



Transactional Processes

Our Integrated Procurement Solutions Director, Cameron Howes, gives us the low-down on managing transactional procurement processes and how to make them work for your organisation.

Cameron Howes

Integrated Procurement Solutions Director

Tell us a little about what you do...

I manage our tactical procurement shared service across three distinct geographies UK, Poland & India. Our role within the shared service is to manage transactional procurement processes and activities across multiple clients. This ranges from the processing of purchase orders to managing contract databases and running procurement exercises on behalf of our clients. We also deliver spend analytics within Capita and externally to clients to support the procurement decision making process.

What are the fundamentals to an efficient procurement process in the Tactical Procurement Centre?

The best transactional management teams streamline the processes so that as much as possible is system based and automated. The number of touchpoints needs to be minimised from initiation to completion.

We focus on working closely with the stakeholders and clearly detailing what is required providing tools and templates to build relevant meaningful specifications to reduce the need for further communications between the team and the supply base.

One of our most important processes is actually our helpdesk function. We have a great team in the Tactical Procurement Centre that enables us to offer excellent first and second line support for procurement enquiries, which we can then log and track through from initial contact to final resolution.

How does it add value to the wider procurement function?

By providing a centralised, back-office function, we can take the day to day transactional activity away from the strategic teams, and overall reduce the amount of resources that go into things like raising and approving requisitions and engaging and contracting with suppliers. Through ensuring compliance and taking commercial advantage with market engagement activities, clients take advantage of both soft and hard savings through the performance of the services.

What are the top four things that support a centralised transactional procurement function?

In no particular order, you need:

- Excellent spend data and analytics. This helps show where procurement policy is either not adhered to or not effective, so we can either focus on compliance or adapt the processes to work better for organisations.
- Effective systems and as much automation as possible. There are a wide range of eProcurement solutions out there, so the key is getting the right technology that connects well with existing financial and other systems.
- Great strategic procurement that supports transactional processes. This might mean putting in place contracts that facilitate cataloguing of goods and services to enable self-service, or imposing consolidating or self-billing on suppliers.

- A strong team with the right skillset. The challenge for most procurement functions is that they have strong procurement professionals who have great stakeholder management and negotiation skills. These people however are invariably not good at dealing with low level detail and have a tendency to de-prioritise the tactical element of their role. Having a team of detail focussed, analytical individuals whose core role is management of the tactical elements can help to drive efficiencies and insights that a typical Category Manager may miss.

What are the next big things in transactional procurement?

With advances in ERP & P2P technology there are some key areas/products that support further enhancements/efficiencies within transactional procurement.

Guided buying brings suppliers and buyers together through the eSourcing platform. By directing stakeholders to PSL's/ Catalogues to follow procurement guidelines this can help them quickly and easily buy goods and services from preferred suppliers with minimal support from your procurement teams.

PO Flip is a means by which suppliers can view and use purchase orders on the E-invoicing system and "flip" them to simply and quickly produce electronic invoices. PO Flip is free to use and all that is required is access to an internet web browser (E-invoicing is hosted on the internet).

Find out more...

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