



E-Procurement for Purchasing and Finance Professionals:

Drive Savings, Manage Risk, and Revolutionize Your Workflow

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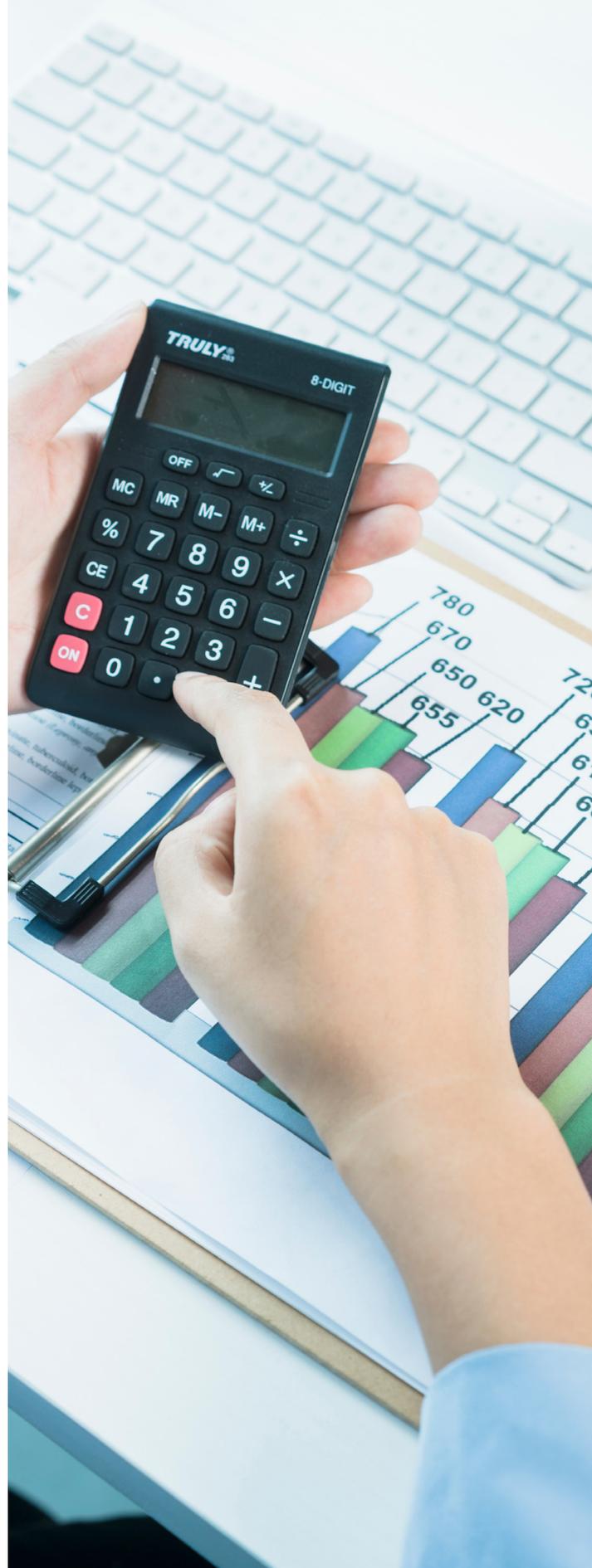
Procurement processes are at the financial center of every healthcare organization, with a vast impact on the operational bottom line. Too often, even the most diligent healthcare procurement officers and financial leaders can find themselves overwhelmed by procurement volume, supply chain challenges, managing vendor relationships, and monitoring the complexities of contract compliance.

As a result, what should be a financial strength becomes a weakness and a drag on finances that could be better dedicated to healthcare service.

Technological solutions in E-Procurement are proven to drive cost savings through accountable data, actionable insights, and manageable reporting that puts you in control of your procurement spend.

Procurement Partners offers this eBook as an industry leader. Inside are insights into the ways that data and analytics from E-Procurement can reduce your costs and help you plan and take action to manage risk. We hope that you will find actionable steps to make your organization's procurement processes a source of financial strength.

[Procurement Partners](#) helps customers reduce their annual spend by 10% or more with an easy-to-use portal where users can place orders and process invoices for all vendors. Procurement Partners provides the leading spend management system for healthcare providers across the continuum of care, from physician groups, to urgent care, to surgery centers, to senior living communities and has helped companies achieve 40% time savings and 95% contract compliance through automating the procure-to-pay process.





