Business Process Improvement Advisory Team
PURCHASING FOCUS GROUP

January 7, 2004 / 3:30 – 5:00 pm / A&FS Conf Room 103

ATTENDANCE

Damian Chapman, Observing Team Leader
Rebecca Nord, Focus Group Facilitator
Radhika Prabu, Process Mapping
Valerie Sjordal, Note Taking

This internal focus group consisted of members of the Business Process Advisory Team. For some focus group activities, members were asked to self-identify as either Users of the purchasing process, or Others (typically these were employees whose work interfaces with purchasing activities, e.g. accounts receivable). 4 members self-identified as Users, and 5 self-identified as Others.

BRAINSTORM CHANGES

If you could change one thing about the purchasing process, what would that be…

IDEAS:	EXPLANATION:	PRIORITY*:
Commodity codes 22,000 too many		Users: 3 (blue) Other: 3 (green)
Campus department disregard of intent of purchasing program.	Either disregard for intent of Purchasing system, or lack of knowledge of intent.	Users: 0 (blue) Other: 5 (green)
DaFIS doesn't reflect liens effectively.	The system's mismanagement of liens; liens reduced below zero; (when) documents reversed. DaFIS does not reflect liens properly.	Users: 1 (blue) Other: 3 (green)
Too difficult to identify correct object code.		Users: 3 (blue) Other: 1 (green)
Vendor table database corruption not easy to fix.		Users: 2 (blue) Other: 2 (green)
Process takes too long -- 1) PR to PO 2) DPO-dept hang-ups.		Users: 3 (blue) Other: 0 (green)
On PO, cannot adjust line item $ amount to actual bill.	The adjust debit and credit workaround. System requires you to buy an item. No way to adjust an amount on a PO by line item dollar amount to what you're being billed.	Users: 1 (blue) Other: 1 (green)
System doesn't show returned items and resulting adjustments make reports inaccurate.	Purchasing reports not up-to-date. If you return an item, no way to go back and say you returned that item or made an adjustment.	Users: 0 (blue) Other: 2 (green)
Difficult to get remote access to DaFIS.	It can be done, but it's difficult. Washington DC has access.	Users: 1 (blue) Other: 1 (green)
Need for old, low value DPO's (i.e., dummy vendor problem).	Thousands of DPO's that will never be used. Don't know who low volume vendor will be because never know who is low bidder when DPO is opened.	Users: 0 (blue) Other: 1 (green)
No help screen in DaFIS	No help screen in DaFIS when you're actually in process.	Users: 1 (blue) Other: 0 (green)

IDEAS:	EXPLANATION:	PRIORITY*:
Inconsistencies between buyers and/or AP processors on what's allowed.	Inconsistencies in Purchasing practices depending on which buyer you get. Causes people to buyer shop. Problem is between buyers and/or AP processors on campus.	Users: 1 (blue) Other: 0 (green)
Hideous integration between purchasing system and DaFIS.		Users: 0 (blue) Other: 1 (green)
Cumbersome agreement process – must create PR, then DPO, then VI.	If dept has a specific agreement they have to create PR, then DPO, and then VI for one particular transaction.	Users: 0 (blue) Other: 0 (green)
System bug causes unused DPO that counts against total $ amount. Have to do workaround – skews numbers.	System bug that causes unused DPO to count against total dollar amt. Purchasing them has to go in and artificially inflate the dollar amount on the Purchasing side.	Users: 0 (blue) Other: 0 (green)
Can't do planning and then associate purchase with that planning.	The system doesn't allow you to expense for (future) expected expense for planning purposes.	Users: 0 (blue) Other: 0 (green)
DaFIS requires quantity for anything (wages); this doesn't make sense.	Re: Payroll & Benefits – using commodity codes when preparing recharge for wages & benefits – it wants a quantity for everything!	Users: 0 (blue) Other: 0 (green)
Problems in approval & review process that permits inappropriate actions, policy violations.	Conflict of interest w/employee vendors. Potential for people using University purchasing power for their own benefit. Or, people working around the system.	Users: 0 (blue) Other: 0 (green)
Regardless of rule, you can always get someone to grant exception.		Users: 0 (blue) Other: 0 (green)
Discount terms table broken	Asked vendors in '97 for discounts, but have never asked them again.	Users: 0 (blue) Other: 0 (green)
No way to handle emergency orders.		Users: 0 (blue) Other: 0 (green)
Integration of PR to PO process doesn't work (i.e., misses info).	Problem w/PR process and does not populate correct data. Info is not integrating from PR to PO process. It skips information.	Users: 0 (blue) Other: 0 (green)
Tax codes are confusing.		Users: 0 (blue) Other: 0 (green)
Expired/incorrect liens show up on report.	People rely on their ledger documents to review liens and not the lien document (this causes problems).	Users: 0 (blue) Other: 0 (green)

*After brainstorming changes, members of the group were each given 4 sticky dots and asked to place those on the 4 ideas they felt had the highest priority.

