Bridging the Educational Divide –
How Business Networks Level the
Playing Field for Those Most in Need

Transcript of a discussion on how Step Up For Students, a non-profit organization in Florida, has collaborated with SAP Ariba to launch MyScholarShop.

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Dana Gardner: Hi, this is Dana Gardner, Principal Analyst at Interarbor Solutions and you’re listening to BriefingsDirect. Our next business networks innovation discussion focuses on procurement with a purpose.

We’ll explore how Step Up For Students (SUFS), a non-profit organization in Florida, has collaborated with SAP Ariba to launch MyScholarShop, a digital marketplace for education that bridges the information gap and levels the playing field for those students most in need.

Now assisting some 10,000 K-12 special needs and low-income students, the user-friendly marketplace empowers parents and guardians to find and purchase the best educational services for their children. In doing so, it also helps maximize availability of scholarship funds to enhance their learning.

Joining us to share more about how this first-of-a-kind solution actually works, we welcome Jonathan Beckham, Vice President of Technology Strategy and Innovation at Step Up For Students in Jacksonville, Florida. Welcome, Jonathan.

Jonathan Beckham: Thank you, it's a pleasure to be here.

Gardner: We’re also here with Mike Maguire, Global Vice President of New Market Development at SAP Ariba. Welcome, Mike.

Mike Maguire: Thank you very much.
Gardner: And we’re here with Katie Swingle, a Florida Gardiner Scholarship Program recipient. Welcome.

Katie Swingle: Thank you, glad to be here.

Gardner: Mike, there’s no doubt that technology has transformed procurement. We’ve gone from an emphasis on efficiency and spend to seeking better user experiences and more analytics capabilities. We’re also entering a new era where we see that businesses are trying to do “good,” in addition to doing “well.”

You had a very personal revelation about this a few years ago. Tell us about why doing well and good can go hand-and-hand?

Maguire: I was thrilled to have the opportunity to work with Jonathan and the SUFS team for both personal and professional reasons. First, I am a parent of a special needs young adult. My wife, Carole, and I have a 19-year-old daughter, Allyson, and we have lived with having no special needs solutions out there that help optimize the spend for such extra things as tuition, educational supplies, and services.

If you go to a hospital for surgery or you need medications, there’s always somebody there to help you with the process. But when you go into this world of tuition reimbursement and educational optimization, there’s no guidance for how that spend should be effectively executed. So now, many years later in my professional life, it is terrific to have the opportunity to use a solution like SAP Ariba SNAP to help SUFS in their mission and open that up to parents through the Ariba supplier network.

Gardner: Tell us how cloud applications and the SAP Ariba business network platform are structured and architected that lends them to this kind of marketplace-plus benefit?

Maguire: Networks and cloud apps at their very core are about connecting people, processes, and information in a way that’s simple and transparent to all those who are involved -- with the outcome of making smart choices. We’ve done this for multinational corporations for years. They end up saving money on their bottom lines by having good information to make smart choices. Now we’re doing the exact same thing to optimize the bottom line for families.
Gardner: Jonathan, at SUFS, you probably faced the same kinds of challenges that many businesses do. They don't want manual processes. They don't want to be bogged down with time-consuming approaches. They need to broaden their horizons, to see all available assets, and then analyze things better. But were there particular problems that you were trying to solve when it came to using marketplaces like Ariba’s?

Optimized Opportunities

Beckham: We’re trying to solve a lot of problems by optimizing processes for our families. It’s very important to us that we choose a partner that provides a really great user interface (UI) and user experience (UX). You know, we’re all about not just optimizing our bottom line -- like you think of for traditional corporations --we’re about optimizing the experience.

Any funds or any resources that we gain, we’re about putting those back into the families, and investing those, and helping them to accelerate their educational path or learning goals. So that was really something that we were looking to do and use this process for.

Gardner: Tell us about your organization and MyScholarShop. Was this something that depended on electronic digital marketplaces at the outset, or was it something you have now greatly enhanced?

Beckham: At SUFS, we provide scholarships for low-income and special needs students in kindergarten through grade 12. As part of that, we administer a program called an educational savings account. That allows parents and students to customize their learning options, to go out and buy instructional materials, to go out and buy curriculum or use tuition fees or technology and as part of that process. It’s largely been a reimbursement process for families. They go out, purchase services -- using their own funds -- and then seek reimbursement.

We were then really searching for a platform -- something to change that model for us. The number one need was to not have to take money out of our families’ pockets. And then number two was to connect them with high-quality providers and suppliers so they can find better options.