About Procurement Partners

For more than a decade, [Procurement Partners](#) has been committed to improving healthcare procurement technology. We help unify your vendors, GPOs, AP Software, and facilities to streamline your procure-to-pay processes. We work with a deep understanding of the unique and daily challenges of the healthcare industry and configure our solutions to fit the needs of each of our valued customers.

We're your trusted partner for e-procurement solutions.

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Learn more: [Webinar: How do Data & Analytics Help You Regain Control?](#)

Part 1

Reduce Costs and Manage Finance Risks with Data and Reporting

Procurement processes in the healthcare sphere are at the center of the most crucial business factors for their organizations, whatever their size: day-to-day operations and financial spend and risk. Leveraging data and reporting are the keys for both fulfilling mission and emphasizing the bottom line.

Identifying the Data that Matters

In a recent international [survey](#) of Chief Procurement Officers, a majority reported that they see a rise in procurement-related risk. This is particularly true for the leaders of healthcare organizations, who consistently identify issues in supply chains, effective staffing, and supplier and vendor relationships as top concerns.

Looking inward at data and reporting in procurement is a crucial first step. Organizations must prioritize identifying the data that matters, which for many starts with spend. Driving savings through spend data means drilling down into granular and large-scale trends through:

- **Quick and detailed access to invoices**
- **Capacity for accurate invoice and spend auditing**
- **Efficient and exact monthly and quarterly book closing**
- **Viewing on- and off-system procurement spend across the organization**



Leveraging Data for Hidden Cost Savings

The primary concerns for procurement leaders across a range of industries, and acutely in the healthcare sphere, are very clear: reducing cost and managing risk. With procurement processes at the nexus of their organizations' operations, leaders have an opportunity to make an outsized impact on the financial bottom line and control for unpredictable external factors.

Yet about [half](#) of the procurement leaders surveyed said they currently had limited effectiveness, at best, in successfully spotting procurement risks. The best executive leaders can easily identify this as an extraordinary opportunity for the kind of cost savings that can be transferred to strengthening operations and maximizing opportunity.



It's a very rare healthcare organization that wouldn't want to [identify](#) hidden cost savings through data and reporting (we'll go so far as to say they're nonexistent). Finding these cost reductions is centered in:

- **Comprehensive, focused spend review**
- **Real-time, accurate reporting**
- **Detailed breakdowns of spend and cash flow**
- **Thorough assessment of contracted items and relationships**

These are the measures, it turns out, that leaders in healthcare procurement understand are the difference between ongoing success and staying in the middle of the pack.

Taking Action to Enhance Operations

When the right data is identified, properly analyzed, and [spend management](#) and its attendant cost reductions are maximized, the road opens to enhancing operations to manage risk and find long-term efficiencies

The highest performing leaders in healthcare procurement recognize that these solutions and the efficiencies they drive means abandoning cumbersome, manual processes that lead to duplicative inefficiencies, undesirable worker engagement in tedious processes, and frayed relationships with vendors and suppliers.

In a [survey](#) of upper-quartile, top-performing companies, that success has been strongly linked to stronger digital capacities in areas such as procurement and spend. Within that international cohort, more than [two-thirds](#) of chief procurement officers cited as a top priority improving and automating procurement through information technology.

Technological Solutions for Data and Reporting

Smart, properly utilized technological solutions reduce costs and manage risks for procurement in the healthcare sphere. Procurement Partners [data and reporting](#) information technology makes possible operational efficiencies such as:

- Fully identifying what is being spent from where
- Gaining insights from spending trends to better align future procurement and purchasing decisions
- Opening visibility for operations, accounting, and controllers
- Storing digital copies of all invoices for quick retrieval and auditing insights
- Improving cash flow predictability
- Achieving better understanding of what's impacting general ledger budgets
- Reducing stress of monthly and quarterly book closing
- Filling vacant or absent roles with technological substitutes
- Maximizing staff and workforce efficiency and satisfaction and achieving better talent retention



Part 2

Centralize Invoices and Keep Finance Revenue Flowing

Centralizing Your Invoices is a Must

Processing invoices and payments keeps revenue and operations flowing for healthcare organizations. While leaders and decision-makers in the healthcare sphere acknowledge how important these processes are to their organizations' wellbeing, the complexity of growing and thriving businesses often means that opportunities for greater efficiency and cutting costs are left on the table.

