



Civil Service
WORLD 
Research

**A study into civil servants' views on
'Improving Government Procurement'**

In association with

PRGX[™]

Introduction

In March 2011 *Civil Service World* conducted a study with PRGX into civil servants' views of government procurement data. The survey was sent to a sample of over 20,000 Civil Servants which was demographically representative of the civil service as a whole. The study generated 205 responses, establishing a useful benchmark for the monitoring of behaviours and attitudes. This represents a 1% response rate, which would reflect the same percentage of qualified respondents from across the civil service.*

This presentation covers the key findings from the study, and enables key trends to be observed.

Separate more detailed tabulations, and verbatim results, have also been produced from the study.

*Based on official Civil Service Statistics [the last report available was from 2009] the government procurement profession as a whole represents 0.5% of the civil service as a whole, the whole civil service at the time included 527,000 civil servants.

Some key findings

- The data points to a fragmented system of procurement and cost control, with multiple software packages in use and frequent lack of basic controls such as reconciliation of procurement decisions with actual transactions.
- 57% of civil servants working in procurement would see working with an external partner as an opportunity to improve the process.
- The survey indicated that civil servants believe 48% of their target savings over the next year could be saved through a combination of the following:
 - *Cash recovery for past over payments*
 - *Reducing price paid to suppliers*
 - *Control of external expenditure from improved information*
- This indicates that the services offered by cash recovery organisations could play a substantial role in achieving target savings across the civil service.

Method and Sample

A sample of Civil Servants was selected from the panel and sent an explanatory email inviting them to take part in the study into a specific topic. A breakdown of the respondent characteristics is shown in the next tables.

Greater detail can be found in the results tabulations where the sample is broken by: Gender, Age, Time in the Civil Service and Grade.

As would be expected with a study looking into procurement, there are proportionately more senior civil servants in the respondent sample than there are across the civil service. This is due to the responsibility for procurement and procurement management resting predominately with the more senior grades.

The sample enables valid conclusions to be drawn and comparisons to be made.

At the 95% Confidence Level:

- Where results are between 30% and 70% differences of approximately +/- 7% will be statistically significant
- Where results are between 1% and 29% or 71% to 100%, this falls to approximately +/- 4%

NB: It should be noted that on some tables in this presentation not all sub-groups add to the base figure shown. As standard, this is either due to a very small number of respondents not fully completing a particular question, and/or to rounding of percentages.

Study sample

By Gender and Grade

Base:	
All Respondents	%
Gender	
Male	44
Female	44
Not disclosed	11
Grade	
6/7 and SCS	27
All Others	70

Role types

Respondents were asked whether their role was predominately a financial or commercial one. There was an option for both, and for neither of these areas

Of the total sample, a significant 50% were within these groups. The tables produced for each of the following questions therefore include responses from each grouping to show how each group's responses to each question compared.

The figures suggest that of the total number of civil servants that use and manage procurement data, approximately 50% work within a Finance or Commercial role.

Role types

By Role Type

Base:	
All Respondents	%
Role	
Finance	14
Commercial	21
Both	15
Neither	49
Not stated	1

What system do you use for tracking procurement data?

Respondents were asked to choose, from a list of four choices, the system they currently used for tracking procurement.

Of the total sample:

45% currently use Oracle

19% use SAP

1% use Peoplesoft

1% use SpendTrax

36% Not Stated/Other

These results can be recalculated to show actual percentages of the four options declared. In this way, we can see that Oracle has a 68% share of the four, SAP 29% and Peoplesoft and SpendTrax only 1% each.

Of those that did not use one of these systems, 44 supplied an 'Other' system. The responses are broken down in a later slide.

What system do you use for tracking procurement data?

