

PROCURISING

INSIGHTS FROM TODAY'S PROCUREMENT LEADERS

THE LITTLE GREEN PEN

TRANSFORMING FROM
DEFICIT THINKING
TO COOPERATIVE
CORPORATE
RELATIONSHIPS

Navigating Procurement During the Trade Wars:

*The Hand that Rocks the Economic
Cradle Doesn't Necessarily Have to
Rock the Boat*

Holistic Remedies and the Need for Change:

*Expanding the Position that Procurement
Holds in Today's Industry*

Procuring a Legacy

Maximizing Investment:

*Crossing the Bridge to Full
Adoption for Sourcing Tools*



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during the Trade Wars

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LETTER FROM THE EDITOR

Past President John F. Kennedy once stated, "Change is the law of life, and those who look only to the past or present are certain to miss the future." This pearl of wisdom holds true not only in politics, but also in the world of procurement. In this issue, we are also focusing on change. Change that is inevitable, and change that will indeed come, regardless of whether we are prepared for it or not.

To enable you to heed Kennedy's unapologetic call to action to live preparedly and focused forward, able to navigate the myriad changes that constantly crop up in procurement, we have consulted a plethora of experts. Journey with us as procurement expert Jean-Michel dos Remedios leads us in a riveting discussion of holistic remedies for today's procurement world, enlightening us on how to expand its role in the industry. Director of Procurement for Siemens, Christian Schroeter, then provides ingenious strategies to deal with the upheaval from the recent U.S. Trade Wars, specifically teaching us how to steady our helm and adapt to the changing tides when the hands that rock the economic cradle threaten to rock our boat.

Writer Ron Hedley gleans wisdom from High Performance Coach Rob Murray, who relays a poignant and apropos personal story about the power of positivity within procurement, and in life. Hedley then interviews Director of Sourcing and Procurement at The Adecco Group, David Mathisen, who reminds us that, just as in surfing, in the world of procurement, balance and flexibility are key. Finally, Jane Zhang, Co-Founder and COO of Etch Sourcing, schools us in sourcing tools, making her article the proverbial dessert on this impeccably-prepared menu of things to chew on.

Adapting Alongside You,
Andy Beth Miller

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THE LITTLE GREEN PEN

By Ronald Hedley

We all remember our elementary school days: the one room schoolhouse, dipping Becky's ponytail in your desktop bottle of ink, and, of course, the dark red marks on your paper after your teacher highlighted all the grammar, punctuation, and spelling errors.

What if there were no red marks? What if, instead, the teacher used green marks to highlight what you did well: your well-written phrases or your correct grammar usage?


The above scenario is a real story from one of Rob Murray's clients. Murray is an Xchange master facilitator and a Certified High Performance Coach at Sustainable Growth Strategies. Prior to starting his coaching and facilitation company, he was Director of Supply Chain at Arrowhead Electrical Products.

Murray completed the above true story, "My client's autistic child was struggling in school. He was failing because every time his papers were returned by the teacher, they were covered with red marks. My client

went to the teacher and said, 'My child is terrified. He physically covers when he sees the red marks.'"

Murray's client suggested that the teacher make green check marks on Trevor's (his son) papers to highlight what he had done correctly. As a reward, for every green mark Trevor received, he would earn points for ice cream or a trip to the science museum after school. The teacher agreed to give it a try.

Was the transition from red to green successful? Murray explained, "After the teacher started grading with the positive green marks, Trevor flourished because he was focusing on what he was doing right instead of what he was doing wrong."



“our goal was to do the right thing and add real value for our customers and our suppliers as the primary driver of business success.”

What is the significance of this story? It's about changing paradigms. It's about transformations. It's about leadership, and, yes, it's about procurement.

changing Paradigms

Murray has over 30 years of experience in procurement. “My experience in procurement was in a start-up selling automotive parts. The cool thing about the company was our aspirational mission. None of us actually cared a lot about selling automotive parts,” he explained.

His start-up's mission was to be an example for how a business could be. “The idea was to start a company that was a demonstration of a new operating system for business. Our goal was to do the right thing and add real value for our customers and our suppliers as the primary driver of business success. We developed a co-created aspirational mission as our primary focus and created an environment of psychological safety which eliminated much of the friction of bad behavior, antagonism, jealousy, politics, and everything else that really screws up an organization,” Murray explained.