The Pitfalls of Non-Centralized Invoices

It's not uncommon for healthcare organizations to get by with small teams shouldering Accounts Payable work. Sometimes a single person is responsible for this complicated and crucial task, or else invoicing processes might be spread out among several members of the team. This means handling payments can take on a making-it-up-as-we-go quality. And sometimes this is understandable, especially for a business or organization that started small and has scaled up. What worked for a single clinic or care home simply won't as more facilities and employees are added. Using old manual processes for a growing company leads to a predictable variety of undesirable outcomes:

The Pitfalls of Non-Centralized Invoices

- **Location confusion when suppliers might not be sure which of your offices or branches to invoice**
- **Multiple invoices when a vendor might not know who to bill and sends duplicates, causing delays, lost invoices and potential accounting errors**
- **Time-intensive manual processes that tie up employee efficiency**
- **Delayed payments due to manual and over-complicated approval processes**
- **Lost money due to overpayment of duplicated invoices**
- **Strain in vendor and partner relationships due to Accounts Payable errors and complicated procedures**

Why Centralized Invoices Matter

Accounts Payable and invoicing for healthcare organizations today are more complicated than ever. Everyone has felt the crunch of supply chain issues on their operations, making supply and services procurement an even greater challenge. And worker fulfillment is an increasing concern for managers and leaders, with recruitment and retention often hinging on workplaces that emphasize efficiency and clarity in day-to-day operations. Leaders in the healthcare sphere know that simplifying payment processes is crucial to their success and for the organizations under their stewardship.

Centralized Invoices Produce Benefits Across the Board

The many benefits from centralized invoices include:

- **Increased workforce productivity**
[Particularly](#) if your organization operates in more than one location, centralized invoices cut through redundant work, inefficiencies in approval procedures, and unnecessarily complicated workflow
- **More consistency**
Vendor integration from centralized invoices becomes a core capability that simplifies Accounts Payable and Accounting
- **Cutting labor cost**
When an organization is operating its finances in multiple locations, regular reporting and settling of accounts can become a monthly web of complexity that drains labor focus and focus
- **Saving money**
In a [survey](#), one third of Accounts Payable professionals admitted to paying a duplicate invoice. Tracking down that spend costs money in time and effort, even when it can be recouped
- **Better morale**
Few things drain workplace morale and happiness than feeling out of control or trapped in inefficient systems. Keeping and retaining your best employees starts with empowering them with strong systems
- **Smoother [vendor](#) and [partner](#) relationships**
Centralized invoices for healthcare organizations means billing and Accounts Payable is more accountable, efficient, and clear. This means better relationships with the providers of goods and services that make up the lifeblood of your organization
- **Keeping Supplies Replenished**
Healthcare organizations are in the business of helping people by meeting them where they are, with efficient and sensible care. Centralized invoices mean [necessary supplies](#) are flowing and plentiful so that healthcare professionals can do their jobs the right way

Technological Solutions for Centralized Invoices

Healthcare industry thought leaders [agree](#) that automation and technology are pointing the way forward for finance and Accounts Payable.

Robust technological tools drive automated processes that begin providing benefits from Day One.

The best and most useful [portals](#) today contain all approved vendors and products. This leads to easy purchasing, simple receiving, inventory management, and all the benefits associated with centralizing invoices.

Procurement Partners [offers](#) 100% invoice automation and centralization for its range of clients in the healthcare industry. This means seamlessly automated invoices with more than 400 integrated vendors, and our Proprietary Optical Character Recognition system captures the rest.



Part 3

Top 10 Ways to Reduce Purchasing Costs through E-Procurement

One primary benefit of e-procurement solutions is [spend management](#). It's the bottom line of what drives [leaders of healthcare organizations](#) to pursue automated solutions for their procurement processes and spend. **Here are 10 primary cost-reduction benefits of e-procurement**, from good outcomes that can happen right away to the kind of long-term impacts that drive successful forward-looking businesses.

1 Find and eliminate duplicate spending
E-procurement's capability for identifying and flagging duplicative spend is the low-hanging fruit of cost-savings solutions. Healthcare organizations can start seeing immediate savings and save themselves the time and effort of recouping excess spend.

2 Save expenses from manual systems
Many organizations that have recently grown still rely on manual, paper-driven procurement systems that might (emphasis on might) have worked for one or two facilities but no longer make sense. Going digital means immediate savings in paper, postage, and workforce hours lost to tedious processes.

3 Leverage data and reviews
E-procurement opens doors immediately into one-click access to spending patterns and top financial outlays. Pulling automated reports from [centralized invoices](#) gives the finance office unprecedented insights into where the most money is going—and which adjustments can have the greatest impact on the bottom line.

