

## Strategic Sourcing in Higher Education: Responding to Crisis

Public and private universities, colleges, and training institutions provide post-secondary instruction to students all over the globe. With operational restrictions and varying regional ordinances, higher education entities in many regions have pivoted to fully remote learning experiences to protect the safety of their students, faculty, and staff. Many institutions, like Barry University, are fast-tracking graduations for medical students to aid in the public health crisis.<sup>1</sup>

Successful Procurement teams in higher education are leveraging software solutions to respond to the current crisis, recover from it, and ultimately thrive. With intuitive tools to manage suppliers and collaborate with the

business, Procurement and Sourcing teams have the agility to weather current uncertainties as well as the visibility to plan strategically for the future.

### Top Priorities for Higher Education

Procurement and strategic sourcing professionals in the higher education industry have found innovative solutions to support their institutions through crisis. The following initiatives are top of mind for these procurement leaders:

- Preserving cash by partnering strategically with key suppliers
- Pivoting operations for remote learning
- Setting sourcing up for long-term success and resiliency

### Preserving Cash by Partnering Strategically with Key Suppliers

The top priority for most institutions is preserving their cash flow. With fully remote learning implemented in spring 2020, institutions experienced major dips in revenue.<sup>2</sup> Coupled with lowered enrollment expectations for Fall 2020, higher education is looking to Sourcing to manage their cash reserves.

To do this, sourcing leaders in the higher education industry are turning to their suppliers. Those with complete [visibility](#) into their vendors as well as mechanisms for [supplier evaluations and feedback](#) can closely partner with their strategic suppliers and achieve mutually beneficial solutions like renegotiated minimums or extended payment terms.



The most immediate challenge for most institutions involves cash flow. As institutions lose parking fees, dining outlet sales, and other auxiliary revenues, they also face unexpected expenses, including partial refunds on fees, room, and board, and the need to scale virtual engagement modalities. To ensure continuity in the short term, some institutions will likely need to rapidly restructure their operations.

[Deloitte](#)<sup>3</sup>

## Pivoting Operations for Remote Learning

When students, faculty, and staff shelter in place, institutions are tasked with pivoting their education model into a fully remote learning experience. With students and teams spread across geographies and many now working remotely, collaboration technology like videoconferencing and instant messaging becomes a necessity not just for internal communication, but for supplier networks as well.

Procurement teams with digital collaboration capabilities are able to update stakeholders, communicate with suppliers, and [discuss RFX events](#)—all in real time. These collaboration tools also help eliminate disparate email threads and centralize supplier and contract data for a single source of truth.

## Setting Sourcing Up for Long-Term Success

How are strategic sourcing teams in higher education ensuring continuity for their business? Leaders are digging into their [project funnels](#) and timelines to align tight resources. A centralized hub for all procurement initiatives gives teams and the office of finance the real-time visibility they need to prioritize projects and plan for the future.

When Finance, stakeholders, and Procurement have real-time visibility into their projected spend and contractual obligations, they are empowered to drive institution-wide impact and achieve better business outcomes.

**86%** of college presidents identify fall 2020 enrollment numbers as a top issue.

[McKinsey & Co.](#)<sup>4</sup>

**65%** of procurement leaders have limited or no visibility beyond their Tier 1 Suppliers.

[Deloitte](#)<sup>5</sup>

The higher education industry could see losses in revenue up to **\$19B** due to COVID-19 impacts.

[McKinsey & Co.](#)<sup>4</sup>

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Workday Strategic Sourcing allows everyone to run effective sourcing events and impact our bottom line, even if they're not procurement experts. For our team, it has increased engagement across the business and elevated our role within RMU.



**Sharon Silk**  
Assistant Director of Procurement  
Robert Morris University

## For Finance Leaders

- Gain real-time visibility into procurement spend in the Workday Strategic Sourcing platform to proactively manage resources
- Accelerate and document communication with key stakeholders and suppliers
- Streamline reporting and analytics across the institution for actionable insights into spend management

## For IT Leaders

- Tap into the Workday Strategic Sourcing platform to focus on driving down infrastructure-related costs
- Reduce costs associated with auto-renewals by maintaining all supplier and contract data in one collaborative location
- Maintain operational integrity by eliminating synchronization of multiple copies of the same data

From renegotiating with strategic suppliers, to driving enterprise-wide cost savings, to supporting remote learning, Procurement teams in higher education are mission-critical to the success of their institutions. With technology behind them, procurement leaders like you have risen to the challenge and have helped their companies emerge stronger, smarter, and more agile.

Want to know how you can achieve better business outcomes? Find out how [Workday Strategic Sourcing](#) can help you [streamline your procurement processes](#), [track your projects](#), and [manage your suppliers](#) on a single, intuitive platform.

Workday Strategic Sourcing offers a sourcing and supplier engagement platform trusted by Procurement teams. To learn how our strategic sourcing platform can help your organization streamline processes, manage a unified pipeline of projects, and collaborate with stakeholders and suppliers to achieve greater business impact, please reach out to: Sales at [workday.com/contact](mailto:sales@workday.com) or +1-877-967-5329.

1. Barry University, "[Barry University Holds Early Virtual Graduation for Nurse Anesthetists](#)"
2. Forbes, "[Here's a Look at the Impact of Coronavirus \(COVID-19\) on Colleges and Universities in the US](#)"
3. Deloitte, "[Covid-19 Impact on Higher Education](#)"

4. McKinsey, "[COVID-19 and US higher education enrollment: Preparing Leaders for Fall](#)"
5. Deloitte, "[Leadership: Driving Innovation and Delivering Impact](#)"



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