BRAINSTORM ATTRIBUTES

Attributes are a quick way to get a sense of customer expectations. Participants were asked to brainstorm attributes, and then set priorities (4 sticky dots each). For the top attributes, participants were asked what that attribute meant to them. The purpose of this was to get a clearer understanding of what participant expectations around the attribute were.

A satisfying purchasing process is one that is…

ATTRIBUTE	WHAT WOULD THAT LOOK LIKE?	PRIORITY*:
Accurate	No data problems. Correct and current data in system. It should guide you to NOT make mistakes. All tables are correct. Calculations should be accurate. Should show accurate liens.	Users: 4 (blue) Other: 3 (green)
User Friendly	Take training but forget if don't use regularly. Talk to two people and get two different answers. Should be intuitive and not foreign. Should be similar to MS Windows.	Users: 3 (blue) Other: 3 (green)
Simple	Intuitive, related to user friendly, tabling sequence, go back to not so many commodity codes and object codes, doesn't require 80 page manual to use.	Users: 2 (blue) Other: 3 (green)
Transparent	Point and shoot, able to find a process out of the system easily, where do you find the information if there's a rule? It should point the user to that rule.	Users: 2 (blue) Other: 2 (green)
Integrated	If you buy a piece of equipment, it should automatically update CAM and create that piece of equipment. PPS and DaFIS should be integrated. When you return an item you should be able to reflect that in the document. Artificial integration currently exists between PR & PO.	Users: 3 (blue) Other: 1 (green)
Enhanceable/upgradeable		Users: 2 (blue) Other: 2 (green)
Easy to Maintain		Users: 2 (blue) Other: 0 (green)
Quick		Users: 1 (blue) Other: 0 (green)
Flexible		Users: 1 (blue) Other: 0 (green)

ATTRIBUTE	WHAT WOULD THAT LOOK LIKE?	PRIORITY*:
Trustworthy		Users: 0 (blue) Other: 1 (green)
Cost effective		Users: 0 (blue) Other: 1 (green)
Has integrity		Users: 0 (blue) Other: 1 (green)
Consistent		Users: 0 (blue) Other: 0 (green)
Works		Users: 0 (blue) Other: 0 (green)
Reliable		Users: 0 (blue) Other: 0 (green)
Systemwide		Users: 0 (blue) Other: 0 (green)

REVERSE OUTCOME

A satisfying process is one that DOES NOT result in…

Confusion, inaccurate data, having to go to several locations for one answer, finding different answers for same question, waste of resources, need for internal shadow processes, misuse, delays, over expenditures.

ONLINE RESOURCES

What online resources have you used?

Users: DaFIS website
Policies
Others: Policies
CA Sate tax website
MM website
FedX website
DaFIS website

What is most helpful resource?

Users: Help Desk
Talk to someone

What is best resource?

Users & Other: DaFIS website

Would you use an online guide?

I would use an index.
Searchable index.
"I would use a "how to" guide.

Would you suggest other resources you would like to see online?

Set of "how do I" guides; transaction based
List of accounting best practices
User-friendly guide similar to Microsoft program
Need messages, "can't do this, but you can do this"

What system other than DaFIS are used for Purchasing?

- Storehouse
- Bookstore
- Petty cash
- Hard copy PO
- Departments have their own tracking systems
- P-card

TRAINING

What kind of training did you have in purchasing?

- Minimal on the spot
- Trained six month before, forgot everything by the time I started job
- Fresh training works best; people don't go back for refreshers
- Faculty won't take training so they act outside the system

Was the training helpful?

The course John Gregg taught was helpful.

Suggestions for improvements in training…

- Take every transaction and then prepare a handbook based on each particular process.
- Have appendix that says here are your "39" basic transactions and this is how you do them.
- More effective communication when a procedure has changed.
- Training on policy and process and how they fit together
- Having people renew certification every few years
- Some kind of incentive from top-down to make everyone take class or recertification. Positive and negative incentive.

What would effective communication look like?

- E-mails at the time of a policy/process change
- A return receipt so we know they read it.
- Have everyone renew certifications.
- Periodic forums where we bring everyone up to snuff at same time.
- Need a glossary. Shouldn't be rocket science. If you've been around awhile, you have established habits, but if new very confusing.

PURCHASING CARD

What works well?

- It's instant gratification.

What doesn't work well?

- Increase dollar limits. *(Side comment: "Oh no! Don't GO there.)*
- Taxation issues. Bug causes double taxation for out-of-state vendors.
- Still resistance in departments to use P-Card. They perceive need to keep more control. There's a sense that it's more work for Account Managers than if they used the Purchasing department. *(Side comment: Then they're not using their fee payment distribution right!)*
- If the person is out and it's a small department, then they're in a bind, but if department has two and one not used much, they are told a second card isn't necessary.

CLOSING COMMENTS FROM PARTICIPANTS

- Thank you for looking at this.
- Look at the old TP2 documentation as an aid. I believe it has good suggestions. (REPLY: yes, we are looking at the different processes.)
- Shouldn't mix faculty and staff in the next focus group – they won't be able to speak freely if you mix them