Procurement Maturity Assessments: Case Study from University of West London

Summary

The detail in this case study gives an overview of the use of the Maturity Assessment as a driver for change.

Critical Success Factors
- Senior Management support
- Internal consultation and buy-in
- Clear communication strategy
- P2P IT implementation support

Key Outputs and Benefit
- Improved strategic positioning and profile of procurement across the institution
- Improved compliance on procurement policies and procedures
- Increased efficiency of the procurement process via eProcurement and eInvoicing
- Availability of management information to inform strategic procurement
- Increased cashable and non-cashable efficiencies via supplier management and increased use of collaborative contracts

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Case Study Detail

UWL undertook a Procurement Maturity Assessment in April 2011. Overall UWL's procurement capability was rated as Level 3 out of 4 – "Planned", but with several attributes scored at Level 2 and one scored at level 1. The overall score just about crossed the threshold between level 2 and 3. The Assessment identified 3 key areas for Senior Management focus namely:

• Procurement Strategy and Organisation
• Category Management (Commodity Management)
• Collaboration

The Procurement Strategy and Organisation element recommended extending the focus of Procurement into value procurement activities such as contract, supplier and category management. In order to enable this transition, the report recommended writing a new Procurement Strategy document in partnership with other University departments articulating the journey between procurement's current and future operating model. Additional investment in process, systems and skills was envisaged, so the strategy had to articulate an outline business case to support investments required.

The Category Management element recommended adopting a category-centric as opposed to the current supplier centric-view and the development of robust procurement strategies for specific categories.

Finally, the Collaboration element recommended the analysis of the growing available spend data coming from the e-Procurement system as a fist step to identify new opportunities to increase the level of spend covered by collaborative arrangements. Exploring additional avenues of collaboration with local Council and other Universities was also suggested. A specific target to increase the percentage of spend via collaborative arranges from about 6% to 10% over next 2 years was agreed.

The outcomes of the Procurement Maturity Assessment have stimulated change of procurement practices at the University, prioritised areas for action and achieved Senior Management endorsement.

Eighteen months later, in October 2012 SUPC Shared Services visited again the University to perform a Follow-Up Assessment.

In the space of one and a half year UWL has increased its score on all the Maturity Assessment attributes,

bringing several to level 4 ("Superior") and all remaining ones to level 3 ("Planned"). The overall score was gain level 3 but this time very close to the threshold to level 4. In practical terms, SUPC recorded a jump of almost one entire Maturity level in a very short period of time.

The Follow-Up Assessment confirmed that significant progress had been made on all actions identified as part of the previous year's Maturity Assessment, namely:

- A new Procurement Strategy for the University had been defined, agreed and communicated.
- P2P processes and supporting Information Systems had been further rolled out, together with the ability to receive 100% of the invoices in an electronic format.
- Category Management approach had been piloted in the areas of Advertising, Marketing, Media buying and Printing services, and Preventative Facilities Maintenance services.
- The amount of spend channelled via collaborative agreements increased to 14.2%
- A Contract and Supplier Management framework for use within the University had been developed.
- Reported savings had increased from 3.37% to 5.24% of non-Pay spend.

Finally, the Follow-Up assessment highlighted areas for further improvement, and embedded them into an action plan for the following year.

Information about SUPC Procurement Shared Service

The SUPC Procurement Shared Service was established in 2010 with start up funding from HEFCE. On behalf of ENP it runs the Procurement Maturity Assessment programme for English Higher Education Institutions. The Procurement Shared Service has a number of procurement experts with wide ranging experience that can provide additional procurement expertise.

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