Murray recalled the prophetic words of his mentor, who often told him, “There is no line on the balance sheet for bad behavior, yet it's one of the highest costs in any business.”

As a result of his success, Murray has launched the X-JET movement to create exponential improvement in joy, engagement, and teamwork in today's organizations. He facilitates conversations which focus on the inherent strengths of the organization, and how they can build on those strengths to make the weaknesses irrelevant.

He works directly with clients to co-create an aspirational mission that the team can get behind, and he coaches individuals to be [part of] high-performing teams. He believes this is essential for a company's long-term success. “I would go as far as to say the companies of the future that are going to remain in existence will change to a cooperative co-created leadership style, or else they won't survive,” warned Murray.

Leadership

How does Murray convince company leaders to change their management styles?

Murray answered, “I don't normally try to convince anyone who has a command and control attitude that they should change. There are companies that are so successful, who have adopted a cooperative leadership style, that the command and control company executives say, ‘Wait, why is that other company so successful? How do I copy that?’”

Murray believes that success is contagious. “Many of the companies I work with have 100%+ rates of growth, engaged employees, happy customers, satisfied suppliers and high profitability. BMW, Facebook, Clarke and Fairmont Santrol have developed innovations and ways of operating that have been successful using these methods.” According to Murray, other companies see that and want to emulate the cooperative corporate model.



Transformations

"Trying to fix a problem is the worst way to fix a problem." —Rob Murray

Transformation starts with changing your way of thinking. Murray's paradox does just that. "If you focus on the problem, you focus on what is broken, what is missing. You think, how can I get back from a deficit to neutral, and you're not thinking about an evolutionary step in transformation," he explained.

The British Airways lost luggage issue is a great example. "They were trying to fix their lost baggage problem. They were asking themselves, 'How do we fix our lost baggage issue?' By studying their lost baggage problems, they became experts in lost baggage. That was not their intention," said Murray. He then added, "So, they started asking themselves a different question. 'How might we create an exceptional arrival experience for our passengers?' And that got them out of the deficit thinking."

"Future leaders are not going to be the ones with the best answers; they're going to be the people with the best questions." —Rob Murray

Once they were out of the deficit-thinking mode, they began to ask better questions. Murray shared some examples: "What do we do when someone's baggage is lost? How do we communicate with the passengers? How do we make them more satisfied with the service we have given them, while in flight and once they arrive? How can we speed them through the airport? How can we make them feel more comfortable?"

What was the effect of asking such pertinent questions? "Suddenly, they had a higher evolutionary purpose. It fixed the lost baggage problem, but it also increased their customer satisfaction exponentially because of all the additional ideas generated. It wasn't about just one problem anymore. They were able to elevate the whole arrival experience for their customers," explained Murray.

Ultimately, the issue was customer satisfaction, not lost luggage. Murray stated, "They weren't actually trying to fix lost baggage nearly as much as they were trying to make their customers happier."

"Organizations are complex living human systems full of potential waiting to be released." —Aaron Dignan

Connecting Transformation to Procurement.

When Murray was in procurement, one of his goals was to negotiate exclusivity agreements on certain product lines with suppliers. He explained the old negotiations model, "Procurement, by its very nature, tends to be deficit-based. In that framework, an exclusivity agreement would typically state, 'You can't sell to any of these people because they're competitors, and we want all the advantages for ourselves. To get what we want, we will give you X number of dollars in order to do that.'"

Murray believes that the above negotiation model is no longer wise or effective. He believes that companies need to transition from deficit-based thinking to a partnership with the supplier by asking the right questions: What are your goals? What is it that you're trying to do in your growth with the company?

He explained his thought process, "Suddenly you're talking about their long-term plans, their interest in building an additional factory, their expected growth rate, why they are doing what they are doing, what's important to them, and how they're viewed [in the business] world."

What is the result of a transformation to a cooperative corporate relationship? "The discussions now focus on creating the growth that we want between our companies. In that frame, you get ideas, such as co-branding and advertising together and expanding opportunities for everyone," explained Murray.