Gardner: In a business environment, it’s about matching buyers and sellers -- and then bringing a value-add to that discussion, with collaboration. This powerfully also enhances the ability for people who are looking to find the right place to donate scholarships and to provide educational support. How has the network helped on the seller side, if you will, when it comes
to non-profits and charitable organizations? Do they see this as something as beneficial, too?

**Suppliers Sought, and Found**

Beckham: Absolutely. We’ve had a lot of great conversations with suppliers that have approached us, and with some that we’ve approached directly. There are a lot of terrific products that are out there for students with special needs that we wanted to bring into this network. And some of them are already on the Ariba Network, which was great for us.

But, at the same time, one of the things that we looked for is optimizing our spend. From a reporting standpoint, we wanted insights to help negotiate better pricing. And using the Ariba Network does that for us. So when we engage with suppliers, we know if we can get free shipping, or if we get discounts and better payment terms. Those are all things that we can pass on directly to our families and to the students. We’re a non-profit. We’re not looking to make extra money. We’re looking to reduce the cost, labor, and the processes for our families in our program.

Gardner: Katie, your son, Gregory, is a Florida Gardiner Scholarship Program recipient. Tell us how you came to learn about these services, and how they have been beneficial and impactful for you and your family.

Swingle: As a Gardiner Scholarship recipient, we are under the special needs side of what SUFS does. My son is diagnosed with autism. He has been since he was three years old. So it’s been quite a journey for us, lots of ups and downs.

And what we came to find through our journey was needing the right educational environment. We needed the right educational tools if we were going to make progress. And unfortunately public school was just not the right option at that time, especially in those early years when you’re trying to help them the most.

SUFS is the administrator of our scholarship, and that’s how I became involved with them. So we go and we spend our money on tuition, products, and different therapies for Gregory. We pay for them. And then SUFS -- because he’s a recipient of the scholarship -- reimburses us for those. It’s been absolutely life changing for us.

Once we got Gregory into the right environment, with the school that he is in, with the right therapists, and with the right products -- it felt like everything started to
come together. All of the disappointment that we had had over and over and over again over the years was starting to go away, and it was exciting.

I was meeting my son for the first time -- to be quite honest. We had had so many roadblocks, and all of the sudden this child was blossoming. And it was because we had the financial means from SUFS and from the scholarship to put him in the right environment where he could blossom.

And it's been amazing ever since then. The trajectory for my child's life has changed. We went from a pretty dire prognosis to … I don't know where he's going to be, but I know it's going to be great. And we're just really excited to be a part of this on the ground level.

Gardner: And for those in our audience who might not be that familiar with autism, there can be a great amount of improvement when the right processes, services, and behavioral therapies are brought to bear. For those who don't understand autism, it is a different way of being "wired," so to speak, but you can work with that. These young folks can learn new ways to solve many problems that they might not have been able to solve on their own. So getting those services is huge.

Jonathan, are we just talking about scholarships or you are also allowing families and individuals to find the services? Are we at the point where we're linking services in the marketplace as well as the funding? How does it work?

**Share the Wealth of Data**

Beckham: That's a great question. At SUFS we have an amazing department called the Office of Student Learning, and these are tried-and-true educators who have been in classrooms, and administrators that also work with professional development with teachers throughout the State of Florida.

As part of that, they're helping us to identify some of these high-quality suppliers that are available. They're really helping us with the SAP Ariba’s Guided Buying capabilities to curate and customize that platform for our individuals. So, we have great visions that we share with SAP Ariba, and we're very happy to have a partner that is helping to make recommendations around the products and services.

For example, if Katie and her family identify a great therapist, or a great technology tool that can help her son, then why can't we make those recommendations to other families in similar situations? It becomes a sort
Amazon-like buying experience -- you know, where people who purchase one thing may be interested in purchasing other similar things.

Identifying those suppliers that are high quality, whose products and services are working for our families – we can now help make recommendations around those.

Gardner: Mike, as we know from the business world, marketplaces can develop organically -- but they can then go viral. So that the more buyers there are then the more sellers come up, and the more sellers there are, the richer the environment – and the more viable the economics become.

Are we starting to see that with autism support services? Some of the recent studies show that somewhere close to one in 40 boys are autistic, and perhaps one in 90 girls are autistic. We’re talking about a fairly large portion of our society, around the world. So, how does this work as a marketplace? And is it large enough to be sustainable?

