

JCU Procure to Pay Implementation Plan

				Opportunities Addressed	Owner	Time Frame	Jan 2014	Feb 2014	Mar 2014	Apr 2014	May 2014	Jun 2014	Jul 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Dec 2014	Beyond				
STREAM 1: PROJECT & CHANGE MANAGEMENT																							
<i>Project management, communication and change management steps ongoing through procurement transformation</i>																							
1.01 Project Management				PMO	Ongoing	[Ongoing Activity]																	
<ul style="list-style-type: none"> A Confirm PMO and team leading the implementation of recommendations B Confirm parties responsible for each step in the implementation plan C Define reporting and communication strategy and frequency D Monitor progress of implementation against timeline 																							
1.02 Change Management						PMO	Ongoing	[Ongoing Activity]															
<ul style="list-style-type: none"> A Confirm change management team B Regularly confirm stakeholders and review readiness and change management requirements as implementation of systems, controls and processes progresses C Ensure early communication of initiatives and include feedback from stakeholders in implementation plan working towards staff buy in and ownership 																							
1.03 Communication and Education				PMO	Ongoing	[Ongoing Activity]																	
<ul style="list-style-type: none"> A Develop Communication plan B Regularly communicate and educate relevant staff in process, systems and data changes as opportunities presented below are implemented C Fortnightly email update to all staff D Quarterly update meeting for P2P staff 																							
STREAM 2: PRIORITY SYSTEMS ASSESSMENT																							
<i>As a large number of process improvement opportunities are dependant on systems functionality, the selection of the system solution has been prioritised to allow process changes to follow and begin delivering value as quickly as possible</i>																							
<i>Systems solution confirmation</i>																							
2.01 Review full functionality of existing systems and confirm software solution				DT9	Manager Systems, Process & Design Director, IT & R	0-6	[Activity]																
<ul style="list-style-type: none"> A Engage with software vendors to identify full functionality (including roadmap) that aligns with JCU requirements per 'to be' State Engage with stakeholders, specify broader procurement requirements for integration with processes and University functions (e.g. eProcurement, quotes, contracting, purchase card management, workflow and receipting have been identified as modules of interest) B Engage in discussions with JCU IT to understand IT projects moving forward and have their input in the evaluation of future systems solutions C Where requirements are not met or considered cost effective undertake a market scan to identify alternative solutions for gaps in integrated environment D Develop project specific plans for software upgrade, implementation and integration 																							
<p><i>Note: Preliminary discussions with FinanceOne have been held to identify procurement functionality. Additional engagement is required to facilitate a decision regarding the cost benefit of implementation of end-to-end Finance One procurement functionality.</i></p>																							
Data Quality Review																							
2.02 Improve data quality and capture				DT6	Manager Strategic Procurement	0-6	[Activity]																
<ul style="list-style-type: none"> A Confirm types of analysis required to support the procurement function and its objectives B Define data requirements for strategic sourcing/category management and other types of analysis enabling effective procurement processes (including units, format, method of calculation) C Review process steps involving data entry to understand gaps in required data collection, completeness and correctness of data currently being connected D Review data fields in systems and templates to understand capabilities of system to capture and store required data E Introduce user defined fields in systems and redefine existing data fields and their content to ensure all data can be captured in a useable format (avoid free text fields). To be considered in the context of Stream 2 and 5 F Clearly document data entry requirements in documentation and processes and incorporate into 6.06 G Begin data collection and cleaning of existing data H Educate users on new data entry requirements 																							
STREAM 3: QUICK WINS																							
<i>Remove duplicate approvals, unnecessary process steps, duplicate data entry and manual filing</i>																							
3.01 Remove duplicate entry of data already captured				PP9	Manager Systems, Process & Design	0-6	[Activity]																
<ul style="list-style-type: none"> A Confirm the data requirements for P2P processes defined in 2.02 B Identify system interfaces, extracts, reports and the fields included (e.g. FinWeb and other reports) C Determine the best use of fields in FinanceOne (ensuring no duplication of information) and develop rules and guidance D Identify date for change, to ensure reporting deadlines and requirements are not impacted E Amend interfaces, extracts and reports where required (subject to system solution and implementation decisions in Stream 5) F Test interfaces, extracts and reports G Implement interfaces, extracts and reports in production H Communicate changes to stakeholders <p><i>Note: Synergies could be obtained by co-ordinating this activity with BI Project analysis and specifications</i></p>																							
3.02 Remove filing processes where data/documents are electronically stored							PP10	A/AP Team Leader	0-6	[Activity]													
<ul style="list-style-type: none"> A Confirm documents and data being filed as hard copies B Confirm procurement processes to highlight those documents that are also being filed electronically C Confirm the electronic filing of these documents meets audit and risk requirements, authorisation and accountability of filing is stored as an audit trail. D Redesign procurement processes to exclude manual filing of documents that are filed electronically, have audit trails and meet audit/risk requirements E Document changes in processes F Ensure systems electronically file documents according to requirements above G Confirm archiving and backup solutions are in place to mitigate risk of data and document loss H Educate users in changes to document filing processes I Implement new document filing processes J Evaluate further opportunities for reducing manual filing during and after implementation of new system solution in Stream 5 																							
3.03 Remove additional data checking and approvals from procurement processes				RC7, RC8, RC10, RC12	Manager Systems, Process & Design	0-6				[Activity]													
<ul style="list-style-type: none"> A Remove additional check of supplier data B Remove additional requisition and purchase order approvals C Remove additional AP check of PO/invoice data D Remove additional AP check of Western Union file 																							

