

AUPN Update - AUSFOG Conference June 2018

AUPN principles / Delivery model

AUPN Procurement Leaders' Workshop

AUPN Excellence Program

National University Airline Agreements

Scott Jenkins, Director of Finance, ACU (AUPN Executive Member)

Australian Universities Procurement Network

Vision

To transform the universities' capability into a world class standard of professional procurement.

Mission

To significantly improve strategic procurement practices in Australian Universities through a collaborative approach, focussing on sharing expertise and business intelligence, promoting the benefits of aggregated purchasing, greater efficiency in processes, professional procurement education opportunities and encouraging the development of regional and national aggregated procurement contracts.

Australian Universities Procurement Network

Values

Customers – we share a passion for providing good customer service.

Partnership – we work together, with initiative and enthusiasm.

Openness and Honesty – we treat everybody with fairness, integrity and respect.

Excellence – we focus on continuous improvement and excellence in collaboration with our members.

Strategic Objectives (Directions)

- ▶ *To provide opportunities for capability enhancement across the sector.*
- ▶ *To foster open and professional relationships across the sector.*
- ▶ *To share knowledge, expertise and experience.*
- ▶ *To promote the added value that Procurement functions bring to universities.*
- ▶ *To support and promote thought leadership and best practice in procurement related matters*

Australian Universities Procurement Network

Executive Committee

Mike Tylor (Chair)	University of Adelaide
Janet Pursehouse	University of New South Wales
Dan Thearle	Monash University
Eleanor Louw	University of Sydney
Richie Woods	James Cook University
Scott Jenkins	Australian Catholic University
Shelley Lampkin	University of Tasmania
Tony Wilson	Edith Cowan University
Andrew Trnacek	HES CEO

Australian Universities Procurement Network

AUPN Delivery Model

- AUPN members to meet face to face twice a year.
- Projects and initiatives will be subject to a business case and terms of reference to be endorsed by Executive Committee.
- Any initiatives or projects will be funded on a pay-as-you-go basis for participating universities.
- Subcommittees to be formed to support each initiative.
- Subscriptions will cover basic secretariat support only.
- **30-40% reduction in subscription costs from 2017 onwards.**

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AUPN Procurement Leaders' Workshop

Discussion topics

- ▶ AUPN Procurement Excellence Program Update (ArcBlue)
- ▶ Good Travel Practice (Fourth Dimension)
- ▶ Procurement Technological Landscape (Monash & UoA)
- ▶ Case Study Contract Management (Open Windows)
- ▶ Organisation Design Studies – Procurement (Cubane Consulting)
- ▶ Case Study Sustainable Procurement (Net Positive Futures)
- ▶ Case Study Social Procurement (Supply Nation)
- ▶ Engagement with Social Enterprises Case Study (Social Traders)



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AUPN/CIPS Procurement Excellence Program

- AUPN Community
- Taxonomy Project
- CIPS Corporate Award Program
- Sector Benchmarking Workshop

Procurement Excellence Framework

Benefits realisation

Procurement is viewed as a valued business partner delivering results that are fully aligned to organisational objectives and business needs

1. Leadership & Influence

Strong leadership and high level of influence positions procurement as a business outcomes enabler rather than a compliance activity

