



Chief Procurement Officer -The first 100 days

**Charting and navigating the
path to sustainable success**

KPMG International

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Introduction

Congratulations! You've landed the role of Chief Procurement Officer (CPO). Now the work begins in earnest.

With an average tenure of 4.2 years,¹ a new CPO is in the proverbial corporate 'hot seat' and under immense pressure to deliver immediate improvements and cost savings and to be seen as an enabler to an organization's growth and change agenda.

According to KPMG's 2017 Global CEO Outlook,² one in four CEOs (26 percent) expects their business to be transformed into a significantly different entity within 3 years — down from 41 percent in 2016. This data point at first appears to go against CEOs' stated drive for disruptive innovation. Yet a closer reading of the data suggests that the picture is more nuanced. We see CEOs' appetites for transformation varying markedly by region, due to local market pressures and geopolitics. Respondents in China, India, Australia and Japan are more likely to expect their businesses to become significantly different entities within 3 years; those in the US and Europe are less likely to expect this. Organizations must respond to and, more importantly, set and execute strategic plans that meet the opportunities and challenges presented by external factors and disruptors, particularly in areas of accelerated change such as technological innovations and the rise of the new customer. Furthermore, according to KPMG's Demand Driven Supply Chain 2.0, 'these 'new customers' are more connected,

informed and empowered, and continually demand more choice of product flexibility and speed of service.'³ So what does this mean for your role as the new CPO?

KPMG member firms have had the benefit of working across boundaries, geographic and organizational, supporting CPO's to establish themselves up, build and maintain a momentum in the transformation journey. Regardless of how you came to this position, through internal promotion, as a lateral hire, or a lateral move, or even what you aim to do after your time in this role, the challenges faced by a CPO at any time, can be exacting. This paper aims to capture the learnings and create aspects for a CPO to remember in navigating and guiding their first 100 days of the new job, new structure, or new transformation objective.

The journey begins with three key aspects. The basis of the first 100 days lies in **understanding, managing** and **developing** the way forward.

¹ Chief Purchasing Officers' Mobility and Compensation: A Study of Fortune 500 Firms, CAPS Research, 2014

² Disrupt and grow. 2017 Global CEO Outlook, KPMG International, 2017

³ Demand Driven Supply Chain 2.0: A direct link to profitability, KPMG International, 2016

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Overview: Three key aspects a new CPO should focus on

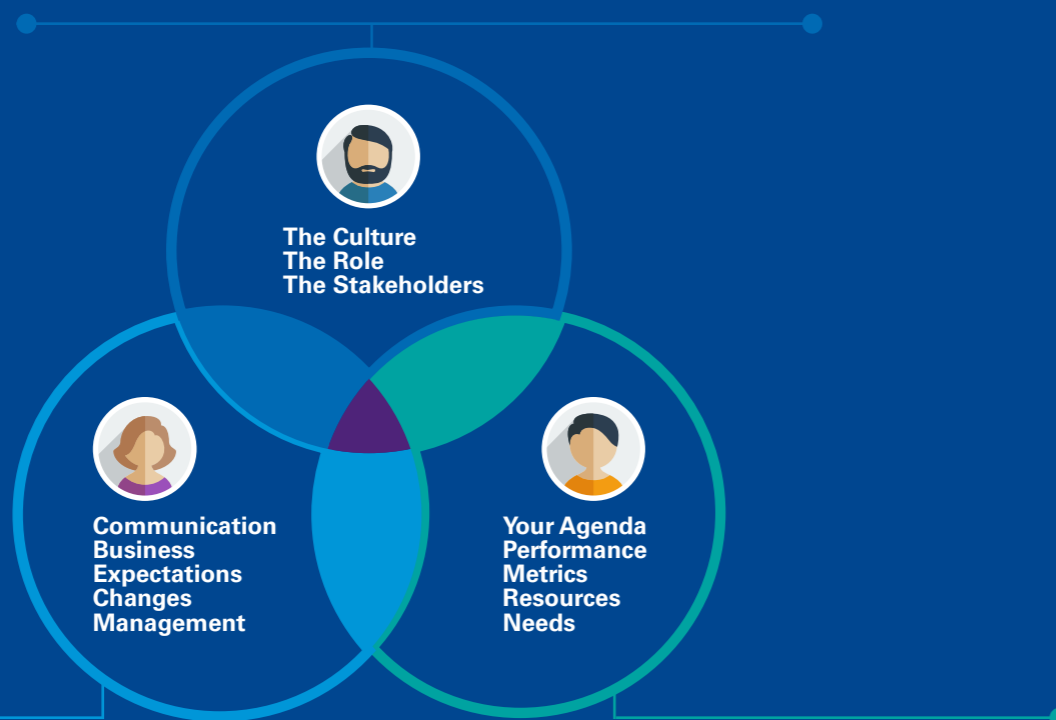
Procurement is a strong enabler to drive an organization's growth and change agenda. Understanding and influencing stakeholders, instigating change, safeguarding its sustainability and ensuring the people in your team are capable and able to meet their objectives, has become an increasing part of a CPO's job.

Procurement has the potential to drive significant value for an organization, making the first 100 days for a new CPO critical in building credibility and

support of an agenda that is aligned to business needs and expectations.

The global experience of KPMG professionals across hundreds of transformational change journeys, suggests that a new CPO should focus on three key aspects – understand, manage and develop. These aspects are interrelated and may run in parallel and vary in the level of focus over the course of the first 100 days and your tenure.

Understand the business culture and context, the scope and requirements of your new role, and the needs and wants of your stakeholders across the business. Understand how change is implemented and sustained. Take the time during this phase to truly listen and understand the context. Every organization is different.