**Autism-Support Savings**

Maguire: I think it absolutely is. When we think about the Ariba Network, we’re about like-minded people and like-minded causes optimizing their goals. And in the area of disabilities that I’ve seen, technology is a godsend for these kids growing up in this generation.

When you think about technologies and connectedness -- which the Ariba Network is all about -- in the disabled community, the use of such technologies as driverless cars can bring new levels of freedom to this population of differently abled people. As these children become adults, this is just going to open up to complete independence that the prior generations never knew.

Gardner: It seems to me that if this works for an autism marketplace that there are many other flavors or variations on the theme -- whether it’s other sorts of disabilities or learning challenges.

Maguire: An example: I am a board member of the Massachusetts Arc and we spend most of our time working out policy and legislation for independent skills and options for the full spectrum of a lifespan.

When you become 18 and you are out of the school system, you have the same exact requirements to optimize Social Security disability payments. The same
exact challenges around an entitlement that a young adult gets at 18 years old, probably with some help from their parents. It goes to their own account because they are young adults.

How do you optimize that spend, right? How do you optimize that for the different things to make for better life skills and tools? I believe that MyScholarShop could be extended well beyond K-12 because there’s a need for a lifetime of spend optimization for intellectually challenged people.

**Gardner:** Jonathan, this was introduced in January 2018, and your larger implementation is slated for the 2018-2019 school year. What should we expect in the next year or two?

**Beckham:** The program we’re talking about with Katie is the Gardiner Scholarship Program, and we have about 10,000 students there. It’s about $100 million in scholarships that we utilize. But next year we’re actually looking to bring in the Florida Tax Credit Program as well.

These are lower-income families, and about 100,000 students, and we’re actually at some $630 million in spend this year. As we grow with this program, and we look for high quality suppliers and providers, we look to bring both of those together ultimately so that we can use all of that data, use all those recommendations to help many, many more families.

**Gardner:** And the scope beyond Florida? Is this going to be a state, regional, or national program, too?

**National Expansion**

**Beckham:** We already have a subsidiary in Alabama. We also work with the State of Illinois. We’ve worked with other states in the past, and we absolutely have plans to help provide this service and help expand this nationwide so we can help many, many more students.

**Gardner:** Mike, any more to offer in terms of how this expands beyond its base?

**Maguire:** One of the things that expands is the connectedness to the network. And this is going to unleash availabilities and capabilities for not only the people of intellectual needs but for the elderly. I mean, we can talk about this for every piece of the population that has a need for assistance in this space.

**Gardner:** Katie, any thoughts about where you like to see it go, or how you think be people should be aware of it?
**Swingle:** SUFS and other organizations are trying to spread the word about educational choice and education savings accounts specifically like mine, the Gardiner or the Florida Tax Scholarship. There are states that don’t have anything at all available to families like this. I’m so blessed to live in Florida, which has been one of the more progressive states to offer this kind of service.

I hope the success of the network gets people talking across the nation. They can then push their legislators to start looking into this. I’m just a Florida mom. But there’s a mom in California or Washington State who has no options, and I hope that she would hear about this and be able to push her legislators to open this up to even more families.

**Gardner:** Jonathan or Mike, this also strikes me as a really great example of a public-private cooperation -- of leveraging a little bit of what government can offer but also financial support in a marketplace in the private sector. Let’s tease that out a little bit.

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**Parent-friendly purchasing**

**Maguire:** I think through this a lot. Traditionally, when a company buys procurement software, it is being justified based upon all the savings of getting rid of maverick spend, that all spend comes under management, and that’s what the Return on Investment (ROI) is based on.

The key piece of that ROI is adoption by end-users. What we’re finding now as we go into the mid-market with good partners like Premikati and SUFS is that you can’t force adoption. But the only way you get the savings in the ROI is if everyone is a procurement services user. And that means you need a good user buying experience that is very natural -- and actually fun.

We’re now in an environment with SUFS where it’s not about, “Hey, our people in human resources are using the SAP Ariba system,” or, “The sales guy is using the SAP Ariba system.” Their end-users are thousands of moms and dads. And those moms and dads have to have an experience just like they’re buying from home, buying at any website. And if it’s not much fun, if it is not that easy, it’s not going to be used -- and the whole pyramid of results will break down.

**Gardner:** It’s like Metcalfe’s Law, whereby the network is only as powerful as the number of the people on the network. You have to have the right user experience in order for adoption to take off.
Let’s go back to Jonathan to that public-private sector issue. How does this work in terms of local governments and also in the private sector?