2. Strategy & Organisation

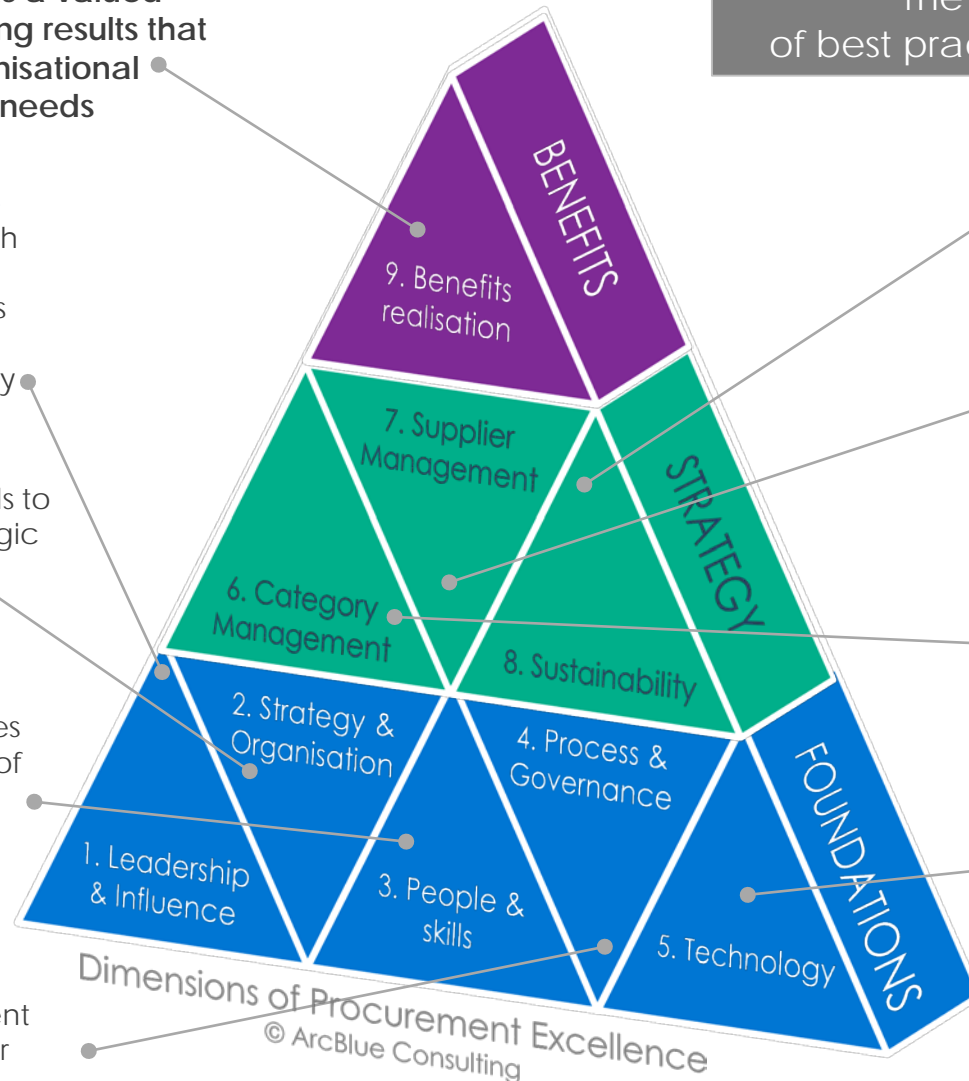
The 'right fit' procurement organisation structure leads to the achievement of strategic goals on a routine basis

3. People & Skills

The capability, capacity and resourcing of the procurement team enables the quality and timeliness of delivering desired procurement outcomes

4. Process & Governance

The right procurement process and control framework effectively enables sound procurement outcomes across the wider organisation



The Dimensions of best practice procurement

8. Sustainability

Procurement can enable sustainable environmental, social, and local economic

7. Supplier Management

Effective management of key supplier relationships retains strong commercial outcomes over the life of the supply relationship outcomes

6. Category Management

Quality category strategies influence supply markets to create innovative solutions to meet business needs and desired outcomes

