

Durham University achieves top marks with Medius







The **company**

As one of the top UK universities and ranked in the top 100 in the world, Durham University is always striving for excellence. With over 3000 staff and 15,000 students the University has an annual spend of over \$180M. As part of their path to procurement excellence, they implemented the best in class Medius Spend Management solution.

Strategic procurement approach

Durham University wanted to move towards a strategic procurement approach and identified eProcurement technology as a key tool in this ambitious change in procurement direction. Through a strategic sourcing strategy that incorporates a vision for Source-to-Pay led integration, process, visibility and compliance, Durham University has graduated to a superior procurement service, as recognized by APUC in the University's first PCA assessment.



Justifying **the course**

As a public sector organization there was an underlying cost justification that needed to be met before implementation and the transition towards achieving procurement excellence.

Working with Medius' Sourcing consultants, initial spend categories were identified as having significant savings potential. These included Facilities Management and PPE (uniforms). Medius consultants helped the University procurement team construct and run the events and these two eAuction events alone generated 56% (FM) and 28% (PPE) annual cost reductions respectively the equivalent of a \$520,000 saving, providing the cost justification for a complete source-to-pay solution.

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These procurement changes are essential to the University since, like the rest of the public sector, we face reduced budgets and research grants in line with the government's deficit repair plans.

Director of Procurement, Durham University

Procurement **honors**



Medius Spend Management provides Durham University with a complete holistic purchasing suite that has enabled them to cut costs, reduce paper processes and improve sustainability and supplier relationships, while gaining financial transparency.

The Medius system automates the procurement process ensuring that all requisitions are compliant with contracts and that information can be easily transferred between sourcing events held on Medius Sourcing and Medius Procurement. The integrated platform also automates all process steps and approvals with workflow rules keeping manual intervention to a bare minimum.

Integrating with their Oracle ERP system, Medius ensures the University can achieve automated back office reporting, reducing manual processing time and allowing the procurement function to focus on more strategic activities.

Supply-chain **excellence**

Durham University continues to undertake supplier, contract and category reviews using their Spend Management solution as part of their on-going strategic procurement approach.

Medius enables the University to align more closely to

government targets regarding prompt payments to suppliers. The University also realized 80% of their targeted savings 18 months into a two-year program and achieved their goal ahead of schedule.

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Suppliers have full transparency and can see where they are positioned against other suppliers, that transparency allows the University to obtain best value.

Senior Category Manager, Durham University

User acceptance

User acceptance was a critical area of Durham's deployment success with users needing to make a significant leap from manual, departmentally defined purchasing to a single centralized process. The highly intuitive and easy to use nature of the Medius system has helped drive an unbeatable 100% user compliance and an impressive 95% requisition to Purchase Order conversion rate. Medius is designed to be intuitive and simple to use with minimal training and Durham users have reported that it's simpler than shopping at Amazon. Gaining full user adoption ensures that Durham's negotiated contracts and supplier relationships are fully leveraged through highly compliant buying across the organization. Medius can be custom branded for each individual client, helping to encourage user acceptance and use. Durham University chose to name their solution 'acquire', reflecting the academic institution and the core principal of purchasing.

Sustainable purchasing

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We've got 100% system user take-up; once they use Medius there's nobody trying to bypass the system and do things the old way.

Deputy Director of Procurement, Durham University The University concentrated on buying sustainably and locally, which has not only reduced their carbon footprint but cut down waste, improved the University's green credentials and resulted in major cost savings.

Durham's green policies are reflected in procurement activities and Medius has successfully removed all paper from the purchasing process. This has allowed the University to successfully meet its environmental targets alongside those for cost reduction and helped the procurement team to win a prestigious Green Gown award two years consecutively for its efforts.

The Green Gown award is awarded by The Environmental Association for Universities and Colleges (EAUC).

Following an initiative with the catering team, a supplier rationalization exercise was carried out to establish a 360° approach across suppliers, the catering team and the procurement team through Medius.

Graduating to efficient best value procurement

Durham University identified many benefits of a Source-to-Pay solution but critically wanted to achieve:

- A strategic procurement approach
- Resource efficiency
- Sustainability goals
- Commodity savings
- Improved supplier relationship management
- Efficiency savings through electronic automation
- Financial transparency
- Increased compliance

The Procurement Service **saves on average \$3-4m per annum** through its continued use of procurement best practices, supported by Medius Spend Management.

The results

Medius now drives compliant, accurate, automated purchasing processes across the University's \$180 million annual spend from requisition through to contract. With automated workflow and approvals keeping manual intervention to a minimum the procurement function are now able to focus on and achieve their strategic goals.



Today, best practice procurement is about looking at the associated complexities from multiple perspectives, because savings along the road ahead will require a far more dynamic, cohesive and strategic approach to purchasing and supplier relationships. Real procurement efficiency involves changing the way you purchase, what you purchase, when you purchase, plus high levels of automation all at the same time.

Deputy Director of Procurement, Durham University

About Medius

Medius AP management software replaces the work and worry of invoices with AI and automation. Medius goes far beyond basic automation by using artificial intelligence to do the work – so invoices get coded, approved and paid, and your business can trust your budgets and forecasts without the fear of potential fraud. And you won't have to worry about implementation and ongoing administration costs, because you'll start seeing the value immediately and the innovation won't stop. To learn more, visit <u>medius.com</u>.



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