

HIGHER EDUCATION | EPROCUREMENT, INVOICING

Emory Captures Significant Savings in Procurement

Customer Profile

Emory University, the largest private employer in Atlanta, is one of the country's top research universities. The university offers undergraduate, graduate and professional programs.

The benefits that Emory University's procurement operations have realized with JAGGAER can be summarized in one sentence:

"It was amazing. Our team was able to implement this process across the entire campus without a single complaint. The roll-out was that smooth."

Mike Mandl, Executive Vice President of Finance and Administration, Emory University "JAGGAER ensures that the price paid is the price that was negotiated."

This statement is simple, yet significant. Before implementing procurement automation software from JAGGAER in 2006, each of Emory's 350 departments ordered what it wanted, when it wanted and from whichever supplier it wanted.

Challenges

Emory's procurement office had little visibility into how much each department was paying for everything from pens and paper to furniture and MRO supplies. Without this visibility–and without fully understanding how purchasing dollars were being spent—the university couldn't leverage its buying power to negotiate lower prices or better terms and conditions.

Today, procurement has the opportunity to play a powerful role at colleges and universities. Spending on goods and services often consumes the largest portion of a school's annual operating budget behind payroll. On average, two-thirds of these purchases pass







through the school's procurement process. Even a five percent reduction in the amount that a university spends can quickly become millions of dollars in annual savings.

Solution

Emory tapped JAGGAER's expertise in higher education procurement to save time and money and promote the use of Emory's strategic suppliers. Together, JAGGAER and Emory rolled-out "Emory Express" (Emory's name for JAGGAER's software), an online, one-stop shopping marketplace where faculty and staff can order most commonly required products and specific services from University contract and preferred suppliers.

But Emory knew that the ordering process was only half of the picture. "The time spent negotiating low prices doesn't matter if the invoice isn't correct in the end, and you haven't stopped to make sure the price you're billed is the price you were promised," said David Thurston, Associate Vice President for Financial Operations at Emory University.

Emory saw the value of using JAGGAER's full suite of source to settle procurement solutions, including eProcurement, a user friendly catalog management and shopping platform for requisition workflow automation and streamlined, automated purchase order placement, tracking and management. But it was JAGGAER's Invoicing that excited Emory.

The Future

Emory feels that one of their best decisions was to implement JAGGAER's full suite of source to settle solutions because it has allowed them to be very nimble and to change their ERP with minimal end-user impact.

"Through our ROI we've calculated a six-toone return on investment with JAGGAER," said David Thurston, Associate Vice President for Financial Operations at Emory University. "For every dollar we pay JAGGAER, we get six dollars of benefit—and we believe that figure will continue to grow."

Bottom Line Results

- Realized a 6-to-1 return on investment. For every \$1 spent, Emory University receives \$6 savings benefits.
- Realized positive cash flow within 12 months.
- Funded the investment in JAGGAER within its existing procurement budget from the efficiencies generated by the new processes with no budget increases or general fund expenses.
- Found that of the savings realized, approximately 45 percent was driven from the process efficiencies and 55 percent from negotiated discounts and contract compliance.

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