5. Technology

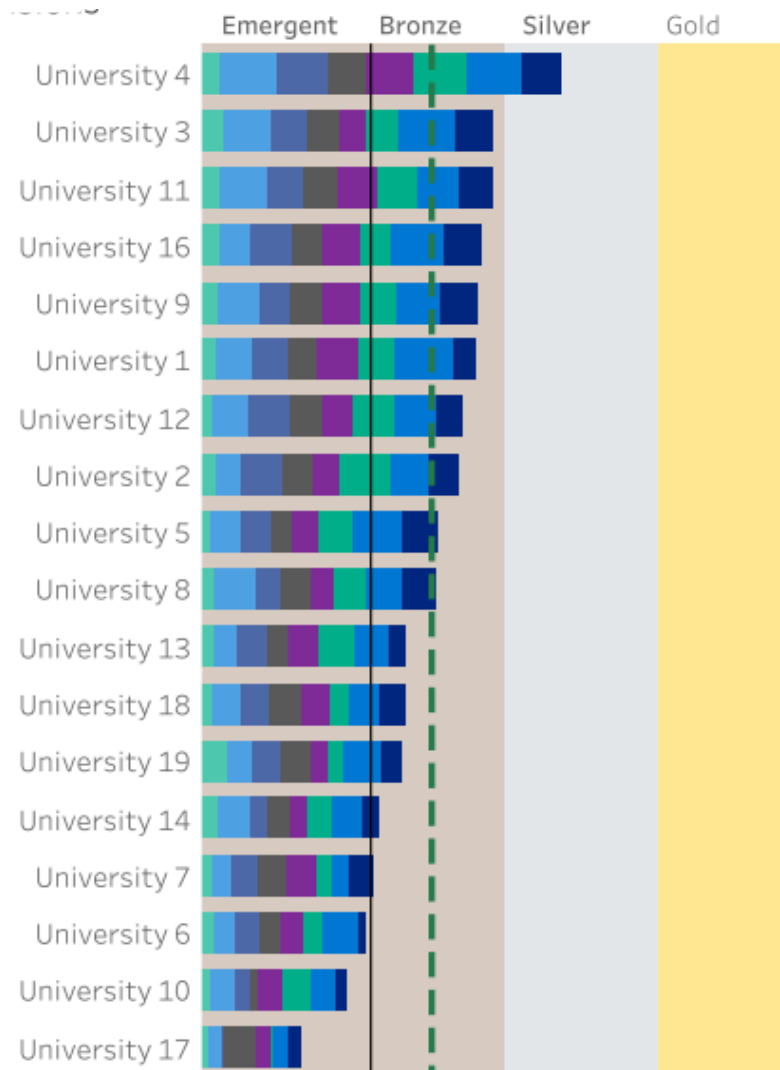
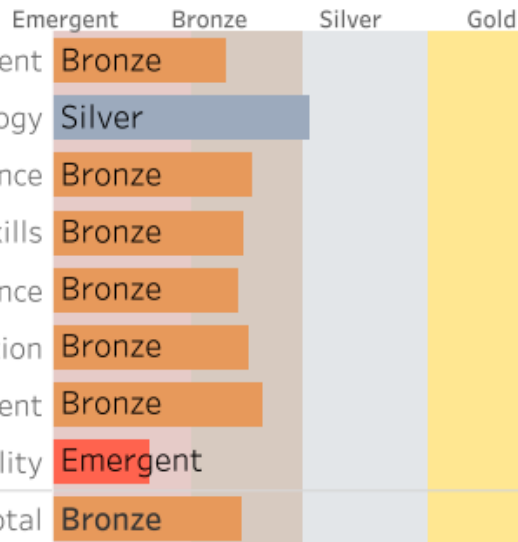
Technology and spend data enable intelligent business decision making and efficient procurement

Maturity Self Assessment model (2017 results)

