

# Case Study: Improving collaboration, insight and influence with analytics and benchmarking



‘We are enabling procurement professionals with new intelligence for their organisation. The value being delivered is that it helps us step beyond a traditional NHS procurement role and enables us to improve our influence with senior stakeholders as well as increase our leverage with our supply base.’

**Andy McMinn – Plymouth Hospitals NHS Trust**  
**Neil Routledge – South of England Procurement Services**

The UK healthcare system is in crisis. Demand exceeds supply, innovation continues unabated and funding is restricted. At a national level the government emphasise the need for improved efficiency but at a local level an increasing number of hospital trusts find themselves in the red, many for the first time in their history.

With 35% of NHS funding spend on goods and services, (21% of a typical Hospital Trust’s total spend), the need for procurement to find transformative solutions to driving cost saving and supply chain efficiency has never been greater. Where will they look?

Both at a local and national level the need to answer this question justifies the increasing demand for spend analysis and benchmarking across today’s NHS.

Spend and market intelligence are the foundations upon which key initiatives, as well as collaboration and trust, are built.

This case study describes the steps that one group of trusts have taken to implement a shared analytics and benchmarking solution as well as drive collaboration and value from its results.

## Shared Principles and Technology

Building trust, understanding and common purpose, are some of the aims of the Southern Procurement Partnership. This non-contracting body of seven NHS Hospital Trusts, each with their own organisational drivers, are collaborating to identify and deliver savings through demand aggregation, spend analytics, benchmarking and supply chain efficiency.

SPP comprises the NHS Hospital Trusts of Bristol & Weston Purchasing Consortium (3 hospitals), Plymouth, Portsmouth and Isle of Wight, Bournemouth, Hampshire Hospitals and Southampton. Together they account for a massive £2.5 billion of non-pay spend, of which £1.5 billion is influenceable.

Spend of such a scale demands effective management; it is vital that this amount of purchasing power be leveraged to drive savings and efficiency.

Plymouth NHS Hospitals Trust is one of the SPP members; a turnover of £430 million, and £147 million of non-pay spend of which £110 million is influenceable, makes this 900-bed hospital the biggest NHS Trust on the UK’s southwest peninsula. Its chief procurement officer, Andrew McMinn, is dedicated to the vision of the SPP, to standardise and aggregate across member Trusts and ultimately the whole NHS.



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“Our guiding principles are standardisation, aggregation and direct contracted commitment among member Trusts. We recognised that the only way forward, to enable us to deliver further value and cost savings, was to form a unified, like-minded, committed body that could approach the market directly equipped with full transparency and intelligence. We also collectively understood that to achieve this, we would need to invest in the right technology, and that spend analytics capability would be a big requirement. Against some stiff competition, BravoHealth ticked all our boxes.”



## NHS data challenge

There are a number of barriers to sustainable spend analysis implementation in the NHS. These include; diversity of source systems and data, varying levels of eProcurement adoption and data completeness, as well as a wide and complex range of clinical and non-clinical categories.

Some Trusts have underinvested in spend analytics due to a lack of funding availability resulting in low value-add

solutions and unsustainable DIY exercises. In other cases, where there has been a short-term political imperative, then on occasion, non-procurement execs have rushed into overinvesting in the wrong types of solution, namely snap shot insights from consultancies or consultant led technology choices that don't deliver.

This was the situation at the SPP;

“The spend analytics system we had been using was proving cumbersome; it was slow and it wasn't easy to extract data. Buyers who weren't so adept at spend analytics were becoming frustrated. Login and usage were quite low. After a market evaluation, each member of the partnership came to a single conclusion: BravoHealth was found to be, development-wise, far ahead of other solutions, especially in terms of robustness, speed and functionality tailored specifically for the healthcare sector. What's more, we've delivered £30,000 savings just by switching alone, without the benefits that speed and efficiency would bring.”

In order for data to be useful, spend analysis solutions must be tailored to the unique challenges of the NHS supply chain. This includes supporting a wide data capture, as well as health sector specific capability, such as enhanced medical classification libraries, and tools that enable category managers to share other sources of information, knowledge and experience in addition to the raw analysis.

“BravoHealth is simple to use yet affords us endless opportunities with the level of detail it is able to provide. Once you've invested a bit of time setting it up, you can feed in information, like NHS supply chain data, a PO or an invoice, and the system will pull out detailed data and cleanse, sort and enrich it, giving us enhanced data that we can use. Never before has the NHS had such a rich source of accurate, relevant data.”

“BravoHealth have so much experience with the healthcare sector; they have set up spend analytics for so many Trusts and have great relationships with them and the supply chain. They know where to look for the best analysis, so Trusts don't need to do anything to get that data, they will just benefit from the system and have access to the experts, their knowledge and their partnership.



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## The power of deep data analysis with enhanced coding

Analyst houses predict that the amount of data we generate today will grow 50-fold by 2020.

For Andrew and the SPP it is essential that growing volumes of data are exploited to bring accurate and meaningful information that will help them make better, informed buying decisions.