**Empowered Education**

Beckham: This is the way that we see educational choice throughout the country happening right now. You see a lot of states that don’t have any options out there for the students. You see some that are running them from the government side of things. And then you see some that are very successful like SUFS -- legislated to have an opportunity for these educational choice programs.

But it’s running as a very slim non-profit. We only take 3 percent of our funds to administer our program. We’re a very high Charity Navigator-rated program, so we have an organization that’s really looking to empower our families, empower our students, and use our funds the best way that we can.

And then we’re able to find really high-quality partners like SAP Ariba to help us implement these things. So you put all those things together and I think you have an amazing program that really helps families.

Gardner: Katie, on the practical matter for other parents who might be intrigued, who have a special needs student, how might they start to prepare themselves to get ready? Where would you say, with 20-20 hindsight, that you should begin this process?

**Raise your Voice**

Swingle: Let me start with if you’re a Florida parent, or an Arizona parent, or a parent already in a state where this is starting to move. You need to know what services your child is going to need. If, for example, they are going to need occupational therapy, you’re going to need to read those reviews, and read up a lot on behavior analysis and get some ideas about what your child might need.

As any autism parent who has shopped for products on multiple websites knows, our kids need all kinds of products. You now have an idea of where you can buy those via learning exchanges. You begin having an idea of what your child’s going to need with their funds. And you can really begin getting your keywords -- occupational therapy (OT), Applied Behavioral Analysis (ABA) therapy, and physical therapy. You’re going to be reading reviews on the network about them and see how they might be able to help.

For people who are in states that don’t have options like we do, you need to be writing your state representatives; you need to be telling your story just like I am. Sometimes there’s a little bit of shame, sometimes there’s a little bit of
embarrassment. I'll be honest. My husband still has hard time saying the word “autism.”

We’ve been in this game now for seven years and he still sometimes can’t spit it out. It’s time to spit it out, it’s time to be honest and it’s time to tell your story. Don’t be afraid to tell your story, but the people who need to hear it are your legislators, your local and state representatives need to know about this.

They need to know about states like Florida that use SAP Ariba and MyScholarShop. They need to ask, “Excuse me? I live in California or I live in Colorado, why don’t I have this option? Look at what this woman is getting in Florida; look at what this family has in Arizona. I need this here and why don’t we have this?”

Put the pressure on, and don’t be afraid. You have a voice, you’re a voter, and they are there to represent you. Also give them some enthusiasm, let them meet your child, bring pictures. I brought pictures of my son, I said you know, “Look this is my child, please help me!” And if the legwork has been done by states like Florida and our organizations like SUFS and SAP Ariba, then the legwork is done. Now get your voice up there.

Gardner: What Katie is pointing to is that this is a very repeatable model. Mike, we know that doing well and doing good are very important to a lot of businesses now. How is this not only repeatable but also has extensions to other areas of doing well and good?

**Principled Procurement**

**Maguire:** Everyone has a purpose and every organization has a purpose. If you don’t, then you’re just wandering around in the woods. What are the pieces of your organization that you really want to have an ethical and moral stand with?

And that’s why we’ve worked with [United Nations](https://www.un.org), the [Global Compact for Fair and Decent Work](https://sustainabledevelopment.un.org/content/documents/1595Global%20Compact%20for%20Fair%20and%20Decent%20Work.pdf). We work with [Made in a Free World](https://www.fpif.org/tag/made-in-a-free-world/) to stamp out human trafficking and people like [Verisk MapleCroft](https://www.veriskmaplecroft.com) and [EcoVadis](https://www.ecovadis.com) for sustainable and ethical supply chains.

We try to make sure that procurement with a purpose is actually in action at SAP Ariba because we like to oversee what’s actually happening, and we have the capability through the network -- and through the transparency the network brings -- to actually look, see, measure, and make some change.

Gardner: I’m afraid we’ll have to leave it there. You’ve been listening to a BriefingsDirect discussion focused on procurement with a purpose. And we’ve learned how MyScholarShop, a digital marketplace that leverages business
networks, is powerfully aligning educational resources with those students most in need.

Please join me in thanking our guests, Jonathan Beckham, Vice President of Technology Strategy and Innovation at Step Up for Students; Mike McGuire, Global Vice President of New Market Development at SAP Ariba, and Katie Swingle, a Florida Gardiner Scholarship Program recipient. Thank you.

I’m Dana Gardner, Principal Analyst at Interarbor Solutions, your host throughout this series of SAP Ariba-sponsored BriefingsDirect discussions. Thanks again for listening, and do to come back next time.

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