Murray continued, "It gets to the point to where the supplier says, 'We don't want to do business with anybody else. These guys get me. They support my dream. They care about what I care about. They share

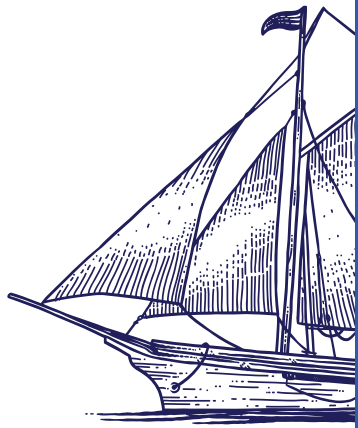
"companies need to transition from deficit-based thinking to a partnership with the buyer by asking the right questions: What are your goals? What is it that you're trying to do in your growth with the company?"

my values, and, because of that, I don't want to do business with anyone else."

According to Murray, there were side effects too. "What started happening organically is that we got better deliveries, we got better pricing, and we got better quality. Normally, we focus on the problems: fixing bad quality, fixing high prices, fixing bad deliveries. Now we are solving those problems because we are helping each other with our aspirational missions," said Murray.

Murray is aware that it takes more than aspiration to successfully change paradigms. He understands that success needs to be centered around the people in and around the organization. "To build successful supply chains of the future, we must recognize that they are living systems, comprised of the customer, the supplier and all the other stakeholders touched by each organization. This includes their employees, the communities each serves, their customers, and the way each company impacts the world," he explained.

Murray concluded by offering this optimistic look into the future. "The successful supply chain leaders of the future will recognize that their primary role is to crowd-source the wisdom of their diverse groups and, by doing so, help create a more inspiring future for all. This paradigm makes their job more fun and far more satisfying. This will allow us to take an evolutionary leap from convincing to co-creating, from deficit-based to strength-based, from fixed to flexible, and from command and control to bringing out the best in the entire system."



Navigating Procurement During the Trade Wars:

The Hand that Rocks the Economic cradle Doesn't Necessarily Have to Rock the Boat

Christian Schroeter is a Director of Procurement for Siemens, and as such, he has a wealth of experience and professional prowess when it comes to all things procurement. So, when he sat down with me to talk through the impact that the U.S. Trade War has had on the procurement industry, I listened...Intently. As we got into the interview, it was abundantly clear right off the bat that Schroeter knows his stuff. Most importantly, he knows how, when, and where to source his products, even in the midst of unpredictable trade wars that change the dynamics of procurement daily.

Schroeter graciously took time from his busy schedule to not only discuss how the U.S. Trade War has affected the procurement field, but he even spent his valuable time sharing some simple and proactive tips that we can use to help us navigate the constant ebb and flow—and sometimes tidal wave-like turmoil and upheaval—caused by it.

It is clear to everyone that the trade war that is taking place currently between the U.S. and its largest trading partners China, Mexico, Canada and the EU has spawned a surge of uncertainty amid the global markets. This directly impacts the ability of international procurement especially to be able to operate efficiently, and to continue to profit.

"Any organization in the United States with an international supply chain today struggles with the unpredictable and erratic trade war situation we have [been faced with recently]," says Schroeter, who does not mince words as he gets right to the crux of the issue in his initial statement. Schroeter explains this by pointing out simply that it is inevitable that much of a company's

By Andy Beth Miller



sourcing will rely on International relations, such as those stemming from countries like Canada, Mexico, and Asia, which, of course, were the ones impacted the most by the recent tariffs. "That has definitely been one of the largest challenges that we have faced in the last two years," Schroeter admits, alluding to the obvious trickle-down effect that these tariffs have had on our own U.S. organizations.

But, Schroeter is quick to point out that these effects are not just limited to cost impacts, "[It was difficult] not just because of the cost impact, but primarily, because of the unpredictability of these announcements coming from the administration." According to Schroeter, this unpredictability may not directly affect the demand and consumer spending in a thriving economy, but it does indeed directly affect three things: "where you source, how sustainably you source, and investment decisions in areas such as equipment and tooling."

Schroeter then gives a prime example of his own daily behaviors that reveal just how changeable the current status of procurement is as he admits, "I wake up and check my Twitter first thing every day, just to see if there is a new problem or new changes on the horizon." He quips in jest and laughs lightheartedly, but the seriousness of his words translates loud and clear: In this age of constant change and unpredictability, one has to be always vigilant and remain up-to-date on the latest trends and changes. Not only is being alert a vital

“ If you wait to change sourcing



after the tariffs, you are automatically incurring costs, losing negotiating power, and so much more. ”

necessity, but according to Schroeter, being ready to respond and react is even more integral to surviving, and thriving, in today's market.