- E Confirm change in controls with Audit, ensuring separation of duties, risk and efficiency are all taken into consideration
- F Amend process documentation
- G Communicate changes to relevant officers
- H Implement changes

Funds Check

3.04 Remove additional funds check and revise funds check materiality

- A Confirm responsibility for funds check is that of budget owner
- B Define materiality threshold for manual funds check
- C Agree on the source where funds check is to be performed i.e. FinWeb, FinanceOne or potentially the new BI solution (subject to change with new systems solution)
- D Confirm change in control with Audit
- E Amend process documentation
- F Communicate change to relevant officers
- G Implement change
- H Incorporate review as part of end of period management reporting
- I Investigate potential to automate funds check, subject to aggregate budget capability and system solution implemented in Stream 5

Enforce CC acquittals etc.

3.05 Adhere to credit card acquittal timelines and enforce consequences

- A Consider alternative consequences to incentivise compliance (e.g. personal liability) in the context of University Culture
- B Consider embedding credit card acquittal accuracy and timeliness in employee level KPIs
- C Document any changes to consequences in policy
- D Communicate policy and plans to commence strictly enforcing acquittal timelines and the consequences of non-compliance to credit card holders
- E Empower Finance and Faculty/School Leadership to take action where credit card spend is not acquitted (support from the top)
- F Regularly follow up aging acquittals as part of performance management processes (refer to performance management opportunities in Stream 6)

Approvals and Delegations Review

3.06 Confirm and simplify approval delegations as per JCU risk appetite

- A Analyse spend data by school/faculty/division to determine appropriate delegation limits for staff. Analysis of the number and value of transactions needing approval in each school/faculty/division will inform delegation limits. Project managers may be given specific delegation for large projects with approved budgets
 - B Map delegations against cost centres and budget accountability to enable a rules based translation to support automation
 - C Liaise stakeholders including audit to confirm risk levels and controls are appropriate
 - D Modify and gain JCU governance approval of amended delegation limits
 - E Communicate changes to University community
- Note: Embed changes in systems solution implemented in Stream 5 and integrate with workflow system for automated approvals*

Sundry creditors

3.07 Use of sundry creditors

- A Investigate the potential to use sundry creditors instead of setting up every creditor separately in systems
- B Define potential sundry creditor categories and rules to allow breakdown of spend visibility required for data analysis and reporting
- C Update policies and communicate changes to users
- D Implement sundry creditors in systems

