

Strategic Procurement Project:

Hypothesis:

- Current processes (structures, systems, process, and policies) for the procurement of goods in the SUNY System (\$\$\$) are rooted in 20th century practices and reflect an excessive total cost of ownership (TCO) of procured goods when compared to contemporary best practices
- Significant savings may be realized through a strategic transformation of SUNY's procurement processes through a reengineer current structures, systems, process and policies
- Reconciling SUNY's current state for the procurement of goods with best practices is a top priority for all SUNY stakeholders (campus leadership and SUNY – CFO, CIO, HR)

To test this hypothesis and re-engineer our current process for the procurement of goods, it is proposed that a disciplined project management approach be initiated, and governed by the following principles:

- Respect the skills, knowledge and abilities of system-wide staff by engaging existing SUNY subject matter experts, stakeholders, and committees, in an integrated/collaborative planning and implementation processes
- Base decisions on explicit best practices project management methodologies (e.g. 'lean' six sigma):
- Address issues at their root causes (structures, systems, processes, policies, and culture)
- Establish an explicit business case w/ ROI for the transformation initiative
- Understand, acknowledge, and address existing cultural realities and obstacles
- Recognize that potential solutions may result in changed staff role and responsibilities, thereby necessitating a system-wide work-force transition strategy (training, performance programs, change management, etc.)

Guided by these principles adopt a phased approach for moving forward in the development of a strategic procurement transformation plan:

PHASE 1:

- 1) Establish an **Implementation Oversight Committee** (Project Sponsors/Owners) charged with responsibility for advancing the project based on agreed upon principles:
 - i) Campus VPs Admin and Finance (3 – 4)
 - ii) System Leadership (VCs of CIO, CFO, HR)
- 2) Charge project teams comprised of key subject matter experts from across the SUNY system to determine:

Where are we today? (Internal and External Assessment)

- Understand and assess current operational and administrative environment, structures, processes, systems, efforts and results relate to the procurement of goods
- Identify major processes and systems that could be shared across multiple campuses
- Assess existing barriers and challenges to sharing services or system

- Assess leading practices within other institutions
- Articulate and quantify strengths, weaknesses, opportunities and threats of current operational processes and systems

Where do we want to be? (Create the Vision and Strategy):

- Develop a vision for improving the quality and efficiency of procurement management within and across the SUNY system
- Consider and develop alternative approaches for achieving the vision
- Develop a draft strategy for achieving the vision
- Insure that the vision is consistent with SUNY-wide strategic planning effort
- Identify imperatives needed to achieve the strategy
- Identify institutional competencies, structures and investments needed to achieve the strategy
- Determine potential obstacles

How will we get there? (Implementation Planning):

- Develop a set of recommended action plans (next steps) for achieving the strategy
- Test recommendations with key stakeholders and sponsor
- Develop a plan for implementing and executing the recommendations (actions, timelines, milestones, costs, benefits, required resources (\$\$, staff, etc.)

PHASE 2:

Based on competing SUNY priorities make the determination to accept and/or modify Phase 1 recommendations and proceed with implementation (who??).