PURCHASING DEPARTMENT IMPROVEMENT PROJECT

AUGUST 8, 2023
PRESENTATION

AGENDA

- Background

- Our Work as a Team

- Improvement Action Set

- Next Steps

- Testimonials

MEET THE TEAM!

Sponsor:

Venis Manigo
Associate VP and Chief Procurement Officer

Team Members:

Front row, left to right:

Clarissa Clark
Director of Purchasing

Candis Golston

Back row, left to right:

Amy Sabol

Kristen Moss

Edna Sims

Lana Widener

Kim Rose

Facilitator: Tom Terez
Office of Organizational Excellence

OUR WORK AS A TEAM

1. Held **6 listening sessions** to get detailed input from **16 people** who depend on Purchasing

Principal Investigators, Administrative Leaders, Business Managers, IT, and others

- What works well with the current process?
- What are the most common pain points?
- What are your suggestions for improvement?
- Follow-up discussion

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- Our Work as a Team
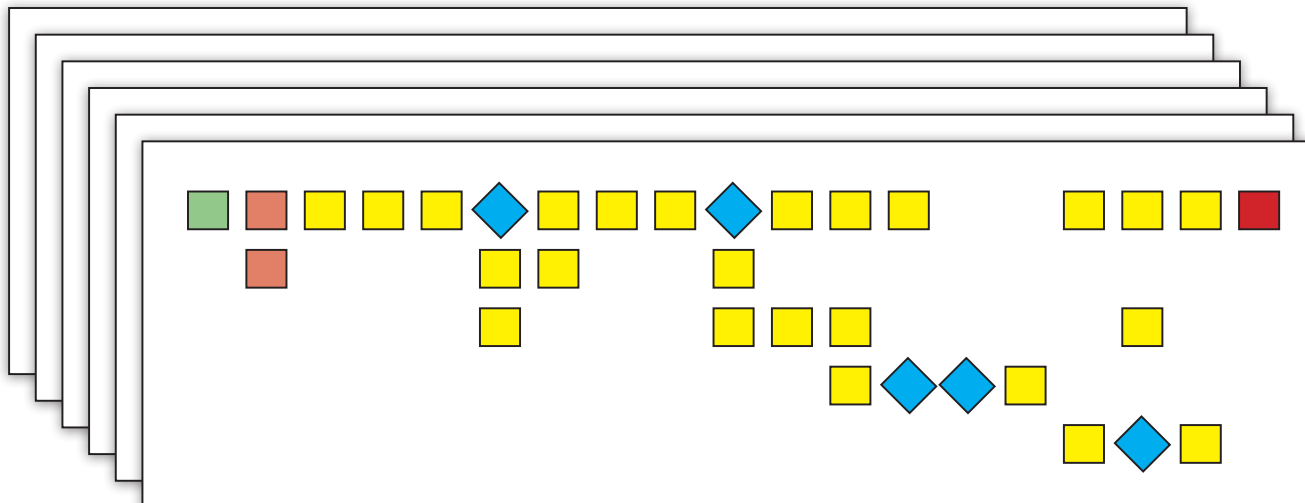- Improvement Action Set
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2. Heard from **161 requisitioners** via a comprehensive survey (42% response rate)

Sent to all who submitted requisitions in past 12 months

- Levels of confidence, sources of confusion
- Learning needs and resources
- Impressions of service quality
- Suggestions for improvement
- Candid comments