Process invoices without retrospective PO creation

3.08 Process invoices without retrospectively raising a PO

- E Educate users and communicate process for processing invoices without POs
- C Update and clarify process documentation to reflect process
- D Incorporate performance metrics in the performance management framework to report on the success of this change per Stream 6

Develop JCU wide processes and centralise all processes documents, templates and tools

3.09 Develop a simplified decision tree with hyperlinks and centralise all policies, process documentation, templates and tools for easy user access

- A Confirm policy and process
- B Develop decision tree and house centrally
- C Map existing policy and process elements and identify gaps to support decision tree
- D Confirm process owners for procurement P2P policies
- E Process owners to engage stakeholders to confirm any specific requirements
- F Process owners update processes and documentation and organise upload to central location
- G Liaise with web designers to enable click through functionality
- H Communicate content and access details and provide training in new/refreshed processes to procurement staff and users
- I Regularly review and update to reflect policy and process changes

STREAM 4: STRATEGIC PROCUREMENT INITIATIVES

Procurement Strategy

4.01 Document Corporate Procurement Plan

- A Review State Purchasing Policy (SPP) and JCU strategic and operational plans
- B Workshop procurement vision and objectives with stakeholders leveraging the to-be state developed as part of this project
- C Define ethics and sustainability objectives that align with procurement activities
- D Document procurement plan
- E Communicate procurement plan and educate users

Risk Register and mitigation strategies

4.02 Develop procurement risk register and mitigation strategies

- A Workshop with stakeholders including key suppliers to identify procurement risks and mitigation strategies
- B Develop risk register and mitigation strategies for key risks and prioritise by impact and likelihood
- C Align controls in systems to mitigate risks where appropriate. Subject to Stream 2 this may be addressed as part of Stream 5
- D Regularly review and maintain risks and mitigation strategies

Product rationalisation

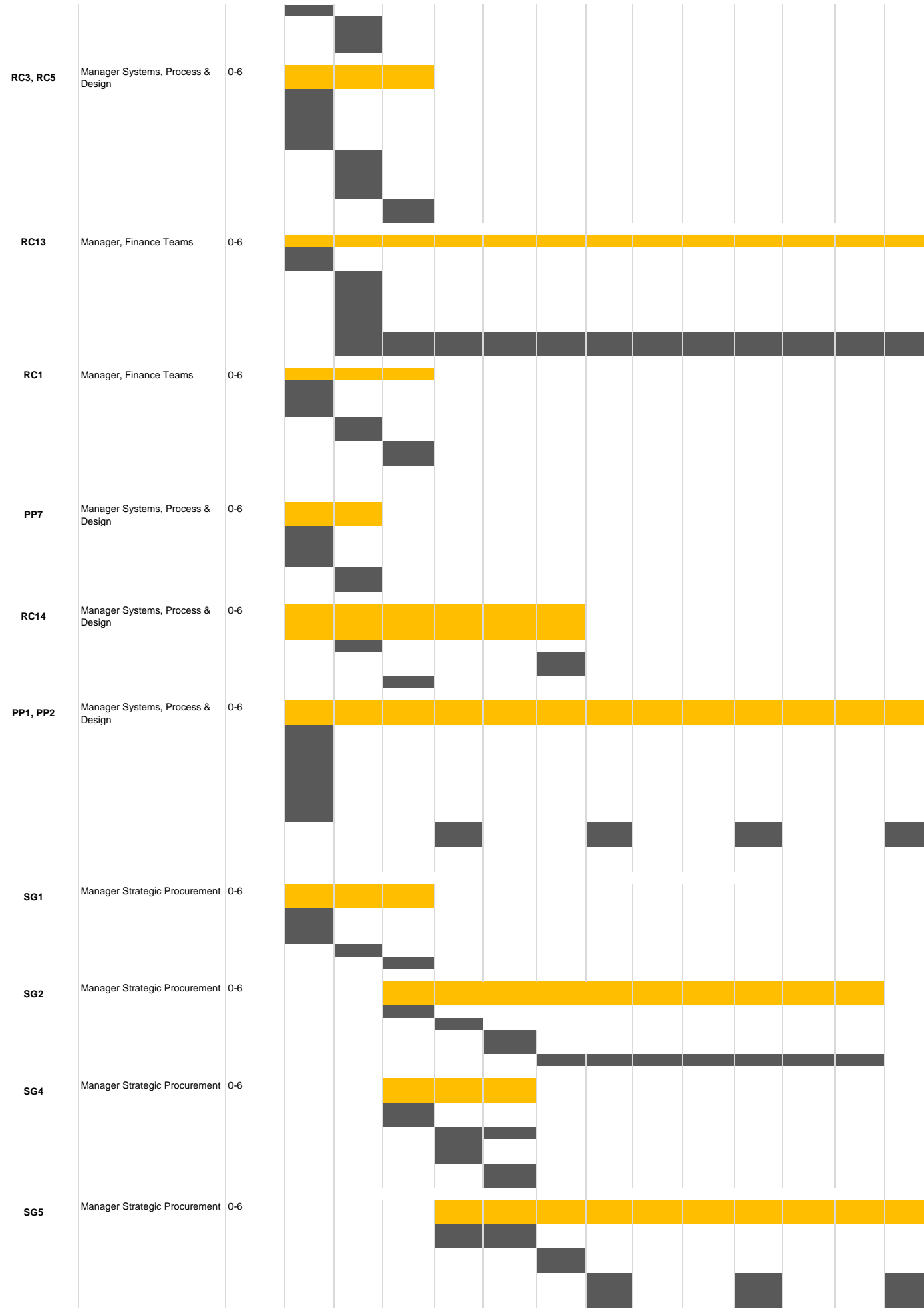
4.03 Rationalise product range and consistency of specifications

