompuCares.co.uk

CompuCares Limited

Brian Messenger, Managing Director
brian.messenger@CompuCares.co.uk
0870 0052100

Reseller of e-procurement systems - delivering contract management, tender creation and evaluation, and supplier management solutions



www.evaluelimited.co.uk

Evalue Limited

James Johnston, Director
james.johnston@evaluelimited.co.uk
01255 678722

Hands-on procurement, benchmarking and e-procurement consultancy - saves you money from day one, whilst establishing the starting point to validate future improvements



www.exorgroup.co.uk



www.localfutures.com



www.spikescavell.net

Strategic Procurement Services



www.strategicps.co.uk

Exor Group Ltd
Marc Wood, CEO
Marc.wood@exorgroup.co.uk
01992 707272

Supplier accreditation service – standardises and manages your preferred supplier list

The Local Futures Group
Sophie Ross
sophie.ross@localfutures.com
020 7520 8120

Research and strategy consultancy – provides a geographic perspective on economic and social change to link your procurement, economic development and regeneration strategies

ProcurementOnline
Gordon Parker
gordon@procurementonline.com

Independent consulting, e-Procurement strategy, implementation and commercial collaboration

SpikesCavell Analytic Limited
Luke Spikes, Managing Director
luke.spikes@spikescavell.net
+44 (0)870 321 5980

Supplier analysis – quickly identifies how much you spend with whom, assesses the potential impact of e-procurement on local businesses

Strategic Procurement Services
Ken Cole, Partner
Ken@strategicps.co.uk
07721 556537

Best practice consultancy – helps you embrace e-procurement and achieve procurement excellence

The Imaginist Company
Lindale House
35 Sunnydale Gardens
London NW7 3PD
Tel: 020 8201 1478
Email: results@imaginist.co.uk
Website: www.imaginist.co.uk