As Western Governor’s University (WGU) continued to grow, communication channels expanded. It became more challenging and complex for requisitioners to socialize their procurement actions internally. Requests were coming to Procurement at various stages of the process and often last minute. Procurement was trying to capture requests in an excel table, but it was cumbersome to maintain and socialize. A large amount of Procurement staff time was spent on socializing activities and their status, instead of on the Procurement process itself.

Most requests were not socialized outside of internal
operating silos which resulted in WGU signing contracts that were not able to be fully implemented, utilized, that did not cover everyone’s’ needs, and/or that needed to be replaced before their intended benefits were achieved.

There were also several individual forms that requestors needed to complete to have their procurement or contracts reviewed by various groups. This is now what we refer to as the Due Diligence phase which is conducted after award recommendation. We conduct Due Diligence and Contract Negotiation before contract execution. In each of the processes, duplicate information was required to start them. No common database existed to collect and catalogue the results of those reviews. For example, the Information Security team, the Legal team, and the Accessibility (ADA) team all had their own questions and a review process that they followed. We also had several technical teams looking at software solutions to see if they had the right architecture to easily integrate (if required) and to see if the WGU help desk could support the solutions. As a result, Procurement exercises and contracts were snarled in a web of reviews and often belabored. Vendors were confused on why they were receiving surveys when they had not completed the procurement process. They were overloaded with activities and did not know how to prioritize the WGU requests. Many of the feasibility reviews were done on multiple bidders at various stages of the procurement process and not just the bidders who were in primary or secondary position for an award recommendation. Therefore, a lot of internal time was spent reviewing vendor’s solutions that did not even make it past the technical review phase of a solicitation.

Procurement needed to orchestrate the timing of the various steps in the Due Diligence process and coordinate with the vendors on what the priorities were at any given stage. This could be done in parallel if we had a system to route the reviews and track them. This
would remove the reliance on any one individual to route, collect and share that information with others. To increase awareness, we also wanted to push the information out and so we automatically notify different impacted actors of procurement activities. We aimed to reduce the financial exposure and risks associated with unplanned and duplicate contracts as well as capitalize on pooling volumes for similar requirements.

We aimed to provide visibility and increased transparency of Procurement requests and processes and the result has brought much more than planned.

We needed a system that would help us capture needs up front, allow procurement to work on them and visibility and transparency to stakeholders on where their requests were. In addition, we wanted the tool to act as a notification tool to keep people informed of what was being requested and be automatically notified when certain categories of requests came in that they had signed up to receive. We considered off-the-shelf solutions, but we did not have any budget to buy a system. We decided to build it in-house. The initial idea was to provide visibility around requests and notify other actors of those requests so they could talk and agree on requirements. However, the benefits of the Procurement and Event Management System (PEMS App) have far surpassed the original goal.

Initial research showed that WGU was already using a notification function in ServiceNow that this application could be modeled after. However, the notification was being sent at the end of the Procurement cycle when stakeholders would request Legal to review a contract for signature. This was far too late in the process to resolve the issues and risks that WGU was exposed to by not going through Procurement. We articulated the issues that arose when requestors did not utilize the procurement function.

1) A loss of university funds translating in higher costs for students.
a) When we do not pool volume to garner better discounts

b) When support functions are not consulted when making a procurement decision the hidden costs in deploying, securing, or configuring systems are not factored into the purchase decision.

c) When systems or services do not function as designed.

d) When systems or services are not utilized as intended or underutilized.

e) When contracts are agreed before Procurement negotiations start.

f) When contracts are signed before legal, or Procurement review them

g) When there is no time to conduct a proper procurement process

2) A loss of staff time and a lack of clarification of roles and responsibilities.

a) Procurement staff are repeatedly asked to act as 'gate keepers' or to stop procurement actions that one party does not agree to while another party wants.

b) Procurement staff are asked to act as the ‘notified’ to any multitude of persons and functions regarding which procurement actions are being requested and to explain why.

An example, for just one procurement action that was not socialized by the requesting unit, the Sr. Buyer handled 30 emails just to notify and answer questions from various functions. Multiply that by the more than 100 active procurement actions/requests that that are open at any given time, and there are a minimum of 3,000 emails just notifying people internally.
Conservatively also imagine it takes 5 minutes to read and respond to the 30 emails. This equals 150 min (2.5 hours) x 100 procurements equal 15,000 min or 250 hours. This excludes staff time spent on other forms of communication (phone calls or meetings) discussing such information.

The Procurement activity and notification application was completed in November 2021 but creating a common intake form to be able to route the procurements along to various actors in the Due Diligence process was still manual. Over the next year, we expanded the application in phases:

Design: WGU’s cross-functional team was formed to include all key players in the sourcing selection and supplier approval process as well as change management and IT experts. The cross-functional team included the Procurement, Legal, Information Security Team, Accessibility Compliance Team, Business Process Transformation, and ServiceNow Development. The team met every week to design the workflow that makes sense for WGU sourcing process and includes the input, feedback and actions from other teams involved. The goal was to design a tool that enabled all teams to perform their related tasks in an efficient manner and provide timely feedback to other teams.

Build and test: Building on the Procurement Application, the workflow/app was designed by our developers and built in the Development environment in ServiceNow. All teams tested the functionality in sandbox before it was rolled out to production. During the testing period, the teams were able to provide feedback and tweak the workflows and tasks, if needed, to best fit the overall goal of the project.

