

# THE FUTURE OF PROCUREMENT

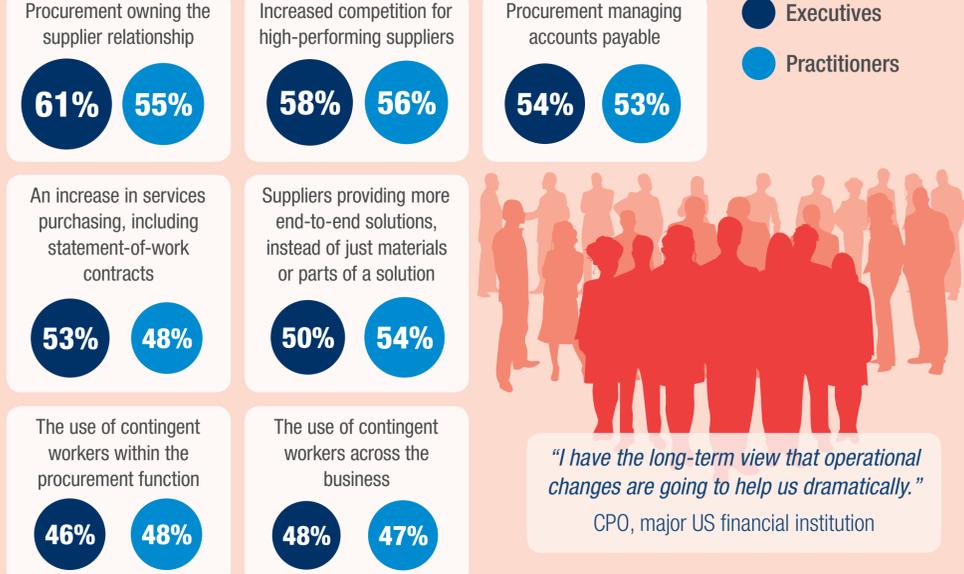
## Goodbye to Business as Usual

Find out how procurement is changing and why old ways of working and measuring performance will no longer get the job done. Oxford Economics and SAP Ariba surveyed more than 1,000 senior procurement executives and non-executive procurement practitioners around the world to discover what you need to do to keep up.



**The role of procurement is expanding to include more responsibilities, people, and processes than ever before.**

Respondents say the following are significantly changing the way procurement operates...



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Changes to procurement are driving cost savings and creating competitive advantage.

**Businesses are revamping investments to focus more on the talent and technology that will make these changes possible.**

What are the budgetary and personnel investment priorities for your procurement organization?

Executives say...

- 1 Recruiting new talent
- 2 Training/Upskilling programs
- 3 Procurement/Supply-chain technology
- 4 Outsourcing
- 5 Supplier innovation programs
- 6 Hiring consultants
- 7 Acquiring third-party data

Practitioners say...

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- 2 Procurement/Supply-chain technology
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Execs want the organization focused on working with suppliers in a strategic way, but over half of practitioners say it is difficult to find time for more strategic endeavors.

**But finding the right employees who can ease the transition to procurement's new role in the organization is critical. Executives say strategic thinking is hardest to come by.**

Top 4 skills executives say are most difficult to find

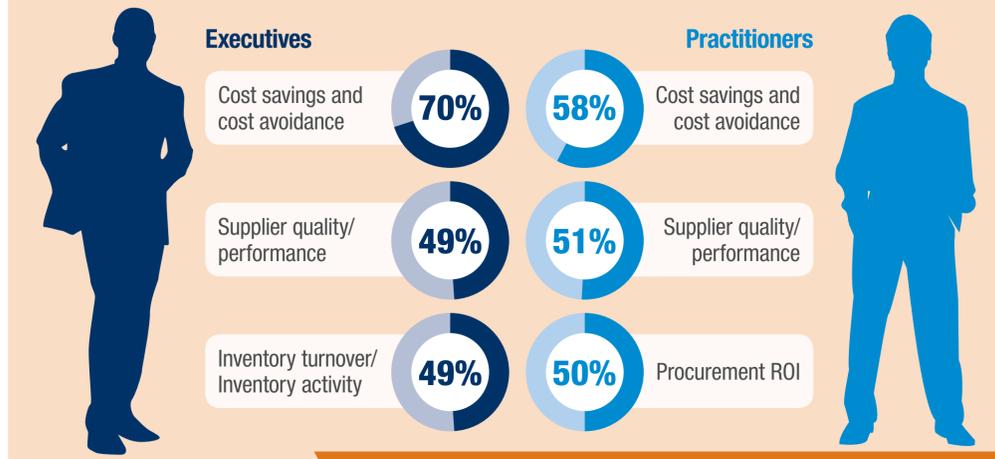
Percent of practitioners who say they are very proficient in these areas



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**Despite significant updates to the way procurement operates, most companies still rely on traditional performance metrics.**