SURVEY FEEDBACK → **Discussion and Discovery** → **Potential Improvements**

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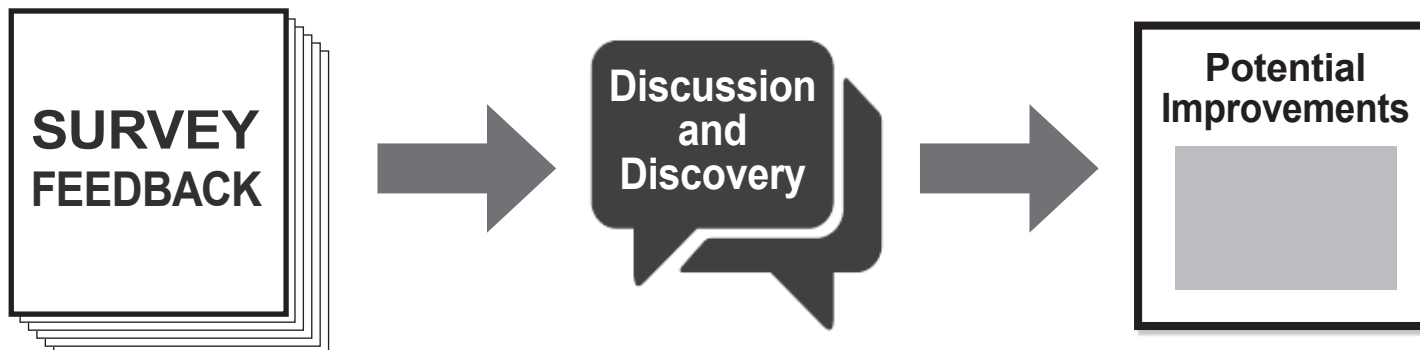
3. Mapped **6 key processes**

- Goods and Services
- Construction
- Professional Services
- Sole Source Procurement
- Alternative Delivery Method
- Emergency Procurement

4. Studied the maps to uncover process problems and inefficiencies
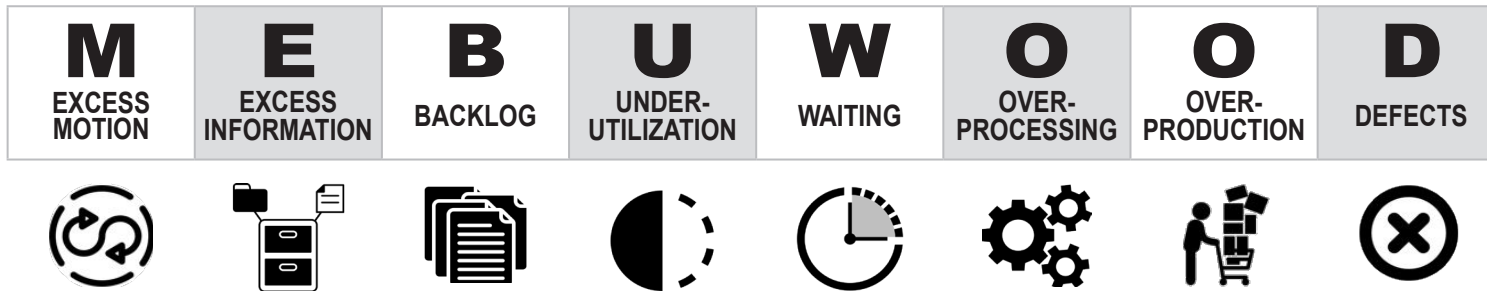
M	E	B	U	W	O	O	D
EXCESS MOTION	EXCESS INFORMATION	BACKLOG	UNDER-UTILIZATION	WAITING	OVER-PROCESSING	OVER-PRODUCTION	DEFECTS

