

Practical Pointers from ESM Solutions

5 STEPS TO MAP YOUR EPROCUREMENT PROJECT STRATEGY

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ESM EMBODIES PROCUREMENT AUTOMATION

WHY YOU NEED AN EPROCUREMENT PROJECT STRATEGY

Today, it's clear to almost every executive that moving from the traditional purchasing model to a strategic eProcurement program can greatly increase staff efficiency and save money. Because eProcurement automates so many purchasing processes, it eliminates reams of paperwork and allows procurement staff to refocus their efforts on cutting costs and improving strategic partnerships. The move to automation alone can save hundreds of man-hours every year.

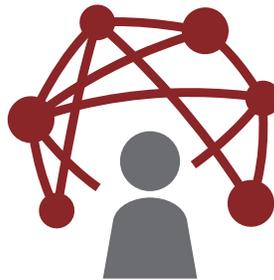
Still, the process of making the move to eProcurement is a project that represents a significant investment in planning, training, and execution. The success of an eProcurement program ultimately hinges on buy-in from around the organization (and from all suppliers), to ensure a smooth transition, ongoing training and education, and most importantly, cost savings to the organization.

Making the move from traditional procurement processes to a sleek eProcurement setup is all about project strategy.

STEP

1

CREATE STAKEHOLDER/ SUPPLIER STRATEGIES



To get that all-important buy-in, first it is important to help senior administrators and other key stakeholders understand the value of eProcurement: lower costs through leveraging organizational scale, and simple, accurate reporting mechanisms to demonstrate success against institutional and state mandates. Procurement officers also should utilize data analytics tools to support eProcurement and demonstrate cost savings of the program to stakeholders. Right behind that, procurement officers need to develop one-, three-, and five-year purchasing goals for the organization-- especially plans for ensuring return on investment (ROI) and supporting the staffing needs for the program. Every organization has short- and long-term goals that guide

its leadership through planning and executing key initiatives; embarking on an eProcurement program is no different.

Finally, procurement officers must develop a supplier strategy. It is not necessary to include every single supplier in the initial rollout; rather, focus first on the most-used suppliers. Engaging a few key suppliers first enables you to leverage your relationships with them to ensure a smooth transition to eProcurement. What's more, eProcurement systems can be structured to limit purchasing options and to provide speedy access to pre-approved product bundles, resulting in better standardization across the organization. Also, consider how your supplier partners can contribute to those very important eProcurement reports by providing additional data and insight into spending trends.

To ensure a smooth transition to eProcurement, focus first on the most-used suppliers and leverage those relationships before moving forward.

STEP

2

DEVELOP END-USER STRATEGY



With key stakeholders and suppliers ready to support your eProcurement program, you can turn your attention to the important task of rolling out eProcurement to purchasers (end-users) around the institution. Remember: without end-user buy-in, the system will never be fully utilized, making it difficult to demonstrate eProcurement's full potential.

Help end-users understand their role in making the new system a success and in increasing the program's ROI by sharing, in simple terms, the one-, three-, and five-year procurement plans. Next, as the rollout begins, provide users with regular updates by highlighting key milestones and reinforcing the long-term goal messaging. Finally, engage the organization as you plan for end-user training. You want training to be as smooth and effortless as possible, so ask key faculty and staff members to help you determine the best ways to "teach" the end-users about the new system. Also, consider building into your plans the use of training feedback surveys so that you can make adjustments on the fly. If the system is not user friendly, this step is very difficult to achieve. The solution needs to act as if the users were purchasing items in a consumer fashion.

STEP

3

BUILD STRATEGIC TRAINING



There are several ways to structure end-user training for your new eProcurement system. Much of it depends on how tech-savvy your staff is to begin with, and how your organization typically handles staff training. Some prefer to start with hands-on training in a classroom or computer-lab setting, which enables the procurement

team to receive instant feedback. This can be a great way to adjust the training for future sessions.