Manage the business expectations and continually refine your key messages. There will be plenty of opportunity to shape the role and move procurement forward, but during the 'manage' phase it is critical to align and to set (or re-set) stakeholder expectations on what you will and won't deliver and set a plan to manage the change. This will involve balancing the commercial, business and experience requirements with the needs of your customers and your internal stakeholders. Parallels can be drawn to the challenge that organizations face in engaging and responding to end-customers.

Develop a compelling vision and robust plan that builds support across the organization in line with overarching strategy. This includes, assessing your team's capability and defining measures of success required to implement the transformational change agenda. Change is a continual process, which will require your change agenda to be constantly reviewed and refined over time, considering any new information or obstacles that present themselves throughout your journey.

Understand the business culture, the requirements and stakeholders

Prior to any change, it is critical to **understand the environment** and the business context. This is relevant for all new CPOs and moreover anyone new to a role. In the case of an internally promoted CPO, you may think you understand the business and culture. However, depending on your level in an organization, the culture and your perspective can be very different. Be aware that your stakeholder's perspective will change when dealing with a decision-maker and influencer in the C-Suite and be prepared to adjust your perspective on how to manage change. There are three broad areas to consider:

Understand the culture. The CPO needs to **understand organizational norms** to adapt your behavior and style. ALM research cites the importance of attending to the organization structures and 'the accountabilities that govern decision-making and the norms and mechanisms that enable coordination and collaboration.'⁴ The consequences of not following this approach may result in 'structures dictating rather than enabling strategies.'⁵ In a 2016 global survey of 1600 senior executives, 28% acknowledge that their existing organizational structure is a barrier to executing business transformations.⁶

In practice, understanding the culture involves recognizing what drives your people and organizational units; the formal and informal hierarchy within the organization; the organization's pace; how problems are escalated and solved; and how change is implemented and maintained. Be brave and listen. Truly, listen to all types of people in your organization, from the CEO, to the line operator, to the intern. Consider their viewpoints and what has helped shape them, but be wary of forming solid opinions, as with time and as you build trust, more information will be made available to you to shape your perspective of the way forward.

Understand the role. Understand the CPO role and responsibilities, which may involve understanding the structure of the procurement function; its place within the organizational hierarchy; the perceived value by the organization; and the expectations of superiors and other senior staff. In a KPMG global survey of over 2,500 procurement leaders across 23 countries and 15 industries, 75% of C-level executives do not think procurement adds value and less than 55% are satisfied with procurement process compliance. And equally notable, 60% said stakeholders do not usually ask procurement to help them achieve their objectives.⁷ Given the breadth of internal teams that procurement

intersects, the success of the CPO is dependent on effective working relationships with the internal stakeholders and suppliers.

By this stage in your career, you will have garnered that there are formal and informal job descriptions. Through this phase try and understand what it means to be CPO in your organization. Seek to understand what the prior CPO or commercial leader did well and what it was that people valued in this person's role, considering that over time, you will have the opportunity to mold this role into your own.



⁴ Sourcing & Procurement Consulting: Procurement Operation, ALM Consulting Research & Advisory, 2015

⁵ Sourcing & Procurement Consulting: Procurement Operation, ALM Consulting Research & Advisory, 2015

⁶ Succeed in disruptive times: Three critical factors to business transformation success, KPMG International 2016

⁷ Harnessing the Power of Procurement, KPMG International, 2014

Understand the business culture, the requirements and stakeholders

Understand the stakeholders. A key differentiator for a successful CPO is their ability to act as the enabler in their organization. To do so, and allow your team the ability to be effective and efficient, a CPO needs to **understand the agenda of each stakeholder group**, taking a customer centric view and focusing on each group's needs to build credibility. KPMG professionals have found that, for the best results, CPO's do this through focussed one-on-one interviews at varying levels within the organization. In some instances where the organization is both large and fragmented, alternate approaches using innovative approaches, tools and workshops could be utilized. Broadly, the stakeholders fall into three key areas:



Immediate team – Communicate each team member's role, identify leading performers, and develop an understanding of the capabilities, motivations and aspirations of each to gain their support. If there are gaps in capability, consider how these gaps can be closed through training, on-the-job exposure and guidance. These are the first set of steps in building a high performing team that can enable the delivery of your vision and plan. If three in four CEOs are aiming to disrupt their sector, what does this mean for their business? And if 68 percent of CEOs are evolving their roles, how will they challenge the people and systems that make up their organizations?⁸ More on this in the 'develop' section.



Wider business – Successful CPOs can gain support from their organization when they speak their customers' language. Communication should be two-way, setting up the opportunity for frank discussions on the issues that affect the organization and a consensus on the goals and strategies to achieve them. Tools such as a stakeholder mapping and analysis will help you crystallize your understanding of the position of your stakeholders and set the plan to shift support of these stakeholders in the short to mid-term for any given initiative or issue. It is also a critical time to take a customer centric view in developing and executing strategies and plans. There is a balance that needs to be made between business requirements, customer expectation and experience. More on this in 'manage' section.



The market – Although, it is important to focus on understanding your organization, it is equally relevant to understand key relationships with the market. As a further build on the market, specifically yours, interviewing a number of strategic suppliers is actively encouraged to understand opportunities from an outside-in, customer perspective. Having taken on the role of CPO, particularly in a new organization, industry or location, familiarize yourself with the relevant cultures and norms. Take the opportunity in formal and informal settings to understand your suppliers, their position and how they view the relationship. To assist in understanding, consider utilizing tools such as 'Porter's Five Forces' and supplier segmentation to assess a supplier and their view of your business, together with a SWOT⁹ and or PEST¹⁰ analysis to understand the relationship levers. The trust and respect you build in these early encounters will set the tone for the future work that your team conducts.