All respondents	Total	Financial	Commercial	Both	Neither	2 years or less	3 - 10 years	More than 10 years	SCS and Grades 6 and 7	All other grades
Total	205	29	43	31	100	12	60	131	56	149
Oracle	93	20	23	17	33	5	24	64	23	70
	45%	69%	53%	55%	33%	41%	40%	49%	41%	47%
SAP	39	9	7	3	20	2	11	26	11	28
	19%	31%	16%	10%	20%	17%	18%	20%	20%	19%
Peoplesoft	2	0	1	0	1	1	0	1	0	2
	1%	0%	2%	0%	1%	8%	0%	1%	0%	1%
SpendTrax	2	0	1	1	0	0	1	1	1	1
	1%	0%	2%	3%	0%	0%	1%	1%	2%	1%
Not stated	73	2	12	11	48	4	25	42	21	52
	36%	7%	28%	35%	48%	33%	42%	32%	38%	35%

What system do you use for tracking procurement data: Other

Respondents were also given an option to enter a different system to those listed: 44 respondents chose Other, and the following list is a breakdown of the verbatim results delivered:

Adelphi
Observatory and Integra
Excel and Optima database
JP Morgan Reconciliation
Agresso
E-Financials
Microsoft Excel
Maconomy
Internal Spreadsheets and IT systems
Procurement team tracking
MICA
COGNOS and Inhouse Solutions
RTPi
Sun (iPOS)
Spikes Cavell
Bespoke MIS for Estate Management
Project/PB&F/CMIS
Open Accounts
Baan

Can you get hold of the category or supplier spend details that you need?

Respondents were asked to choose from a four point scale of how they were able to obtain the category or supplier spend details that they need as part of their jobs.

Of those that could find exactly what they needed, 34% those in Financial roles were able to do this. On average the figure across the sample was 21%, with only 13% of senior grades being able to find what they needed.

Just over a third of the total sample could 'mostly find' what they wanted, but found extracting the information hard work. This figure rose to on average 48% of senior grades, Finance professionals, and Commercial professionals.

Across the sample, Finance professionals are significantly better able to access the category or supplier spend details that they need than other groups.

Of the total, 71% of the sample are (to varying degrees) unable to easily get hold of the category or supplier spend details that they require.

Can you get hold of the category or supplier spend details that you need?

All respondents	Total	Financial	Commercial	Both	Neither	2 years or less	3 - 10 years	More than 10 years	SCS and Grades 6 and 7	All other grades
Total	205	29	43	31	100	12	60	131	56	144
Yes, I can find exactly what I need	43	10	7	8	18	3	13	27	7	35
	21%	34%	16%	26%	18%	25%	22%	21%	13%	24%
Mostly - but it's hard work extracting what I want	72	14	20	11	27	5	20	47	27	44
	35%	48%	47%	35%	27.00%	42%	33%	36%	48%	31%
Sometimes, but I do need better spend information	33	4	6	5	18	2	11	20	7	26
	16%	14%	14%	16%	18%	17%	18%	15%	13%	18%
I really need better information in order to optimise our spend	40	1	9	7	23	2	13	25	11	28
	20%	3%	21%	23%	23%	17%	22%	19%	20%	19%
Not stated	17	0	1	0	14	0	3	12	4	11
	8%	0%	2%	0%	14%	0%	5%	9%	7%	8%

When you have chosen a supplier, how do you make sure that the procurement decision is applied?

Respondents were asked to select from a list of four options how they made sure that the procurement decision was applied to a chosen supplier

Over a third of respondents do not have the systems to be able to monitor supplier spend after the procurement decision is taken. This figure reduced to just under a quarter of Finance professionals, however this still represents a significant number.

Over a third of Commercial teams, and the more senior civil servants are likely to ask for periodic manual data extraction to monitor the procurement decision. Lower grades, and Financial professionals are less likely to. Financial professionals are, however, more likely to be able to do this themselves.

An interesting finding here is that 48% of those civil servants who have spent the least time in the civil service (2 years or less) stated that they were only responsible for selecting the supplier, and not for making sure that the procurement decision was applied.

Only a small proportion (9%) of the total sample had a procurement system that produced a list of 'rogue' spend. This figure is slightly distorted by the 25% of Finance professionals who said that they had such facilities, so would be proportionately lower if this group was removed from the list (approximately 5%)

When you have chosen a supplier, how do you make sure that the procurement decision is applied?

