FEDERAL INSTITUTE FOR VOCATIONAL TRAINING

E-PROCUREMENT: FAST, TRANSPARENT, 70% LESS PAPER

QUICK FACTS

Industry
Public sector

Revenue
€157 million

Employees
630

Headquarters
Bonn, Germany

Web Site
www.bibb.de

SAP® Solutions and Services
SAP NetWeaver® Folders Management application

Implementation Partner
SAP® Consulting

Electronic purchase orders enable the Federal Institute for Vocational Training (BIBB) in Bonn, Germany, to make its IT procurement processes faster, safer, and more transparent. Based on the SAP NetWeaver® Folders Management application, the federal institute's solution enforces a dual-control policy and prevents fraudulent action. Workflow-based case handling saves time and money: Paper documents were reduced by 70%. Searches and queries are handled in seconds.

Key Challenges

- Eliminate manual IT procurement processes
- Introduce a document management system as a pilot solution for case handling in IT procurement
- Enforce security standards and a fine-grained policy for permissions and roles
- Comply with audit requirements
- Meet regulatory compliance requirements

Why SAP Was Selected

- Integration with the financials software of the SAP® ERP application
- Adaptability of and ease of customizing SAP software
- Investment protection

Implementation Best Practices

- Smooth and straightforward implementation
- Project completion on schedule and within budget
- High degree of user acceptance

Low Total Cost of Ownership

- Reduction in data management costs and effort due to consistent master data
- Economies of scale by running document and financial management software within a common solution
- No need for additional user training due to existing SAP application user experience
- No need for additional staff or training for administration

Financial and Strategic Benefits

- Gained end-to-end visibility into procurement processes and their current status
- Reduced procurement-related hard copies by 70%
- Eliminated paper-based case files
- Reduced search and query times to a few seconds per case
- Established prudent use of budget through integration of SAP solutions
- Established robust antifraud controls

Operational Benefits

- Achieved consistency in the handling of procurement processes
- Attained high quality through software-based completeness checks
- Established state-of-the-art procedures, including teleworking
- Improved data quality
- Minimized the number of interfaces
- Minimized data entry errors
- Integrated digital signatures
- Gained a highly adaptable solution, also covering event management

Federal Institute for Vocational Education and Training

BIBB

- Researching
- Advising
- Shaping the future

"SAP NetWeaver Folders Management has significantly improved the quality of our services and the satisfaction of our staff. IT-based case handling has made us aware of the scope and the positive impact of our SAP solution."

Dr. Astrid Fey, CIO, Federal Institute for Vocational Training (BIBB)

www.sap.com/contactsap

The Federal Institute for Vocational Training (BIBB) is Germany's national center of expertise for the analysis, development, and advancement of vocational skills. A division of the Federal Ministry of Education, BIBB employs 630 staff. In 2009, expenditure totaled €157 million.

New Procurement Solution for Functional Segregation

In 2006, BIBB split up its IT procurement department into three separate organizational units in order to establish a robust, dual-control policy and introduce antifraud mechanisms. Unlooked-for disadvantages resulted. Because the institute's processes were paper-based, it suddenly required additional manual filing systems, which resulted in a dramatic increase in paper consumption. Costs incurred were high. Internal buyers did not receive timely responses to their queries. To achieve process, pricing, and cost transparency, BIBB needed to overhaul the entire process.

Management decided to deploy the SAP NetWeaver® Folders Management application as a foundation for a document management and case handling solution aimed at comprehensively streamlining IT procurement. The idea was to establish a pilot application for the subsequent rollout in other departments.

"We deploy standard SAP solutions to prevent modifications and additional costs. The use of SAP NetWeaver Folders Management delivers economies of scale because this solution runs in our existing SAP infrastructure. There is no need for high-maintenance interfaces," explains Dr. Astrid Fey, CIO and project leader at BIBB. A key criterion was the integration with the financials functionality of the SAP® ERP application. "The overall solution offered by SAP was a lot more compelling than the offerings of other vendors," says Dr. Fey.

Paperless Procurement Processes

Electronic case handling marks the beginning of a new era in procurement at BIBB. "We were keen on using digital signatures," notes Dr. Fey. Today, users who issue an electronic purchase order for IT components at BIBB can check the status of their order at any time. All order-related data is entered directly into the software. Paper forms are a thing of the past. There is no need for cases to be forwarded by physical mail. Digital case handling helps to dramatically cut cycle times and eliminates the risk of file loss. All participating business units share the same transparent processes. The ability to handle electronic purchasing processes extends to teleworkers as well.

E-procurement quickly proved its worth at BIBB. It is significantly safer, faster, and more cost-effective than the traditional paper-based method. The electronic method was very well received by users and continues to contribute to employee satisfaction. Further benefits include a significant improvement in data quality and minimized data entry errors. A fine-grained policy for permissions and roles plus high security standards prevent fraudulent activities. Efficient, workflow-based processes have enabled BIBB to eliminate 70% of manual procurement files. Today, purchase order queries and searches are completed within seconds.

Step-by-Step Implementation

The rapid progress of the ambitious project was assisted by professionals from SAP Consulting. Dr. Fey was positively impressed by the in-depth consulting experience of the experts. The implementation spanned three phases: rollout of the core functionality for the mapping of electronic case file handling, integration of the accounting function, and implementation of the electronic signature functionality. "We made very efficient use of our tight budget, and we have achieved excellent results due to one-stop shopping for the solution and consulting services," Dr. Fey concludes.

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