Dimensions of Procurement Excellence

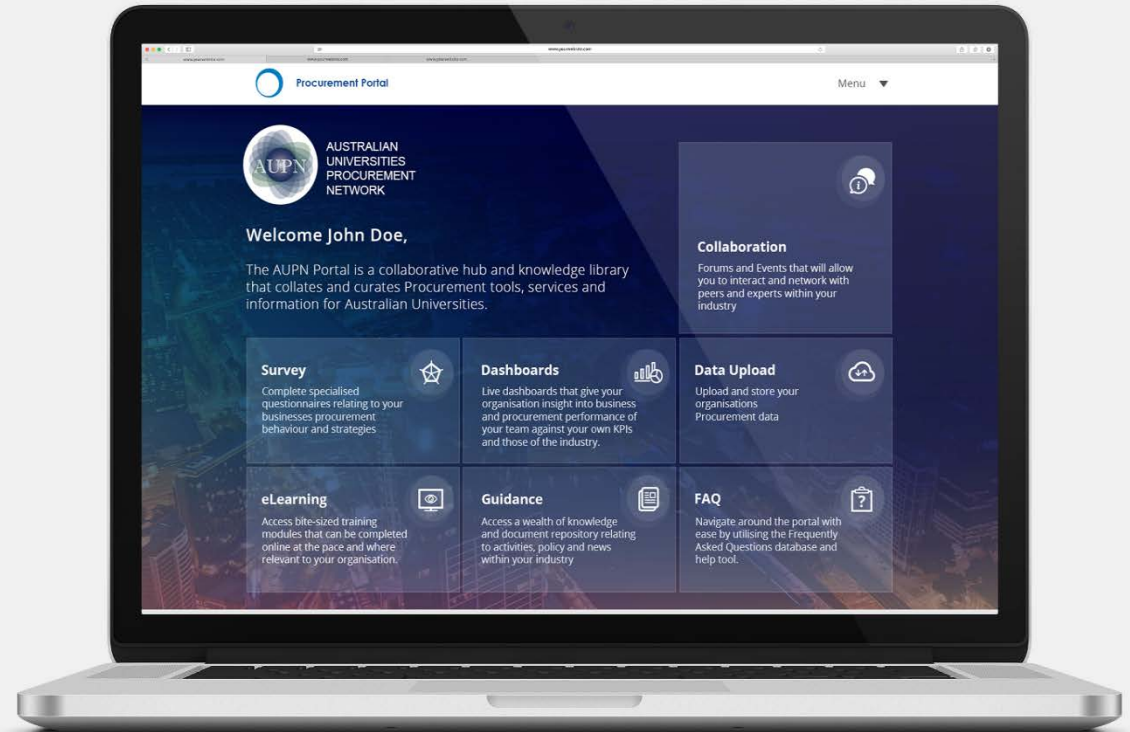
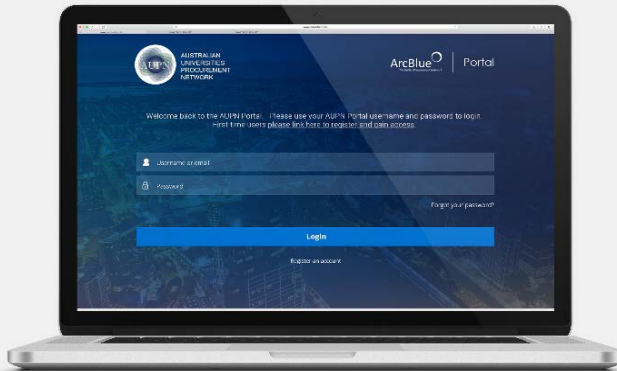


All Universities Average





AUPN Community



- Online AUPN Community as a single point for collaboration, participation in initiatives, sector benchmarking output, training materials, eLearning and surveys as part of the Procurement Excellence Program
- The AUPN Community is available to all Universities in Australia and New Zealand but certain content will be permission controlled based on “opt in” initiatives.



Taxonomy Design

- ▶ A key Collaborative Initiative to support additional benchmarking
- ▶ A draft 4 level University taxonomy has been developed based on our experience
- ▶ The draft taxonomy also draws on terminology from the UPH for consistency.
- ▶ The draft provides flexibility to be macro or micro depending on preference and also allows the flexibility to link down to UNSPSC for relevant categories.
- ▶ AUPN funded working group has been set up to refine and finalise this project to give the sector a meaningful Taxonomy that can be owned by the AUPN
- ▶ Workshops will be held at a host University or via webinar.
- ▶ Once approved no changes should be allowed to the taxonomy outside of an agreed annual review process to maintain integrity.