All respondents	Total	Financial	Commercial	Both	Neither	2 years or less	3 - 10 years	More than 10 years	SCS and Grades 6 and 7	All other grades
Total	205	29	43	31	100	12	60	131	56	144
My procurement system produces a list of 'rogue' spend	18	7	5	4	2	2	4	12	6	12
	9%	24%	12%	13%	2%	17%	7%	9%	11%	8%
I ask for a periodic manual data extraction	36	4	13	8	11	1	15	20	19	17
	18%	14%	30%	26%	11%	8%	25%	15%	34%	12%
My role only includes choosing the supplier	47	9	10	6	22	5	12	30	10	36
	23%	31%	23%	19%	22%	42%	20%	23%	18%	25%
I do not have the systems to monitor supplier spend after the procurement decision is taken	71	7	11	9	44	4	21	46	15	55
	35%	24%	26%	29%	44%	33%	35%	35%	27%	38%
Not stated	33	2	4	4	21	0	8	23	6	24
	16%	7%	9%	13%	21%	0%	13%	18%	11%	17%

Do you pay suppliers through a shared service centre?

Respondents were asked whether they paid suppliers through a shared service centre, and if so had a choice of four options as to how long they had done so.

Of the total responses 37% of civil servants do not pay suppliers through a shared service centre.

Of those that do use a shared service centre:

42% had done so for over 4 years

20% had done so for the last 3 years

25% had done so for the last 2 years

13% had done so for the last year

Therefore, the majority of shared service users had used this system for at least 3 years. Again, Financial professionals appear to have been using this system for far longer than other groups.

Do you pay suppliers through a shared service centre?

All respondents	Total	Financial	Commercial	Both	Neither	2 years or less	3 - 10 years	More than 10 years	SCS and Grades 6 and 7	All other grades
Total	205	29	43	31	100	12	60	131	56	144
No	76	6	19	12	39	6	22	48	19	55
	37%	21%	44%	39%	39%	50%	37%	37%	34%	38%
Yes, for the last 1 year	15	3	2	4	6	0	6	9	1	14
	7%	10%	5%	13%	6%	0%	10%	7%	2%	10%
Yes, for the last 2 years	29	7	4	5	13	1	11	17	8	20
	14%	24%	9%	16%	13%	8%	18%	13%	14%	14%
Yes, for the last 3 years	23	2	8	3	10	1	10	12	13	10
	11%	7%	19%	10%	10%	8%	17%	9%	23%	7%
Yes for over 4 years	48	11	9	6	22	4	7	37	13	35
	23%	38%	21%	19%	22%	33%	12%	28%	23%	24%
Not stated	14	0	1	1	10	0	4	8	2	10
	7%	0%	2%	3%	10%	0%	7%	6%	4%	7%

Have you changed your payment software in the last 5 years?

If so, when did you change your payment software?

Respondents were asked whether they had changed their payment software in the last 5 years, and if so, when within this period they changed it.

Two thirds of respondents indicated that they had not changed their software in the 5 year period, and this figure rose to 79% for Finance professionals.

Of those that did change their software in the period, just under a quarter of respondents answered to give a certain time-frame. It is likely that either respondents did not know exactly when the software was changed, or did not answer the question because they thought that it was too sensitive.

Of those that did answer the question the majority of changes occurred between 1 and 4 years ago.

Have you changed your payment software in the last 5 years?

	Total	Financial	Commercial	Both	Neither	2 years or less	3 - 10 years	More than 10 years	SCS and Grades 6 and 7	All other grades
All respondents										
Total	205	29	43	31	100	12	60	131	56	144
Yes	50	6	11	13	20	4	16	30	19	31
	24%	21%	26%	42%	20%	33%	27%	23%	34%	22%
No	136	23	30	17	66	7	39	90	33	100
	66%	79%	70%	55%	66%	58%	65%	69%	59%	69%
Not Stated	19	0	2	1	14	1	5	11	4	13
	9%	0%	5%	3%	14%	8%	8%	8%	7%	9%
In the last 12 months	6	0	1	2	3	2	2	2	2	4
	3%	0%	2%	6%	3%	17%	3%	2%	4%	3%
1-2 years ago	20	1	5	7	7	0	10	10	6	14
	10%	3%	12%	23%	7%	0%	17%	8%	11%	10%
2-4 years ago	23	5	5	4	9	2	4	17	10	13
	11%	17%	12%	13%	9%	17%	7%	13%	18%	9%
Not stated	156	23	32	18	81	8	44	102	38	113
	76%	74%	74%	58%	81%	67%	73%	78%	68%	78%

And which software did you change from, and to?

