



GoProcure

CONTRACT MANAGEMENT

Leading Universities Save Over \$3M

A consortium of the most prolific universities engaged GoProcure to evaluate its supplier partnership contracts and generate additional value



CASE STUDY



\$31M

Cumulative spend managed

\$15M

Total savings realized

\$60K

Invoice Savings Identified

GoProcure has laid out the framework for the consortium to continually achieve additional cost savings and supplier rationalization

Delivering tangible and intangible value for a consortium

A collection of the most prolific universities in the country formed a consortium to share best practices and improve financial and operational performance. In the current landscape of a competitive cost environment, educational institutions feel heavy pressure to improve their cost structure. The consortium engaged GoProcure to evaluate its supplier partnership contracts and generate additional value – tangible value via cost savings and intangible value via contract and program management services. Specifically, the consortium asked GoProcure to evaluate its lab supply contracts.

GoProcure executed a five step spend management process to drive value

The GoProcure team executed on a five step, holistic spend management process to help the consortium accomplish its objectives:



1. Baseline audit of current spend: We completed an analysis of all lab supply contract pricing and terms, including an audit of current invoices, growth incentives and rebates



2. Identification of category-based opportunities: We worked closely with the consortium to pair our analysis with their experience to identify categories that could generate maximum return – both from a feasibility and impact perspective



3. Targeted plan for value creation: After identification of the opportunity set, we created an action plan for the client to execute and capture the opportunities



4. Continual process improvement: With a base action plan in hand, we worked with the consortium to set up a cadence to regularly review and improve as we executed; this included a review of pricing, ordering, delivery and payment processes



5. Development of a metrics-based scorecard to measure efficacy: To ensure the program was aligned to clear KPIs, we brainstormed what a best practice 360 review scorecard would look like



GoProcure has helped the consortium realize \$2.5M in savings

The program to date has been a material success - out of \$31M total supplier spend managed, GoProcure helped the consortium realize \$2.5M in savings and immediately achieved an additional \$60,000 in savings above the contract. Further, GoProcure has laid out the framework for the consortium to continually achieve additional cost savings and supplier rationalization.