During the engagement with the wider business stakeholders and gathering their views, the CPO will need to have a view of the overarching organizational strategy and as part of the engagement with the business stakeholders to start considering the key dimensions of the procurement strategy (vision, mission) that underpin the overall enterprise and supply chain strategy. This is a key success factor where procurement needs to position itself as a business partner with internal and external stakeholders. This engagement with the stakeholders also presents an opportunity to understand the relative maturity of your procurement function and to gather quantitative and qualitative information using the stakeholders

specific experiences around the strategic, tactical and operational (STO) dimensions of the procurement function, on both where the maturity currently is and ultimately where you would like to be. This maturity can also be determined through the use of a Procurement Maturity Assessment (PMA).

Backed by an extensive database of industry comparators, KPMG's proprietary PMA methodology enables an organization to have visibility and insights across four central dimensions - strategy (and governance), organization, process and enablers, which are further underpinned by eleven pillars see diagram below. Where does your organization sit on the maturity curve?

Procurement Maturity Assessment

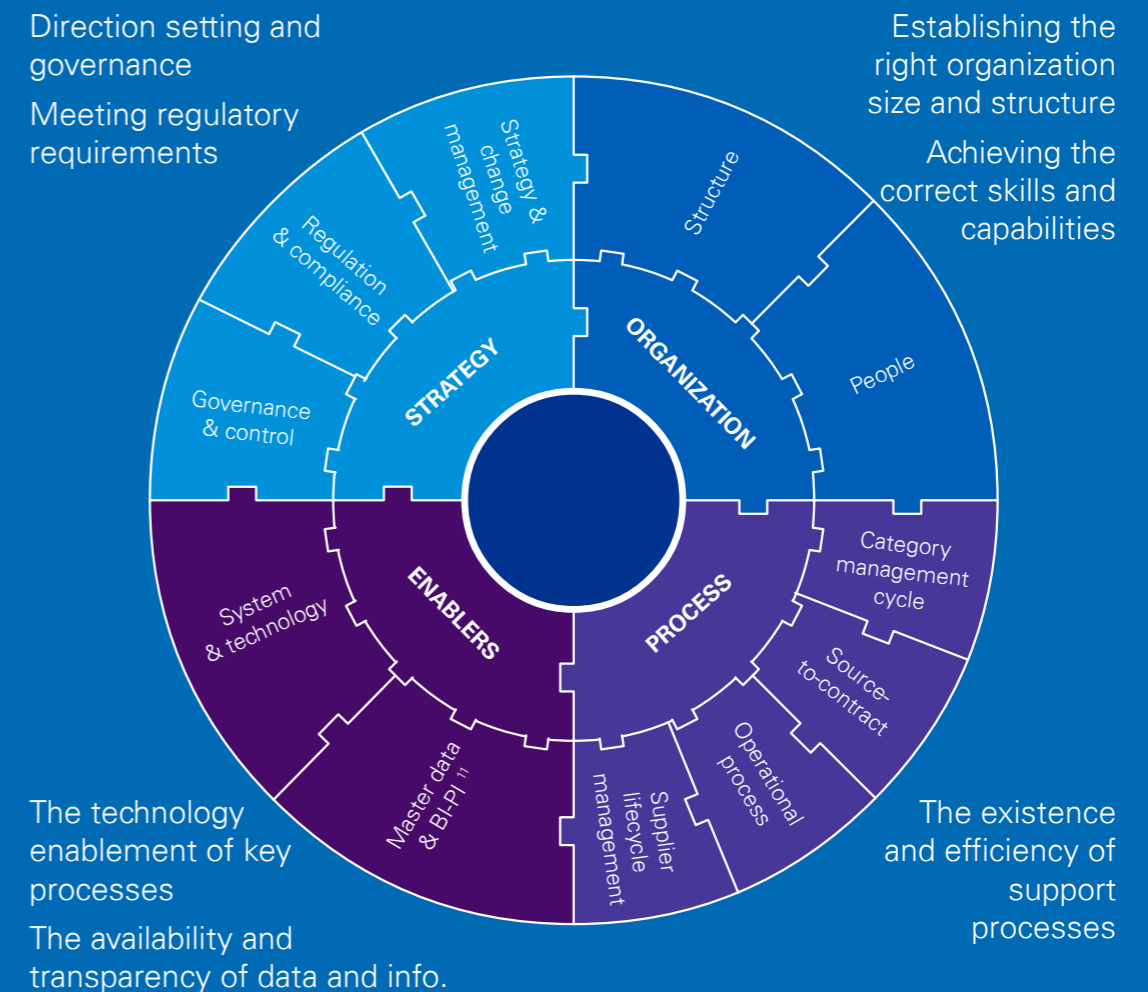


Figure 1 - Procurement Maturity Assessment

¹¹ BI - Business Intelligence / PI - Process Intelligence

⁸ Disrupt and grow. 2017 Global CEO Outlook, KPMG International, 2017

⁹ SWOT - Assessment of strengths, weakness, opportunities and threats

¹⁰ PEST – Assessment of political, economic, social and technological of macro-environmental factors