In fact, adaptability is the term that this professional prefers to promote as being a huge asset in the ever-changing procurement industry. Schroeter then provides us with a few expert tips on how exactly this adaptability can flesh itself out in the real procurement world's sometimes rough waters.

Multi-Source

He first urges us to focus on multi-sourcing, “Depending on where your starting point is, if you have any significant exposure, such as products or services that you buy (where you have only a single supplier that is outside of the country that may be, or already is, in a country that has been affected by the tariffs), you really want to strategically go ahead and find a second source, ideally from a different country or region.”

He then explains the need for this multi-sourcing by pointing to the inevitable ramifications that will result if you do not, “If you wait to change sourcing after the tariffs, you are automatically incurring costs, losing negotiating power, and so much more.” In essence, Schroeter is warning us with that age-old adage, don't go putting your eggs in one basket, because in the end, you just might end up with egg on your face.

Make Your Supplier Contracts Flexible

As domestic costs often rise to match tariff-inflated import costs, especially in regards to products like steel, aluminum, etc., Schroeter advises a change in contracts, making them more flexible with regard to fluctuating tariff costs, similar to index based fluctuation formulas. This can also help when it comes to limiting uncertainty in investment, where instead of having the supplier cover the CapEx (capital expenditure), a company can decide to pay for and own tools at suppliers, thus rendering them able to move them quicker when trade scenarios change.

Know Your Bottom Line, Your Competition, and Your Product

Schroeter follows up his great advice thus far with one word of caution, warning us to “be careful of suppliers with bad intentions or limited knowledge” and to “know the rules of U.S. Customs and Border Protection, especially the percentage value thresholds for countries of origin.” He then gives an example of how some suppliers may only move final assembly, packaging, or testing to a place like Taiwan, then claim that these supplies had non-China origins. As importer of record, any U.S. company would be liable for significant fines by the U.S. Government if found to be not in compliance. On the importance of benchmarking the competition, Schroeter explains that only when the majority of companies in your field experience a similar cost impact from tariffs due to comparable supply chains, will you be able to pass some or all of these added costs on to the customers. In this case, close alignment with your sales force and clear communication is the key to success.

Schroeter leaves us with a proactive call to action as he not only emphasizes the importance of being vigilant and ready to react and adapt to changes, but he takes it a step further and challenges us to even go as far as to begin anticipating some of these shifts. For example, develop ways to evaluate mitigations, risks, and opportunities, such as putting in place a warning system based on digitally matching internal material classification systems to HTS (Harmonized Tariff Schedule) codes in order to speed up analysis when said conditions change.

According to Schroeter, in a nutshell, we must “multi-source, benchmark [our] competition, have contract flexibility, develop look-ahead capability, and focus on sustainable cost-out.” If we can simply manage that, everything will go from being bananas, to being cherry.

Holistic Remedies and the Need for Change:

Expanding the Position that Procurement Holds in Today's Industry

Jean-Michel dos Remedios has been operating in a procurement role for years—in Europe, the Middle East, and in the United States—and as such, he has a wealth of varied experiences, which have provided him with a unique perspective on the function. He is the Senior Director of Sourcing and Supplier Development at Bel Brands USA, and when it comes to knowing what it takes to create successful and thriving procurement in a company, he has a lot to say on the topic. However, be prepared, as dos Remedios doesn't mince words. In fact, when it comes to procurement, he gets right down to (better) business.

Dos Remedios will be the first to tell you that he sees one big part of his role as a Senior Director being a watchman of sorts, issuing a wake-up call to companies to not allow themselves to become complacent when it comes to the position that procurement holds in their organizations. "Too few fail to see procurement as a major player in the external and internal relationships, as well as in the P&L (profit and loss)," dos Remedios cautions. He then issues a sobering statistic, stating that, "Procurement activities actually represent 50-60%

of all sales revenue in industrial companies." And you can't debate that blaring bottom line impact.

