



“Purchase for You (P4U)”

The New Ordering Platform for UZH Institutes/Departments

Onboarding of Institutes/Departments

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1. Introduction

1.1 Background

The academic institutes/departments of the University of Zurich (UZH) enjoy a great deal of autonomy and decision-making authority in all operational matters. Under their respective financial purviews, the majority of the supplies and services they need are procured individually. Depending on the negotiation skills and annual procurement volumes of the individual unit, there are sometimes substantial differences between the institutes and departments with regard to procurement terms and conditions.

Many academic institutes/departments today already use the services of the Office for Procurement and Logistics to procure their consumables supplies directly from stock, or they use the existing purchase order interface to coordinate their procurements to obtain distinctly more favorable terms than they would by directly purchasing themselves.

1.2 Procurement at UZH – Current State

The following procurement channels are used today:

- Telephone
- Fax
- Webstore of supplier
- Road shows of supplier
- Purchase order interface (coordinated purchasing) of the Materials Center
- Collection of supplies (via institute/department) directly from the Material Center warehouse
- Orders via SAP by the Materials Center (warehouse replenishment)

There are a number of different authorities involved in the UZH procurement process, also outside the institute/department placing an order. These must also be taken into account in the future. An example is the payment transactions team of the Finance Office, which, until now, has executed the final payment-process work steps mainly manually. The cantonal audit office has repeatedly lodged complaints about the procurement process for not consistently meeting the auditors' current standards.

1.3 Procurement at UZH – Target State

In the future, UZH will run the entire procurement process (from order placement to payment) as a **purchase-to-pay** process flow. The needs and demands of all parties involved in the process will be met. It is important to know that **the purchase-to-pay process flow will not infringe departmental autonomy.**

In the future, supplies and services will be sourced for the most part via the new electronic ordering platform. This platform will be rolled out to UZH under the project name "**Purchase for You**" ("**P4U**" for short) and is comparable to a modern supplier's webstore. After logging onto **P4U**, UZH purchasers will have access to all participating suppliers' catalogues with their complete product ranges. A login for each supplier – the current customary procedure for placing webstore orders – is no longer necessary. Access is established automatically by logging onto the platform.

Procurement and Logistics has integrated the most important suppliers of goods and services into **P4U** and has negotiated corresponding deals on price and delivery terms. Procurement and Logistics places importance on cultivating lasting long-term relationships with suppliers. UZH institutes/departments can inform our office if they wish to add further suppliers to **P4U**. In such cases, we work with the desired supplier to assess whether and how that can be arranged.



2. Important Information on Migrating to “Purchase for You”

2.1 What Are the Capabilities of “Purchase for You”?

The main objective of the new **P4U** ordering platform is its usage to procure a wide range of catalogue items in the following product categories: Laboratory consumables, IT accessories, books, office supplies tools and more. After entering a personal login ID on **P4U**, the user receives access to a number of different supplier catalogues in electronic format. All of the catalogues have been negotiated, and all of the product prices shown are net prices. The terms and conditions negotiated by the Materials Center are available to all users of the **P4U** platform. By using **P4U**, institutes/departments can benefit from cheaper pricing and streamlined processes.

2.2 Why “Purchase for You”?

More than 75,000 individual purchase orders from a wide array of UZH institutes/departments have been executed via the Materials Center’s current (old) purchase order interface since its inception in January 2010. The existing purchase order interface no longer comes close to meeting today’s needs and requirements, and must be replaced.

The **P4U** platform provider, Veenion GmbH, is a supplier of modern e-procurement solutions. The new **P4U** ordering platform has been in operation since August 2016. Since the official rollout in January 2017, more than 50’000 orders from over 130 institutes with a total volume of more than CHF 22 million have been successfully processed..

2.3 What Does “Purchase for You” Cost Your Institute/Department?

“Purchase for You” is **free of charge** for UZH institutes/departments. The suppliers pay a small sales-based charge to help cover the platform’s costs. In addition, the suppliers offer special conditions on P4U. Strategic Procurement at UZH is a public service aimed at simplifying procurement processes and lowering purchasing costs for the entire University by means of targeted negotiations with suppliers to secure cost savings on purchases of consumable materials. The team at Strategic Procurement ensures provision of support for P4U.

