



1

---

---

---

---

---

---

---

---



2

---

---

---

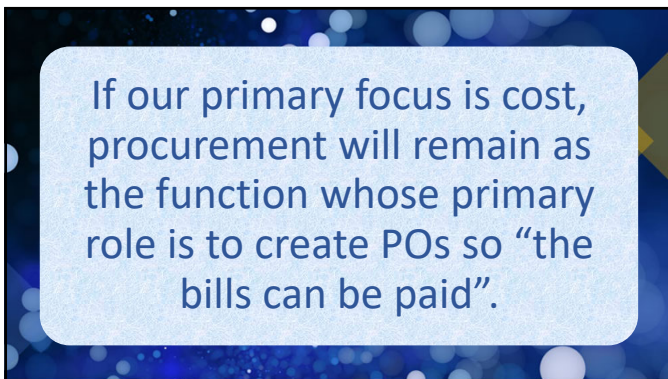
---

---

---

---

---



3

---

---

---

---

---

---

---

---



Be the Driving Force

driving force

Procurement should be the driving force in the organization, leading the way to redefine what REAL value looks like.

4

---

---

---

---

---

---

---



Focus on Sourcing Ideas

.... by 2020, procurement will not be just the group that focuses on sourcing raw materials, goods and services, but rather [one] that sources ideas

[Spend Matters](#)

5

---

---

---

---

---

---

---



Procurement Strategy with Craig Millis

6

---

---

---

---

---

---

---

## Value is More Than Price

Service

Response

Knowledge

Intelligence

Collaboration

Creativity

7

---

---

---

---

---

---

---



8

---

---

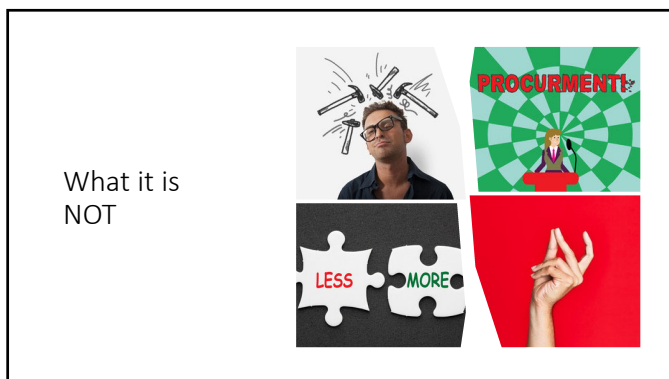
---

---

---

---

---



9

---

---

---

---

---

---

---



10

---

---

---

---

---

---

---

---



11

---

---

---

---

---

---

---

---



12

---

---

---

---

---

---

---

---

### Build a Culture of Collaboration and Engagement



13

---

---

---

---

---

---

---

### Where Do I Start?.....Walk in Their Shoes



14

---

---

---

---

---

---

---

### Value Going Forward

#### Transforming supplier relationships

- Gain access to innovative technologies
- Find better quality
- Get more through improved service offerings



