

# University Hospitals Leicester

## OB10 helps reduce average invoice processing time by 15 days

### Introduction

University Hospitals of Leicester (UHL) is one of the largest and busiest teaching trusts in England, which includes Glenfield Hospital, Leicester General Hospital and Leicester Royal Infirmary.

The trust currently employs over 10,000 staff and provides services to nearly two million people across Leicester, Leicestershire, Rutland, and beyond.

### The challenge


With such a large number of staff and suppliers spread over a vast area, UHL had to keep process management a topmost priority. Bearing in mind that UHL was also in the process of applying to be an NHS Foundation Trust, increasing efficiency within finance and procurement would translate to more time being allocated to the delivery of patient services – the core aim of all hospitals. These objectives led to a review of invoice processing, document management, procurement, business intelligence and sourcing.

The review highlighted the need to implement a Finance & Procurement transformation programme. Within the programme, Accounts Payable was one area highlighted in which efficiency and productivity could be improved. The Trust was manually processing more than 100,000 paper invoices per year. As a result of incorrect and incomplete invoices, input errors, internal routing as well as postage delays some invoices exceeded the 30 days payment terms by as much as 15 days. UHL realised the need to automate this process to significantly reduce both costs and processing time.

*“Invoices are now delivered to our finance systems within hours, eliminating postage, scanning and manual intervention. This has helped reduce processing time by 15 days.”*

*Neil Callow  
Assistant Director of Finance*

**UHL**

University Hospitals of Leicester   
NHS Trust



In addition, streamlining processes would help UHL to comply with the Better Payment Practice Code. Founded in 1997 by the Better Payment Practice (BPP) Group, the campaign aims to promote a better payment culture within the UK by urging all firms to adopt a responsible attitude to paying Suppliers within 30 days.

## The Solution

OB10 offered UHL improved efficiency within Accounts Payable through a service which was simple and easy to connect to their existing Finance and Procurement system, allowing full automation of the purchase to pay process. With OBconnect, OB10's Any-to-Any data formatting UHL could ensure that its suppliers would not need to implement any additional hardware or software in order to accommodate e-Invoicing. It allows organisations to send and receive invoices in any file format and file structure, thereby eliminating the technical and financial barriers to Supplier adoption. Furthermore it works for all size of suppliers, regardless of their existing systems and processes, making it either cost neutral or actually represent a saving for Suppliers. Supplier enrolment was identified as being another key success factor of the programme.

"The only way we could benefit from this initiative was a high Supplier participation. We chose OB10 because of its proven track record of encouraging and facilitating supplier enrolment and because e-Invoicing leads to faster invoice delivery and accurate and complete data", says Neil Callow, Assistant Director of Finance at UHL.

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## Benefits

The mutual benefits gained by both UHL and its suppliers, made electronic invoicing an invaluable step in UHL's Finance & Procurement transformation programme. For the suppliers, the ability to present invoices to UHL, the buyer company, in its preferred data format was essential. The full automation of invoices also means that suppliers receive confirmation whether an invoice has successfully initial expected savings have been exceeded, says Neil Callow.

The faster and more accurate solution realised UHL's original aim, which was to reduce the time and money spent processing invoices. e-Invoicing through OB10 means that staff no longer spend unnecessary time on laborious manual tasks, the room for human error has been permanently removed and invoice scanning for internal approval has become unnecessary. This has helped reduce processing time by 15 days. Furthermore, as the invoices are now accurate, UHL can use e-Invoicing to gain further benefits from their existing e-procurement solution.

## The future

To further leverage the benefits of e-Invoicing, UHL plans to achieve a Better Payment Practice target of 95% during 2008 and will continue to focus on its supplier enrolment programme.

### About OB10

*OB10 simplifies and streamlines the complex invoice-to-pay process. Neither client organisations nor their suppliers are required to implement any hardware or software, and OB10 is independent of the data file formats.*

*Operational across Europe, North America and Asia, OB10 is compliant with the requirements of VAT, tax and e-Invoicing legislation and exchanges invoices between thousands of customers in over 130 countries.*

*To ensure unrivalled and rapid supplier enrolment, each new customer's suppliers are supported by an implementation services team responsible for getting them up and running on the OB10 network.*

**Customers include:** Agilent Technologies, Aviva, Barclays, BP, Cargill, DHL, DSG International, Fisher Scientific, General Motors, GlaxoSmithKline, Hertz, Hewlett Packard, IBM, Kellogg's, Logica, Deutsche Lufthansa, Mohawk Industries, Pfizer, SaraLee, Shaw Industries, Tesco and Xerox.

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