2.4 What Advantages Do I Have with “Purchase for You”?

- Additional potential savings (approx. 7%–10%) on procurements (→ the Materials Center’s purchasing conditions now also apply for the UZH institutes/departments)
- Actual end prices viewable on the platform
- Shorter ordering process (→ direct order placement with supplier instead of via Materials Center)
- Faster delivery (→ direct shipment from supplier instead of via Materials Center)
- Compatible with the electronic accounts payable workflow
- Local catalogue integration enables available products to be found quickly on the platform (otherwise free-text ordering is also possible)
- Uniform end-to-end order-handling process from point of order to payment
- Bargaining (purchase conditions, product range, etc.) coordinated by the Strategic Procurement office
- Sourcing also possible with prices pre-negotiated by the institute/department (as free-text orders)



2.5 Products

The ordering platform thrives on a comprehensive range of products. Around 84 suppliers with approximately seven million local products are integrated into the platform at present and the same number of online catalogue items. Additional key suppliers will be added over the course of 2018 and 2019. The product range thus will be continually enlarged. If UZH institutes/departments do not see their suppliers on the platform, they should please make us aware of this.

P4U will initially feature a product range focused on consumable materials (IT, office supplies, laboratory consumables, technical consumables, etc.), small equipment, and books. Further expansion steps concerning services and investment goods will follow.

2.6 Organizational Details for UZH Institutes/Departments

2.6.1 Customer Numbers Registered with Suppliers

Today, suppliers assign a specific customer number for each customer. This will change with the rollout of **P4U**. When the orderer logs onto the new ordering platform and submits an order to a supplier, a unique identifier will automatically be transmitted along with it. Suppliers will be instructed to adapt their customer structures to UZH's new requirements.

2.6.2 Types of orderers

In principle, as already practiced today, anyone may place an order. There are two types of orderers on **P4U**:

- **Senior orderers**
Senior orderers are experienced procurement officers within an institute/department (e.g. laboratory head). They are capable of coordinating and reviewing orders from others. Depending on the ordering process chosen, senior orderers can either place orders themselves directly (basic process), or their orders go through the clearance procedure in accordance with the Finance Office's guidelines (expert process). Senior orderers have a complete overview of all orders placed by assigned junior orderers.
- **Junior orderers**
Junior orderers assist senior orderers in purchasing matters and can log supply needs directly on **P4U** instead of noting them down on a slip of paper or entering them in an order form as is done today. The senior orderer in charge or that person's deputy will review, sign off on and order the logged items or will remand them to the junior orderer to be revised. The junior orderer can be an apprentice, a laboratory technician, or any other person.

Regardless of the ordering process chosen, every junior orderer is supervised by a senior orderer who validates and authorizes the junior orderer's requisition.

2.6.3 Choice between Two Ordering Processes

Under a prior needs assessment conducted at different UZH institutes/departments, two ordering processes were developed to ensure a successful rollout. A institute/department must select one of those two ordering processes when logging onto the **P4U** platform. Within a given institute/department, it is not possible to set up different ordering processes for individual profit centers. There is a choice between the ordering processes listed below:

- **Expert process** (pre-order authorization procedure)
- **Basic process** (post-order authorization procedure)

The ordering process can be switched from Basic to Expert, and vice versa (with a special effort), at any time.

2.6.3.1 Expert Process (Pre-Order Authorization)

This process includes all of the elements of an end-to-end purchase order process with upfront order approval (industry standard).