Respondents that answered yes to having changed their software in the last five years were then asked what software they changed from, and to.

The next set of tables show responses to each question.

11 respondents changed from either Oracle or SAP. 55% of respondents changed to Oracle, and just under 20% changed to SAP.

The majority of respondents changed from an 'other' software type, and verbatim results show that these were from:

- Various unnamed outsourced services
- Liberata
- 'Legacy system'
- TBS/SUNS

11 respondents changed to an 'other' software type, and verbatim results show that these were to:

- LOGICA
- Agresso
- GPC (Government Procurement Card)
- Adelphi
- Baan

Did you know that most commercial organisations have external retrospective audits of their transaction accuracy?

Respondents were asked if they were aware that most commercial organisations have external audits of their transaction accuracy.

From the total, 53% stated that they were aware of this, and 45% stated that they were not aware.

The Finance professionals were, again, more aware than the other groups, however where civil servants worked in roles that were both Financial and Commercial, this figure rose to 77%.

More of the senior civil servants were aware than those junior grades.

The results show civil servants who are neither Finance or Commercial professionals, and civil servants that have spend the least time in the civil service, are less likely to be aware of such external retrospective audits.

Did you know that most commercial organisations have external retrospective audits of their transaction accuracy?

All respondents	Total	Financial	Commercial	Both	Neither	2 years or less	3 - 10 years	More than 10 years	SCS and Grades 6 and 7	All other grades
Total	205	29	43	31	100	12	60	131	56	144
Yes	108	18	25	24	41	5	29	74	32	73
	53%	62%	58%	77%	41%	42%	48%	56%	57%	51%
No	92	11	18	7	56	7	30	55	24	68
	45%	38%	42%	23%	56%	58%	50%	42%	43%	47%
Not stated	5				3		1	2		3
	2%	0%	0%	0%	3%	0%	2%	2%	0%	2%

Do you undertake regular systematic fraud reviews of your data?

If so, how do you perform the review?

Respondents were asked whether they undertook regular systematic fraud reviews on their data. If so, they were able to select whether this was an internal or external process. Respondents were able to select both, where this was the case.

27% of the total sample did not undertake fraud reviews, however this figure fell to 19% of those Commercial professionals.

Out of the 134 respondents that did carry out fraud reviews, 93% carry out internal reviews. 20% said that they carried out external reviews. Approximately 7% of respondents who carry out fraud reviews only do this externally, and 13% carry this out internally *and* externally.

Respondents that did carry out a review, were then asked how they did this.

48% of respondents stated that they did this by performing in-house tests, which rose to 59% of Finance professionals

7% of the total stated that they had software to indentify possible fraudulent activity, and 8% outsourced the activity.

Do you undertake regular systematic fraud reviews of your data?

All respondents	Total	Financial	Commercial	Both	Neither	2 years or less	3 - 10 years	More than 10 years	SCS and Grades 6 and 7	All other grades
Total	205	29	43	31	100	12	60	131	56	144
No	56	7	8	6	35	4	21	31	11	43
	27%	24%	19%	19%	35%	33%	35%	24%	20%	30%
Yes - internal	124	22	30	22	50	8	32	84	37	86
	60%	76%	70%	71%	50%	67%	53%	64%	66%	60%
Yes - external	28	4	6	6	12	2	6	20	7	21
	14%	14%	14%	19%	12%	17%	10%	15%	13%	15%
Not stated	15		3	1	9		4	9	5	8
	7%	0%	7%	3%	9%	0%	7%	7%	9%	6%

How do you perform the review?

	Total	Financial	Commercial	Both	Neither	2 years or less	3 - 10 years	More than 10 years	SCS and Grades 6 and 7	All other grades
All respondents										
Total	205	29	43	31	100	12	60	131	56	144
Using a software which identifies possible fraudulent activity, and then internal investigations	15	6		1	8	2		13	3	12
	7%	21%	0%	3%	8%	17%	0%	10%	5%	8%
Performing in-house tests	98	17	22	19	40	7	26	65	27	70
	48%	59%	51%	61%	40%	58%	43%	50%	48%	49%
Outsourcing the activity	16		6	6	4		7	9	5	11
	8%	0%	14%	19%	4%	0%	12%	7%	9%	8%
Other	16	1	2	3	10	1	3	12	5	11
	8%	3%	5%	10%	10%	8%	5%	9%	9%	8%
Not stated	74	7	13	7	45	4	26	42	17	53
	36%	24%	30%	23%	45%	33%	43%	32%	30%	37%

If, by working with an external partner, cash could be recovered from suppliers relating to past payment errors without any cost to your budget would you...

