



# PURCHASING POWER

The eProcurement Scotl@nd Service has brought many changes across the Scottish Public Sector. The drive to implement a digital, collaborative approach has helped to increase efficiency and cost benefits across the country

**I**n 2001 First Minister Jack McConnell launched the new eProcurement Scotl@nd (ePS) Service on the remote Scottish island of Skye. This ambitious project aimed to “create an electronic procurement service” that would “digitise all purchasing activity from requisition to payment” for the whole of the Scottish Public Sector.

By selecting technology from eProcurement specialist Elcom, the Scottish Government were able to combine Purchase-to-Pay, eSourcing, eAuctioning and Systems Integration into one, easy-to-use, solution; a stunning example of a commitment to efficient, value-driven government.

With a strong background in eProcurement on both sides of the Atlantic, Elcom were keen to differentiate themselves from the rest of the market as Craig Wood from

Elcom explains. “Feedback from clients about our applications was extremely positive. They felt functionally rich and were easy to use. The more people used them, the more they liked the intuitive interface. That’s because we write our applications with buyers in mind; something which our competitors often forget.”

By late 2000 when the Scottish Government first launched its selection process, Elcom had been steadily building up experience and expertise.

“Along with over 100 others, we responded to the original Contract Notice and over the next 12 months that was whittled down to a final two.” Wood explains. “Elcom were selected as the technology provider along with our service partner Capgemini. The Scottish Government liked the fact that as



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business with government easy for suppliers.”

Supplier adoption is one of the main concerns for any eProcurement implementation. As Wood suggests, the Scottish Government wanted to avoid this by creating a single entry point, thereby making it easier for a supplier to work across the public sector. “You have individual buying organisations sponsoring suppliers to join the Programme and that supplier is then enabled to trade with any other public sector body across the Programme, or indeed with any other Elcom client.”

“They also wanted to ensure that any lessons learned from implementing the ePS Service could be applied to subsequent projects. Originally there were four pathfinders that joined the programme in 2001 - NHS Tayside, NHS Highland, the Scottish Government and West Lothian Council - representatives from three major public sector streams; health, central/civil and local authorities. Feedback from their experiences would enable other organisations to prepare for their own deployment.”

By developing ePS as a national programme, the Scottish Government were able to develop a best practice implementation approach; to deploy new technology and systems in the context of business change. A flexible approach was essential when it came to implementing the technology, as Wood suggests, “One of the key reasons why Elcom’s technology was selected for the ePS Programme was the ease of use. Initial feedback from the review committee was that our technology was very straight forward.”

“The reason for that is that our applications have been written from the perspective of procurement. Many procurement applications are supplied as add-ons making them complex however, at Elcom we have said that it should be simple to find the goods and services that you want, to be able to requisition those goods and get them approved.”

“The fact that we have a remotely hosted application where we manage the support, development and maintenance means that it is easy to get a system up and running. There is no complex installation, no hardware costs; it is simple to set up and to use.”

“One of the key features of any eProcurement implementation is content,” Wood

continues, “If you don’t have the content, if buyers don’t have their suppliers on the system there will be significant resistance to wide scale adoption.” In order to ensure buyers and suppliers are able to access and use the system effectively Elcom have enhanced the initial technology and applications but have also brought in new ones, such as catalogue management. “In providing the Programme with a catalogue management application, it allows clients to manage catalogues in a much more sophisticated way. We’ve also made changes to the eSourcing and eAuction applications.”

“We encourage feedback on existing and new functionality so we can deliver the applications people want to use. We have taken feedback from buyers and suppliers to actually make enhancements to the applications over time. Sometimes they can be very subtle changes but ultimately the experts in the use of the applications are our clients – they use them every single day and a simple change can make all the difference.”

“Technology on its own will deliver some process benefits, it will make a process a little bit more efficient but it may not necessarily improve that process. By bringing eProcurement technology and Procurement together you can improve procurement and then use the technology to reinforce and maintain those improvements.”

“Procurement should be about delivering quality and value for money. By using a broad pallet of technologies the Scottish Government has created a much more level playing field for suppliers to compete on. Sometimes there are concerns about the security of these sorts of technologies or that they will be used to ‘beat up suppliers on price’ but a lot of these fears are caused by lack of knowledge.”

“By creating a true partnership between Elcom, the Scottish Government and public-sector bodies, the reform of public-sector procurement is delivering real value; by simply doing better procurement.” **CJM**  
Craig Wood, managing director at Elcom  
spoke to Clare Evans. [www.elcom.com](http://www.elcom.com)

well as providing an end-to-end purchase-to-pay solution, we could also provide an eAuction and eTender system.”

Prior to the ePS Programme most Scottish public-sector organisations had developed their own procurement procedures and there was very little collaboration between them, especially in terms of day-to-day procurement. Central to the ePS Programme was a strong emphasis on collaborative working across individual organisations; the benefits of which can be widely seen. “Right from the word go the Programme envisaged a single eProcurement service for the whole of the Scottish Public Sector and that was for a number of reasons. What the Scottish Government wanted was a single solution that was really forward thinking. They wanted to make the process of doing

