

Xoomworks opens up a new range of Procurement benefits for Insurer



Client: Global Insurance Company
 Size: 160,000 employees
 Project: P2P Transaction Optimisation

Xoomworks collaborated with a global insurance organisation to tackle a number of transactional headaches it was having with its P2P solution and in the process opened up a wider range of benefits than expected

The Challenge: Getting P2P to deliver on its promises

Xoomworks' client, the UK arm of a global insurance giant, had recently upgraded and fully rolled out a leading P2P solution. However, the transactional part of the solution was not functioning as expected – there were large volumes of

retrospective invoices, late payments to key suppliers and huge numbers of invoice exceptions causing headaches for Procurement, Accounts Payables, and the majority of suppliers.

The Solution: Xoomworks' procurement expertise

Based on 13 years' experience of optimising procurement and transactional systems, Xoomworks was asked to diagnose and help resolve these issues.

combat the root causes while others were aimed at individual suppliers where specific solutions could be implemented for quicker results.

Following the initial analysis, a combination of solutions was identified. Some focused on company-wide measures to

"One of the key things in implementing a Purchase to Pay solution is the depth of understanding and industry experience of the people you are trusting to get it right on your behalf.

Xoomworks clearly demonstrated this in their approach and this insight was instrumental in getting us over the line.

Working with Xoomworks has definitely enabled us to get more out of our investment."

Finance Project Sponsor

New Catalogues

To make the ordering process easier for users, and hence increase adoption to policy, Xoomworks created over 100 catalogues directing spend through the correct suppliers and

commodity codes. This helped increase compliance to contract as well as minimise invoice issues.

Master Data Management

Analysing the large number of tax exceptions meant that Xoomworks could create new commodity codes matched to both the correct VAT codes and catalogues, increasing the volume of

zero-touch processing. Processes and governance were put in place to ensure this remained an ongoing solution to the problem.

Global Policy

A "No-PO, No-Pay" policy was implemented to begin reducing the number of retrospective orders and invoices. Coupled with an

investment in communication and education, this proved a key part of the optimisation.

Identifying Key Suppliers

Analysing aged debt allowed Xoomworks to focus on a handful of the key suppliers – this allowed results to be delivered quickly. With each of these suppliers, it was a variety of technical and behavioural issues that was causing the service to fail.

Xoomworks technical team quickly resolved both the suppliers' systems and transactional network issues.

Behavioural issues were found on both the buyer and supplier side, and by their nature are more complex and subtle to resolve. By making the system simpler to use and spending time with both key requisitioners and suppliers, individuals could understand why they needed to change their current way of working and what the benefits were for them. These are now some of the biggest advocates of the new way of working.

"Xoomworks are flexible, they have a very can-do attitude and they are absolutely committed. I wouldn't hesitate to recommend them"

Procurement Project Manager

The Impact:

A broader range of benefits was delivered than initially expected, demonstrating then knock-on effect and importance of getting the transactional side of procurement right:

- ✓ Catalogues provide a better user interface for users meaning more orders through the right channels and less errors
- ✓ Invoices paid on time means Finance can now make better use of early payment discount incentives
- ✓ Less exceptions and more zero-touch processing frees up AP for other activities
- ✓ Financial reporting is more accurate with better management of committed and accrued spend
- ✓ Aged debt was improved and this, in turn, improved the relationship with key suppliers
- ✓ Improved business intelligence and spend analysis allowing better decision making and highlighting sourcing opportunities

About Xoomworks

Xoomworks is a niche consultancy and outsourcing company that specialises in Procurement and Business Intelligence. Staff are based in UK and Europe and consist of technical, business and behavioural consultants, and senior procurement staff. Our Complete Procurement proposition addresses both the mechanics and behaviours of Procurement that drive the greatest value for organisations.

Interested in finding out more about Xoomworks Procurement?

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Finalists