A **deeper dive** into one of the process maps:
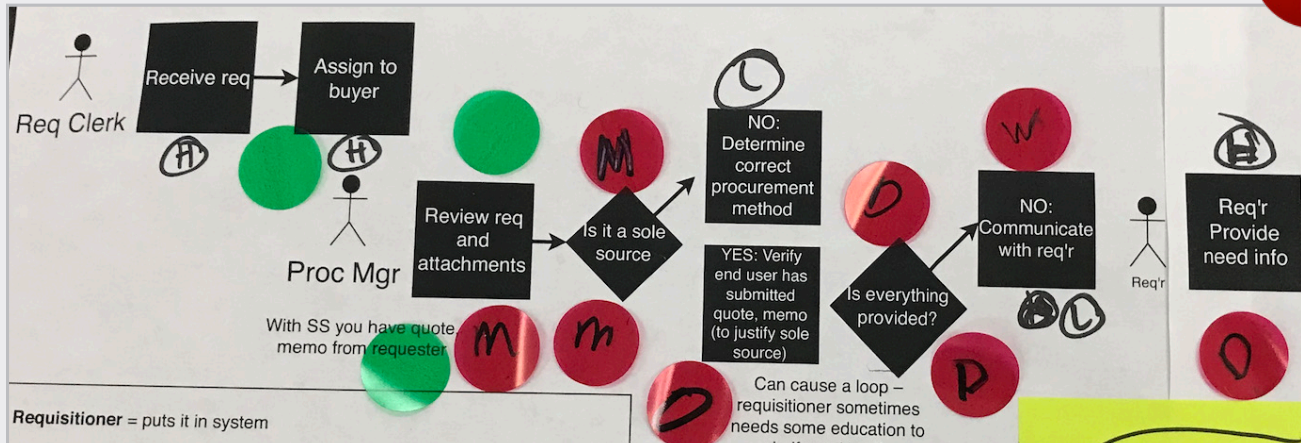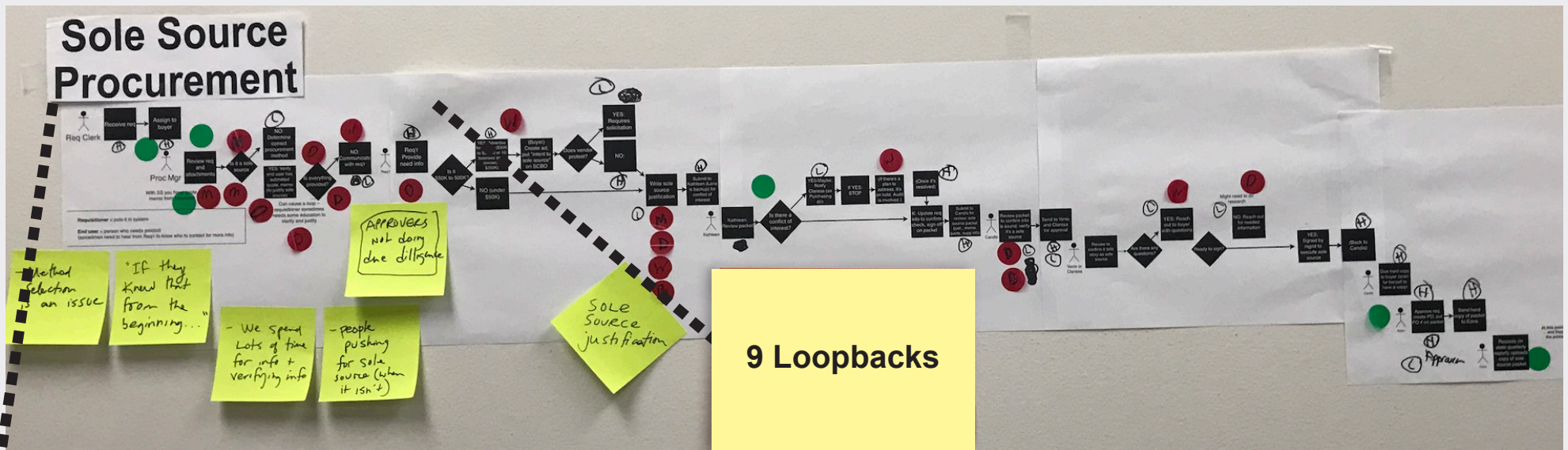
9 Loopbacks

! **Frequent LOOPBACKS* on the front end of the process** – as often as 90% of the time in some cases

- **Results in DELAYS and frustration right from the start**

- **OVERPROCESSING on the front end of the process** – e.g., requisition arrives under one procurement method, but a different method is appropriate