- A Engage stakeholders to understand requirements by category
- B Define specifications that meet all requirements of end users
- C Remove obsolete products as a result of specification alignment
- D Analyse product range for further reduction opportunities by category, type and end use (i.e. reduce range of like products that perform a similar function)
- E Incorporate range rationalisation and consistent specifications in strategic sourcing, category management processes (See 4.06) and include KPIs in performance management framework (See 6.07)

Supplier consolidation and preferred supplier list

4.04 Consolidate range of suppliers and develop/maintain a preferred supplier list that is easily maintainable

- A Analyse spend/supplier data to understand opportunities to reduce supplier base yet supply the same products at the same level of service
- B Develop a preferred supplier list based on supplier performance metrics and current contracts
- C Communicate preferred supplier list and process for use ensuring procurement staff and all users have accessibility
- D Regularly review and maintain the preferred supplier list and analyse opportunities for supplier consolidation. This should become a step in the strategic sourcing and category management process (See 4.06) and feedback into the performance management framework as a KPI (See 6.07)



<p>6.05 Optimise goods receipting, centrally receive and process invoices, receipt goods at faculties/divisions</p> <ul style="list-style-type: none"> A Identify access requirements for staff receipting goods B Develop process whereby invoices are received and entered into systems centrally and goods are received by faculties and divisions when they receive them (consider electronic scanning of invoices into system) C Test to ensure systems function as required D Implement centralised goods receipting E Review central receipting process regularly to ensure benefits are being realised <p><i>Note: This will be dependant on system solution implemented in Stream 5</i></p> <p>Review and maintain data quality</p>	<p>PP8</p>	<p>Manager Systems, Process & Design</p>	<p>6-12</p>												
<p>6.06 Review and maintain data quality</p> <ul style="list-style-type: none"> A Data required for analysis and procurement systems is regularly reviewed for completeness, consistency, accuracy in accordance with the data definition and corrective action taken where required <p>Performance Framework and Metrics</p>	<p>PM7</p>	<p>Manager Strategic Procurement</p>	<p>Ongoing</p>												
<p>6.07 Develop procurement function performance management framework, KPIs and scorecard</p> <ul style="list-style-type: none"> A Engage stakeholders to identify key drivers of the procurement plan and strategy (this should be captured as a part of all stakeholder interaction when implementing other P2P opportunities) B Develop a performance framework and well defined KPIs that will realistically measure procurement success across all levels of JCU. These KPIs should be specific, measurable, attainable, relevant and time-bound (SMART) and also be consistently measured to ensuring comparability. C Incorporate ethics and sustainability measures in the performance management metrics/KPIs A Design scorecard or dashboard to display a holistic view of KPIs and procurement function success B Design a process/determine functionality to populate the scorecard/dashboard A Translate procurement function KPIs to KPIs and actions at employee level F Include KPIs to track performance of staff acquitting credit cards on a timely basis (refer to process change in Stream 3) B Link to position descriptions and individual performance reviews E Communicate framework, KPIs and scorecard F Define a process owner for the performance management process G Establish a review cycle and implement performance management with regular distribution of scorecard comparing past performance and highlighting future performance targets H Regularly review for gaps in performance measures to ensure KPIs remain relevant C Regularly review performance and incorporate into employee performance review process <p><i>Note: The performance management framework should be developed in conjunction with the preferred system solution implementation but will not be finalised and integrated into procurement processes until post-implementation of the system solution</i></p>	<p>PM1, PM2, PM3, PM4, PM9, PO6, SG7</p>	<p>Manager Strategic Procurement</p>	<p>0-6</p>												
