Photo Courtesy Drexel University

Drexel Streamlines Supplier Management & Sourcing

Julie Jones and Michele Arias drive change at leading Philadelphia university

Drexel is a comprehensive global research university with a unique model of experiential learning that combines academic rigor with one of the nation's premier cooperative education programs. With its main campus in Philadelphia, Pennsylvania, Drexel has been designated at the highest level of research activity by the Carnegie Classification of Institutions of Higher Education.

In recent years, Procurement Services at Drexel has given considerable thought to its role within the university. Its mission is "to strengthen the dynamic operations of a globally engaged urban university through efficient, scalable and customer-focused procurement and purchasing practices."

Two women have driven the change in culture and operations in Procurement Services. Julie Jones, Chief Procurement Officer, joined Drexel University in January 2018 and focused on processes and policy in the first year after her arrival. She wanted to ensure that end users felt that they had a voice and that their needs would be accurately reflected

in subsequent system design. Michele Arias has been with the institution for 13 years and is now Executive Director, Accounts Payable and Procurement Support. Her role involves overall systems administration; Michele is responsible for upkeep of the supplier database and procurement platform, known at Drexel as Smart Source, as well as internal and external audits.

"Michele and I worked closely together on the system. The challenge was to facilitate the adoption of new technology, and this is where Michele excels, having spent some years as the JAGGAER system trainer at Drexel," Julie says.

"Some years ago, JAGGAER gave us the ability to ensure that the correctauthorizations were pursued, people bought on-contract and so on. But it was also the first procure-to-pay technology at Drexel, and this meant we needed to go through a change process to demonstrate benefits to users. It was important to engage them in conversations to ensure that it delivered what they needed," Michele says.

The focus was thus to make the system reflect best practices in procurement while maximizing user acceptance and use.

As a research institution, target users of the system include people like lab technicians and there was some hesitancy at the start, largely due to a lack of understanding as to why things could not continue to be done the way they were in the past, in a new environment that demands greater transparency and financial accountability. Michele's role as the sole system trainer at the university gave her a lot of insight into, and empathy for, their perspective.

"I met people in all departments and in all sorts of roles. Based on these insights, we reassessed the situation from a holistic perspective, made recommendations, and implemented changes. Sure enough, when Julie joined Drexel and gave me carte blanche to make all of these modifications to the workflows, we saw a rapid growth in user uptake of the system," Michele says.

One of the outcomes is that much of Drexel's spend has been shifted from p-cards onto Smart Source, where it is managed and visible. "This was a major roadblock we had to clear. Because p-cards are so easy to use, when you then ask people to go through the system and enter a lot of information to get pre-approval, you are likely to encounter resistance, because the user's objective is understandably to get their lab supplies or sports equipment the most efficient way possible. That's why we had to move things forward on several fronts: process, system, communication and training," Julie says.

"It's challenging in a higher education context but the more we can mimic the consumer online shopping experience the more we increase usage. What's more, we also get constructive feedback on where to go next on our journey with JAGGAER." Michele continues: "We are very fortunate to have a supplier management system in place, and this became all the more apparent as we dealt with the pandemic and the need to work remotely.

"We first installed JAGGAER Supplier Management in 2015 and we derived a lot of value from cleaning up our supplier records and having all the information visible in one place."

"The flexibility of the system allows us to create forms and workflows to move additional departments onto the system. To give a specific example, the catering department was struggling with its monthly reconciliations, so we moved all of its records into JAGGAER, where they can view all the invoices that have been paid or are outstanding. This has eased the administrative burden, avoids awkward situations like duplicate payments, and gives visibility to everyone.