Taxonomy Working Group Process

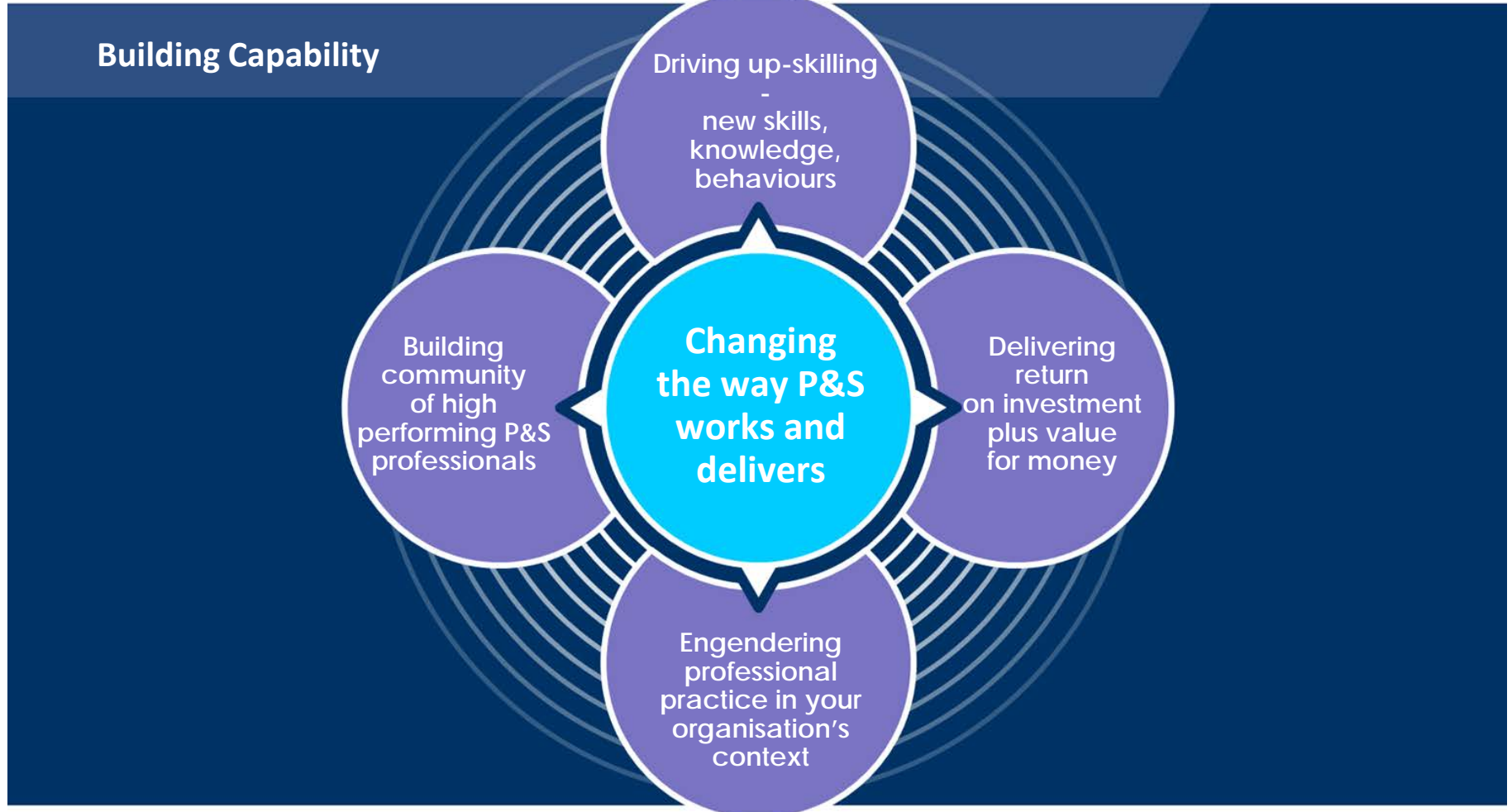


Working Group

Michael Anderson- Southern Cross Uni
Carlos Araes – UNSW
Donald Nicholson UTAS
Brodie Zamberg's Monash
James Waugh – Swinburne
Chris Henry - La Trobe