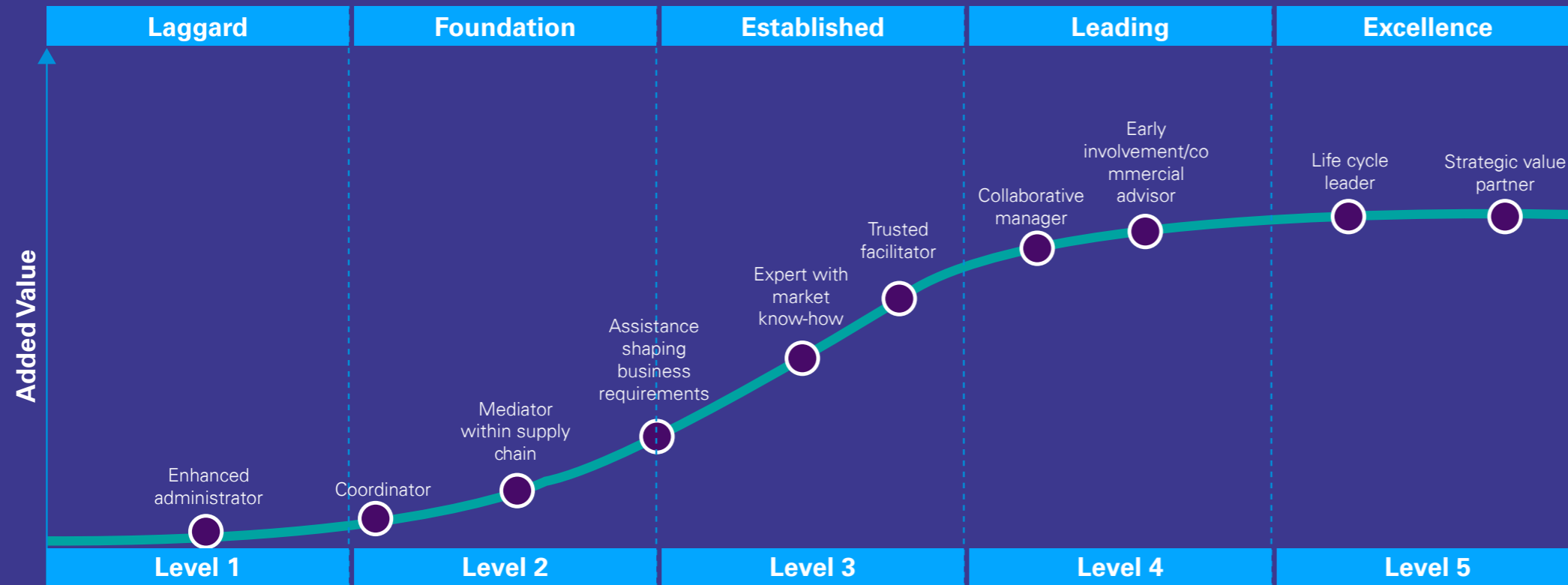
The PMA (Procurement Maturity Assessment) methodology informs the development of the conceptual maturity diagram (refer to Figure 2) which shows

the increased added value by procurement as organizations move from laggard to excellence along a notional maturity curve. The sustained improvement

of procurement maturity is best viewed as an activity undertaken over a period of time and increased strategic role of procurement.

Having undergone this review, you can garner enough information, both technical and non-technical (i.e. emotional, political, cultural, etc.) about your

organization and procurement to inform the 'manage' and 'develop' stages.



- No formal strategy for contract lifecycle management.
- No use of enabling technology in the management, administration and execution of contract functions or to drive governance.
- Manual administration & processing of all current process activities.
- No strategy or vision established or developed to improve level of optimization for contract management functions.

- Formal strategy for contract lifecycle management is not in place.
- Use of technology enabled applications are limited to basic functionality (contract repository).
- Various components of technology (negotiation, sourcing execution) are not available or enabled for use.
- No cross app integration across the procurement landscape.
- No availability and use of integrated collaboration functions or capability.

- Formal strategy for contract lifecycle management is in place but not actively executed or administered.
- Limited use of technology enabled applications, and cross application use, across all functions, incl. for administering governance and controls framework.
- Various components of technology enablement are missing.
- Limited enablement and use of integrated collaboration functions or capability.

- Formal strategy for contract lifecycle management is currently administered and executed.
- Moderate use of technology enabled applications across all functions and cross application integration across framework.
- Established governance and controls framework with integrated tools and functionality (e.g. workflows, alerts, etc.)
- Moderate enablement and use of integrated collaboration functions or capability.

- Formal strategy for contract lifecycle management is currently administered and executed.
- High use of technology enabled applications across all functions including, high degree of cross app integration with adjacent functions.
- Strong governance and controls framework, enabled through use of integrated tools and functionality.
- High use of functionality for stakeholder and supplier collaboration.

Figure 2 - Conceptual Maturity Diagram



Key questions to ask yourself across 7 areas will help guide your initial level of understanding

The maturity and specific capabilities will vary significantly within and across each industry, sector and geography. The key question to be answered is what are the specific gaps within your organization, as it relates to the industry, sector and size in which you operate? To assist with this, the Procurement Maturity Assessment (PMA) can be utilized to determine your position from laggard (innocence) to excellence, and the growth opportunity across a number of key areas highlighted below. While not exhaustive, the key dimensions below highlight a number of aspects to be considered as you work through your improvement areas.

01

Procurement value:

- 1.1 How does your procurement function engage key stakeholders in the development of procurement's strategy, and how aligned is it to the wider organizational strategy?
- 1.2 How is your procurement function organized and aligned to the wider business to deliver optimal value by focusing on outcomes rather than cost?
- 1.3 How does your procurement function lead or get actively involved in demand management initiatives across the business?
- 1.4 Describe your value-add ratio when considering all costs associated with your procurement organization as a function of value it delivers? How do you believe it stacks up against peers within the industry (noting that any ratio >1 is costing your organization money).