4 Manage vendor relationships
Vendor relationships in healthcare procurement are [crucial](#). E-procurement systems enable clearer and more direct understanding of the costs of goods and services, documentation of errors or duplications, and expectations for both parties. This is particularly vital in times of supply chain [disruption](#).

5

Balance workforce and staffing

Automating and digitizing healthcare procurement can have a positive ripple effect through organizations. Productive individuals can be freed from manual tasks to make a greater impact. Stability can be achieved in times of short staffing or workplace churn. And the efficiencies of e-procurement can have a positive effect on morale and talent retention.

6

Review contracts

E-procurement collects [purposeful data](#) that can be leveraged into an invaluable contract review function. This leads to cost savings through compliance as well as potential areas of renegotiation.

7

Drive supplier accountability

Healthcare organizations need to make sure they're receiving the right goods and services at the right time and at the right location. E-procurement builds oversight and accountability into [inventory](#) and into every transaction.

8

Gain insight into spending trends

With the right reporting, spending and budget [trends](#) become highly visible, and short- and long-term trends can be identified before excess spend gets out the door.

9

Make spending completely visible

E-procurement is the greatest cure for the kind of unidentified, "rogue" spending that undermines budgets, forecasting, and the fiscal bottom line for companies that haven't digitized processes.

10

Empower planning

Leaders in healthcare procurement, and the enterprises they serve, can enjoy the benefit of mindful and intentional planning when costs are contained, and capital is freed up for expansion or investment in current facilities.



Part 4

Success Story: E-Procurement in Action

Case study: Supply Costs Plunge with More Control Over Purchasing

[Intercoastal Medical Center](#) is located on Florida's Gulf Coast with 10 locations serving the Bradenton and Sarasota areas. The organization includes family practice medicine, specialty medical professionals, labs, imaging facilities, and an ambulatory surgical center. Their purchasing process was both centralized and decentralized, and Purchasing Manager, Lisa Nieves knew there had to be a better way.

"I had set up all of our facilities to have online access for most of the vendors so orders could be placed directly along with approval flows for oversight," Lisa said. "But I kept thinking it would be great to have all of those vendors in one portal instead of having to go to each vendor's individual site."

While working with one of her GPO representatives, Lisa mentioned that she was looking for some kind of purchasing system and the rep recommended the [Procurement Partners](#) technology platform. She contacted Procurement Partners to learn more.

"I got our director of finance involved early in the process, as Procurement Partners does 3-way matching and [integrates with our Sage 100 software](#)," Lisa said. "We set up a meeting with some of the managers, then with people who were actually going to be placing the orders to let them see how Procurement Partners worked, and everyone knew it was a good fit."

Intercoastal had looked at other purchasing software, including vendor-owned purchasing software. *"But we didn't feel comfortable funneling so much of our ordering through one vendor's software,"* Lisa said. Additionally, the team liked how Procurement Partners was easy to use and had images of vendor products. *"People felt comfortable with the technology from the get-go."*



Lisa worked closely with her Procurement Partners implementation specialist to get the software up and running. *"I collected all of our information – the vendors, products, facilities – which was time-consuming but very important for setting up the portal correctly. The spreadsheets Procurement Partners sent me kept me on track,"* Lisa said. Once Intercoastal's information was entered into the system and initial kinks were worked out, they began the training process.

"We had a very large group of people ordering, receiving and approving supply orders for all of our locations," she said, *"so we actually had someone from Procurement Partners come to one of our facilities for a couple of days and we had our groups onsite both days, all day long. Then our teams went back to their locations and trained others on the software. Everyone picked it up very quickly."*

"After implementing Procurement Partners, we saw a significant drop in spending because we had more control over the whole process. We set up a list of approved items, had contracted costs in the system, and people ordering could see things more clearly because it was all on one order screen. That was a big deal for us – control over what people were able to see and do when ordering," Lisa said. *"Previously, people bought what they thought they needed and as a result we had a tremendous surplus of items."*

"Procurement Partners gives us more oversight and we know what we have on hand – as a result, there is more spend control. We reduced the waste from over-ordering, which was huge," she said. Not only is Intercoastal happy with the savings, but Lisa enjoys the relationship with Procurement Partners Customer Service. *"They [Customer Service] are extremely helpful, they actually take suggestions we've made and make system enhancements based on what we need. They are always great with us!"*

Learn more about how data & analytics with eProcurement can help you find hidden savings in our webinar recording:

[Webinar: How do Data & Analytics Help You Regain Control?](#)



Schedule a demo. Learn more about what Procurement Partners can do your your healthcare facility.

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