

Streamlined version from MUWG

Fall 2018 Procurement automation (eCatalogs, eProcurement, contracts and auto release) Tim McAlister, CPSM, C.P.M.

eProcurement – Maximo,Mobility & Marketplace

13 Oct 2022

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Former NAS Whidbey Site Manager







eProcurement is hard and our solution is not perfect – we are continually improving. Why we attend MUWG.

Business Partners on this project.

Presentation provides factual info – not marketing.

1) Background...

- Must have solid Business Case
- 2) Big Rock challenges before eProcurement
 - Proven Mobility (high Tech adoption) + Reduce Logistics Complexity
- 3) Delivering eProcurement Skookum Project
 - Timeline, Resources, Challenges, Lessons learned
- 4) Demo
 - Maximo PR w/eCatalog integration, Hosted data search, punchouts...

Skookum Overview

Big Mobility Focus... Limited Logistics Focus...

Top Tier AbilityOne Contractor

- ➤ Non-Profit, Employ People with Disabilities, Veterans
- Competitive contracts AbilityOne & Commercial
- > Extreme Partnering with our Client
- > Expanding Commercial profile

National Footprint - 1,400 employees at 25 sites

- > Infrastructure (10 sites) Facilities, Utilities, Env
- > Fleet, Janitorial, Grounds, Warehousing, Aerospace (15 sites)
- > 500+ Maximo Users, 350 Mobile Users (includes Leads/Mgrs)

Effective Technician Mobility is critical

- Major CXO Support "frustrated Navy Engineers"
- **➤ Maximo and Mobility foundation** (2013)
- > Paperless Work Mgmt Fort Lee VA 2017 Uptime Award
- > Advanced Capability NAS Whidbey 2017 2021







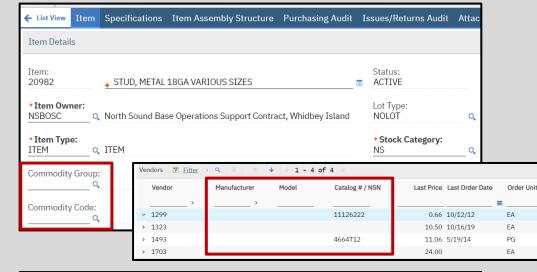


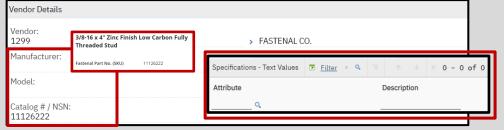


How can Tech select parts?



Find right Parts in Maximo Item Master?

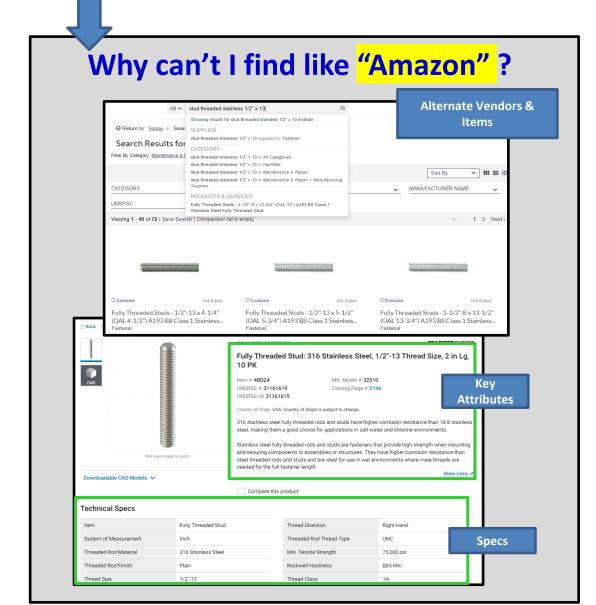






Techs select Parts from IPAD??