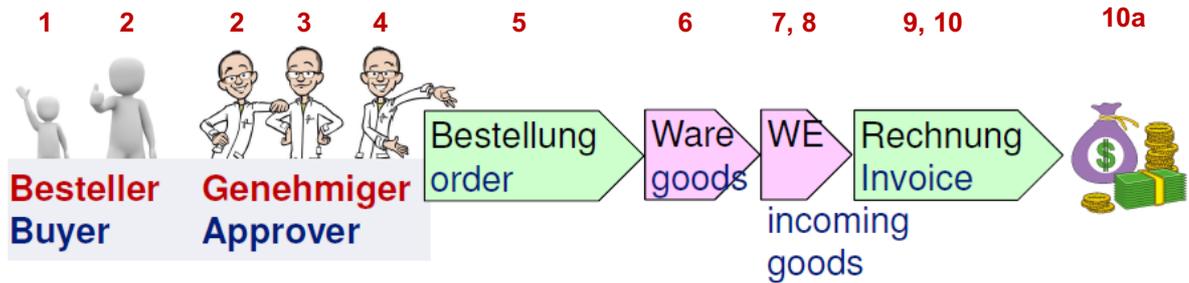


Image 1: Expert ordering process

Progression of a purchase order under the Expert process

1. Junior orderer creates purchase request (skipped if senior orderer places order directly).
2. Senior orderer (who is usually also the substantive authorizer) places the order or signs off on junior orderer's purchase request.
3. Formal authorizer checks/corrects account allocation and signs off on purchase request.
4. Financial authorizer signs off on purchase request.
5. Once the clearances have been granted, the **P4U** system automatically creates one or multiple purchase orders out of the purchase request and sends them electronically to the suppliers involved. Suppliers' order confirmations are e-mailed to the orderer.
6. The good is delivered.
7. The orderer inspects the incoming good and records the receipt of the good on the ordering platform. Once the receipt of the good has been entered in the system, the cost center/PSP element can no longer be changed. To change the cost center/PSP element, the receipt of the good must subsequently be rebooked.
8. The ordering process ends with the recorded receipt of the good.
9. Receipt of invoice and centralized scanning (accounts payable workflow).
10. Invoice control, validation (accounts payable workflow).
 - a. Everything in order: Invoice is paid without any ulterior sign-offs (unless the bill amount exceeds CHF 10,000).
 - b. Not in order: Separately defined process.

2.6.3.2 Basic Process+ (Post-Order Authorization)

This process is a simplified alternative to the Expert process and reflects the ordering practice most commonly employed by UZH institutes/departments today. Ordering is conducted without advance sign-offs by formal and financial authorizers. **With the newly generated Basic Process+, the institutes' wish to be able to also post goods receipts as met. This only involves adjusting the status (partially delivered/finished).** The final sign-off in the course of the accounts payable workflow doesn't take place until after the receipt of the invoice. It is possible to change the cost center/PSP element upon receipt of the invoice and in the course of the authorization process. A resulting account-allocation deviation from the **P4U** ordering system to SAP will be accepted.

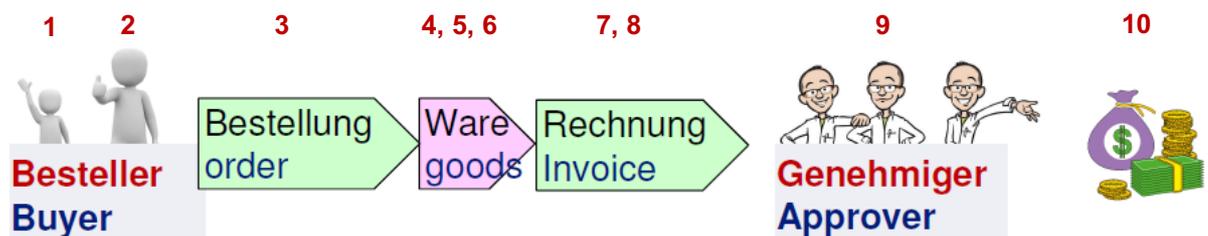


Image 2: Basic ordering process

Progression of a purchase order under the Basic process

1. Junior orderer creates purchase request (skipped if senior orderer places order directly).
2. Senior orderer creates purchase request or signs off on junior orderer's purchase request.
3. Once the clearances have been granted by the senior orderer, the **P4U** system automatically creates one or multiple purchase orders out of the purchase request and sends them electronically to the suppliers involved. Suppliers' order confirmations are e-mailed to the orderer.
4. The good is delivered.
5. The orderer posts the goods receipt in P4U (posting possible, but not mandatory. No info to SAP).
6. Ordering process ended.
7. Receipt of invoice and centralized scanning (accounts payable workflow).
8. Invoice control, validation (accounts payable workflow).
9. Initiation of authorization process in accordance with the accounts payable workflow, with substantive (= by the orderer) and formal validation, and with concluding financial sign-off.
10. After full sign-off, payment of invoice.

