

Ontario Nonprofit Network

Purchasing Study

Summary Overview of Findings



September 2014

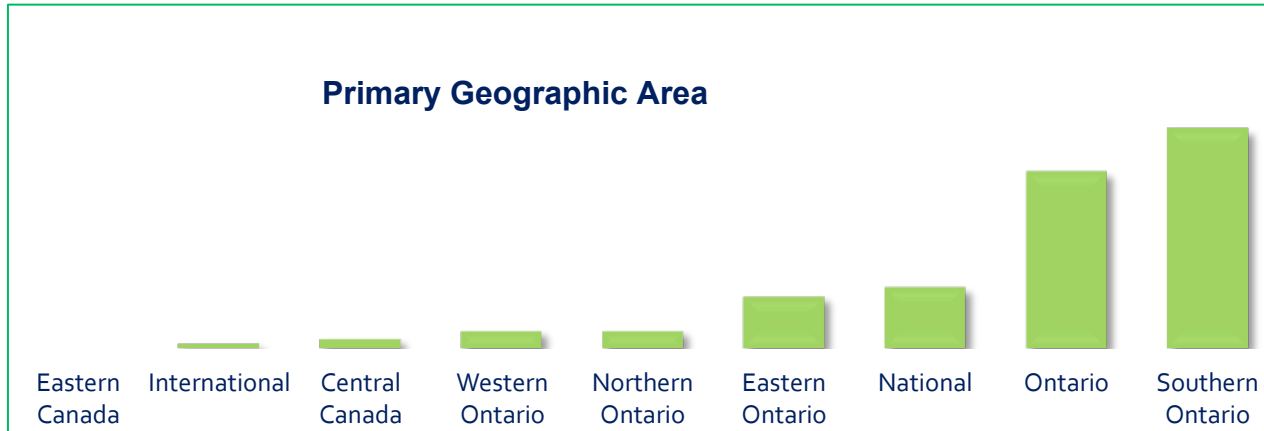
Introduction to the ONN Purchasing Study

- ❖ ONN was seeking to identify areas to support its network in the area of improved procurement (purchasing) practices
- ❖ ONN partnered with Round Table Procurement Services (RTPS), a firm specializing in procurement management for groups of organizations in the nonprofit sector
- ❖ ONN and RTPS conducted a study to assess the potential opportunities and needs related to purchasing across the ONN network
- ❖ All findings are not presented here; this document summarizes the high-level observations from the study. For more information, please contact ONN or RTPS.
- ❖ This study sets the stage for future initiatives coming soon from ONN