Australian Higher Education Corporate Award Program





Build Capability of Your Brightest & Best to Achieve

Tangible return on investment



Business and performance improvements



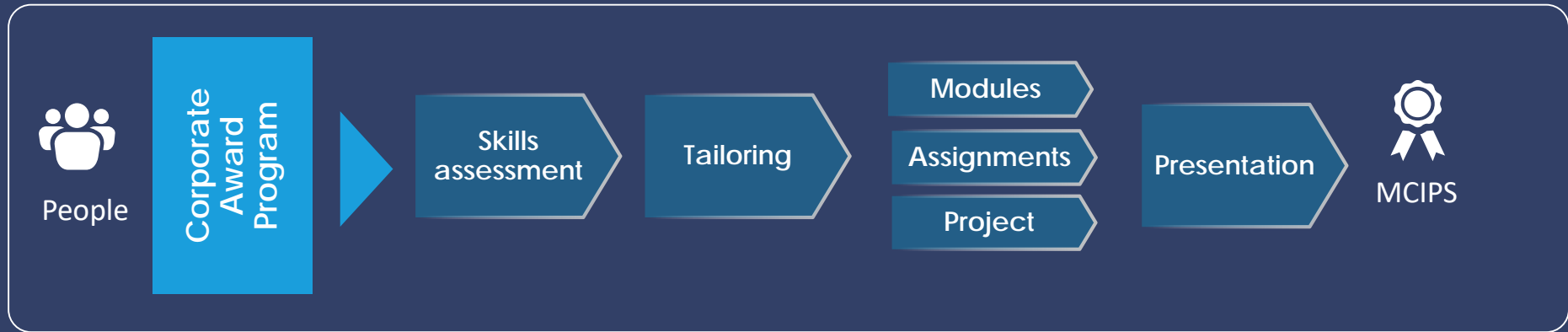
People development

- Capability enhancement
- Business skills
- Positive behaviours





CIPS Corporate Award



- ✓ Global standard accredited training
- ✓ Tailor made for your organisation and your staff
- ✓ Interactive workshops
- ✓ Practical assignments
- ✓ Live business project
- ✓ Leads to MCIPS

The CIPS Corporate Award programme not only led to the participants achieving MCIPS, but it also revolutionised their outlook on the profession, and fuelled their desire to continue their careers and professional development in procurement. And the projects delivered have added to our suite of tools, processes and techniques to improve the efficiency, effectiveness and customer service of our function.

Peter Morichovitis, Chief Procurement Officer,
City of Gold Coast



Excellence program Benchmarking Workshop

- ▶ To review overall benchmarking results across the sector and receive feedback/improvements for future rounds
- ▶ To highlight specific areas of best practice which are highlighted through the benchmarking
- ▶ For selected Universities to present/share on areas of best practice, for example:
 - Systems
 - Change programs
 - framework design
 - organisation models
 - capability programs
 - benefits realisation frameworks
 - SRM frameworks and results
- ▶ To discuss the next phase of benchmarking, including the Value for Money Index (VFMi) which will identify the comparative value that each University is achieving on particular categories

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- ▶ Agreements with both Qantas & Virgin historically via the AUPN, however with the transformation of the AUPN & the emergence of the UPH process needed review
- ▶ Given Industry response and to protect the overall sector, agreed best facilitated via the AUPN
- ▶ Given AUPN membership feedback agreed wider sector input and participation to be included
- ▶ Three tiered structure put in place AUPN executive – Senior Procurement leader Panel - existing travel working group (SME'S)
- ▶ To facilitate the process an extension to existing agreements (expiry June 30th), has been sought and agreed
- ▶ Extension retains all existing discounts and benefits, effective from 1 July 2018 – 30 September 2018
- ▶ Updates will be provided on a regular basis