Demonstrate Value of Procurement Through Department Business Reviews

Todd Adams
Gayle Ta
UC San Diego
Learning Outcomes

- Use data effectively to demonstrate procurement’s value and increase customer satisfaction
- Develop an outreach strategy that targets key campus departments
- Engage in meaningful discussions with customers
Before Department Business Reviews (DBR’s) at UC San Diego

- Outreach was done ad-hoc with no coordination between areas of Procurement
  - Buyers, Marketplace, Small Business, Sustainability, etc.
- No consistent message or approach
- A customer service visit was usually “Hey, how are we doing?”
- Sometimes meetings were derailed and became negative
DBR Strategy

- Improve annual customer satisfaction rating
- Show the value of Procurement
- We have quality data that we used for Supplier Business Reviews. Why not use the same concept in our outreach to departments?
- Bring the departments something tangible that demonstrates how they interact with Procurement
DBR Process

1. Analyze customer satisfaction surveys and target depts. who scored us below a 3
2. Schedule meetings w/each dept.
3. Schedule key depts. Just before survey invitation goes out
4. Email dept. for any outstanding issues before DBR
5. Match functional areas of Procurement with dept. (3 to 4 people)
6. Work w/Analytics to identify meaningful metrics
7. Meet with team beforehand to review data, validate metrics, and address issues posed by dept.
8. Conduct meeting at dept. location
9. Follow-up with any action items
Marketplace Orders by Line Item Type

- Punchout Product: 7%
- miniRequest: 7%
- iRequest: 3%

Marketplace Search Results: 83%

Improve the P&C experience...

Approve Requisitions without having to log into Marketplace—use email approvals. Open up your email, review the order, enter your approval code and you’re done.

Utilize Shared Favorites to create consistent product ordering and share search results & iRequests with others in your office or lab.

Lab/Work Group lets you monitor ordering in real-time, pull reports and analyze your department’s Marketplace spend.

Set up order queries that run automatically or share queries with others from the Order Query tab in Marketplace.

The P&C webinar training schedule is posted on Blink, along with Marketplace training videos. Topics include processing Subawards and PO Revisions.

For any P&C questions or to arrange a training session, please contact us:
Marketplace: mphelp@ucsd.edu
Business Contracts: buscon@ucsd.edu

VC Student Affairs
FY13 Q2 – FY14 Q1
Spend Analytics

$2.5K*

Average VC Student Affairs dollars spent each week on goods and services.
(Marketplace, Express Card, Express Order, IFIS POs)
*Excludes Subawards

For more Smart Analytics, check out http://www.bfs.ucsd.edu/PUR/Analytics/Index.html
Top 10 Suppliers By Spend *

<table>
<thead>
<tr>
<th>Supplier</th>
<th>Spend</th>
<th>% of Spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>OFFICE MAX</td>
<td>$11,480</td>
<td>8.9%</td>
</tr>
<tr>
<td>GOOGLE</td>
<td>$10,283</td>
<td>8.0%</td>
</tr>
<tr>
<td>COPY IT</td>
<td>$10,017</td>
<td>7.7%</td>
</tr>
<tr>
<td>DELL COMPUTER</td>
<td>$8,912</td>
<td>6.9%</td>
</tr>
<tr>
<td>BKM OFFICEWORKS</td>
<td>$8,863</td>
<td>6.9%</td>
</tr>
<tr>
<td>GOLD FIELD STAGE &amp; CO.</td>
<td>$7,121</td>
<td>5.5%</td>
</tr>
<tr>
<td>UCLA</td>
<td>$5,349</td>
<td>4.1%</td>
</tr>
<tr>
<td>UTC BAKERY</td>
<td>$4,899</td>
<td>3.8%</td>
</tr>
<tr>
<td>4IMPRINT</td>
<td>$3,563</td>
<td>2.8%</td>
</tr>
<tr>
<td>CLASSIC RENTALS</td>
<td>$3,467</td>
<td>2.7%</td>
</tr>
</tbody>
</table>