So, now that dos Remedios has our attention and we are realizing the vital value of procurement, we are left to wonder how our own organizations can be improved. The knowledgeable watchman (although the longer I interview him, the more I am beginning to imagine him in a caped crusader getup of some sort) then shares the key issues that he sees, before supplying a few proactive remedies.

Above all, dos Remedios believes that procurement is too often underused, or misused, therefore limiting its value and full potential within the company. He urges us to see procurement as having an ideal position between internal and external team





By Andy Beth Miller

“There is a reluctance to bring procurement into all conversations [decisions in a business], yet [they] can be so much more than only a source of savings, providing things like innovation, risk mitigation, sustainability, support on Merger and Acquisition, new business opportunities and more.”

members. By improving the sourcing culture of a company and increasing its maturity level, collaboration will be enhanced, thus producing extraordinary results.

Now, all of this sounds well and good, but as to how to go about this feat of cooperative magic, I asked dos Remedios to patiently and simply break the process down into proactive steps that all companies can take. But, before we could dive into that, dos Remedios was gracious enough to point out some of the problem areas that prevent procurement from thriving. By bringing them to light and addressing each one, we can then shift our mindsets and move toward sustainable change.

Dos Remedios wastes no time in pointing out one huge problem, while also providing a disturbing statistic, stating that, “75-90% of procurement organizations are only operating at foundational capacity levels.” He attributes this subpar performance to three main things: immature processes, lack of integration with other departments, and a lack of automation. But, one might be wondering, as I was, how you go about gauging the level of maturity of your procurement

department. Dos Remedios suggests asking these four main questions as a form of self-assessment in rating maturity levels:

1) Are We Innovative? Use of cutting-edge technologies, such as AI, etc.

2) Are We Strategic? Incorporation of SRM programs, business partner recognition, and sustainability programs

These first two questions, according to dos Remedios, reveal a higher level of maturity, while the following pair point to a lower maturity level, simply focusing on functionality:

3) Are We Operational? Majority of actions only focused on cost savings

4) Are We Tactical? Reactive versus proactive, operating on a need-only basis (survival mentality) ex. Sourcing on an order by order basis

Dos Remedios then provides us with further food for thought, voicing one other major reason that procurement is being paralyzed, or pigeon-holed, if you will, “There is a reluctance to bring procurement into all conversations [decisions in a business], yet [they] can be so much more than only a source of savings, providing things like innovation, risk mitigation, sustainability, support on Merger and Acquisition, new business opportunities and more.” After lamenting this limitation currently being placed on procurement in today’s industry, dos Remedios immediately follows with a strategic solution via a bold call to action. Specifically, he exhorts companies to focus on holistic collaboration as a core value, “It is vital that we adopt an unconditionally inclusive mentality.”

We are all in the same boat, on the same journey. So, how do we make it our procurement reality? Dos Remedios points immediately to the magical switch: management. Specifically, he calls our attention to the importance of management aligning its objectives across all functions, then focusing on five key factors, based on the ADKAR model developed by the founder of Prosci, Jeffery Hiatt, to implement this change within the organization:

✓ **Awareness:** of the need for change, and of the nature of that change

✓ **Desire:** to support the change, and to participate and engage in the change

✓ **Knowledge:** of how to change, and of how to implement new skills and behavior

✓ **Ability:** to implement the change, and to demonstrate performance

✓ **Reinforcement:** to sustain the change, and to build a culture and competence around change

It is often said that the only constant in life is change. In procurement's case, at least according to Dos Remedios, the first step in successfully moving forward

**“Coming together is a beginning.
Keeping together is progress.
Working together is a success.”
-Henry Ford**

is to recognize that change is inevitable, to embrace it, and to simply start the journey by including procurement in more business decisions. Legendary businessmen and strategic giant Henry Ford perhaps said it best: “Coming together is a beginning. Keeping together is progress. Working together is a success.” This could indeed be seen as the Golden Rule to move the procurement organization forward.

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procuring a legacy

By
Ronald Hedley

Rendi Miller is VP of Procurement at Zendesk. We recently sat down to discuss the attributes of quality customer service. While our conversation did deal with customer service, it soon evolved into something much more significant. Perhaps the inaugural words of JFK capture the essence of our conversation best, "Ask what you can do for your country."