2.6.4 Billing Address

Under the accounts payable workflow previously instated at UZH, invoices are processed centrally. This means that instead of invoices being sent directly to the orderer, they now are sent exclusively to the address cited below:

University of Zurich
Zentraler Rechnungseingang
Hirschengraben 60
8001 Zurich



2.7 Registration and Integration of UZH Institutes/Departments

Interested institutes can still register to participate in P4U.

Training dates are published on the MUL homepage. If available, you can see the dates under Training Events. Training is recommended, even if you already have experience with P4U, as the training courses provide various additional information and can answer questions.

[MUL-Homepage, eProcurement for Institutes](#)

The onboarding process for access to **P4U** is described below:

- Step 1: **Institute registers** individual users with a registration form. This is available on the homepage with the following link and can be filled in online. The form is printed out by the requester and signed by a superior. One registration form must be completed and submitted for each user
[Registration form \(Anmeldeformular\)](#)
- Step 2: **Institute sends** the completed registration forms by post or e-mail to MUL.
- Step 3: **Procurement and Logistics enters** the registered users in P4U and contacts the institute/department for the next step.
- Step 4: **P4U is intuitive** to use. For any questions a simple training documentation in German and English is available.
[P4U, Onboarding of Institutes](#)
In addition to this, there is also the possibility of the training presentation from 2nd May 2018 (at that moment only in German)
[P4U, hints and tricks for a successful purchasing \(German\)](#)

Please send the registration applications in electronic format to René Kunz, Head of Strategic Procurement rene.kunz@mul.uzh.ch, or to Fitim Asipi fitim.asipi@mul.uzh.ch.

For further details, please refer to the Procurement and Logistics homepage via the following link: [MUL-Homepage, eProcurement "Purchase for you"](#)



2.8 Rollout Schedule

The "Purchase for you (P4U)" order/purchasing platform has been successfully commissioned at the UZH for selected pilot institutes since August 2016. Since 2017, most of the UZH institutes have been interested in P4U and have been working productively ever since. The official rollout is now complete. In 2018 and 2019 the missing institutes will be contacted and integrated into P4U. At the same time, the supplier portfolio is constantly being expanded.

The planned rollout schedule:

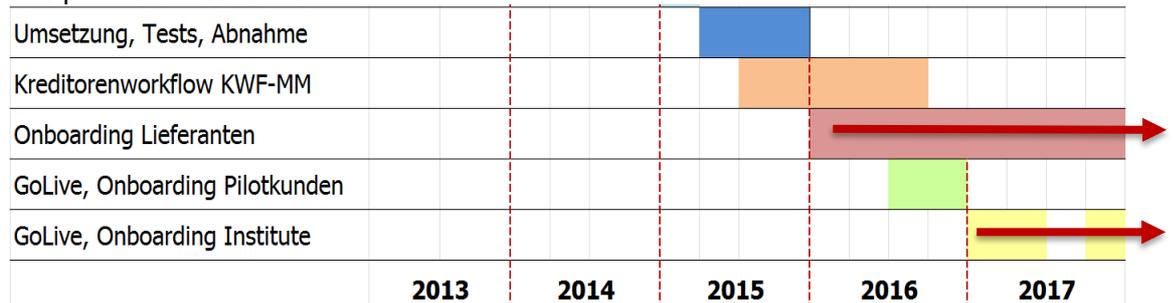


Image 3: Rollout schedule

2.9 Contact Point for Queries

Please address any questions concerning guidance, instructions, and orientation to:

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