Challenge: Must "Leapfrog" from "bad data"



NAS Whidbey (1 of 10 infrastructure sites)

"Infrastructure" Parts Challenge Challenge: "IPAD Parts Selection" even harder

Asset Challenge

- \$3B Plant Valve (PRV)
- Full Utilities
- 400+ Facilities
- 30K+ Diverse Assets
- 320+ Vehicles
- Age from 1941 to 2021



Parts Challenge

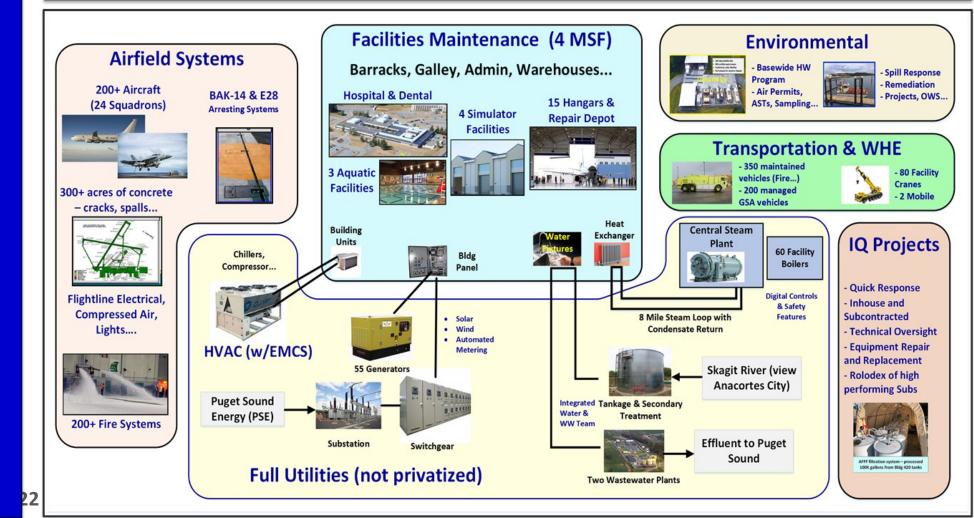
- 150+ Vendors
- Efficiently pick right part, right vendor, right price?

... and order parts in "minutes to hours"?



Naval Air Station Whidbey Island
25 Squadrons, 20K residents (City + Airport)





2018: Southern 'cracked the code' (Marketplace with Maximo)



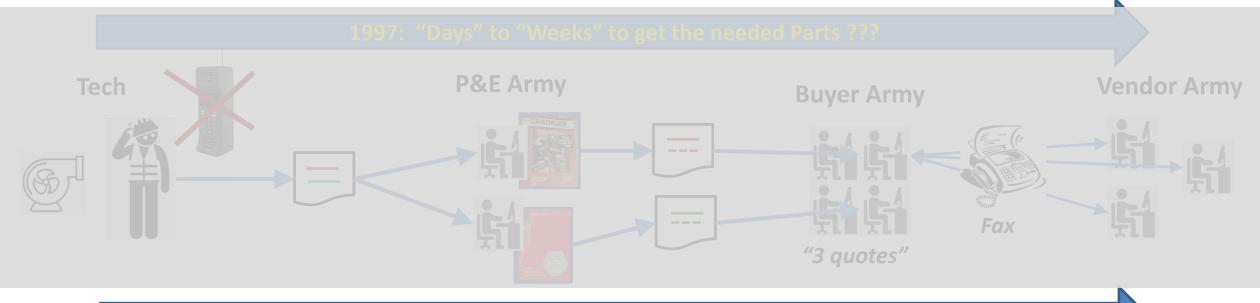
What are the "Marketplace Options"? ...