Top 5 Agreement Suppliers By Spend *

- **Office Max** $11,480 (8.9%)
- **Dell** $8,912 (6.9%)
- **BKM** $8,863 (6.9%)
- **IBM** $2,470 (1.9%)
- **CDWG** $1,606 (1.2%)

Social Responsibility

VC Student Affairs
Small Business Diversity Spend

- HUDZone Small Business, $210
- Minority Owned Small Business, $602
- Small Disadvantaged Business, $1,176
- Woman-Owned Small Business, $1,991
- Small Business Concern, $5,979

Bottom line Results!
Strategic Sourcing Agreement Est. Savings

- **Student Health** $80,152
- University Centers $20,565
- Sports Facilities $16,403
- Admissions & Enrollment Svs $11,645
- International Center $9,135
- Student Life $8,154
- Intercollegiate Athletics $6,417
- Campus Recreation $5,607
- VC Student Affairs $4,395
- 13 Departments < $4,396

Your support in GREENING the campus

- **$5,378**
- Office Supplies
- **$10**
- Lab Supplies

Green spend includes products that are environmentally friendly and/or come in sustainable packaging material.
A Closer Look at the Brochure...

Look at last 12 months of data

Geosciences Research

FY13 Q3 – FY14 Q2
Spend Analytics

$23.6K

Average Geosciences Research Division dollars spent each week on goods and services*.
(Marketplace, Express Card, Express Order, IF15 POs)
*Excludes Subawards

Source of spend

Average spend per week
A Closer Look at the Brochure...

Who are their major suppliers?

What are their major categories?

What are their methods of buying?
A Closer Look at the Brochure...

Where are the savings generating from?

How do their savings compare with like departments?
A Closer Look at the Brochure...

How are they supporting our local economy and green initiatives?

Social Responsibility
Geosciences Research Division

Small Business Diversity Spend

Geosciences Research ranks 56th in

- Small Business Spend ($17,575)
- Service Disabled Vet-Owned, $574
- Minority-Owned Small Business, $1,821
- Small Disadvantaged Business, $22,913
- Woman-Owned Small Business, $21,989
- Veteran-Owned Small Business $161,739

Small Business Concern, $337,889

Your support in GREENING the campus

$9,623 Equipment
$2,242 Office Supplies
$1,587 LED Supplies

$16,074 Total Green Spend in 2013

Other categories in spend include Furniture, Copier & Toner Supplies, Computer Supplies, Printing Supplies, Chemicals, Maintenance & Cleaning, and Project-specific office supplies
How efficient is our e-procurement system and is it meeting your needs?
A Closer Look at the Brochure...

**Improve the P&C experience...**

- Approve Requisitions without having to log into Marketplace—use email approvals. Open up your email, review the order, enter your approval code and you’re done.

**Utilize Shared Favorites to create consistent product ordering and share search results & Requests with others in your office or lab.**

**Lab/Work Group** lets you monitor ordering in real-time, pull reports and analyze your department’s Marketplace spend.

- Set up order queries that run automatically or share queries with others from the Order Query tab in Marketplace.

The P&C webinar training schedule is posted on Blink, along with Marketplace training videos. Topics include processing Subawards and PO Revisions.

For any P&C questions or to arrange a training session, please contact us:
Marketplace: mphp@ucsd.edu
Business Contracts: buscon@ucsd.edu

For more Smart Analytics check out http://www.bts.ucsd.edu/PUR/Analytics/index.html
What do the Departments say?

I thought the meeting was quite productive. A sense of partnership was certainly established. The information provided brought some items to light and will help moving forward.

Business Operations Manager
University Communications & Public Affairs

The little brochure with our department statistics was very interesting and useful.

Admin. Assistant
Music

With the information we received we might decide to change our long standing department practice of making everyone an "index informed shopper" which could reduce requisition processing times.

Admin. Assistant
Geosciences Research Division

I think it showed a few of the attendees that if they had more education or training on Marketplace "tips & tricks" they might not become so frustrated when trying to order something.

