

## 2021 Global Chief Procurement Officer Survey

Agility serves as the solution to an increasingly complex procurement landscape

Procurement agility masters excel at risk mitigation, actively monitor fast-moving stakeholders and supply markets, and decisively orchestrate internal and partner resources to nimbly respond and transform the upstream supply chain.



### Top CPO priorities

Driving operational efficiency is top priority

**78.0%**

Reducing costs

**76.4%**

knocked out of first place for the first time in survey's 10-year history

Digital transformation

**76.1%**

a 20% increase from 2019

Innovation

**72.9%**

reflecting the need to innovate internal operations (including procurement ops)

Introducing new products and services

**69.2%**

Enhancing risk management

**67.9%**

Corporate social responsibility

**67.6%**

a 22% increase (and largest of any 2019 priority)

### Risk and supplier management

Supply assurance was the biggest challenge in the past 12 months:

**56%** said that key suppliers have gone bankrupt or are severely hampered

**41%** had to expedite shipping to keep critical supply line flowing

**36%** said suppliers are failing to meet new requirements

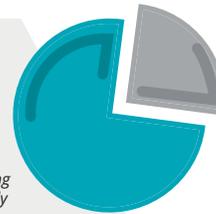
**32%** said they are losing revenue due to supply shortages

**11%** cited that brand damage was realized, directly resulting from supplier issues

**75% of CPOs**

Enhanced supplier information-sharing is the top supply risk mitigation strategy

Activating alternative supply sources (~70%) and shoring up inventories (50%) were second and third, respectively



**Supplier collaboration**  
a top strategy to unlocking value, a close second to digital transformation



**52%**

of organizations are **not** using SRM tools for supplier collaboration, the least unexplored technology area

### Characteristics of high-performing agility masters

#### Operating model

**2x** as likely to leverage hybrid operating models and more flexible automation tools and methods

**<60%**

more likely to cross-train staff and incentives teams

**80%**

more likely to conduct scenario planning and leverage playbooks

#### Digitization

**4-5x**

more likely to have fully deployed advanced analytics and visualization

**~18x**

more likely to have fully deployed AI and cognitive capabilities

**10x**

more likely to have fully deployed RPA solutions



Have fully deployed predictive analytics capabilities (1.2% vs. 0% for the rest)

#### Risk management

High performers are:

**95%**

more likely to have **high visibility** into tier 1 suppliers

**50%**

less likely to have **low visibility** into their tier 2+ suppliers

#### Value and performance



Have a broader value focus (more and higher ranked set of priorities)



Are more likely to be formally tracked against a broader balanced scorecard

**13-44%**

higher prioritization of corporate social responsibility



Have much higher perceived stakeholder satisfaction

**70%**

more likely to be involved in all decision-making

**32%**

treat supplier diversity as mature or strategic, compared with **15%** for everyone else  
High performers are 3x more likely to be formally measured on this topic

#### Talent



Are significantly more likely to have junior talent or fast-track, graduate, and MBA sponsorship programs



Invest more time in 360-degree feedback and one-to-one coaching

**65%**

more likely to engage in job-swapping in and outside the function