<p>6.08 Develop contract and supplier performance framework and metrics</p> <ul style="list-style-type: none"> A Engage stakeholders to understand supplier characteristics that are most important to JCU and it's procurement strategy (these could differ by faculty/division/category) B Develop contract and supplier performance framework that aligns to JCU business and procurement strategies C Develop metrics that robustly measure supplier performance against the framework D Design scorecard or dashboard to report metrics E Determine frequency of reporting F Design a process/ determine functionality to populate, including requesting suppliers to self report G Collect data from key suppliers G Monitor and take corrective action as required and incorporate supplier performance into preferred supplier lists <p><i>Note: Contract and Supplier performance should be incorporated into the strategic sourcing and contract management stages of the P2P process</i></p> <p>Benefits Tracking</p>	<p>SG6, PM5</p>	<p>Manager Strategic Procurement</p>	<p>6-12</p>												
<p>6.09 Incorporate benefits tracking in performance framework</p> <ul style="list-style-type: none"> A As part of strategic sourcing determine the baseline and expected benefits directly relating to procurement function B Determine reporting cycle and method and incorporate benefits tracking in supplier contract C Category manager to regularly monitor benefits realisation and take corrective action where required D Incorporate into the procurement function performance management process for regular reporting <p>External Benchmarking</p>	<p>PM8</p>	<p>Manager Strategic Procurement</p>	<p>6-12</p>												
<p>6.10 External benchmarking for improvement opportunity analysis</p> <ul style="list-style-type: none"> A Identify benchmarks that align with KPIs, including scope B Define frequency of review of KPIS C Compare KPIs to benchmark data to highlight underperformance D Evaluate underperforming processes for improvement opportunities E Monitor performance improvement for opportunities identified 	<p>PM6</p>	<p>Manager Strategic Procurement</p>	<p>6-12</p>												
<p>Shared Services and Global Workforce Optimisation</p> <p>Rescope shared services and centralised processing</p> <p>6.11 <i>(Note : This plan is an estimate only based on past shared services implementation experience and will be dependant on a governance decision regarding structure and systems capability)</i></p> <ul style="list-style-type: none"> A Confirm the current scope of shared services, procurement capability and system functionality B Evaluate the optimised P2P processes to understand further opportunities to transition the procurement function towards a mature shared services model C Analyse P2P processes to highlight routine, non-complex and IT intensive processes that can easily be transitioned to different geographies to leverage labour economies across JCUs global work force (e.g. accounts payable processes transitioned to Singapore) D Evaluate global procurement capability and develop capability and system functionality in geographies into which processes can be transitioned E Scope projects required to move each process to a shared services model F Implement shared services projects F Regularly review the effectiveness of the shared services model and review end-to-end P2P processes to highlight further opportunities to centralise common processes 	<p>PO8</p> <p>PO9</p>	<p>Manager, Finance Teams</p>	<p>6-12</p> <p>12+</p>												