Top 3 KPIs used to measure success



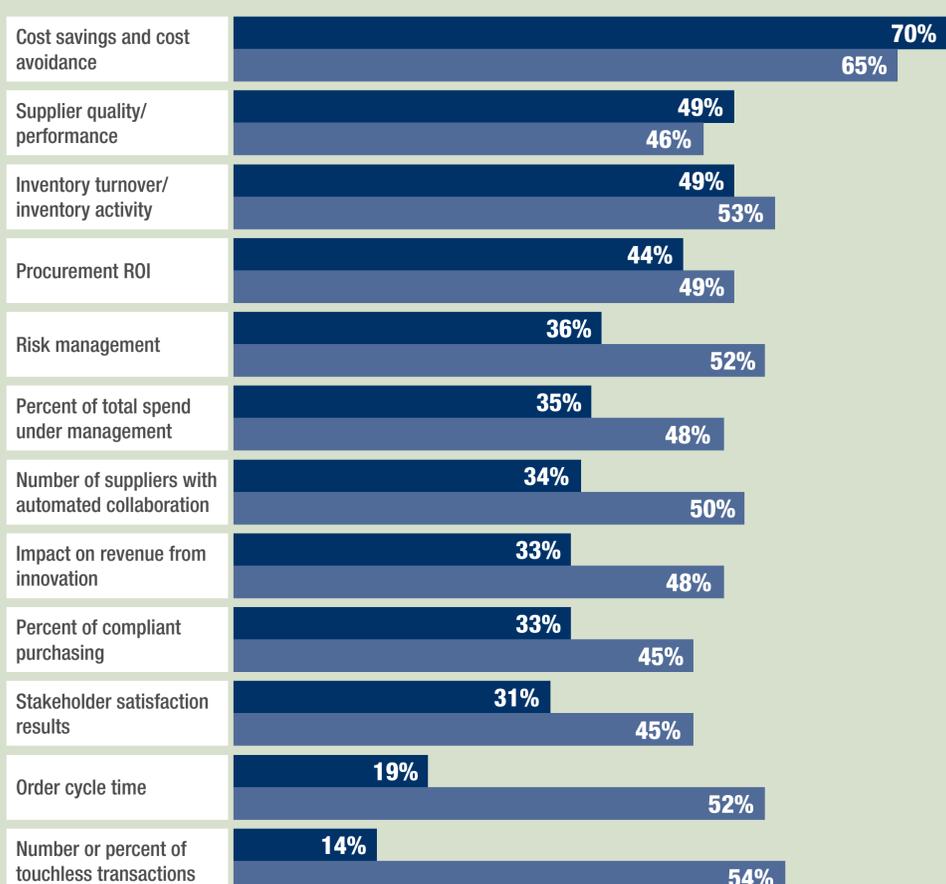
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To achieve and report on KPIs, executives are automating key processes. Meanwhile, practitioners are focused on category-level analytics.

**In fact, there is a major disconnect between KPI usage and value at many companies.**

How executives see KPI usage and value, in terms of optimizing the function and raising its profile within the organization

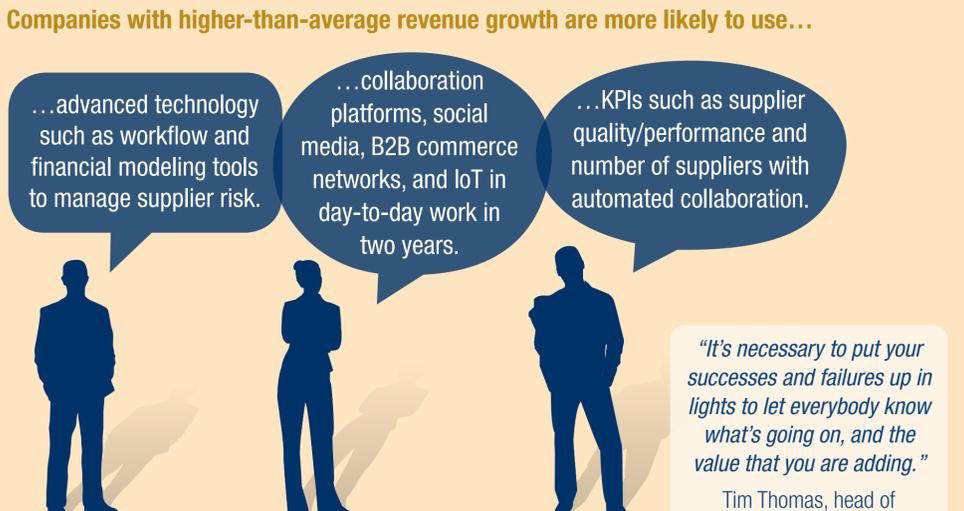
Usage: Which of the following KPIs does your organization use? Select all that apply.  
Value: How valuable are the following KPIs? "Valuable" and "Highly valuable" responses.



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**Procurement's strategic and collaborative future depends on getting operations right—and being able to measure the success of this transformation. Companies that get the processes, tools, and people in place to make this shift will be better positioned for growth in the years ahead.**

Companies with higher-than-average revenue growth are more likely to use...



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