02

Operating Model:

- 2.1 Describe how your procurement team is organized to serve with the internal and external stakeholders, and how it aligns and underpins the procurement functions and wider organizational objectives.
- 2.2 Describe how the specific roles, responsibilities, accountabilities are clearly articulated, visible and understood to those within and outside the function. (Roles relate to analytics, planning, sourcing, contract management and supplier management).

03

Spend management, under management and KPIs:

- 3.1 How is your procurement policy used to drive behavioral change throughout the organization, and how are you monitoring its effectiveness?
- 3.2 How much of your spend is managed through category management (CM) and strategic sourcing processes, with a competitive sourcing process mandated?
- 3.3 Describe how your key strategies per category are defined including their specific measurable KPIs.
- 3.4 How much of the organizational spend does procurement influence, and does procurement intend on increasing their level of influence?
- 3.5 How are procurement benefits tracked within and across the business?
- 3.6 How are the benefits captured, realized and reported within the organization?

04

Supplier management and collaboration:

- 4.1 Describe procurement's involvement in supplier relationship management (SRM) and supplier performance, including the identification of strategic suppliers, the setting of metrics, and the measurement and follow-up of non-performance.
- 4.2 Describe the interactions, the mechanisms and specific measurable outcomes as a result of collaboration with your suppliers.
- 4.3 Describe your most important suppliers from an innovation, spend or risk perspective and how you interact with them.
- 4.4 How, and to what extent, is your executive committee involved in supplier management?

05

Risk management:

- 5.1 Describe how risk management is integrated with procurement's category management, day-to-day operations and contract management process.
- 5.2 Describe how contractual audits are performed including their selection, frequency and the associated rigor.

06

Processes and technology enablement:

- 6.1 Describe the level of procurement process automation within your business (spanning but not limited to source-to-pay/procure-to-pay/ rec-to-pay, category management (CM) or supplier relationship management (SRM)).
- 6.2 How do you ensure you have the most up-to-date version of your third party spend, all categorized within a structured format?
- 6.3 Describe how you started to evaluate the benefits of integrating robotics process automation (RPA) and artificial intelligence (AI) in your processes.
- 6.4 Describe the steps you have taken to adopt a customer centric view and involve your customers (internal / external) in the design of these procurement processes and systems.

07

Talent management:

- 7.1 Describe the specific actions your group is taking to attract talent to your organization.
- 7.2 Once attracted, what actions are being taken to retain that team?
- 7.3 Describe your procurement succession plan across senior and mid-level leadership and management team.
- 7.4 Describe the actions taken to understand if you have the right people in your business today, and in addition, will get you to where you need to be tomorrow?



Manage the communication, business expectations and change

During the first 100 Days the CPO needs to closely manage communications and expectations in developing and implementing the procurement vision and strategy. The importance of the customer rings true across all aspects of an organization whether it be the external end-customer or internal customers. The concept of 'customer centricity' is not a new concept. The success and failure of a project often relies heavily on the endorsement and acceptance of these internal customers. So, why is the customer not always involved? Often, the customer is deprioritized with a greater focus on cost savings and efficiencies gains and pressure to deliver in the immediate term. The old anecdote of 'if we build it, they will come' does not necessarily translate to these real life business situations.

So what does this mean for you and how you develop your strategy and manage communication, business expectations and change? A key starting point is to develop an impact assessment where you can identify the triggers by specific stakeholder group. This plan is then delivered and continuously refined depending on the outcomes of the messages sent and received. Either way, throughout these communications, it does not only share the plan and approach but also manages expectations, and it's here that a balance needs to be reached. Taking a page from KPMG's Demand Driven

2.0 and translating it to the procurement agenda, customer expectation and experiences need to be balanced with delivering value and cost benefits to the organization (refer to Figure 3). As you 'understand' the role, organization and stakeholders you will need to continuously and strategically communicate, manage expectations and change.

Manage communications. A communication plan forms the foundation where your results are shared and communicated. The CPO must have a clear and concise way to reach their audience by using the intelligence that was formed in the 'understand' phase to determine the stakeholder groups (primary and secondary), the key messages, the appropriate medium and timing for delivery. Tools, developed by KPMG member firms are currently available to help you understand the specific cultural aspects of your audience and to tailor your messaging and approach accordingly (this as an aside can also be used in other areas within procurement, for example, the sourcing process). Clearly communicate the team goals and how each team member can contribute to create a sense of ownership, the key point to always focus on here is (1) how is the audience impacted, (2) what is in it for them, and (3) how they help with the journey. During the first

