Executive Summary

The Zanzibar solution, delivered by ProcServe, was chosen by Chelsea and Westminster Hospital NHS Foundation Trust to support the drive to outsource the transactional procurement activity from the Procurement Department to the clinicians so that they could go direct to the suppliers for their day to day requirements. This would then allow the Procurement Department to do value added work of strategic sourcing and contract management. The overall benefits include:

- Reducing the time taken to obtain goods and services
- Reducing manual errors
- Reducing the paper chase
- Reducing time wasted by clinicians on seeking approvals etc.

The Challenge: Moving Online

Chelsea and Westminster Hospital NHS Foundation Trust had a paper-based system for most of its procurement and used this in conjunction with Oracle Purchase Order Processing (POP) to create orders that were then faxed to suppliers. This meant that most of the activity in the procurement department was re-keying and manually entering information that had already been written by clinicians.

Given the wide range of goods required for a hospital, automating this via an online catalogue system that was maintained in real time by the supplier community at no cost to suppliers, (in terms of paying for the system) was a quantum leap forward. Moreover, it is expected that the full benefits of Zanzibar in obtaining online eInvoicing will be achieved as suppliers extend their use of Zanzibar. For suppliers already using the online eInvoicing facility goods can be ordered, received and paid for within four days, thereby helping to meet Government payment targets. An interface was built into Oracle's open interface to account payables. This was handled via a JCaps translation technology which fitted in with the current technology used by Chelsea and Westminster Hospital NHS Foundation Trust hence there were minimal additional costs to manage the interface requirement.

About Chelsea and Westminster Hospital NHS Foundation Trust

Chelsea and Westminster Hospital NHS Foundation Trust is one of the leading hospitals in London, providing general services to its local community and specialist services including Burns, Neonatal Intensive Care and HIV to patients from a wider area. It became a Foundation Trust in October 2006.
It also standardised on Chelsea and Westminster Hospital NHS Foundation Trust's main systems. By this means the XML could be converted to CSV and fed into Oracle's open interface.

**The Solution: Zanzibar**

Zanzibar was identified as a solution which could deliver the major benefits of online eProcurement. It is a complete system allowing end-to-end transaction management. The implementation took just over three months. Currently, Zanzibar is being used by the entire Chelsea and Westminster Hospital NHS Foundation Trust Procurement Department and 20 other departments within the Trust.

The key to delivering an end-to-end service is to "adopt" or eEnable suppliers. While this proved challenging as many suppliers did not have state-of-the-art systems, Chelsea and Westminster Hospital NHS Foundation Trust managed to get 90 of its main suppliers onboard in a relatively short time. This allowed all the theatre requirements to be met which was the first area for implementation as it had the highest transactional level of activity.

Additionally, shortening lead times was important due to storage levels and the high impact of products not being available potentially leading to cancelled operations. For example a prosthesis not being received in time for an operation would mean that the operation would have to be cancelled and valuable theatre time would be lost. By insuring that suppliers have the requirements early and delivered and available on the system this improved the speed of delivery.

**Results: Cost Reduction, Efficiencies and Better Management Information**

Chelsea and Westminster Hospital NHS Foundation Trust has achieved the following benefits through using Zanzibar and continues on its journey to improving eProcurement:

- Reduction in number of invoice discrepancies
- Increase visibility of contracts with suppliers and the associated agreed prices
- Increased number of electronic purchase orders and invoices delivered
- Enable suppliers of all sizes to trade electronically with Chelsea & Westminster
- Allows suppliers to reduce their transactional costs by being interfaced with their back office systems rather than re-keying information from a fax.
- Better management information to help inform sourcing options, increasing visibility and transparency

Staff have been able to focus on frontline duties. The amount of transactional activity in the Procurement Department will be reduced by over 80% once the 18 month roll-out of the system to the whole hospital has been achieved. The resource time released will enable a more strategic an value-adding procurement focus.

“We wanted to significantly reduce the % of paper orders and the manual inputting of data from our purchase-to-pay processes. Zanzibar helps us do this.”

Vince Pross, Director of Procurement,
Chelsea and Westminster Hospital NHS Foundation Trust