"Mobility"

"eCatalogs"

"B2B Network"

Vendor







"eProcurement" Business Case Improve Wrench-time, Discounts, Speed, Data quality

		Before (1995 - 2019)	After (2020)		
Techs lose ~ 5% in wrenchtime	Identifying Parts	Haphazard process involving dozens of electronic and manual "catalogs"	Key parts in single 'eMarketplace' and easily searched - like Amazon		
	Purchase Request (PR)	Manual process - Tech fill outs paper with right data? and spends 30+ minutes getting signatures	Electronic PR - Maximo PR integrated with eMarketplace (Desktop & Mobile)		
	Obtaining price competition	Impossible to quickly compare discounts - not done for commodity buys	Discounted pricing reflected in eMarketplace		
Material Team consumed by low value work	PR Quality Control	Warehouse Techs spend signficant time QC'ing PR and manually entering into Maximo	Warehouse Techs spend more time on value-add work: Parts research, Kitting, Staging		
	Purchasing Process	Buyers have to cleanup a lot of issues, e.g. price competition, part number issues	Buyers spend less time on commodity buys. More time on complex buys, more capacity.		
Corporate Goals not being met	Enforced discounts & savings	Spend goals not met due to pricing not quickly visible	On track for \$50K annual savings Year 1 (4%) and \$100K Year 2 (8%) - leveraged purchasing Coops		
	Faster procurement process	"Days" to process commodity buys via 15+ steps - impacting contract response goals	"Minutes to Hours" via 3 step electronic process - don't need extra buyer, improve response (92%)		
	Standardized Procurement	Each site buys parts differently - marginal oversight and analytics	Standard E2E process with spend analytics (BI)		

MRO.COM Promise at 2001 Pulse (AMZN was \$8 per share)

eMarketplace/Maximo (2018 MUWG) (AMZN was \$2,000 per share)

Big Rock Challenges Must "Solve" before eProcurement Project

- Technician Mobility Adoption*
- Reducing Logistics Complexity**

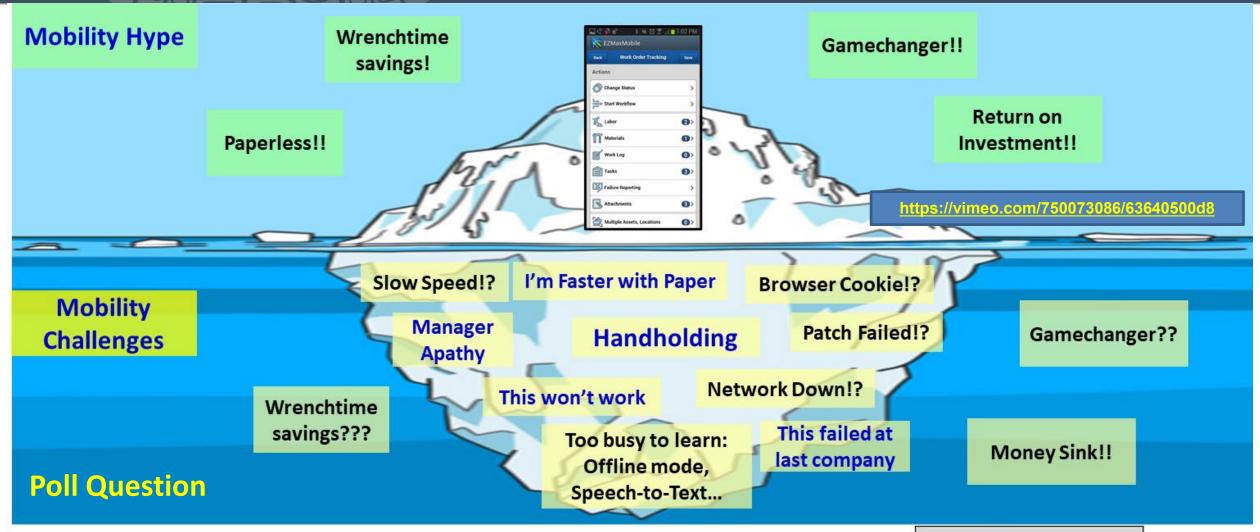
Collaborative Groups aligned with MUWG

^{*} Mobile User Group for Maximo (MUGM) - https://www.linkedin.com/groups/12524289/

^{**} Maximo Supply Chain User Group (MSCUG) - https://www.linkedin.com/groups/2475200/

If Mobility does not work, Techs will not use... and leadership will pull the plug

Mobility Hype vs. Reality Takes "all hands on deck" ...