With your first round of end users trained, you can move on to the second training phase, which is a train-the-trainer model within individual departments. This enables departments to tailor training to address specific purchasing needs and processes within that department. And lastly, you can move on to the final and ongoing training phase: providing end-users with 24/7 access to online help programs and web demos that highlight the most commonly used tasks in the eProcurement system.

STEP

4

LEVERAGE SUPPLIER PARTNERS



When you did your homework at the start of the path to eProcurement, you tallied your suppliers most readily available to support the program, either via their own systems or through their ability to contribute to ROI reports. Now it's time to work with your partners to cement relationships that will ensure the long-term success of your eProcurement program.

Start by examining the largest supplier contracts your organization has and how you can utilize the supplier partner relationships to expand eProcurement. Also, consider key commodity groups, and how they can supply products to your organization. Both of these segments can provide your campus with critical product

information and marketing support to a) help users make the most of your eProcurement system and b) drive sales, resulting in c) better volume contract pricing.

Next, consider conducting quarterly business reviews with your partners to demonstrate eProcurement's value to the organization. These meetings provide insight into how your organization uses suppliers, and give you the opportunity to understand how to grow those relationships. Finally, train your suppliers to use your eProcurement system to ensure that everyone is articulating the same eProcurement message throughout the process and across the institution. Don't forget to give your suppliers' partners access to end-users, to further educate them about buying products through the eProcurement system and not around the system.

STEP

5

SELL, SELL, SELL!



Sell eProcurement early and often. With your eProcurement program running smoothly and your end-users trained, you can now turn your attention to developing a detailed organizational promotion and marketing program to show the savings. Consider branding your eProcurement program with its own name in order to market it to staff. From there, you can support the program by building out your marketing materials to include print collateral and online tools.

And don't forget about those partners! Most of your suppliers have extensive marketing capabilities that can support your campaign. Start with partner marketing collateral branded for your eProcurement solution, and designed to help promote that relationship with the organization. Also, invite partners to host webinars and

attend on-campus supplier days or supplier fairs as ways to introduce themselves and their eProcurement partnership with your organization.



AS PROJECTS GO...

eProcurement enables organizations to be more strategic than ever. By proactively engaging stakeholders inside and outside the organization, you can achieve a maximum level of cooperation and compliance from end-users and suppliers. Ultimately, a successful, well-managed eProcurement initiative gives you the opportunity to leverage technology to improve productivity, make better decisions, and achieve maximum return on procurement dollars, or associated services.

ESM SOLUTIONS EMBODIES PROCUREMENT AUTOMATION

We manage eProcurement automation for you with three key guiding tenets:

1

FOCUS

- ESM Solutions is dedicated to helping public sector customers save money and improve their procurement processes.
- We provide a complete feature set that meets the needs of our specific customers.
- ESM Solution integrates to your GL or ERP system to augment your financial processes.
- We automate your supplier sourcing activities.
- We provide data analytics to enhance strategic sourcing with key suppliers and local and diverse entities.

2

INTUITIVE USER DESIGN

- Our user interface is designed to guide end-users through the purchasing steps.
- End-users don't want to use old software. They want layouts and designs that mirror their personal shopping behaviors.
- Mobile: Our applications have been redesigned for tablets, and with our rapid approval mobile app, approving on the go is extremely easy to navigate.

ESM SOLUTIONS EMBODIES PROCUREMENT AUTOMATION

3

VALUE

- We provide an annual subscription fee, which guarantees unlimited users. It includes the features you need at the budget you define.
- Implementation and integration costs are not disproportionate to the subscription cost. Your one-time fees are manageable.
- And ROI, time to value – you want to start using the system quickly, to allow for a more natural process change. Our Rapid Deployment methodology focuses on getting you up and running in a timeframe that supports your goals.

Our solutions and services are available at affordable prices that accelerate the ROI.

With ESM Solutions, you can be confident that our systems are designed with best practices in mind for your entire organization.

Learn more at <http://www.esmsolutions.com>