

Case Study

UK Department for Work and Pensions

Streamlining procurement to change lives





VV

We are achieving outstanding savings by working closely with Basware. That's why Basware was recognized with the DWP Award for Innovation."

David Smith, Commercial Director, DWP

Read the full story







Regions: UK





This initiative has been important in controlling the costs of administering training requirements and hastening the return to work for many people as well as realizing cash savings by providing a more efficient and effective service."

David Smith, Commercial Director, DWP Working in partnership with DWP, Basware is transforming government procurement by unlocking efficiencies through a combination of collaboration, compliance, and greater transparency.

Introduction

Since 2006, Basware has worked with the UK Department for Work and Pensions (DWP) to develop a deep understanding of the department's business objectives and priorities.

Following the delivery of DWP's finance transformation program in 2007, Basware's Marketplace was integrated with Oracle's ERP solution as a vital part of the department's GSI Hub e-procurement platform.

One of the most far-reaching developments realized by Marketplace was as part of the Department's 'Welfare to Work' program, which aimed to accelerate cost-effective training for job seekers in order to aid their return to work.

Challenge

The DWP handles many thousands of traditionally low-value, one-off invoice requirements per year.

The original invoice handling process was highly administrative and disproportionately lengthy, frequently resulting in delays in delivering training and impacting individuals' return to work.

Solution

Basware worked with DWP to deliver an innovative solution for a "Low Value Procurement" (LVP) initiative, which strived to reduce the time taken to deliver training and give jobseekers a far better chance of securing employment.

The new capability meant DWP officials no longer needed to manually source and arrange 'topup' training for jobseekers for an identified job opportunity."

Optimizing the process

£2.5m

savings annually x10

efficiency gain in processing orders

80%

reduction in invoice processing resources

Instead, this could now be instantly sourced from preregistered suppliers who quote electronically to provide training services.

Not only did this result in training being delivered far quicker, but it also meant suppliers were paid more promptly, as they could securely receive purchase orders and return invoices for their services online.

Many of DWP's suppliers are small and medium-sized enterprises (SMEs) that have previously been unable to enter the government market. As a result of this new capability, they can now quote for new business without incurring an additional cost.

The GSI Hub has now become standardized and is successfully deployed in all Basware's implementation projects, with agreed costs for customers using Oracle and other systems to connect to the Marketplace.

As this model permits any form of structured data to pass securely through government security firewalls and external third parties, the government is now looking at increasingly innovative applications of this service. Results

Testimony to the success of Basware's LVP initiative can be seen in the volume of job seekers returning to work. The Marketplace has been used far more extensively than first expected.

Basware's platform has become an intrinsic and essential part of the jobseeker support system across DWP's 1,000 retail centres. As well as the clear benefits to job seekers, the Marketplace has unlocked new opportunities for suppliers of training services.

Looking at efficiency gains, the DWP has been able to reduce the processing time for new training orders from 60 days down to six days. In total DWP has spent £13.6 million on new training, the majority of which was purchased from and delivered by SMEs.

Basware continues to deliver exceptional cost and time efficiency benefits. DWP estimates that using the Marketplace, including the eRFQ functionality, has delivered savings of approximately £2.5m annually. By eliminating the processing of literally hundreds of thousands of paper RFQs, quotes, orders, and invoices per annum, back-office processes are effectively automated, and managers get better visibility and control of third-party expenditure.

This has reduced the resources needed to administer the process by an impressive 80%, and

Selimination of time consuming

Take-outs

- Elimination of time-consuming manual paper invoice processing
- Working with Oracle to develop a world class system integration model known as the "GSI Hub"
- Unlocking transactional benefits of the DWP Shared Services initiative to external customers
- Significant annual savings totalling £2.5 million

dramatically improved the ability to deliver training where and when it is needed.

In addition to financial savings, DWP has seen an immediate improvement in procurement compliance rates across the business through both use of the Marketplace and the increased use of the Oracle selfservice functions.

Contact us

More Case Studies

ABOUT BASWARE Basware is how finance leaders in global enterprises can finally automate their complex, labor-intensive invoice processes and stay compliant with regulatory change. Our AP automation and invoicing platform helps you achieve a new level of efficiency – in a matter of months – while reducing errors and risks. We bring a unique combination of true automation, complete coverage, and deeper expertise to make it all just happen for our customers. That's why the world's most efficient AP departments rely on Basware to handle millions of invoices per year. **Basware. Now it all just happens.** ©Basware 2024

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