We have experienced "all of the above". Go-live Metric:



Technician Mobility Adoption Must do what it takes

Enable Core Capability Day 1... stable in 90 days

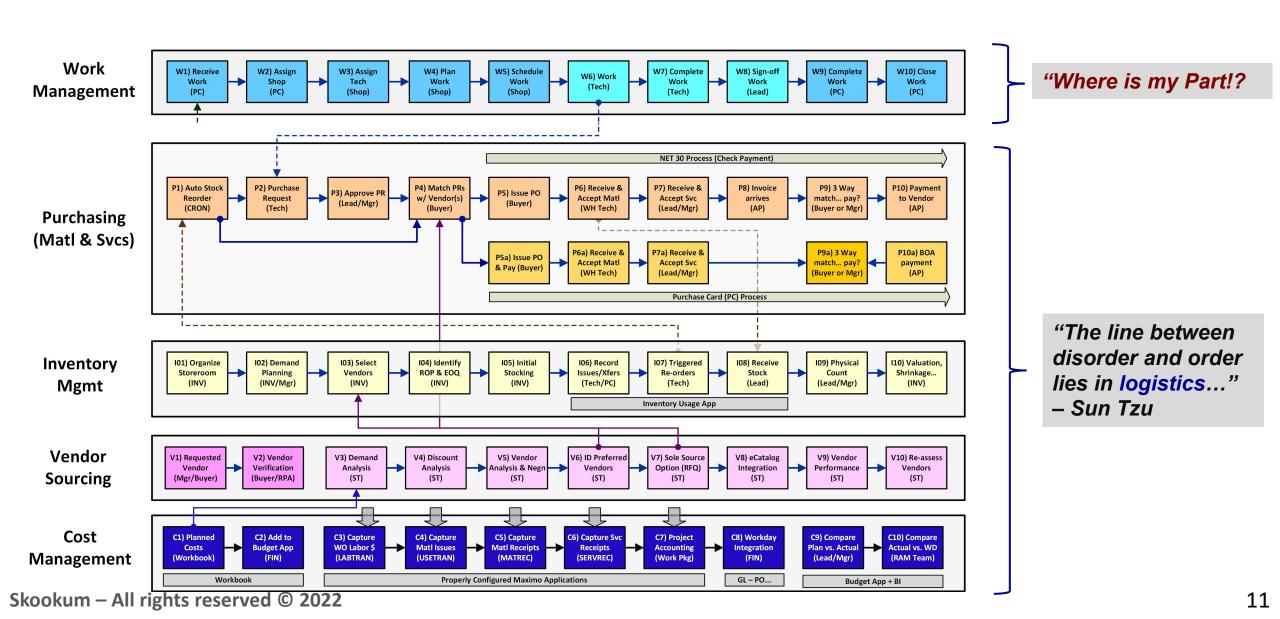
- Pilot and Prove mobility at lead site ensure mobility "really" works... Coming from the Technician
- Must Strong Sponsorship CXO and Site Leaders... use mobility on iPhone (eat own dogfood)
- ➤ Good initial training + transition support IT at site level
- > Carrots Auto-emails, see work & asset history... [must sell these]
- > Sticks Enter closeout info (tech notes, hours) or won't get paid... [sell themselves]

• Continual improvement (wish we did sooner)

- > Recruit "Super Techs" Identify issues/opportunities, bridge with full shop team...
 - Strong collaboration with IT & Dev groups Teams + short meetings
 - **Performance and offline mode** aggressive identification and resolution
- > Short training videos on IPAD 5 minute chunks, e.g. enter PR
- ➤ Incrementally add capability that Techs need "Magnets"
 - "Tech Library" parse pdfs (asbuilts, O&M manuals...) and link to Maximo
 - Virtual Bldg Mgr sign-off (auto-email on 'complete'); Material received at warehouse (auto-alert)...