"This visibility also means that when a department needs a supplier for a specific category it has not used before, or is looking for some alternatives, they can easily look to
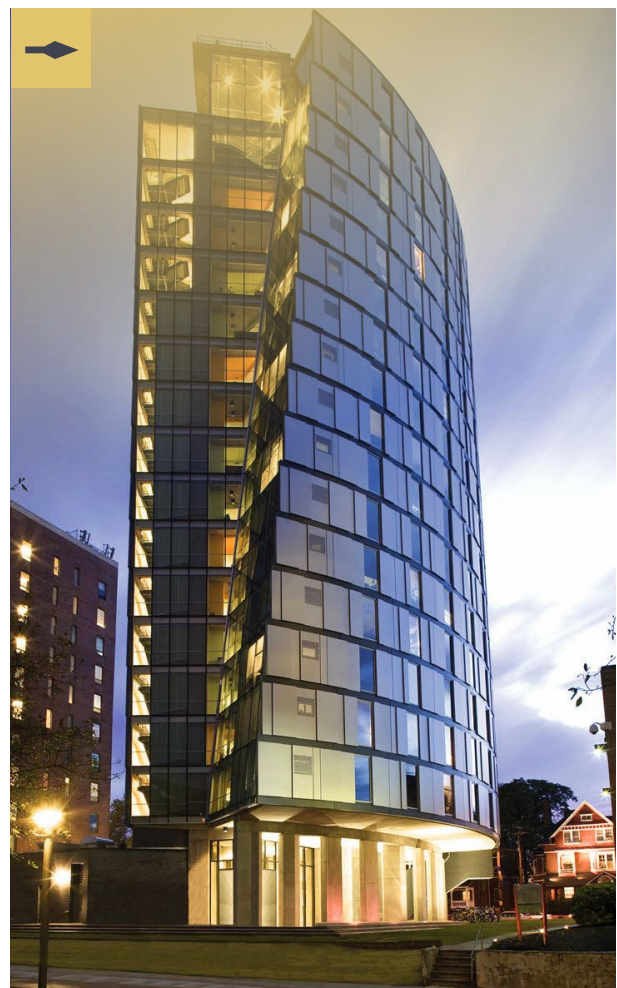
Photo Courtesy Drexel University

see what suppliers other departments have used. Likewise, suppliers can log into the supplier portal and immediately see invoices and orders, which means they don't need to take up our time with phone calls or emails."

Michele has recently created scorecard functionality, enabling end users to provide feedback on suppliers, which will further enrich the data in JAGGAER Supplier Management to support decisions on future sourcing and contracts.

Next: Sourcing

Drexel recently decided to extend its JAGGAER implementation with the Sourcing module. According to Julie, "We made a strong case to show how procurement could positively impact the university with the additional investment."

It really came down to the human resource issue. Procurement Services supports all procurement and accounts payable functions including p-cards and travel, responsible for handling $350 million in annual spend. The sourcing team consists of one executive lead and three support staff and is responsible for requisition processing for the University as a whole, in addition to RFPs.

"So they are really stretched," Julie says. "They often rely on end users to get quotes and, in some cases where we have super-users, run their own RFPs. As a research institution, we certainly don't have the bandwidth to cover every major category in Procurement Services. What we do have is good professional relationships, contract expertise and negotiation skills."

"So, based on these considerations, we decided that sourcing was the area to go next, the area where technology could really help us to become more effective and make a greater impact," Julie says. "Not just from a financial perspective, but to ensure that we are sourcing from the best suppliers, while also meeting goals such as diversifying our supplier base and contributing to the rebuilding of our city by introducing more and often better suppliers.

"And the software will help us do that."

To maximize time to value, Drexel made the decision to engage JAGGAER Alliance Partner RiseNow for implementation and best practice design. Utilizing RiseNow's sourcing accelerator program, Drexel has received sourcing event best practice coaching and training, including question writing, templates, and libraries. "With JAGGAER software you can do about three times as many sourcing events with the same human resources, so this will provide a tremendous boost to the Drexel team," says Bill King, Director at RiseNow.

"Now, Drexel can take any hard copy RFP that has been done in the past and set up a new one using an electronic template that guides the user with prompts, best practices and tips and tricks to get best value. For example, rather than asking a supplier a general and vague question such as, 'What's your diversity policy?' you can ask for specific information such as 'Please identify and provide your company's spend with minority-owned businesses in Philadelphia.'"

"Everyone at Drexel has been highly motivated to get this up and running and successful," Bill adds. The system is targeted to go live in August, 2021.

JAGGAER.COM

JAGGAER