Balancing customer expectations with cost-effective delivery

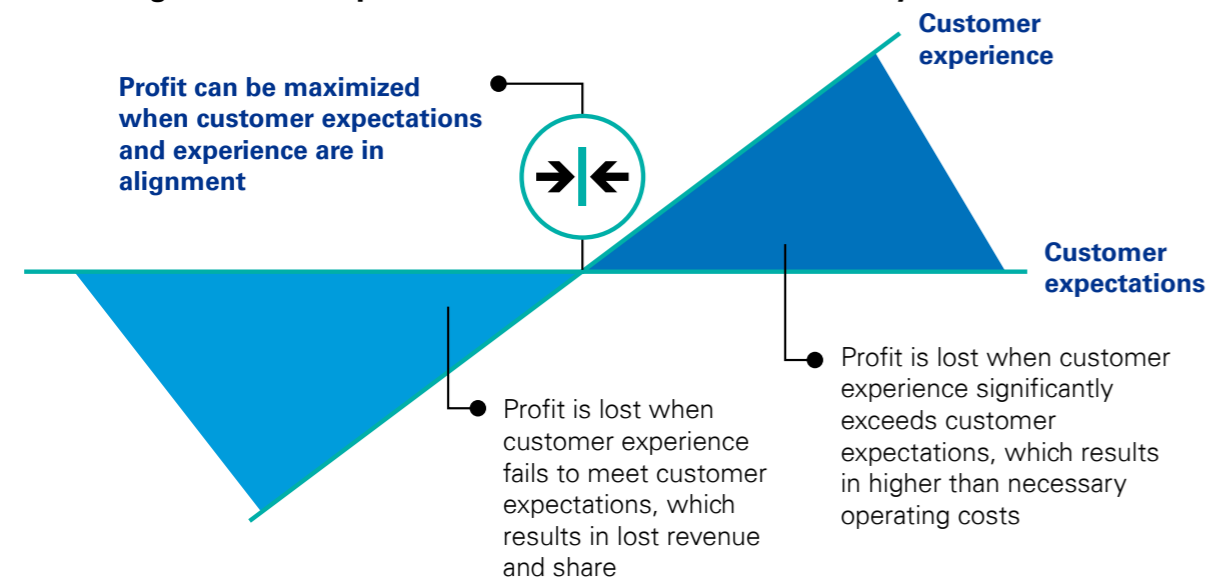


Figure 3 - Value in incremental maturity
Source: Demand-driven supply chain 2.0, KPMG International

100 days, the CPO is likely to deal with competing priorities and pressures, as such, ensure businesses are clear on the CPO's vision and how it aligns with the business objectives.

Manage expectations. It is important for CPOs to **establish the expectations and gain buy-in of both direct and indirect stakeholders.** Remove ambiguity about actions, timelines and measures through top-level executive alignment. Work alongside the business to assess what they are trying to achieve and manage expectations about what is really possible. The following three approaches should be adopted to manage expectations:

- **Set expectations:** Discuss, inform and set expectations with stakeholder.
- **Capture/monitor expectations:** Define measures (qualitative and quantitative) and track them.
- **Influence expectations:** Share expectations and performance to drive alignment and delivery.

Manage change. It is essential for you to recognize that **part of your role includes that of a change leader.** Effective change leaders build capability and capacity by committing to creating a long-term plan to enable systemic change. In the 'develop' phase, you will be developing your compelling vision and plan which includes the 'why' and the 'what' at the business unit, team or local level. In the 'understand' phase, you have already started to engage with stakeholders and understand the business context, their different points of views and involving these stakeholders in shaping the agenda. You are also shaping your understanding of the organizational norms including any competing agendas that you will need to navigate to build momentum and support. Managing change continues through to the implementation phase and involves pacing the implementation and focusing on performance.

Develop the compelling vision and plan

As you are building your understanding and managing expectations, begin to develop the agenda to assist in achieving the business objectives, to measure performance, and increase your team's capability. By the end of the first 100 days you need to gain the executive's approval to proceed and be ready to implement your plan with your team on board.

Develop your agenda to achieve the business objectives. What is it that you and your team will drive and deliver value to the organization? What does 'value' look like in your business? These, and other questions, will guide you in developing your agenda. The best way to communicate with your stakeholders is to speak their language. Where you have objectives that you believe will benefit your organization, try to develop a way to translate these into meaningful objectives that your business holds valuable. Associating timing, value and ideas of what success looks like for each of these objectives will help in your communication and will make the goal more tangible.

Develop performance measures. The success or failure of the CPO depends on their ability to measure and communicate their performance. In conjunction with your team, you will need to define a series of 'SMART'¹² objectives that demonstrate the how, why, by when and by whom, of your goal. The key is to understand that these goals are live and should be reviewed regularly. (Examples could include: value-add, agility, sustainability, customer centricity, etc.)

KPMG's Power of Procurement 2.0 survey sets out three key ways to transform value and meaningfully communicate to the business: (1) consistently measuring qualitative benefits (profit and loss) and quantitative benefits; (2) linking procurement benefits directly to corporate key performance indicators (KPIs)

and corporate value; and (3) establishing credible, traceable return on procurement metrics.¹³ In addition and as a further build to this, there are also three levels of performance measurement, these include (a) assess level KPI's, those that need to support the overall enterprise objectives; (b) diagnose level KPI's, for example supplier quality, on time delivery and purchasing cost, to name but a few; and (c) corrective level KPI's, for example process level.

The measurement criteria should be defined and reviewed to ensure that targets are achievable. If an organization doesn't set objectives or targets, the CPO should set a series of goals to work towards and discuss them with the leadership team. When objectives are met, you should recognize the effort of all parties involved.

It is important to align with the organization's finance department to understand how they measure and track financial aspects. More than 55% of procurement functions do not consistently collaborate with finance and 40% do not report on benefits other than savings.¹⁴ Assess procurement's overall return on investment to demonstrate whether procurement is an 'overhead' or 'value adding' function. The return plus the aspiration for the return becomes a way to manage the CFO.

Determine resource needs. The CPO needs to determine the training needs of their immediate team through capability assessments. There should be a balance between procurement expertise and business knowledge. This sentiment was echoed in the KPMG survey of procurement leaders with 30% of the view that there isn't any alignment between procurement training and the required skill sets.¹⁵ Training needs should be documented in an individual development plan (IDP) and a team plan which assesses strengths and weaknesses and works to leverage the strengths and improve the weaknesses. A 70/20/10 approach – 70% on the job, 20% training and 10% self-development is recommended. Training needs should be identified at three main levels: (1) leadership, (2) core and (3) technical/procurement. Only an adequately resourced, trained and aligned team will be effective.