Reducing Logistics Complexity

'Blocking and Tackling' must be in place... then "eProcurement"



Timeline – Preparatory Assessment and Selection

- Oct 2017 NAS Whidbey Contract "Went Live"
 - Mobility Day 1 Work & Asset Mgmt (100 Technicians) worked
 - Tried using PR App with Item master searching... failed, back to paper
- Fall 2018 Southern eProcurement Brief at MUWG Brief
 - Tim McAllister and Team shared their solution drove our effort
- 2019 Assessment (Site personnel with day job took awhile)
 - 3rd Party info (Gartner PTP), Companies, Demo, Test Drive...
 - Marketplace Buyerquest/Varis selected... Key factors: usability, searchability, supplier enablement, vision
 - Integration P2Insight selected... Key factors: Maximo eCommerce experience, existing solutions, vision

CXO approval
Dec 2019
(ROI brief)

CY22 – Deploy to Buyers at all Sites CY23 – Deploy to Techs at all Sites

Timeline – Go Live NAS Whidbey – 110 current Technicians

Technology was easiest part

Obtaining eCatalogs was the critical path... combined with discount improvements

Tech Adoption highest risk – bell curve adoption, PR app configuration, eCatalogs...

					7	
	CY20			CY21		
	Q1	Q2	Q3	Q4	Q1	Q2
Varis Configuration	х					
Maximo/Varis Interface	х					
Maximo "Workflow" (Portlets + BI)		х				
Obtain Catalogs & Better Discounts	8	5+	5+	5+	5+	5+
Pilot Shops (select Techs) - many tactical improvements			x	х		
Deploy to All Shops					X	Х

Since June 2020:

- 15K+ electronic PRs (no paper) 40% eCatalog items, 30% Item Master, 30% Freeform
- 37 eCatalogs Hosted Data, Punchout, "Spin-off" (small vendor), Storeroom and Varis
- > 5% additive discount visible and enforced via eCatalog... ~ \$100K annual savings

