CITY OF GRAND RAPIDS

The City of Grand Rapids increases visibility and control of city-wide government spend

Profile

Vector sector
Public Sector / Government

No. of departments
42

No. of purchasing transactions
50,000 p.a

Customer since
2010

Objectives

- Improve accountability, authorization and approval of city-wide government spend.
- Launch new online government procurement initiatives quickly to more than 42 departments.
- Provide simple, departmentally-tailored tracking and controls.
- Increase purchasing leverage and gain discounts based on volume pricing.

How Proactis helped

- Provided an end-to-end procurement solution to support the management of organization-wide spend, with full integration with multiple ERP and operational systems.
- Established the creation of 130 catalogs and management of contracts.
- Simplified complex processes and eliminated redundant databases.
- Optimized online customer billing experience, using online and mobile applications.
- Rolled the solution out to 300 users across 42 departments.

Benefits to City of Grand Rapids

- 10% procurement processing cost savings projected.
- Streamlined the efficient processing of 35k purchasing transactions annually.
- Increased vendor participation by 50% through complete, city-wide implementation.
- Established departmental procurement practices and accountability for spend.

We rolled out Proactis to 42 departments and made every Director become an approver. There was a paradigm shift. Proactis provided the City a reliable means to control spend, with visibility and accountability.

Carol Capek
Project Manager, The City of Grand Rapids

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Profile

Located in the heart of Michigan, the City of Grand Rapids (the City) provides a full range of municipal services to its residents and visitors. A range of products and services are procured on behalf of the City by the Purchasing Department, which solicits competitive bids for various goods and services used by more than 42 departments. The City processes approximately 35K purchasing transactions annually.

The organization employed old mainframe technology and wanted to move from paper-based to web-based procurement processes, to improve spend visibility and control.

Objectives

The City of Grand Rapids was looking to adopt modern cloud-based procurement technology to support full-cycle, end-to-end procurement controls; not only to reduce buying costs but also improve quality and responsiveness of services.

This included supporting more than 42 departments with a simple and easy-to-use solution, with departmentally-tailored tracking and accountability for city-wide government spend, and increasing procurement leverage to achieve discounts from volume-based pricing.

After research and comparative analysis of online procurement software, the City elected to use Proactis to streamline the full Source-to-Pay cycle management, integrate with their current ERP and operational support systems, and provide necessary reporting and controls.

How Proactis helped

The Proactis implementation was divided into two phases: bids and solicitations and vendor management; then order management, including contracts, electronic catalogs and roundtrip integrations with external eCommerce websites.

Proactis streamlined the vendor on-boarding and management process. This included supporting business registration, categorization of goods and services, providing demographic information, qualifying vendors, reviewing, tracking and responding to solicitations, as well as the management of contracts and invoices.

The vendor community benefits greatly from the comprehensive online, self-service functionality offered by Proactis. The City has 225 unique buyers using the system and 66 unique agencies. This includes full security of purchasing transactions and data storage. And the Proactis mobile app allows vendors to access the solution from anywhere, at any time.

Each state department can create its approvals based on total commodity being purchased and engaged approvals at the departmental director level, with the ability to delegate to others as necessary. Departments with complex processes such as Fire, Traffic Safety, Water and Parks Administration were supported with specific business process migration and user training.

Proactis simplified the financial system migration with advanced purchasing functionality and easy integration with the new generation Microsoft Dynamics GP system, and supported extended integration with other operational support systems and mobile applications.

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Benefits to the City of Grand Rapids

The City's Procurement team has achieved significant cost savings by using the advanced functionality in Proactis. This has included streamlined procurement, contracts management and invoice handling – fully leveraging cloud and mobile working. In addition, closer management of budgets and cash flow is now possible thanks to better optimized and inter-linked processes.

Proactis has helped the City to improve vendor registration and solicitation. Vendor participation has increased by 50%, with projected procurement processing cost savings of 10%, throughout the 42 departments. Today, the City places approximately 50,000 purchase orders and/or change orders with vendors per year and manages more than 130 supplier catalogs and 250 contracts.

Proactis has provided extensive administrative capabilities supporting complex organizational hierarchies; enabling departmental independence within the organization while retaining enterprise-level integrity and inter-operability.

The new procurement processing has become the model for other departments in the state.

If you want to become a **faster, leaner, smarter** organisation, then contact our friendly team – **Proactis.com/contact**

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