Tulsa Community College Saves Money and Time with JAGGAER Solution

Customer Profile

Tulsa Community College (TCC) serves 35,000 students annually in credit and continuing educations classes. It is the largest two-year college in Oklahoma with four campuses in the Tulsa area. TCC employs 1,185 faculty members and has an operating budget of more than $74 million.

"Purchasing has gained more trust and favor with the entire college as a result of the transparency the JAGGAER solution provides."

— Terry Lastinger
Assistant Director of Purchasing
Tulsa Community College

Challenge

Student enrollment at TCC was increasing to unprecedented levels, however state budget cuts had a significant impact on the college's funding. TCC employees stayed on the job but hadn't seen a pay raise in years. In order to maintain the high quality of programs and services at TCC, drastic measures had to be taken. The purchasing department was on the front lines. Beyond just managing spend, it had to deliver hard-dollar savings. There were more challenges inside the college. A lack of transparency into the purchasing system created an environment of distrust. Other issues were more tactical, such as how to get the various ERP systems in use across the college to work together. "Then there were the 64 linear feet of filing cabinets holding purchase order records," said Terry Lastinger, assistant director of purchasing. "Over time these records would be boxed and stored on campus while the cabinets filled up with more records. It was a never-ending cycle of waste and inefficiency."

The pressure—both from inside the college and from the outside—could no longer be ignored. Tulsa's procurement team knew they needed to find the right solution that could specifically solve the purchasing woes of a community college system.

Solution

TCC chose JAGGAER for several key reasons.

- **Time savings**
  The JAGGAER solution eliminated the need for paper and manual processes. This allowed the TCC purchasing staff to dedicate time to managing spend and getting more aggressive about finding new savings.

- **Sustainability**
  The 64 linear feet of filing cabinets that once held purchase orders are now collecting dust. TCC was able to convert approximately 20,000 files to electronic data storage using virtual server space.

- **Ease of Use**
  By providing an environment to store information virtually, the solution can retrieve all data for a purchase order with a few simple clicks. More than 12,000 printed copies of purchase orders were eliminated through use of the online system. Purchasing also saw a dramatic reduction in the number of calls into the department.

- **Efficiency**
  PO processing now takes minutes. POs that used to take 38 minutes now average only nine minutes

- **Accuracy**
  Shopping carts are filled directly from catalogs. This means fewer touch points and fewer chances for error.

- **Transparency**
  Through hosted catalogs, users can comparison shop and see savings right away. "We encouraged employees to use the new system, but it was on a volunteer basis. The response was remarkable," said Lastinger. "Even without mandates or incentives, we had incredible user adoption across the college and adoption continues to grow."

Bottom Line Results

- ➡ 100 percent of spend going through the JAGGAER solution

- ➡ 35 percent of total spend is through preferred suppliers

- ➡ Yielded average discount of 19 percent on spend of $1.4 million in 2010

- ➡ In 2010, saved nearly $100,000 on freight costs for catalog purchases

Not only is the solution saving TCC time and money, it also helps facilitate an extra bonus for employees. "Through our catalogs, we can extend discounts and specials the college receives on to employees to use for their personal buying decisions. In our current economic state, this bonus has been well received by TCC employees," said Lastinger.

The Future

The future of eProcurement at TCC involves increased strategic sourcing and catalogs that promote co-op purchasing. "We want to be part of a collective buying environment by leveraging our relationships with sister schools, municipalities and other secondary schools in the state of Oklahoma. It can also provide a larger, more robust arena for vendor participation." said Lastinger. "The JAGGAER solution is critical to TCC's ability to realize this consortium buying power."