The outcome of your maturity assessment and information you have received over time, will help you to understand where you would like to see your procurement organization placed. Based on KPMG professionals experience, an increase in procurement maturity will see an increase in the value that it provides the business. Over time, every step change and improvement in the functions maturity should result in improved benefits to the bottom line (refer to Figure 4).



¹² Specific, Measurable, Achievable, Realistic, Time-Bound
¹³ Harnessing the Power of Procurement, KPMG International, 2014
¹⁴ Harnessing the Power of Procurement, KPMG International, 2014
¹⁵ Harnessing the Power of Procurement, KPMG International, 2014

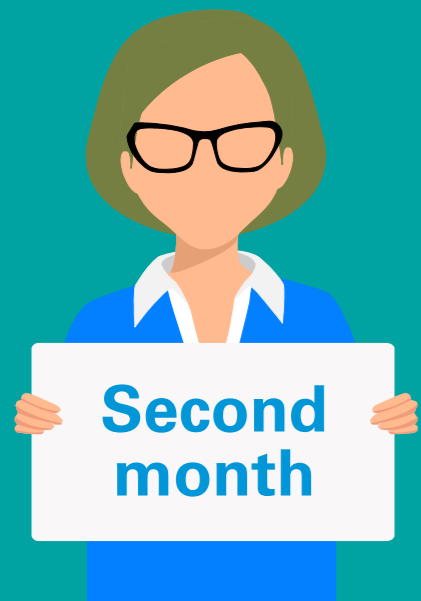
A month-by-month approach



// Walk the floors, meet & greet gathering knowledge and insight //

This doesn't mean coffees and casual chats. Really get to know your team, establish a relationship with your business and key suppliers including understanding the market you operate within. The purpose is to gain a sense of the wider ecosystem, organizational landscape and culture. Now is a good time to assess the overall maturity from a strategic, tactical and operational perspective to get a clear understanding of the current state.

What good looks like: You know who's who and what's expected, you can develop a strategy that builds on your experience, tailored to the needs of your stakeholders including revising your draft plan, and you've identified some quick win opportunities that you can start on next month.



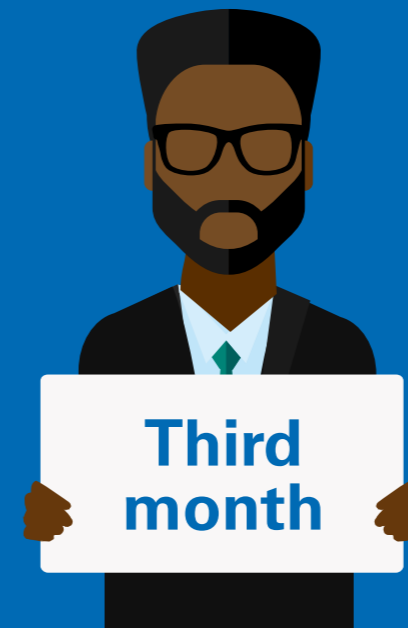
// Refine your vision and plan, while gaining and building confidence through delivery //

Month two operates at two speeds. First and foremost it is about consolidating your learnings and updating your draft plan. Seek buy-in as you go, starting with the C-suite, then trusted advisors within your team and the business. Be inclusive – reflect on your learnings, be bold and demonstrate you can create a vision.

This time is also about building momentum and executing some tactical quick wins. Identify great ideas within your own team or from your supply base, and find supportive stakeholders for whom you can address some of their frustrations. It doesn't have to be big, but it needs to demonstrate you've listened and can execute. This 'delivery approach' signals to all that change is coming including your ability to deliver it.

Finally, month two is also about refining your stakeholder map and planning your month three meetings. By day 100 you need to be ready to roll with wins on the board, so start now on building your support network.

What good looks like: You've initiated quick win opportunities and are communicating progress. You've also drafted your vision and shared it with a few key stakeholders for feedback. You are now ready to move into your final 30 days where you will finalize the strategy and mobilize the delivery team.



// Communicate the vision, gain approval and mobilize //

The final month is about getting C-level (ExCo) sign-off on your vision and communicating it. Use multiple mediums including email, podcasts, video conferences, road shows and newsletters.

What you do will affect a range of people so help the business to understand why you are doing this and what's in it for them. Your on-going messaging needs to be clear – reinforce your vision and show progress. Now is the time to clearly communicate expectations and timing. Who does what, by when?

It is also important to agree how you are going to measure success and communicate progress. Enlist the support of others and seek regular feedback from stakeholders. Schedule catch-ups to get a sense of the impact you are making and the areas to be improved.

Your team needs to be clear about their roles. If there is a restructure to be made, then plan for it now. Resolve any resource constraints – can you 'borrow' from the business, or ramp-up your team? Training should also be addressed, but be careful about the picture you paint – selected training is OK, but a wholesale change program may raise questions about your team or your ability as a leader.

And finally, you need to have wrapped-up your quick win initiatives and be tracking the benefits to the bottom line.

What good looks like: You've completed your quick wins, gained approval to proceed with your procurement agenda, identified training needs, have the resources you need and begun to communicate your vision to the wider business. So stop planning...it's time to execute!