* Loopback: When incoming requisitions arrive with incorrect information and missing information or attachments, Purchasing needs to "loop back" to the requisitioner

5. Used the discoveries to develop an action set of **improvements**

IMPROVEMENT ACTION SET
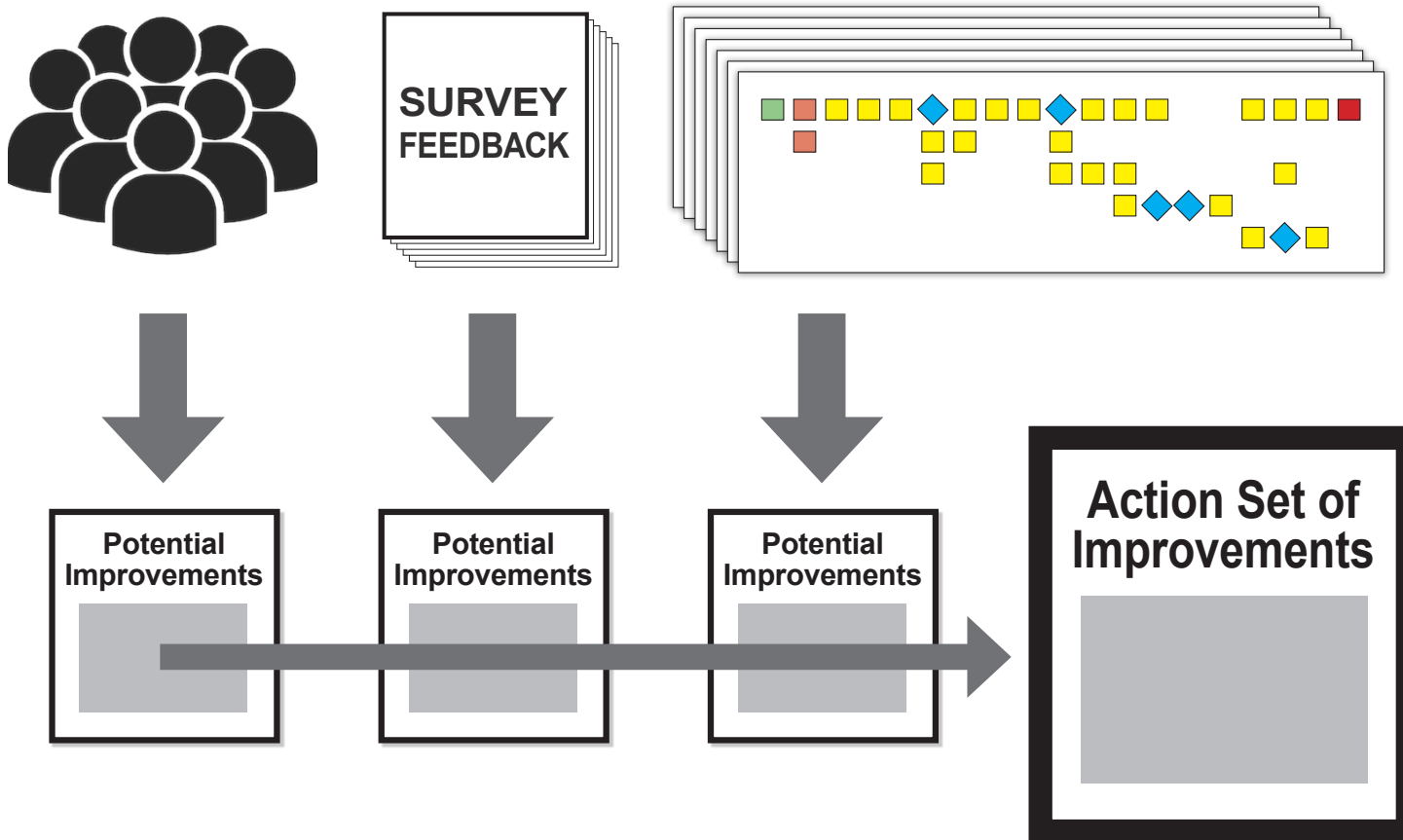
What you'll see on the next slides:

19 Improvement Actions

- The improvements are in **6 categories**

- Included are:

  - **One-time actions:** Improvements and development efforts to be completed in a set amount of time

  - **Start doing:** Improvements that call for development work on the front end, then become ongoing

  - **Ongoing:** Actions that continue over time, reflecting Purchasing's way of doing business

User-Friendly Guidance
Easier Tracking
Process Simplification
Feedback Pipeline
Expanded Know-How
Strengthened Partnership

These actions and *additional* improvements are in the full report, with time frames and leads for each.

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Provide simple tip sheets and checklists

✓ **Clearer guidance on the front end will make it easier to prep and submit requisitions** – removing guesswork, saving time, increasing the number of ready submissions, and reducing loopbacks.

- Create user-friendly tip sheet that clearly spells out "which procurement method to use when"

- Create plain language checklist for each procurement method

- Update website to add clear explanations, contact info, an easier-to-navigate toolbox, and links to other areas and offices

ACTION SET

User-Friendly Guidance

Easier Tracking

Process Simplification

Feedback Pipeline

Expanded Know-How

Strengthened Partnership

Make it easier to check requisition status

Knowing the status of a purchase is critically important to Purchasing's customers.

- Partner with IT to add more notifications to show the status of requisitions (e.g., missing information).

- Communicate how to check the status of a requisition using managed requisitions.

- Ensure that PIs and/or other affected end users are identified in submitted requisitions.

- Add capability for approver and buyer to add comments to the requisition status.

ACTION SET

User-Friendly Guidance

Easier Tracking

Process Simplification

Feedback Pipeline

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Implement initial process improvements

The aim is to simplify, standardize, and reduce process time. This work will be ongoing.

- Sole Source: Develop a standard questionnaire with straightforward prompts for all required info.

- Sole Source: If posted to SCBO, use those 5-10 days to write justification and keep the process moving.

- Develop a standard written quotation form for use when seeking quote.

- Conduct deep dives into the processes of additional procurement methods to find more efficiencies.

Track how well we're serving our customers

📈 **A combination of meaningful measures and qualitative feedback** will show where we're meeting customer needs and expectations – and where further improvement is needed.

- Develop and use a simple scorecard to monitor process time, loopbacks, and other key measures.

- Strengthen Purchasing's customer survey by adding prompts to gauge customer satisfaction.

- Review survey input and process measures with staff each quarter, so all are aware and engaged.

KEY MEASURES

Loopbacks: Percentage of times a buyer needs to "loop back" to a requisitioner due to a requisition missing information and/or attachment, or requiring corrections.

Why loopbacks are occurring: Track the most common reasons a buyer had to loop back to the requisitioner, in order to further mistake-proof the process and reduce loopbacks.

Process time: Start-to-finish process time in days, from the arrival of an approved requisition to dispatch of the purchase order.

Expand our internal purchasing know-how

💡 Trainings are routinely offered already, but **the following actions aim to fill current gaps**.

- Include people with different roles in trainings, so all get the same info and a shared understanding.

- Launch an updated Business Manager Certificate Program to strengthen know-how in this key role.

Learn more about customers' business needs

By expanding our efforts to listen to our customers and learn more about their missions and needs, we will be better able to serve and support.

- Expand to have periodic business meetings with more departments to learn about their business needs.

- Meet with principal investigators at least yearly to learn more about their priorities, plans, and needs.

- Meet with system campuses at least yearly to strengthen communication, coordination, and service.

The input sessions underscored the importance and value of this.

NEXT STEPS

1-page action highlights

1-page project summary

Detail about ALL the improvements, with time frames and assignments

Everything is in one document that serves as a comprehensive roadmap

At the end of this presentation, see the chat window for links to these slides and to the full report

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