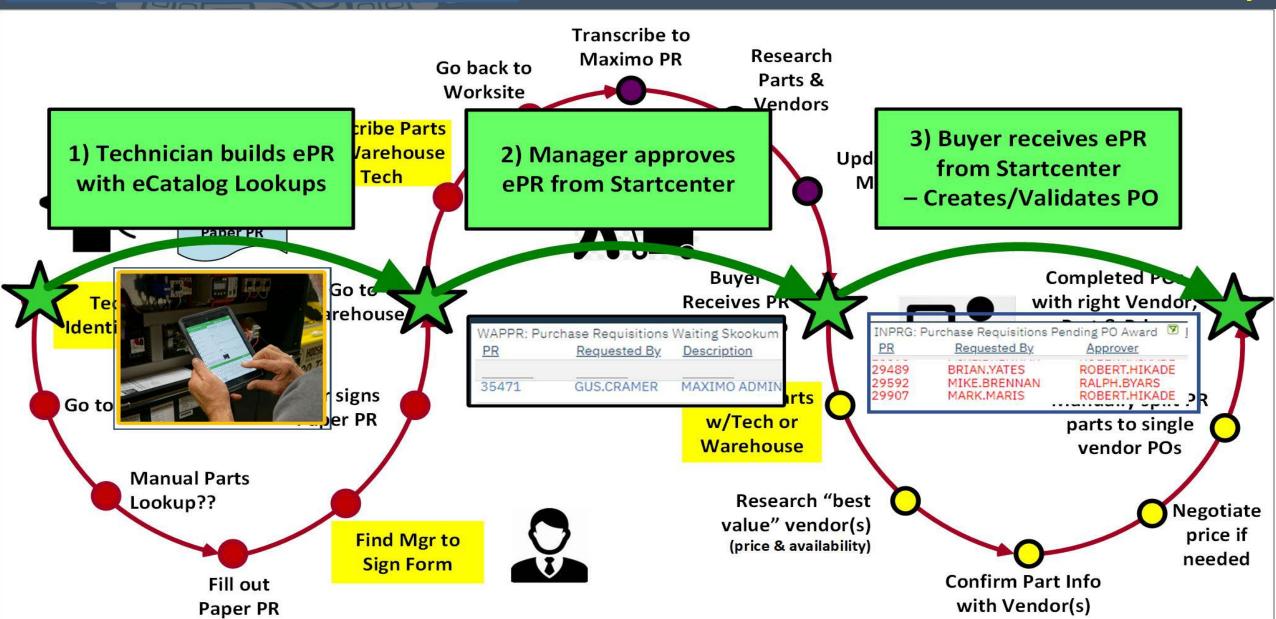
Skookum – All rights reserved © 2022

"Obtaining" eCatalogs 4 primary methods



Eliminate 15 step, manual quagmire - major impact, employee survey

Streamlined Process KISS Theory



Must make "parts selection" even easier Beyond eCatalog selection

Planned Material Automation

- When Consumables are "guaranteed" to be used, e.g. HVAC Filters
- Link Filters to Asset/Building PM auto-generates POs (Vendor kits by building)
- Spare Parts tied to Asset... "Select Spare Parts"
 - Build during construction turnover pdf or discrete data in spare parts table
 - "Reverse" parts from PO to Asset (if WO has AssetID entered)
 - Leverage full material data (Buyerquest) with manu, part#, vendor, SKU
 - Leverage OEM spare parts DB, e.g. Trane, Daikan... linked to asset make/model

B2B Usability

- Enrich catalog data... training on how to do material comparisons
- Train to use "previous shopping carts", "favorite parts", "kits" (bundles)
- Improve sync btwn B2B and Maximo... "propose new part for Item Master?"
- Improve analytic views (BI) and redundant support tasks (RPA)

- Tech-based "eProcurement" is viable but challenging
 - Good ROI if successful: Improve wrench-time (~5%), codify and enforce better discounts (~ 5%), less procurement rework, faster WO execution
- Must have solid Mobility & Logistics processes in place BEFORE
- Top Challenges/Risk
 - 1) Technician usability and adoption Demo...
 - 2) Building eCatalogs with right discounts takes time
 - 3) Get existing sites to move to "best process" (entrenched habits hard to break)
 - 4) Technology is the easier part

Demo

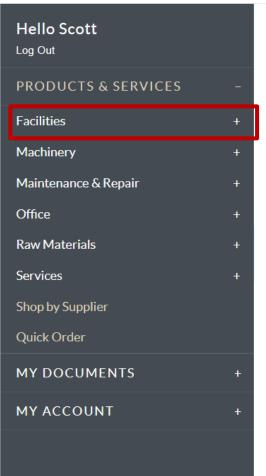
- Varis Marketplace eco-system
- PR Build from IPAD
 - Hosted data search (compare & select items)
 - Punchout (use vendor's full catalog functionality)
 - Startcenter 'workflow' (Manager and Buyer)
- Finding spare parts

Questions?

View All >



Search by Keyword, SKU or Part # Q



See what you need below?

Click on the **Supplier** link to shop

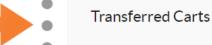


Looking for something?

Search by **Keyword**, SKU, or Part# in the search box above,

Need help?