Business Operations Manager
University Communications & Public Affairs
After Department Business Reviews (DBR’s) at UC San Diego

- Having pertinent data immediately changes the conversation
- Procurement is seen as an expert
- The dynamic is different - the conversation is guided in a productive way
- More meaningful conversations are started (not always in the same direction)
- Procurement is sharing valuable information
- More of a collaboration/partnership with the department
- Departments feel like procurement understands them, so they are more willing to listen to procurement
Procurement Comparison (Overall Satisfaction)
DBR VS NON-DBR

DBR Departments:
11% average increase

Non-DBR Departments:
1% average decrease
What we’ve learned...

• Departments that had a DBR experienced an average 11% increase from last year

• People are generally leaving with a positive impression

• DBRs have helped cut down on preconceived notions
  ▪ People always think their order processing time is slower than it actually is
  ▪ Procurement doesn’t advocate on behalf of small businesses
  ▪ People assume they aren’t finding items in search results
Challenges

• The data process is not automated
• Managing the scheduling takes time
• Some departments do not respond
• Overcoming preconceived notions of what the meeting is about
• 200+ departments at UC San Diego
## DBR Outreach Schedule

<table>
<thead>
<tr>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>January</th>
<th>February</th>
<th>March</th>
</tr>
</thead>
<tbody>
<tr>
<td>University Communications*</td>
<td>Emergency Medicine*</td>
<td>SurgeryΔ±</td>
<td>ImprintsΔ±</td>
<td></td>
<td>Geosciences Research Division*∞±</td>
<td>Bookstore*±</td>
<td>Admissions &amp; RegistrarΔ∞±</td>
</tr>
<tr>
<td>Rady School of Management*</td>
<td>Office of the Ombuds Person*</td>
<td>MusicΔ*</td>
<td>IICAS (Inst. for International, Comparative, &amp; Area Studies)*</td>
<td></td>
<td>Marine Biology*∞</td>
<td>Sports Facilities*</td>
<td>CAIT2Δ±</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>VC Student AffairsΔ±</td>
<td></td>
<td>IGPPΔ∞±</td>
</tr>
</tbody>
</table>

* Departments that scored us below three, for two years in a row  
Δ Departments that scored us below three  
∞ Departments that had a DBR in 2013  
± Departments with >1 employee who assessed P&C in the CSS
Planning your DBR

1. Identify priority departments for meeting
2. Invite departments for DBR and schedule meeting
3. Generate brochure data
4. Solicit questions or concerns from the department
5. Set-up pre-meeting with procurement representatives to review brochure and questions
6. Conduct meeting
7. Follow-up on action items from meeting
2014 Customer Solutions Team Plan

Outreach
- Department Business Reviews
- Virtual Department Business Reviews
- Department Requested Meetings
- Open House (October)
- Technology Fair - Sharecase (March)
- Small Business Expo (August)
- MySpend
- Year-in-Review Message/Video

Training
- Buying Goods & Services 101 and 102
- Customer Support (Help Desk - SalesForce)
- Self-Directed Videos
- Supplier Trainings
- Department Requested Trainings
- Access Based Training Assessment

Communications
- Newsletters (Fall, Spring, Summer)
- SciQuest: Showcase (This Week’s Features)
- Blink: Homepage News Teasers
- Blink: Articles
- SalesForce: Knowledge Base Articles
- Email: Campus Notice
- Email: Targeted Audience
- New Hire Orientation Handout
Questions?

• Todd Adams
  – UC San Diego, Procurement & Contracts
  – Deputy Director, Strategic Procurement
  – tdadams@ucsd.edu

• Gayle Ta
  – UC San Diego, Procurement & Contracts
  – Assistant Director, Business and Analytics
  – gta@ucsd.edu
Additional Examples

• Virtual DBR
  – http://youtu.be/WYLkhHeyS3o

• Year End Review Video
  – http://youtu.be/Xp7uuc6UbGU

• Other Videos
  – https://www.youtube.com/user/UCSDMarketplace