// There are no shortcuts, investing the time within each phase can pay dividends in the medium to long term. //

Key lessons learnt

- ✓ **Think, don't rush in:** CPOs often rush to make changes to show authority which can be perceived negatively as a threat. Treat the current environment with respect.
- ✓ **It's not about you!** Take a customer centric approach, how can you make their lives better, simpler and easier so we can all rest easy at night.
- ✓ **Leverage supporters, understand skeptics:** A new CPO should not try to please everyone; identify and leverage the supporters while spending time with skeptics understanding their issues and addressing them, where it makes sense.
- ✓ **Ensure the message is both heard and understood:** Use multiple channels, such as roadshows, town halls and working sessions to sell the agenda remembering the mantra should be 'one team, one target'.
- ✓ **Communicate, communicate and communicate:** Communication is a critical success factor and applies to non-verbals such as behavior, dress, and quality of documentations.
- ✓ **Beware the Tsunami:** Once you arrive, the organization often expects immediate change – managing expectations is key.
- ✓ **Commit to realistic goals and stretch to exceed targets:** It is easy for new CPOs to over-promise and under-deliver. Work alongside the business to assess the team's capability, organizational goals, determine the appropriate objectives and targets, and develop a reasonable timeline.
- ✓ **Small wins lead to large gains:** Get the small wins chalked up, get people on-board, win their trust, and make a difference.
- ✓ **Align performance metrics:** It is easy for the CPO to try and measure everything. Select three to five key metrics that are aligned to the objectives you will aim to achieve.
- ✓ **Get your tech on:** Leverage technology to accelerate performance and allow your team to add maximum value through drawing insights that add value to the business



Conclusion

Exciting times lie ahead, as you navigate your way through the first 100 days as a CPO. Take this opportunity by the reins and set a strong foundation for success and truly make procurement an enabler that drives positive and sustainable change for your organization. Your journey to success starts with three key aspects in your 100 days – understanding, managing and developing.

A key final thought is, change and transformation is not a point in time but rather a never-ending journey towards continuous improvement – so your role as CPO, the leader of your procurement or commercial function is to define that journey through a structured ever evolving plan and to guide, coach and inspire your team as they continue to add value to the business through a customer centric approach.

Now, it's time to get down to business but don't forget to take the time to enjoy the ride.

How KPMG can help you?

Develop a clear strategy

Recognized as an industry leader in Operations Advisory, KPMG's multi-disciplinary network of professionals can work with you to chart a path and manage the communication and change.

Access insights and methodologies

KPMG's established Centers of Excellence act as hubs of insights, knowledge and methodologies and toolsets developed by KPMG's global network of practitioners across sectors and multi-disciplinary focus areas such as procurement, supply chain, customer and change management.

Execute the plan

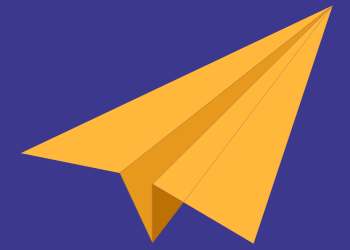
KPMG is a network of 189,000 professionals globally and operating in 152 countries. Our network includes 1,100+ Operations of experienced practitioners and can mobilize anywhere in the world at the local, regional or global level to partner with you to deliver your CPO and business agenda.

Make it stick

The commitment to ensure that value is delivered to the organization does not end after your procurement agenda is implemented. KPMG professionals work with you to build and set practices and frameworks, using a suite of methodologies and toolsets that help ensure that the values and benefits are sustained and continuously improved.



So how could you approach your first 100 days ? (A practical approach)



Additional Resources

Along with the framework and concepts presented in this paper, KPMG firms have a suite of planning tools to assist the new CPO through their first 100 Days. This workbook includes comprehensive checklists and detailed work plans that can help the CPO gain traction and demonstrate credibility, helping ensure the first 100 days are set-up for success.

Related KPMG thought leadership



Big data analytics and enhancing the performance of supply chains, KPMG in Australia 2017



Demand-driven supply chain 2.0: a direct link to profitability, KPMG International, 2016



Disrupt and grow: 2017 Global CEO Outlook



Future proof your reverse logistics, KPMG International 2017



Future proof procurement. Now or never: The big procurement transformation, KPMG International, 2016



Succeed in disruptive times: Three critical factors to business transformation success, KPMG International 2016



Contacts

Global

Erich L. Gampenrieder

**Global Head of Operations Advisory and
Global Head of Operations Center of Excellence**

KPMG International

E: egampenrieder@kpmg.com

Marketing Contact

Alana Mohan

**Global Marketing Lead,
Operations Advisory**

KPMG International

E: aamohan@kpmg.ca

Regional Contacts and Contributors

Christopher Clements

Director

KPMG Australia

E: cclements1@kpmg.com.au

Nic Hillier

Director

KPMG Australia

E: nhillier1@kpmg.com.au

Olga Petinis

Associate Director

KPMG Australia

E: opetinis@kpmg.com.au

Dr. Marcus Schüeller

Partner and Head of Operations Consulting

KPMG in Germany

E: mschueller@kpmg.com

Jason Smith

Partner

KPMG in the UK

E: jason.smith@kpmg.co.uk

Matthew Rose

Director and Procurement Lead

KPMG in the UK

E: matthew.rose@kpmg.co.uk

Len Prokopets

Managing Director

KPMG in the US

E: lprokopets@kpmg.com

Dipan M. Karumsi

Principal and Procurement Lead

KPMG in the US

E: dkarumsi@kpmg.com

Dr. John Tros

Partner and Procurement Lead

KPMG in the Netherlands

E: tros.john@kpmg.nl

Craig Rawlings

Partner

KPMG in Singapore

E: craigrawlings@kpmg.com.sg

kpmg.com/socialmedia



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