CPO: Your First 100 Days

Congratulations! As a new member of the executive management team, you have a chance to design a world-class procurement organization and reshape expectations about what it can deliver to the business. Before you take your well-earned seat at the leadership table, make sure you have a plan in place for your first 100 days. Building on The Hacket Group's report, "The New CPO: A Roadmap for the First 100 Days" we added ideas from our in-house experts and expert community to bring you this useful tool. We hope it proves valuable as you kick off your procurement transformation journey.

○ To do ○ Pro tip ○ Inspiration ○ Pitfall

Day 01 • Define Stakeholder Value

☐ Meet key stakeholders to understand priorities and build relationships.

☐ Assign a point person to establish a relationship with the emerging products/services team.

☐ Define the role procurement will play in the organization to deliver expected value.

✓ Pilot a new scorecard to match your value proposition and agree to a methodology with finance and stakeholders.

☠ You can easily be taken as a gatekeeper. Instead, show that you're customer-centric and a strategic player.

★ "Procurement must be able to demonstrate how it brings subject matter expertise, credibility and ability to achieve more than just cost savings."
— Jeffrey Amsel, Director, Strategic Sourcing & Procurement Practice

Day 15 • Profile the Operating Model and Establish a Project Management Office

☐ Establish a PMO to help communicate periodic project updates, remove obstacles and address major concerns. Include senior members of the sourcing or procurement management team.

☐ Develop a vision for the future operating model.

☐ Take your stakeholders out to lunch.

✓ Get involved early in a new product or service design process and make a difference.

☠ Continuous improvement is great. But enabling innovation is different, so treat it like a discipline.

✓ Rename your department to create more impact. For example, "Procurement and Profit Improvement."

Day 30 • Understand the Current State of the Procurement Organization's Talent

☐ Evaluate the team's job profiles and compensation levels.

☐ Build knowledge repositories both for employees to enhance training and update of FAQ for end users.

☠ If there is no clear career path for high-performing team members, expect them to "graduate."

☐ Review whether your existing procurement team has the optimal mix of skills and roles to fulfill your organization's value proposition.

☐ Increase training in general business skills.

✓ Draft training plan or new career paths and discuss proposed changes with HR.

Day 45 • Gather Information on Spend

☐ Kick off a plan to engage suppliers and track innovation efforts.

☐ Determine why, how, and where maverick spending occurs.

☐ Analyze your spend and identify supplier consolidation and savings opportunities.

☠ There will likely be gaps in spend data, which you must identify and explain.

✓ Deep dive into one or two high-impact categories in your preliminary spend analysis.

★ "All spend categories should have well-defined set of buyers, lean processes, and technology to support the people and processes."
— Rasmus Kaae Bauer, Former CPO, Technical University of Denmark

Day 60 • Identify Enabling Technology and Performance Measurement Systems

☐ Understand what tools and systems exist today, and determine how many end users use them and the value they get.

☐ Set up executive-to-executive meetings with your strategic direct suppliers as part of your SRM governance process.

★ "Procurement organizations aspire to offer an Amazon-like experience to users, making it easy to buy in a familiar way."
— Amy Fong, Senior Procurement Advisor, The Hackett Group

☐ Look closely into what type of support vendors provide in relation to your key spend categories.

☐ Set up KPIs and benchmarks and prepare for routine check-ins with the team.

☠ The complexity of e-invoicing on a multinational scale is easy to underestimate.

✓ Provide a user experience that balances simplicity, risk and control

☐ Determine how your suppliers can interact with your company, and provide as many options as possible to gain maximum participation.

✓ Do not use supplier management technology for just a single or handful of initiatives or isolated areas.

☐ Produce a shortlist of vendors who have the technologies and solutions that match your project roadmap, objectives, budget, and implementation timeframe(s).

☐ Plan to send stakeholder surveys and update/review internal SLAs.

★ "The ideal case for eProcurement tools is that procurement takes the opportunity to revisit and improve internal processes first."
— Kelly Barner, Owner, Buyers Meeting Point

Day 90 • Design the Future Service Delivery Model

☐ Draft your future-state service delivery model and share it internally.

☐ Define a vision for how procurement can imapct P&L and EBITDA.

★ "Procurement needs to be digitally savvy about things like advanced analytics, big data, cognitive computing, B2B platforms, and everything as a service (XaaS) frameworks."
— Pierre Mitchell, Managing Director, Spend Matters

Day 100 • Congratulations, You Are Off to a Great Start!