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IBX Purchase-to-Pay connected to PEPPOL has really transformed the way we do procurement around here. Our number of e-invoices has grown by over 500% with no-touch orders rising by 10% and cost-per-invoice resulting in 88% savings in process costs.”

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Senior Advisor Procurement,
Helse Vest RHF



Helse Vest Regional Health Authority enacts invoice process savings of 88%

Capgemini IBX Business Network and the Pan-European Public Procurement Online (PEPPOL) network transform the Health Authority's procurement function.

Introduction

Helse Vest Regional Health Authority looks after the holistic health care needs of 1.1 million people in the west of Norway with over 50 hospitals and institutions, and over 26,000 staff members. It not only delivers a high-quality service but is also working to provide innovative and forward-thinking medical care through the use of digital technology. Helse Vest Regional Health Authority has used digital technology to increase collaboration between health services and to promote easy dialogue between services and patients. Patients not only can access their medical records online, but also make appointments, print e-prescriptions, and do many other things.

Overview

Customer Name: Helse Vest Regional Health Authority

Industry: Health

Location: Norway

Client Challenges/Business Need: Improve automation, e-invoicing, and compliance

Solution at a glance: IBX Purchase-to-Pay and IBX PEPPOL Access Point

Results (Benefits):

- Reduced process costs
- Improved efficiency
- Better spend visibility

Challenge

Helse Vest Regional Health Authority was burdened with inefficient invoice and purchasing processes along with low contract compliance and low visibility on spend. This meant that the procure-to-pay process was costly and the lack of spend visibility along with low contract compliance meant significant missed savings opportunities. Most importantly, problems with procuring certain items in a timely and accurate manner could pose risks to Helse Vest Regional Health Authority's ability to provide the highest level of medical care.

The two main purchasing areas within Helse Vest Regional Health Authority were medical equipment, accessories, and supplies as well as food and beverages. Both areas are critical when it comes to timely delivery and logistics. If equipment for a surgery is not delivered on time, it could have a significant impact on patient care. The health authority needed a high level of availability and timely delivery of orders from suppliers, 24 hours a day, 365 days per year.

Solution

Helse Vest Regional Health Authority chose Capgemini IBX Business Network due to its experience with the public sector and because it was a trusted solution that would ensure availability of the right products and services and timely delivery of orders to suppliers. The strong supplier activation service and content management features that came with IBX Purchase-to-Pay were also major deciding factors. Finally, with the growing influence of the PEPPOL trading partner network, Helse Vest Regional Health Authority wanted a service provider with the right experience as an official certified PEPPOL Access Point.

The health authority decided on utilizing IBX Business Network as its connection to PEPPOL. This means Helse Vest Regional Health Authority is now connected to what is becoming Europe's common set of business e-commerce standards and largest procurement trading partner network. IBX Purchase-to-Pay also provides high-level content management services as well as fast, easy onboarding and activation of suppliers. Furthermore, the eProcurement solution features strong automation elements and encourages buyers to purchase from preferred suppliers. The result would be improved efficiency and significant cost savings.

For Accounts Payable, IBX Purchase-to-Pay would specifically help the health authority reduce invoice processing costs through automated e-invoicing, which would also accelerate the invoice processing cycle. Furthermore, there would be a reduction in invoice exceptions thanks to automatic invoice matching and purchase orders as well as improved tax and legislation compliance through country-specific validations. Finally, the easy-to-use self-service tools, flexible invoicing methods, and an experienced supplier activation team would ensure high-quality invoices and fast supplier activation to ensure satisfied suppliers.

The procurement department also stood to benefit from increased contract compliance and therefore reduced costs by the channeling of purchases to approved suppliers. Increased productivity and automation in purchasing would reduce the workload of staff supported by the powerful supplier activation service and Content Workbench for implementing contracts.



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Results

Helse Vest Regional Health Authority has seen a rapid increase in e-invoices with a record 79% of all invoices in September 2016, the highest in the Norwegian health sector. The number of e-invoices has grown by over 500% in the last three years. The usage of the procurement solution has also expanded with several thousand employees buying mission-critical goods and services needed for day-to-day operations. The order line items processed via IBX Purchase-to-Pay have increased over 50% in the last three years and the rate of no-touch orders has risen from 65% to 75%. Furthermore, the average cost per invoice has dropped from NOK50 to NOK6 with staggering savings of 88% in process costs as a result of the digital transformation.

Overall, the increased efficiency in the invoice process has meant a reduced workload, freeing up resources for higher value-adding tasks across the business. The adoption of IBX Purchase-to-Pay has resulted in increased efficiency, transparency, compliance, and control. This has allowed Helse Vest Regional Health Authority to concentrate on its core service of providing high-level medical care to the local community.



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Collaborative Experience

The Collaborative Business Experience™ is central to Capgemini philosophy and a pillar of our service delivery.

Capgemini IBX Business Network and Helse Vest Regional Health Authority worked closely in implementing the Purchase-to-Pay tool and access to the PEPPOL trading partner network.

For more information, please contact us at:

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About IBX Business Network

The IBX Business Network is part of the Capgemini Group, one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2015 global revenues of EUR 11.9 billion. Together with its clients, Capgemini creates and delivers business, technology and digital solutions that fit their needs, enabling them to achieve innovation and competitiveness. A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

Connecting over 350 large buying organizations, 550 000 suppliers and providing services in more than 140 geographies, the IBX Business Network is a Cloud-based e-Procurement platform that optimizes user experience, enables superior spend management, while exacting lower total cost of ownership. A complete ready-to-run procurement service, the IBX Business Network supports the entire closed-loop Source-Purchase-Pay process and results in lower costs and faster ROI, increased spend visibility and transparency, increased control and compliance and improved supplier quality.

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