Check the side bar for useful **Quick Links!**



FAQ

004646 \$294.82 Sep 26, 2022 Line Items: 2

Quick Links

Shop by Supplier

Line Items: 3

\$308.33 004645 Line Items: 2 Sep 26, 2022

\$240.71 004624 Sep 23, 2022

\$79.48 004622 Line Items: 1 Sep 22, 2022

\$246.82 004621

Sep 22, 2022 Line Items: 2

Shop by Supplier View All >

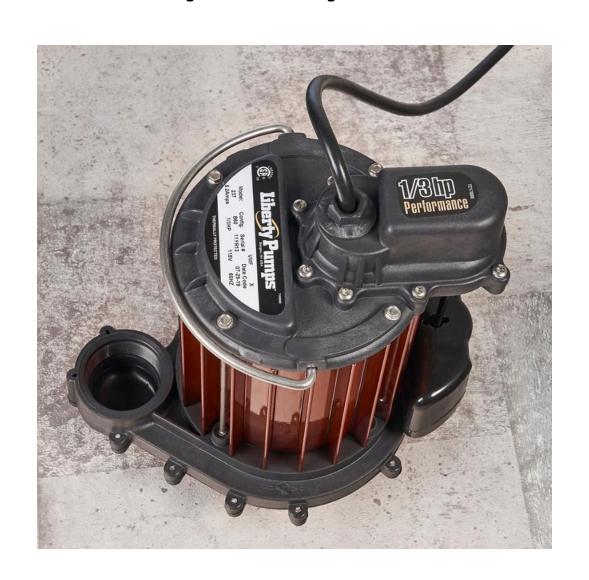








Sump Pump Repair Order Sump Pump, Conduit, V Belt

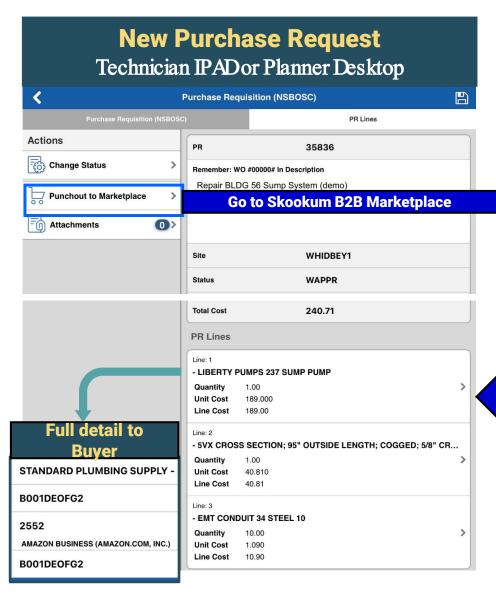


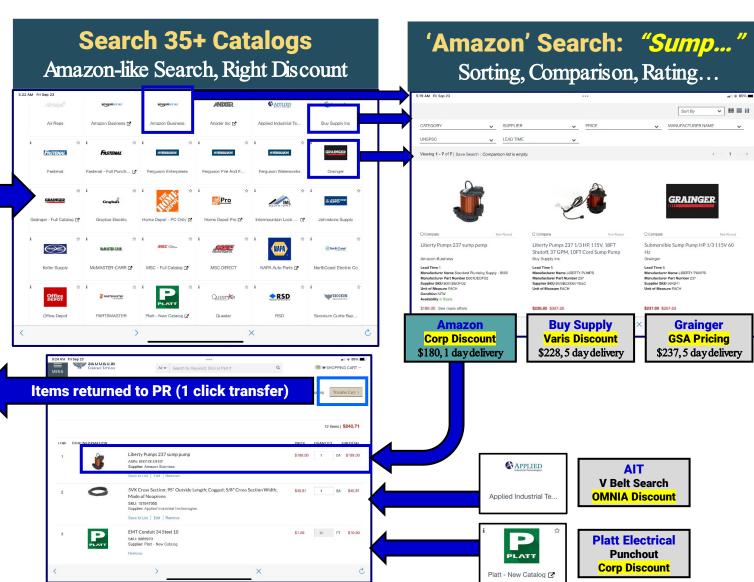
Air Compressor – Find Spare Part to Order





PR Use Case – Sump Pump project 3 Parts

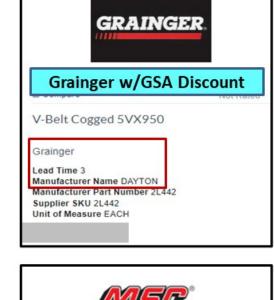




"Hosted Data" Search example V Belt with common Part ID (5VX950)

- Search: V Belt 5VX950
- Goal: Enable core (preferred) vendors with good discount rate for key commodities (Industrial/MRO, Elect, Plumbing, HVAC...)
 - Need vendor options given site location differences, brands, pricing, lead time