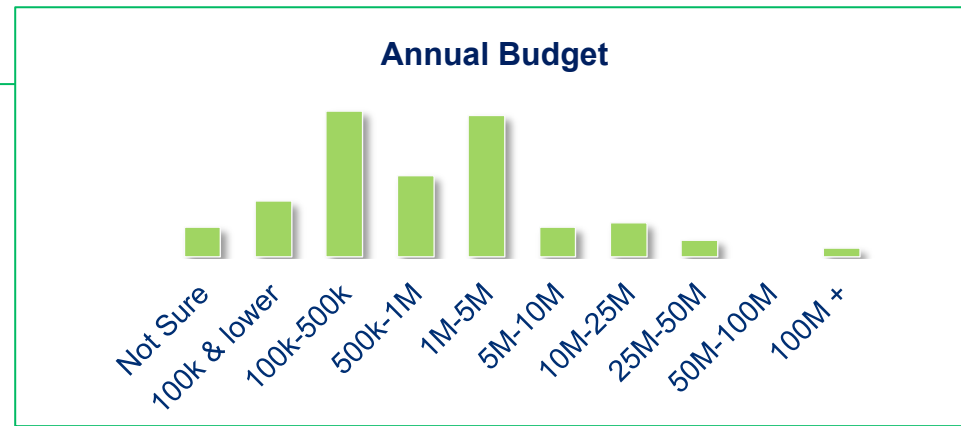
Overview of Study Participants

Survey Respondent Profile: 120 Responses

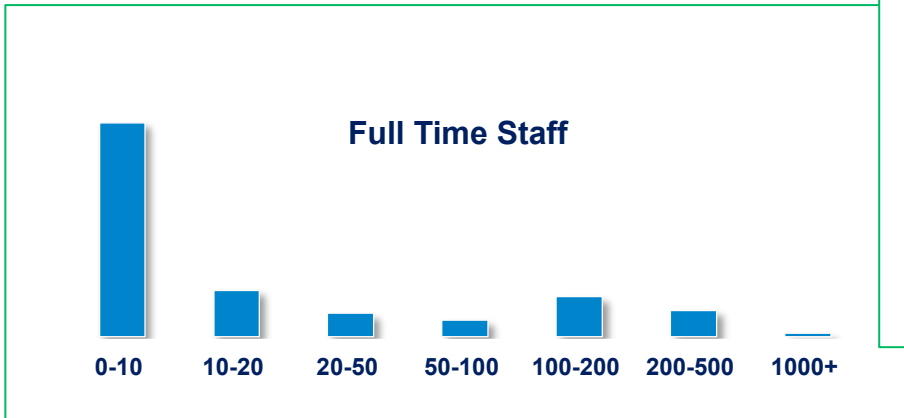
Primary Geographic Area



Annual Budget

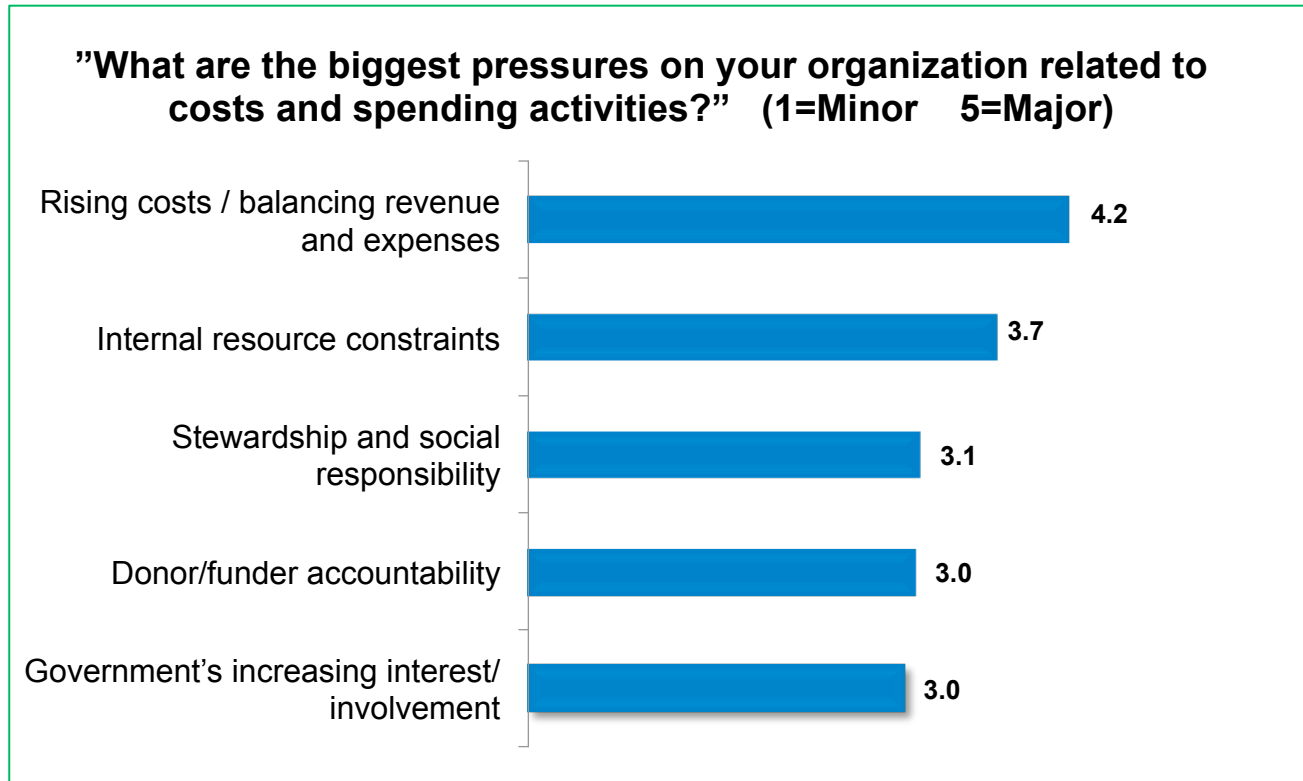


Full Time Staff



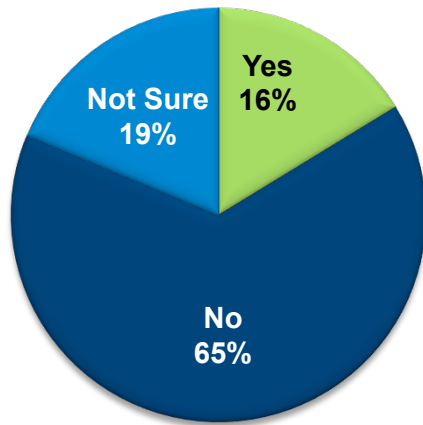
Summary of Responses

Pressures on Spending for nonprofits

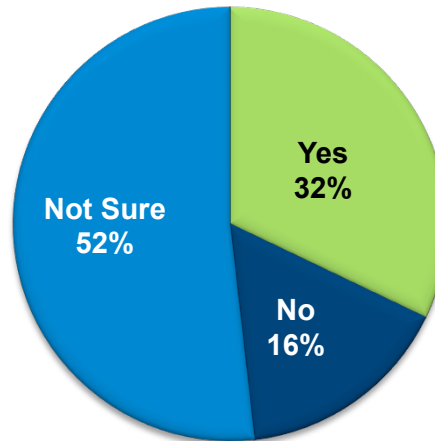


Broader Public Sector Directives and Guidelines

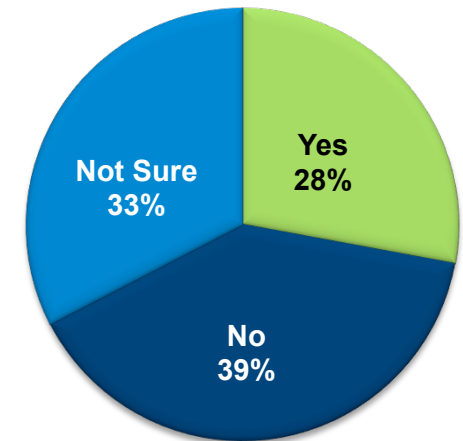
