INFORMATION TECHNOLOGY – LEVERAGE SOFTWARE PURCHASING

Context
• KU-Lawrence and KUMC often negotiate and enter into individual licenses for software applications rather than coordinate for joint licenses, likely leading to unnecessarily high software costs on both campuses.
• The current inefficiency can be remedied to varying degrees:
  • At a minimum, KU-Lawrence and KUMC can coordinate their buying power for more favorable agreements with software vendors.
  • Since some software providers refuse to negotiate jointly with “two separate organizations,” a true integration of KU-Lawrence and KUMC would open doors for even greater negotiating power.

Goals
• Establish a Software Review Board to provide a collaborative governance structure for software purchases.
• Establish an annual cross-campus software call as part of the budget cycle process.
• Periodic engagement with outcomes of the Changing for Excellence Purchasing initiative on how to integrate software licensing into future procurement changes.
• Charge Purchasing from both campuses to immediately pursue software collaboration opportunities and merge contracts/leverage spend as renewals occur.

Challenges
Risks surrounding leveraging software purchasing are fairly low in respect to Institutional, Change Management, Project, Finance, and IT risks.

• There is some concern surrounding the adoption of the new software review process on both campuses:
  • Software purchasing at KUL is completely decentralized and resistance to adhering to a standardized process is anticipated
  • KUMC is smaller in scale and is made aware of larger software purchases organically. Standard processes will be required to maximize savings potential over time.
• There is some risk that schools or departments will avoid the software review process by using endowment or grant funding. Policy needs to be written and enforced to address these issues upon implementation.
• The Software Review Board must be nimble in its ability to review and organize appropriate parties to realize software savings. Unnecessary bureaucracy needs to be avoided to be effective and achieve buy-in across the campuses.
• Duties of current resources need to be expanded to meet the needs of the Software Review Board and achieve savings.

Opportunities
Better understanding of software purchasing and existing licenses will result in anticipated annual savings on software purchases in the range of $50K-$100K for the University across all campuses.