



Mindful Communications

Customer:

Caerphilly County Borough Council

Industry:

Local Authority / Government

Location:

Caerphilly, South Wales

# Supplier enablement: leading change for Caerphilly County Borough Council

Basware helps local authority work with suppliers and internal departments to increase the use of electronic invoicing under the eTrading Wales programme.

## About Caerphilly County Borough Council

Caerphilly County Borough Council (CCBC) is the governing body for Caerphilly. The council was the first local authority in Wales to implement the Basware (formerly Procserve) Commerce Network in 2009, and currently processes the highest value and volume of purchase order transactions via the BCN in Wales. It has a policy of sourcing as many goods and services as possible within its own authority boundaries.

## Extending invoicing adoption

The Council was an early adopter of electronic invoicing, and had implemented e-invoicing with a number of its suppliers. As Natasha Ford, Supplier Relationship Officer, CCBC explains, "We've always been at the forefront of eProcurement, with an advanced, flexible P2P system, and we wanted to be able to utilise all its functionality for invoicing, too. Our ambition was to expand our reach among our diverse supplier base, so we could benefit from further efficiencies and return on investment from our Basware eInvoicing solution. But we'd come to a point where we couldn't progress as quickly as we wanted: like all public sector organisations, we had a limited budget and lacked the dedicated internal resources to on-board additional suppliers and start embedding the change within their businesses."

***"We had the benefit of strong, visible sponsorship and a culture that is very open to opportunities to take the lead in applying best practices"***

Natasha Ford, Supplier Relationship Officer, Caerphilly County Borough Council

In 2016, the Council began participating in the eTrading Wales programme, taking advantage of central funding from Value Wales to secure supplier enablement and change management resources, delivered by Basware. "The eTrading programme would plug the gaps by giving us on-the-ground support and a documented delivery approach, based on our unique requirements. We already had the benefit of strong, visible sponsorship from our Head of Procurement, Liz Lucas, which creates a culture that is very open to change and opportunities to take the lead in applying best practices," says Natasha. "We were also fortunate enough to be able to utilise the support of Sue Jenkins,

## eTrading Wales Programme

The Welsh Assembly Government is supporting change in the way procurement is carried out in Wales to create efficiencies and stimulate greater collaboration between customers and suppliers.

The Welsh Government Value Wales Electronic Procurement Service provides Welsh Public Sector bodies with a collection of electronic tools and secure, web-based services designed to support and enhance the complete procurement process, allowing public sector organisations across Wales to source, order and pay for goods and services online. The aim is to make it faster, easier and less expensive for suppliers to trade with public sector customers and help speed up payments.

In 2014, Basware was awarded the contract to deliver the eTrading Wales service to all National Procurement Service member organisations.

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Systems Support Officer, to bring her experience and focus to the project.”

## Supplier enablement by Basware

In June 2016, having jointly agreed the scope with Basware, CCBC kicked off the project by identifying its top tier of suppliers by value and volume, in order to prioritise 25 initial candidates already using eCatalogues who would benefit most from eInvoicing. “We sat down with the Basware team to review and qualify each supplier by the contracts held, the number of transactions and remaining contract period. Some were sending PDF invoices by email, but a substantial number were still using paper,” recalls Natasha.

The CCBC team made initial contact with suppliers by phone, followed up by email. The supplier list was then handed over to the Basware team to embark on supplier enablement – the process of electronically connecting trading partners to the Council via the Basware Commerce Network – and the change management needed to support the transition.

***“We supported CCBC in educating suppliers on the advantages of eInvoicing to their business, so they didn’t feel change was being imposed upon them.”***

Ceri Williams, Change Management Consultant, Basware

Ceri Williams, Change Management Consultant, Basware, observes: “We helped CCBC to plug resource gaps, creating the processes and materials needed to enable, test and support suppliers in meeting their business commerce requirements, and providing the technical support and change management that are critical success factors. We supported CCBC in educating suppliers on the advantages of eInvoicing to their business, so they didn’t feel change was being imposed upon them. This served to strengthen relationships between suppliers and buyers overall, while enabling the Authority to achieve the wider benefits of eTrading.”

“Some of the smaller vendors needed additional support to align their internal process to match the Council’s, so our approach had to be flexible and bespoke. Together with the CCBC eProcurement team, we met with a number of key suppliers face-to-face to demonstrate the eInvoicing system and work with them to overcome any resistance to change as well as practical barriers to adoption. We also provided a weekly procurement clinic to answer any questions and sustain momentum in the working relationship,” says Ceri.

According to Natasha, “it was also an opportunity to open doors internally, to improve the way we raise purchase orders. We learned a lot about our internal processes over the course of the project, and have identified ordering efficiencies as a key priority for the procurement team and authority as a whole going forward.”

## eInvoicing becomes business as usual

The supplier enablement project aims to create sustainable savings in the authority’s supply chain and procurement costs, improve invoice tracking, reduce non value-added manual process and improve communications. It will also enable CCBC to dramatically compress the procure-to-pay cycle, and release working capital earlier – a crucial advantage for smaller suppliers.

“We made fantastic progress in terms of the number of suppliers enabled,” continues Natasha. “Within three weeks of kicking off the project, we had on-boarded half of our original priority list of 25 suppliers – a rate we couldn’t have anticipated, which meant we had already hit our KPI for 2016. Basware will be helping us to measure the efficiencies and savings we gain as a result of getting these suppliers onto eInvoicing.”

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As well as the practical benefits of change management support, there is a halo effect on the working relationships between the Council and its suppliers and within the authority. “The project has allowed us to revisit our supplier communications, and we have received very positive feedback welcoming the change. We’ve also had the opportunity to reach out to all the eProcurement users throughout the authority, and now issue a monthly newsletter to provide progress updates and keep stakeholders in the loop,” Natasha concludes.