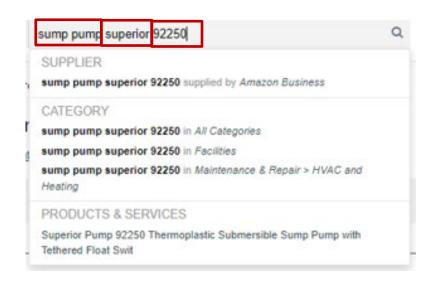


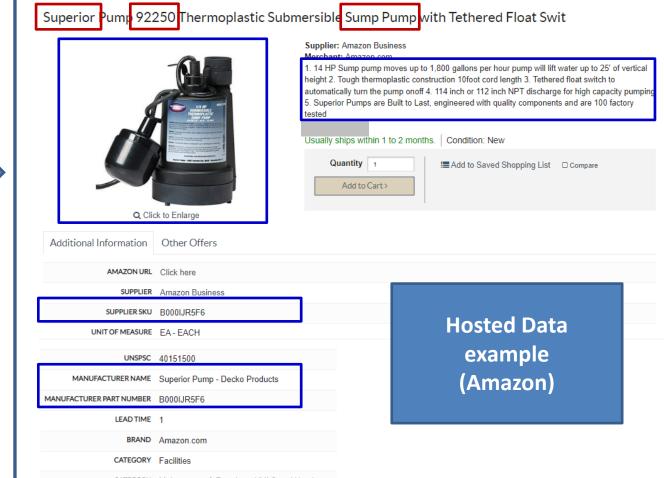




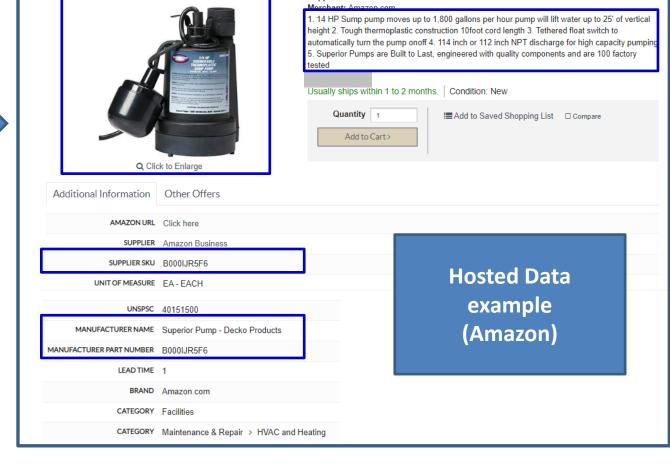
Data Quality matters Enables successful searching

Buyerquest Incremental Search



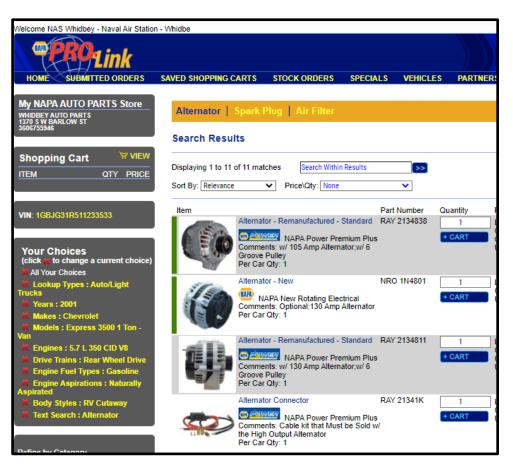


⊕ Return to: Home > Search Results for 'sump pump' > Superior Pump 92250 Thermoplastic Submersible Sump Pump with Tethered Float Swit



Punchout Examples Use Vendors full catalog functionality

NAPA – Lookup Parts by Vehicle Type or VIN (Sourcewell Discount)



McMaster-Carr – Smart drilldown to select right fastener (Corporate discount)