Is your organization subject to the Ontario Government Broader Public Sector Procurement Directive or Guideline?



If so, are you fully compliant?

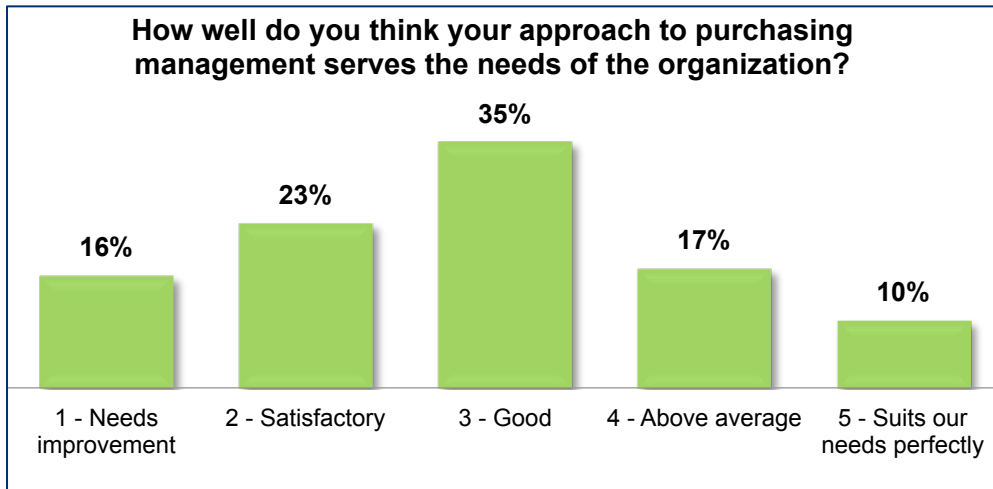


Have you implemented initiatives to become compliant?



- ❖ A majority of respondents (>65%) are not subject to BPS Directive
- ❖ Uncertainty among respondents is commonplace: they don't know if BPS is applicable to them or if they are compliant

How is Spending Managed at Your Organization?



