

Data driven decision-making helps the UK Department for Education to define future savings

Move to managed services creates an environment that drives success

Building upon an initial platform of success

Balancing expenditures so that a company still has enough purchasing power to continue driving development and keep serving its customers or members well without overspending on unneeded or redundant products is essential for any entity, but especially so within the government. An effective, focused budget is essential to keep providing critical services while limiting the financial impact upon taxpayers. To this end, the United Kingdom's Department for Education created the Schools Commercial team and tasked it to work with schools to deliver £1 billion of savings through more cost-effective procurement practices.

Overview

Client: Department for Education

Region: United Kingdom

Industry: Public Sector

Challenges: The Department for Education's Schools Commercial team wanted to better understand the substantial amount of data that it had to guide decision-making in fulfilling its mission of delivering £1 billion in savings for schools.

Solution: The Schools Commercial team collaborated with Capgemini to better demonstrate how the data it generated could be used and communicate its value to ministers.

Benefits:

- Expansion of analytic capabilities within the Schools Commercial team
- Greater understanding of achievements and potential savings
- Easier communication with government ministers



In doing so, this team generated an extraordinary amount of data through the Schools Buying Hub, a pilot project to provide schools with experts that they could call when they needed advice or help negotiating deals. All of this information could be useful in determining a pathway to the team's primary goal. However, the School Commercial team lacked the expertise and tools to make use of this information. This made it difficult to compare data gathered from different schools and to understand exactly how much had been saved with each new contract or deal. To validate the data, use it to demonstrate the value of the program, and determine whether or not to expand the program to a national scale, the Schools Commercial team brought in Capgemini as its partner.

Using analytics to identify further savings

The partners began by working to gain further insight by validating the data gathered through the Schools Buying Hub CRM systems. Before anything more complicated could take place, the team and Capgemini needed to understand the limitations and potential of the existing data and the analytical processes in place. This involved identifying gaps within the granular data gathered from different schools to develop a better understanding of what information remained lacking from the final output. For example, the partners needed to understand whether the savings indicated by the data were related to retail prices or what the schools were paying before. In this way, the Schools Commercial team and Capgemini created further insight into what the pilot program had already achieved and where it could still deliver greater value as an expert procurement assistant for schools.

Next, the team and Capgemini explored a variety of options to better visualize and communicate the implications of the data through a variety of analysis packs and dashboards, which replaced more basic tools that relied on manual input and management. Doing so ensured that not only was the data more detailed, providing a greater understand of what could be achieved, but also that this new insight could be more easily understood and utilized. Following a thorough review of the Hubs data, the results were submitted to the Secretary of State as part of a report on the status and value of the team's efforts to that point. This report provided the basis for a continuation of the pilot program based upon a clearer comprehension of its merits.

Following this report, the Schools Commercial team and Capgemini built the Insights & Service Design team, which provided long term analytics expertise that would continue on beyond the partnership. This analytics effort was then able to give schools a more detailed breakdown of their savings to that point as well as additional savings potential based upon the combination of data and their previous buying behavior.

Expanding the program

As a result of this partnership, the Schools Commercial team and Capgemini demonstrated the value of analytics in supporting efforts to achieve further savings. Doing so allowed the team to more clearly communicate the value of the pilot program and gain wider support amongst ministers and other government officials. The team earned a better understanding of how much progress it had made towards its goal of £1 billion in savings as well as an outline of how to enable schools to identify new opportunities. Furthermore, this centralized service for all educational entities ensures that these efforts are all aligned with the Department for Education.

Based upon the success of the new analytics approach and the Insights & Service Design team, the Department for Education acted upon the information to further expand the Schools Buying Hub program. Going forward, a larger number of schools will benefit from analytical expertise when negotiating contracts and making purchasing decisions. This data analytics-driven approach will help build towards a future of cost efficiency and innovation within education in the United Kingdom.





“Capgemini delivered great support to the Schools Commercial programme when it was in its infancy, partnering us with a talented analyst who helped us collect data, analyse and draw insight from our pilot school buying hubs so we could more fully understand the impact it was having and learn from the experience. This insight is helping us expand from the pilot in designing a national service that can help schools get the best value from their procurements.”

Head of Insight & Service Design,
Schools Commercial Team,
Department for Education

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