

**Organizational Excellence  
 Initiative Summary**

**Initiative Title: Strategic Sourcing – Office Supplies**

**Initiative Contact(s):**

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**Initiative Sponsor(s):**

- Eric Denby, Procurement and Supplier Diversity Services, 924-4019; [end@virginia.edu](mailto:end@virginia.edu)

**Core Team Members:**

Lee Baszczewski	Organizational Excellence	Eric Denby	PSDS
Pamela Buck	Department of Neurology	Kirsten Floyd	PSDS
Jane Crady	Office of Health System Development	Les Haughton	PSDS
Rebecca Davis	Department of Athletics	John McHugh	PSDS
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**Problem Statement**

Currently, the University of Virginia spends approximately \$3.2 million a year in office supplies and places orders from 416 non-catalog vendors. As a result, the University does not currently leverage the full volume of the University expenditures on office supplies for the best pricing discounts, cost savings, and quality of service.

Strategic sourcing of these supplies is projected to save the University 18% on average and with the addition of a signing bonus the total savings/fees is projected at \$1 million in the first year (2014-15).

**Project Overview:**

**Project Description**

Strategic sourcing is an approach that combines the purchasing of commonly-used supplies, equipment, and services in order to achieve more favorable pricing and more effective service. The sourcing may be channeled to a single vendor or several vendors of choice.

Following an institutional spend analysis, the sourcing of common office supplies will be channeled through a single vendor with ability to order from other vendors for specialty items. The office supply contract will include best value pricing on toner, paper and pads, general office supplies, binders, office furnishings, filing and storage, cleaning and breakroom, and mailing products.

A pan-University team participated in the Request for Proposal (RFP) process, developed the criteria for ranking each vendor, participated in the vendor presentations and negotiations and final vendor selection. With the use of department dashboards and vendor score cards, Procurement and Supplier Diversity Services will monitor vendor performance, continuously re-evaluating the purchasing activities of the institution and pursue improvements as appropriate.

### **Scope**

The scope for this initiative includes the University of Virginia academic division purchasing of office supplies and excludes the Medical Center. PSDS is in discussion with UVa College at Wise to assess its needs.

### **Project Goals / Objectives**

Provide one stop shopping that is easy to use

- One vendor for basic office supplies
- UVA MARKETPLACE catalog

Great quality and service

- Local Same Day Delivery arrives at the desk
- Reliable source / quality personal service
- Customer satisfaction
- Regular review of vendor performance and department expenditures on a quarterly basis – ongoing.

Increased value and decreased cost

- Price match guarantee on basic office supplies
- Savings from lower pricing provides more funds for the Department
- Vendor signing bonus provides funding for strategic academic initiatives

*\*\* Metrics for the above have been incorporated into the Vendor Scorecard and Department dashboards guaranteeing ongoing monitoring of customer satisfaction, vendor performance and department spend.*

### **Timeline October 2013 – September 2014**

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|---|--------------------|
| 1. RFP published and vendors responded              | Early 2014         |
| 2. Vendor presentations and negotiations            | Spring 2014        |
| 3. Vendor selected                                  | Summer 2014        |
| 4. Contract negotiations completed and award signed | Summer 2014        |
| 5. Communication with University community          | July – August 2014 |

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|---|---------------------|
| 6. Train users/purchasers                                   | August 2014         |
| 7. Go Live with revised UVA MARKETPLACE catalog             | August – Sept. 2014 |
| 8. Monitor for vendor performance and customer satisfaction | Ongoing             |