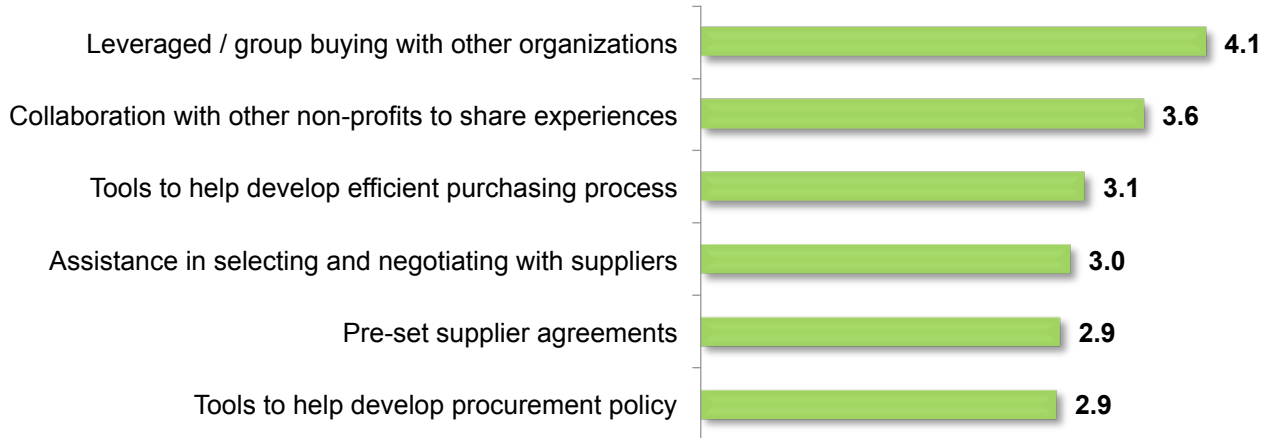
*“I spend 10 hours a month (sometimes more) doing the physical **shopping** for items.”*

*“The unnecessary time I spend with vendors and/or waste time on the phone with sales reps who call me unsolicited is a really **annoying part of my job.**”*

- ❖ Effort is mostly decentralized
- ❖ Perceived “diligence” and need for verification drives the effort

What are some areas of opportunity?

Please rate the following in terms of interest/usefulness to your organization.
(1=No Interest 5=Significant Interest)



*“Group buying IF it is easy, convenient, **user-friendly**.”*

*“It would be nice to have a program to **share resources**.”*

*“Create a procurement tool which can be used by smaller agencies to **document their procurement**.”*

*“Collaboration is something that happens all the time -in numerous areas including purchasing- but formalizing that process doesn't do anything but 'formalize' it which can have **more disadvantages than advantages** if you are already getting the information you need.”*

- ❖ Widespread willingness and desire to work together
- ❖ Group buying and information sharing... without over-formalizing it

Summary – Overall Observations

1. There is a clear desire to have well-managed spending, in part due to the growing pressures on the sector.
2. While some good practices are in place, there is often a lack of adequate resources available.
3. There is significant uncertainty and confusion surrounding many of the tools and resources available today.
4. There is a strong sense of community, uniqueness and opportunity to work together.
5. ONN is viewed by respondents as an organization in a position to help.

Moving Forward

Tips for Strategic Purchasing

1. Purchasing matters! Make sure it is a topic on the management “radar”.
2. Start to develop some basic Purchasing documents
 - For example – your ideal supplier selection principles and decision making criteria.
 - Tip: Consider the supplier characteristics that are important to you (e.g. social enterprise, local supplier, green). Use those as your selection criteria and add your own “weightings” to each
3. Learn more about Broader Public Sector (BPS) Procurement Guideline
 - Visit the government website at www.doingbusiness.mgs.gov.on.ca
4. Check out your options for support and collaboration
 - Stay tuned to ONN news!

Support Now Available & Coming Soon

- ❖ Toll-Free Purchasing Support **Hotline** for ONN Network:
1-877-742-9776
- ❖ **Discussion Paper** available upon request: *The Broader Public Sector Procurement Directive: Implications and Opportunities*
- ❖ **Coming up:**
 - ONN Conference, [September 17-18](#)
 - Broader Public Service Compliance Assessment Service: Understand how you measure up against the government guidelines
 - ONN Purchasing Program Website
 - More webinars & whitepapers
 - Network-wide supplier programs

Questions & More Information

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