Best Practices Summary

Date: April 25, 2012 Project/Point-Event: Amazon – Textbook – Purchasing Card Process

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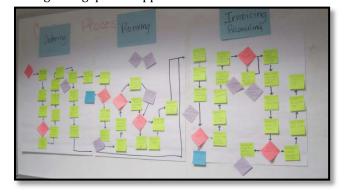
Business Need: The current process of ordering textbooks on Amazon using the purchasing card is frustrating, lengthy, and inconsistent. The ordering is time-consuming and we are spending an extremely high amount on shipping. Receivers have a hard time matching the received items to the purchase orders associated with them and they have to receive an extremely high volume due to items coming from multiple vendors in shipments of as little as one book at a time. The Auxiliaries team spends between 10 minutes to half an hour to process one invoice due to matching difficulties and confusion. In all, our cost and time expenses are too high.

Summary of Event: We began by mapping out the current process, including all departments involved – ordering, receiving, and invoicing/reconciling. Once we had the current process map complete, we identified several gaps and opportunities where there was room for improvement. There were steps in the process that were completely unnecessary, steps where there were double copies being made (wasting more time and paper) creating additional confusion, and places where missing information was causing delays and stops. At this point, we focused on the biggest gap of all – the entire process – and visited the idea of grouping all textbook ordering from Amazon through the corporate account. Fundamentally, many of our problems could easily be solved by going this route.

Results: In the end, we did decide to do away with the Amazon textbook ordering process using the purchasing card and move to making these purchases using the corporate account. There are many benefits all departments will gain by doing this. These include:

- Reduced number of purchase orders needing to be created (buyer will now be able to put all books on one purchase order, rather than 10 different ones).
- Makes it easier for the receiving department to match shipments (packages and packing slips) to purchase
 orders since the corporate account references the purchase order associated with the books right on the
 front/outside of the package.
- Eliminates the step where ABS has to decide which Amazon account the invoice/PO/key rec goes to.
- Eliminates an extra step in posting no longer have to update invoice in GM with vendor to pay information before posting.
- Eliminates ARFs from the process, saving time and paper.
- Shortens the purchasing card statement process for ABS.

Below: Process map showing original process along with gaps and opportunities.





Above: Team members – Allen Kittner, Hillary Haight, Gwen Miller, and Kathleen Norris - work together to map the original process.