Respondents were then asked to select one or more of five statements relating to their feelings about an external partner working with them to recover cash from suppliers relating to past payment errors.

Of the total sample:

57% saw an opportunity to improve the process. This figure rose to 65% for those working within Commercial roles, and 64% within the senior civil service grades.

41% saw an opportunity to recover cash. Again, this figure rose, to 52% among senior grades.

12% were concerned about external interference in their departments, however this figure dropped significantly to 5% among senior grades.

16% were concerned that errors found could be embarrassing

25% would be concerned about damage to supplier relationships. This figure rose for the Finance and Commercial groups, but dropped to 21% of the senior grades.

Commercial roles were comparatively more likely to see an opportunity for improvement in process than an opportunity to recover cash. It is notable that improving the process appears to be significantly important across each role group and demographic sub-group.

If, by working with an external partner, cash could be recovered from suppliers relating to past payment errors without any cost to your budget would you...

All respondents	Total	Financial	Commercial	Both	Neither	2 years or less	3 - 10 years	More than 10 years	SCS and Grades 6 and 7	All other grades
Total	205	29	43	31	100	12	60	131	56	144
Be concerned about external interference in my department	25	4	4	5	12		8	17	3	21
	12%	14%	9%	16%	12%	0%	13%	13%	5%	15%
Be concerned that errors could be embarrassing	32	5	5	5	17	1	11	20	6	25
	16%	17%	12%	16%	17%	8%	18%	15%	11%	17%
Be concerned about damage to relationships	52	9	14	10	19	2	17	33	12	39
	25%	31%	33%	32%	19%	17%	28%	25%	21%	27%
See it as an opportunity to recover cash	85	12	17	15	41	6	34	45	29	54
	41%	41%	40%	48%	41%	50%	57%	34%	52%	38%
See it as an opportunity to improve the process	117	17	28	20	52	7	31	79	36	79
	57%	59%	65%	65%	52%	58%	52%	60%	64%	55%
Not stated	16		1	1	12	1	4	9	4	10
	8%	0%	2%	3%	12%	8%	7%	7%	7%	7%

What percentage of your current targeted savings for the next year do you think could be made through...

Respondents were then asked to mark the percentage of their current targeted savings for the next year, that could be made through five categories. They were also given an option for 'other' to put these options into context.

Across the whole sample, the following percentage of targeted savings were found:

Type	% saving
Reduction of internal costs (labour, property)	29
Reducing price paid to suppliers	21
Control of external expenditure on improved information	19
Other	12
Increased outsourcing	11
Cash recovery for past overpayments	8

The 'rank' of each type of saving remained the same across all grades. Finance professionals put a greater percentage on reduction of internal costs, and a marginally greater emphasis on Increasing Outsourcing and Cash Recovery than 'Other'.

What percentage of your current targeted savings for the next year do you think could be made through...

	Total	Financial	Commercial	Both	Neither	2 years or less	3 - 10 years	More than 10 years	SCS and Grades 6 and 7	All other grades
All respondents										
Total (Base)	205	29	43	31	100	12	60	131	56	144
Reduction of internal costs (labour, property)?										
%	28.6	36.1	27.2	24.7	28.2	37.1	24.6	29.6	30	28.2
Increased outsourcing										
%	11.3	11.2	15.9	12.6	8.3	5.8	13.1	11	10.8	10.9
Control of external expenditure on improved information										
%	18.8	15.4	17.9	20.1	20.3	19.7	21.3	17.7	17.6	19.6
Reducing price paid to suppliers										
%	21.2	23.7	20.7	26.8	18.5	22.5	20.3	21.6	22.6	20.3
Cash recovery for past overpayments										
%	7.9	7.3	4.6	7.5	10.1	10.9	8.7	7.3	5.1	9.4
Other										
%	12.2	6.4	13.6	8.4	14.6	4.1	12.1	12.9	13.8	11.7

*Results are presented by percentage mean score

End