

Baylor Lays the Foundation for Enterprisewide, Strategic Procurement

Baylor University, the oldest continually operating university in Texas, worked with Huron to assess all aspects of its procurement function as part of a multiyear initiative to transform the institution's administrative operations.

A New Strategic Plan Sets the Stage for Administrative Transformation

Procurement operations at Baylor University were historically fragmented, with departments across the institution independently coordinating purchasing and contract management. With little visibility into campuswide activities, Baylor's central procurement office was limited to providing transactional service rather than strategic support. Much of this team's effort was spent processing purchasing orders, many retroactively, because spend was decentralized and not monitored in real time. As a result, the procurement office lacked the mechanisms to promote key partners internally, missing out on critical savings opportunities.

In 2018, after receiving approval from the board of regents for the university's five-year strategic plan, Baylor leadership launched Ignite, a multiyear initiative to transform the institution's administrative systems and processes. As the university prepared to migrate to Oracle's cloud-based enterprise resource planning (ERP) platform, leadership seized the opportunity to evaluate and elevate its existing procurement operations, team structure and technologies.

An Opportunity to Evolve Baylor's Procurement Strategy, Talent and Technology

While working with Huron on its Oracle ERP transformation, Baylor leaders engaged Huron's spend management experts to conduct a comprehensive assessment of the university's central procurement office as well as procurement-related functions across campus.

The goal of this exercise was to identify opportunities to improve the effectiveness of Baylor's central procurement team and develop a plan for building it into a high-performing, strategic entity capable of driving savings and improved efficiencies and service. Making university back-office operations more efficient and cost-effective, Baylor's leadership firmly believes, frees up time and funds that can be reallocated toward mission-centered needs such as academic programs, student aid and the research portfolio.

Huron's assessment encompassed all aspects of Baylor's procurement function, including accounts payable and contract administration.

An in-depth review of Baylor's existing procurement organizational structure, skill sets, resources and tools, as well as interviews with stakeholders across the institution, highlighted four focus areas for improvement:

- **Strategic sourcing and category management:** Creating a strategic sourcing competency was a key priority for Baylor leadership. Huron led multiple efforts to lay this foundation, from conducting market research and a detailed spend analysis of the university's transactional data, to providing request for proposal (RFP) and supplier negotiation support. Huron and the Baylor procurement team collaborated with other functions across the university, including information technology (IT), university risk and research, to define a unified sourcing strategy and road map.
- **Organizational design:** Huron helped Baylor understand the current state of its employee skill sets related to procurement, contract life cycle management (CLM), strategic sourcing, and travel and expense, illustrating gaps and ideas to modify team structures so that staff would be equipped to drive long-term change. Huron also delivered formal category management and strategic sourcing training to the procurement team, preparing staff to serve as a proactive partner to campus constituents.
- **eProcurement:** Huron guided Baylor through the selection and implementation of Oracle's cloud-based procurement and expense solutions, in addition to Jaggaer's eProcurement Marketplace, to support integrated procure-to-pay capabilities and provide campuswide customers access to approved vendors.
- **Contract life cycle management (CLM):** Standard, universitywide contract policies and protocols were developed to optimize Baylor's use of Jaggaer's Contracts+ solution. Huron helped Baylor refine its CLM roles and responsibilities and create a plan for communicating CLM changes across the institution.

Baylor Positions Procurement as a High-Performing, Campuswide Partner

Over the course of 18 months, the Baylor and Huron teams worked together to bring to life changes identified in the initial procurement assessment. Comprehensive improvements to Baylor's central procurement services structure, strategy and systems have empowered the team to shift from a tactical support center to a strategic partner. Standardized policies and processes allow departments throughout the institution to self-serve for certain procurement needs, while giving the central office the visibility needed to better manage spend and supplier relationships.

“The team is different than it was when Huron first got here. Huron has helped us embed a culture where the procurement team can take the reins in their domain, bringing new ideas forward and seeing them through.”

PETER GRANICK,
ASSOCIATE VICE PRESIDENT AND
CHIEF PROCUREMENT OFFICER

BAYLOR LAYS THE FOUNDATION FOR ENTERPRISEWIDE, STRATEGIC PROCUREMENT

The organizational design analysis enabled Baylor leadership to adjust the team in ways that tapped into existing employees' strengths and to build a case for hiring additional resources. This inspired a powerful cultural change, instilling procurement services employees with a mindset of continuous improvement and accountability.

Going forward, Baylor is positioned to mature its strategic sourcing capabilities to better advise campus constituents. The procurement team looks forward to establishing formal supplier business reviews and key performance indicators that will help Baylor operate more efficiently and capture cost savings that can be reinvested in academic and research-focused initiatives.



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