Learn and Train: In the meantime, the Standard Operation Procedure (SOP), manuals, workflow charts and training plan and materials were developed to make sure that we are ready for the roll out to the University.
It was a change in behavior not only for the requesters, but also for all the teams involved. It was well understood that everyone will be doing their jobs a little bit differently and we were ready to drive and embrace the change.

Communication: WGU team started communication to the entire WGU population a few weeks before the roll out. Initially we sensitized the organization that was coming. Closer to Go Live, we posted videos and training materials on what the change was and how it will improve the way we source products and services for the University. We also offered live session training that anyone could sign up for to ask questions. The sessions were available before and after Go Live.

Roll out: After Go Live the team monitored the functionality of the App and followed the new way of communicating within the App. We ran into some challenges initially. Some of the functionality needed to be changed/added e.g. notifications about the changes to the project owners, but overall, no serious issues were impacting the requesters or the teams' performing tasks within the process.

Feedback: There is no perfect product and/or process out there and we recognize the power of feedback for continues improvement opportunities. We continue to gather feedback from the requesters as well as project teams to drive more efficiency and visibility. We have a Feedback option for everyone who uses our Intake Form, and we continue to gather feedback informally from our teams to implement improvements.

WGU was able to achieve most of the desired outcomes, however we gathered a lot of key learnings that we continue to turn into improvements and innovation. We met the following objectives:

1. Create a “single point of entry” for 3rd party product/services requests.

Evaluation Criteria #3:
A single point of entry was important for multiple reasons. We wanted everyone at the University to know where to go when they want to engage with outside parties for the purchase of goods, services, and software. It is currently in use, and it works great. On the Intake Form we collect the information about the services needed (Scope of Work), any deadlines that Procurement needs to be aware of, budget, if access to WGU systems needs to be granted, will that be student facing product etc. The information collected is available to all teams involved in the process. Key Learning: It is important to balance the number of questions on the form and the importance of having the answers to those questions at the intake stage.

2. Streamline the vendor onboarding process and increase information sharing across the teams involved (procurement, accessibility, legal, and security)

The App built helped streamline the process and information sharing. There is one funnel for information flow, and it is all documented in the app for other teams to see. There is also functionality built for procurement to be able specifically push tasks to Info Security queue, Legal queue, and ADA Compliance queue. That way all information is stored in the system, and everyone has access to it at any time, but specific tasks can be pushed to appropriate teams. Key Learning: the process we initially designed had some gaps which we continue to close by working with ServiceNow developers to improve.

3. Clarify the product/service requisition process across the university

We were able to eliminate the confusion of “where do I go, if I need to buy something”. Before PEMS, some people went to Legal, some to InfoSec first and some never went to Procurement. Sending everyone to the same process helped remove the confusion and improved the collaboration. Key Learning: Procurement team took on a lot of additional responsibilities e.g., when to pull in respective groups.
4. Increase process transparency for the end-user and provide self-service access to the end user about where a request is within the process.

That objective was especially important for all involved. The Procurement process should not be a secret kept from the requester. It was important to us that they know at any given time where their request is, who is working on it and what else needs to happen before the contract can be signed and services implemented. Providing that visibility eliminated back and forth and email and chat conversations.

We continue to work on the following objectives:

5. Identify KPI metrics to help create end-user expectations on process timeline and milestones.

6. Create specific alerts for when vendor-related data security impact assessments may be required.

The Procurement and Event Management Service Application (PEMS App) provided visibility of procurement and event activities which were previously decentralized, unmanaged, and scattered throughout the University. With the increased transparency of Procurement requests, we have reduced the duplication of contracting efforts across the broader University. We have been able to combine requests to garner better volume discounts or other favorable contract terms with suppliers. This has also reduced the administrative burden of managing multiple suppliers for the same requirement or having multiple contracts with the same suppliers under varying terms.

We can now track activities, categorize, and assign them. This helps manage workload across the Procurement team. In addition, we keep notes on the procurement activities, so it acts as our own CRM system. This allows anyone to take over an activity if someone is out of the office. We also record and track our negotiated savings.
and monitor weekly requests and can break those down by group or spend category.

One of the lessons learned and keys to the success of getting it originally built so quickly was securing dedicated resources on the development team and cross functional support for the concept at the Vice President and Chief Operating Officer level. In addition, we designed the tool to solve problems and not be too administratively burdensome to maintain. Ensuring that we made must-have decisions and nice-to-have decisions with clarity and speed also was essential. Within two months the development team was able to stand-up a solution we could test before rolling out across the University.

Staging our development was key to the success and adoption of the tool. It allowed early adopters to engage and provide feedback for improvement and late adopters time to get on board before the full roll out. As a result, other groups across the University wanted to use it as their ‘common intake’ form as well. This produced several benefits to the Procurement function such as increased visibility of rogue procurement actions. It allowed procurement to manage the due diligence or ancillary review processes so that the vendor’s focus would be on the priorities that we dictated and managed in line with what was needed at the right time and not be overloaded with reviews when they were trying to prepare bids, for example. It also allowed for tracking of the reviews that are done by other teams so that duplicate reviews were not sent to a vendor who might have already submitted a review or a partial review to another internal stakeholder. It allowed procurement to orchestrate the vendor through the Procurement process up to contract signature and ensure that Procurement professionals were involved from the start of needs identification so we can add value from the beginning.

Moving forward, we plan to further enhance the application by adding additional types of requests that can be made through the tool. Some ideas are on
requesting solution demonstrations, procurement reports, vendor queries, vendor performance evaluations and more.

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