He explains why BravoHealth does this so well:

“Data volumes are increasing and the trend is never-ending. If we rely on buyers to make sense of it, we will get mixed results: some are good at it, others not. I need a spend analytics system that makes sense of it for us and shortcuts to telling the buyers where to focus. A buyer’s goal is to deliver savings, crunching numbers takes them away from what they’re supposed to be doing. If I can do that for them in an efficient way, then we all reach our goal much quicker. BravoHealth does this better than any system on the market with its enhanced coding and report scheduling functionality, allowing us to shift from spend analytics to pushing guided analysis to the fingertips of those responsible for making savings.”

“The team at BravoHealth, which helped us project manage implementation, are experts in categories and markets. They are really clued up about the NHS and its direction and this meant they were spot on in interpreting our data and understanding how we need to manage it. They have a really robust process for getting raw data to a useful level. They understood the magnitude of our data transfer and could

foresee all obstacles, and were realistic about timeframes. What we’ve ended up with is clear, well presented and easy to understand output – we have been very impressed.”

## Insights into inventory, technology usage, negotiating leverage

Neil Routledge is Head of Procurement, South of England Procurement Services, hosted by Portsmouth Hospitals Trust. He explains how BravoHealth is used to provide true visibility across the entire SPP, giving clear insights from “deep-dive” analysis.

“We are using it to do analysis and aggregation that we have never been able to do before. What we’re interested in for the long term, especially in those large categories of orthopaedics or cardiology, is the 20 percent of spend where charges differ. The BravoHealth system makes sense of anomalies in pricing throughout the NHS. We were able to take this data to see where the different charges reside, what the direct spend is, analyse the parts of a particular product area and rationalise these products and suppliers down.”

“Another key aspect has been looking at points of usage and wastage: BravoHealth is supporting our hospital inventory management. We had been buying in products at quantities we didn’t really need. Now, when a product is used it is scanned-in via a barcode, recorded in our P2P systems and from the resulting analysis we get a true picture of what’s needed and what’s actually being used.”

Neil can provide clinicians and general managers with accurate data on prosthesis numbers, like the amount of hip or knee replacements, which otherwise would be drawn from assumptions based on indirect sources like recorded procedure volumes.

One of the features of the BravoHealth benchmarking is complete transparency and full line level data access across participating trusts, affording a step change in price visibility and product comparability.

With improved regional price visibility and clearer product comparability, he can also negotiate more effectively with suppliers. It is easier to demonstrate when a company



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is overcharging for products in comparison with other trusts or other similar products, and he has up-to-date information to challenge them or share with other internal stakeholders.

## Clinical and financial stakeholder engagement

One of the benefits of a spend intelligence solution which covers multiple trusts and regions, is that it becomes a unique source of intelligence with which to engage with complex stakeholder groups like clinical and financial decision makers. The intelligence can be used to build credibility and to become an essential source of market expertise and awareness of comparative better value.

Within the application, Andrew can build tailored reports a stakeholders' business needs and the system can then be configured to automatically send the report to those stakeholders.

"Buyers, budget holders or clinical directors don't even have to go to find the data, we can push the report out to them; we simply open the scheduling window and tell the system when you want it to go, where, to whom, and by when, it's that powerful."

"Other systems just aren't this quick at extracting data and pushing intelligence and healthcare supply chain insights. Our buyers are using various systems and getting good data promptly is a challenge. BravoHealth is just so slick: it's actually very rewarding when you are presenting to show how fast and accurately you can retrieve your data."

The intelligence is valuable not just for the buyer but for the key decision makers in the Trusts.

"Beyond the SPP, the goal is for the whole of the NHS to be working collaboratively using one system, with all data in one place, accurate and visible. I am 100 percent convinced that this system could be BravoHealth."

## NHS wide collaboration and insight beyond the SPP

A key area of value-add in the BravoHealth solution goes beyond analytics and benchmarking and makes it possible for individuals to collaborate nationally or in a specialised group, securely sharing other sources of information (e.g. contracts, rebates, strategies and market intelligence) alongside the data based analysis.

This knowledge exchange, in addition to core analysis, is vital to sharing experience and expertise across the system, making it possible to break down regional boundaries and collaborate across a virtual procurement landscape.

"BravoHealth is constantly innovating and staying ahead of the market. It is just at the start of the development curve" said Andrew: "The company is genius when it comes to new ideas about spend analysis. Where the system is going is very exciting. It is also enhancing, enriching and cleansing huge data sets that will ultimately be the building blocks of standardisation and aggregation across the NHS. Their enhanced coding will bring insights into data that will guide buyers to new points of contractual leveraging. We are enabling procurement professionals with a new intelligence for their organisation. The value being delivered is that it helps us step beyond a traditional NHS procurement role and enables us to improve our influence with senior stakeholders as well as increase our leverage with our supply base."



## About BravoHealth

BravoHealth is a subsidiary of BravoSolution, a global software and services provider, who are focused on delivering best in class eProcurement solutions for healthcare organisations. Our 'Outcome led Procurement' solutions contribute to; integrated care services, improved supply chain efficiency and better outcomes, through analytics, benchmarking and knowledge sharing.



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