15

---

---

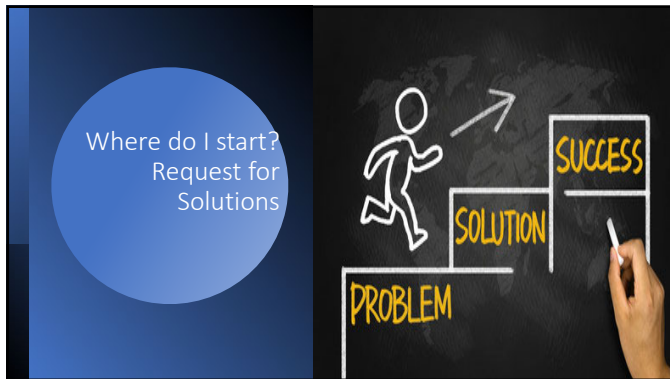
---

---

---

---

---



16

---

---

---

---

---

---

---



17

---

---

---

---

---

---

---



18

---

---

---

---

---

---

---



19

---

---

---

---

---

---

---

---



20

---

---

---

---

---

---

---

---



21

---

---

---

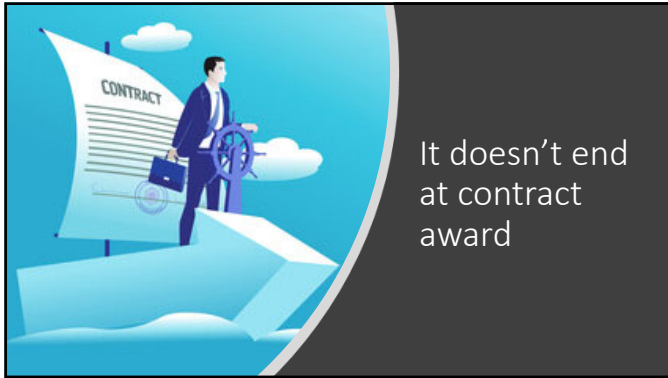
---

---

---

---

---



22

---

---

---

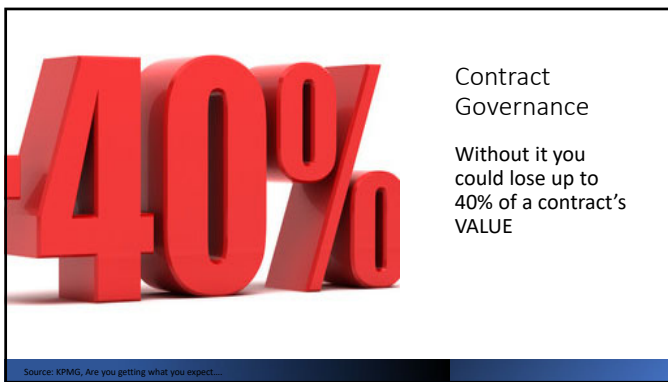
---

---

---

---

---



23

---

---

---

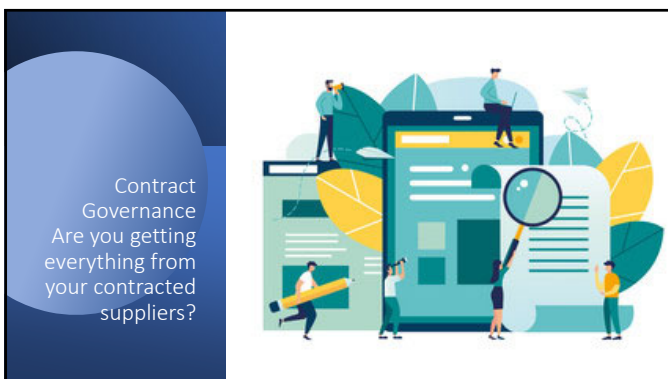
---

---

---

---

---



24

---

---

---

---

---

---

---

---



## Strategic Sourcing

Create a strategy that reflects:

- Spending relationships
- Consumption patterns
- Performance data
- Supply risks
- Market intelligence.

25

---

---

---

---

---

---

---

---

## Digital Intelligence



INSIGHTS



KNOWLEDGE



EXTERNAL FACTORS

26

---

---

---

---

---

---

---

---

## Data Intelligence

Procurement needs individuals who are willing to move from the transaction role to the strategic role using data to make decisions

- Spend data analysis
- Value analysis
- Market research and analysis
- Cost/price analysis

27

---

---

---

---

---

---

---

---

## Spend Analysis

- **WHAT IT IS:** Collecting, cleansing, classifying, and analyzing spend data. Looks at current, past, and forecasted spend aggregated in various ways (e.g., by supplier, commodity, service, or by department). Report should include recommendations on how to move forward.
- **WHAT IT IS NOT:** A spreadsheet from a supplier of dollars spent with that supplier or one of POs issued or invoices paid from internal data (raw spend data).



28

---

---

---

---

---

---

---

---

## Value Analysis

- **WHAT IT IS:** An organized effort directed at analyzing the functions of a product or service including specifications, standards, practices, and procedures with the intent to satisfy the required function at the lowest possible cost without impacting functional need and suitability (Report should be within last couple of years).
- **WHAT IT IS NOT:** An RFP proposal evaluation or a Bid Tab review.



29

---

---

---

---

---

---

---

---

## Cost – Price Analysis

- **WHAT IT IS:** Price Analysis looks solely at the bid price. Cost Analysis looks at all costs involved in delivering the item to determine if it is reasonable and fair.
- **WHAT IT IS NOT:** It is not a review of the bid tabulation.



30

---

---

---

---

---

---

---

---



Market Research

- WHAT IT IS: Market research includes pricing (including specifically HOW the particular industry prices its goods/services), emerging trends, industry standards, current sources of supply, new products or service offerings...etc.
- WHAT IT IS NOT: Subscribing to an electronic newsletter OR researching the prices paid by other entities.

31

---

---

---

---

---

---

---

---

### Market Research and Analysis



TIMELY



ACCESSIBLE  
PLATFORM



TRUSTED AND  
RELIABLE



VISIBLE TO ALL



RELATED TO  
STRATEGIC  
GOALS

32

---

---

---


---

---

---

---

---



Stop being afraid of what  
could go wrong, and start  
being excited about what  
could go right.

Tony Robbins

@donohornby

33

---

---

---

---

---

---

---

---