Since 2011, Deloitte has published the annual Global Chief Procurement Officer Survey, highlighting key trends and action-oriented insights in the procurement industry. A precursor to our 2021 Global CPO Survey report, the 10-year lookback explores how the trends have evolved over the past decade.
**THEME 1: PRIORITIES**

The most successful procurement organizations have greater involvement in and influence on key business topics (e.g., M&A, product development).

**Since 2011**
Cost reduction has consistently been the No. 1 CPO priority.

Reduction cost

2.0x more important than other priorities in 2011

1.5x more important than other priorities in 2019

**Since 2011**
Masters have had a far greater focus on expansion by acquisition (+94% vs. +12% for nonmasters) and an increased focus on new product development, service, and markets (+12% vs. a drop in focus of 11% for nonmasters).

**THEME 2: PROCUREMENT LEVERS**

The most successful organizations tend to be those that pull a wider variety of more sophisticated, value-generating tactics.

**Since 2011**
The average number of procurement tactics remained relatively constant for high performers, but low performers focused more heavily on a shorter list of less sophisticated tactics (e.g., spend consolidation).

Low performers saw:

- 15% Reduction in number of tactics used
- 27% Reduction in focus on supplier collaboration
- 35% Reduction in restructuring existing supplier relationships

**Since 2011**
Some procurement tactics used to deliver value have changed significantly:

- 45% Reduction in transaction cost
- 27% Restructuring supply base
- 45% Reducing demand

**THEME 3: BUSINESS ENGAGEMENT**

Delivering on expectations is a critical component of effective business engagement and a foundation for successful partnerships.

**Since 2011**
High-performing organizations experienced 1.5x more C-suite engagement relative to low performers.

**Since 2014**
High-performing organizations were 4.5x more likely to be viewed as excellent strategic business partners relative to low performers.

**Since 2011**
High-performing organizations consistently have strong relationships with Finance.

Expectations of the C-suite have increased:

- High-performing masters of complexity met expectations and improved engagement scores by 7% since 2011.
- Those that have not addressed rising expectations experienced a significant drop-off (17% reduction).

**THEME 4: MANAGED SERVICES**

Organizations have increasingly turned to managed services for strategic processes to optimize the allocation of internal talent.

**Since 2013**
There has been increased managed services for strategic processes such as:
- Business planning and strategy development (increased by 184%)
- Supplier relationship management (increased by 123%)

Conversely, there has been decreased managed services for:
- Transactional processes (decreased by 23%)

High-performing organizations reported that they leverage managed services for key processes such as requisition, operational buying, and supplier relationship management 1.6x more frequently relative to low-performing organizations.

**Since 2013**
Expectations for managed services have increased for strategic processes like supplier relationship management (13%) and business planning and strategy development (7%).

**THEME 5: RISK**

The volatile risk landscape drives the need for procurement organizations to bolster risk-sensing and scenario-modeling capabilities.

**Since 2011**
The procurement-related risk landscape has increased:

- 7% across all organization types
- 10% for high-performing masters of complexity

**Since 2014**
Top-ranked focus areas to manage risk:

1. Supplier collaboration
2. Spend consolidation

Assisted organizations in reducing cost, improving efficiency, and navigating complexity.

However, due to the pandemic, these focus areas are shifting to:

- Cost reduction strategies – 66%
- Supplier expansion – 47%
- Digital infrastructure – 25%
Unprecedented geopolitical and macroeconomic events are multiplying the complexity and pace of change CPOs have to manage.

In the EMEA region during the Brexit years, the overall perception of procurement-related risk increased 14%, versus 8% globally. Additionally, the number of procurement organizations in EMEA that exceeded their savings plan decreased by 24%, while below-plan increased by 43%.

US-China trade war, 2018 - 2019
Unlike Brexit, the trade war mainly involved changes to tariff thresholds. This seems to have affected the overall perception of risk differently in APAC and North America (increasing only 0.5% and 2% respectively) compared to the global average (6% increase). In addition, organizations in APAC and North America 'exceeding their savings plans' decreased 47% and 20% respectively, while those in North America 'below plan' increased by 108%.

High-performing organizations invest in their talent strategy early, viewing training and development of employees as a necessary foundation for success.

Since 2011
Training budgets have been falling across the board. This drop has been, on average, 3X greater for low performers than high performers. This is a particularly interesting trend, given that procurement organizations are facing talent gaps due to increased difficulty recruiting top talent.

Since 2011
High-performing organizations were 2X more likely to spend >4% of their budgets on training than low performers. Low-performing organizations were 3X more likely to spend <1% of their budgets on training than high performers.

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Since 2011
High-performing masters of complexity have higher adoption rates (~1.5X) for key enabling technologies such as:
1. Blockchain: 145%
2. Visualization: 122%
3. Robotic process automation: 63%
4. AI and cognitive: 44%
5. Intelligent contract extraction: 40%
6. Predictive analytics: 5%

Attracting talent has remained a consistent issue across all types of organizations over the past decade.

Since 2011
Regarding difficulty attracting talent, procurement organizations have cited 8% for high-performing organizations and 45% for low-performing organizations.

This talent trend suggests that as complexity decreases, difficulty attracting talent increases. In other words, top talent is looking to secure roles in top organizations that are pushing the boundaries and driving leading practices.

Since 2018
Increased adoption of next-gen digital technologies enables agility to navigate increasing complexity and enhances ability to deliver value.

Since 2018
High-performing organizations found it 2.1x more difficult to attract talent, suggesting that talent necessary to succeed in these environments is increasingly challenging to acquire.

Since 2018
Since 2018
Since 2018
Since 2018

Organizations found the following variables to be more or less important as barriers to digital technology:
- Limited senior stakeholder endorsement: 67%
- Availability of analytics resources: 49%
- Availability of data: 33%
2019 Global CPO Survey

The 2019 Global Chief Procurement Officer Survey was conducted in association with Odgers Berndtson and with input from procurement technology analyst firm Spend Matters. The survey gathered input from 481 procurement leaders across 38 countries, representing organizations with a combined annual turnover of $5 trillion USD. The associated survey report highlights a theme of increased complexity across internal and external environments, talent, and digital technologies.

2020 CPO Flash Survey

The 2020 Chief Procurement Officer Flash Survey was conducted between May and June 2020, with a sample of nearly 100 procurement executives from primarily large global organizations headquartered in North America. The Flash Survey report outlines 11 key themes evident in survey results, highlighting trends in procurement leaders’ response to COVID-19, both adapting to supply chain disruption and shaping their strategies to thrive in the long term.

Definitions of organization types

Master of complexity: Identified by assessing the ways in which top-performing procurement organizations handled high degrees of complexity.

High-performing organization: Identified using key performance metrics composed of three indexes: savings plan index, decision-making index, and strategic business partner index.

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