Our conversation began pragmatically as I asked Miller, "Why did you take a job at Zendesk?"

"It was a great opportunity to expand my scope of influence and grow my career. Things were great [at my previous job], but sometimes doors open, and you need to walk through them," explained Miller.

core values

What were these new opportunities that presented themselves at her new company? Miller explained, "One of the things that attracted me to Zendesk was that their core values are in line with my personal values. It's really good to work for a company that aligns with [me] personally."

According to Miller, Zendesk's core values are to focus on great relationships, practice empathy, and be

humblident (humble and confident smashed together). She then explained, "Zendesk has a Corporate Social Responsibility (CSR) team that facilitates community service. We partner very closely with St. Anthony's Foundation, Glide Foundation, De Marillac Academy, and many more. We also work with Meals on Wheels and Cycling for Seniors. This was definitely one of the draws to Zendesk."

Miller sees a direct correlation between her volunteer work with Zendesk's charity organizations and customer service. "[I've] always been very service oriented. That's the kind of person that I am. The

older I get, the more I realize that I have a knack for understanding what people [need] and helping them get it. Throughout my career, whether it be as an entrepreneur in the retail space, working for a non-profit, or doing volunteer work, and now, in procurement for almost 20 years, [I know] that quality customer service has been the foundation [of my success]," Miller explained.

customer service

Miller believes that quality customer service requires knowing your customers. She added, "I think customer service is understanding what your customers think they need and delivering to them what they didn't realize they needed. It's your job to figure out how [to] deliver to your customer. You've got to spend time with them. You have to know what's available to them and how much they are willing to spend."

She then offered a quintessential example of quality customer service, "I was working with our marketing team on an upcoming renewal or replacement of our

creative agency [vendor]. Our executive management was extremely happy with the deliverables produced by the agency, but our team that worked with them struggled to get the support they needed within desired timelines." In other words, sometimes they were late with the deliverables produced.

Miller continued her story, "The agency was offering a renewal contract at an increased price, arguing [that] they were losing money [because of] how much time they were investing. The marketing team, on the other hand, wanted to go to market [to find] a new agency, but [they] had concerns with how executive management might respond, given their high level of satisfaction with the outcomes the agency was delivering."

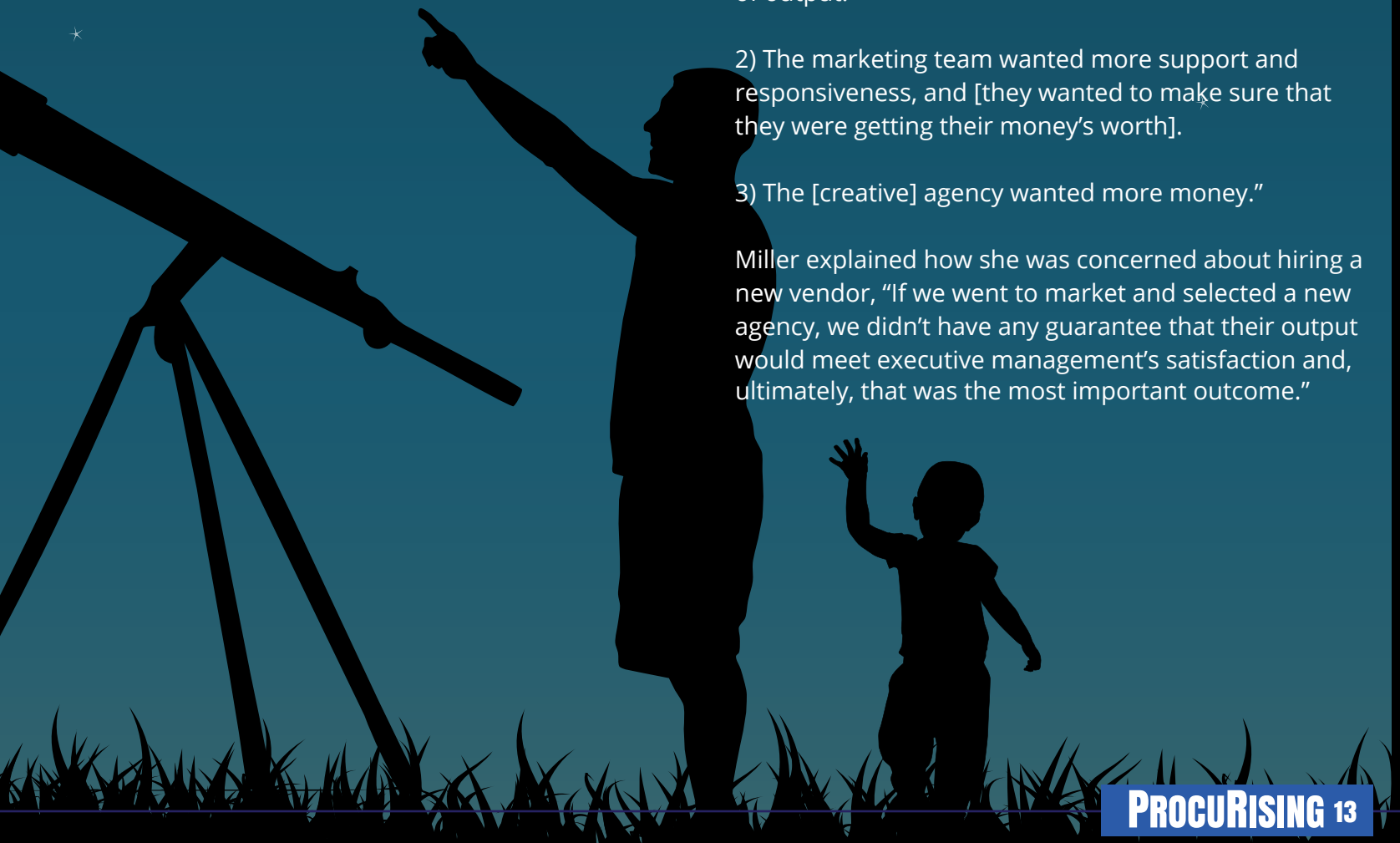
The plot thickened as Miller added, "The marketing team also didn't want to pay an increased price for what they considered [equivalent] work. As I listened to each party represented, I determined the following things:

1) Executive Management wanted the same quality of output.

2) The marketing team wanted more support and responsiveness, and [they wanted to make sure that they were getting their money's worth].

3) The [creative] agency wanted more money."

Miller explained how she was concerned about hiring a new vendor, "If we went to market and selected a new agency, we didn't have any guarantee that their output would meet executive management's satisfaction and, ultimately, that was the most important outcome."



“Sometimes you have to listen to what is NOT being said. When you ask what works or what they want, you have to read between the lines. When you listen to what is not being said, you might hear what they need.”

Fortunately, Miller had an answer. “My solution was to renew our contract with the existing agency at a slight increase. I built a bonus/penalty structure into the agreement with very specific criteria for both,” she explained.

The bonus/penalty structure satisfied all parties involved. “If the agency under-performed, they were charged a fee that was deducted from our quarterly retainer. If they performed at status quo, we paid the negotiated contract retainer. If they over-performed, they had the ability to earn a bonus over and above the quarterly retainer,” Miller said.

The story ended happily ever after. “It was a win-win for everyone. But it was not what my business partners thought they needed when we began the conversations about renewing the agreement.”

So, what did Miller learn from this experience? “Sometimes you have to listen to what is NOT being said. When you ask what works or what they want, you have to read between the lines. When you listen to what is not being said, you might hear what they need,” Miller stated.

Parents’ Influence

Miller believes she learned the patience that it takes to be a good listener from her parents. She has great respect for them because, for one, they were caring

foster parents. “I have a foster brother that my parents have pretty much adopted. Growing up, my parents fostered quite a bit,” she stated proudly.

Her dedication to foster care is not the only reason Miller respects her mom. “My mom is an amazing woman. My parents moved to the West Coast from the East Coast without an education and \$75 in their pocket. After years of hard work, she and my father became successful entrepreneurs. Looking at my mom and seeing that she didn’t let anything hold her back, especially in a time when women were typically homemakers, really inspires me,” explained Miller.

Her praise for her mom continued, “She showed me that she could be a full-time working mom and still manage a family and a household, and [she] showed me that I didn’t have to choose one or the other. As a child in the ’70s, I never felt that, because I had a working mom, I missed out on something. She’s been a true inspiration to me and has shown me what I can do with my opportunities.”

Because of her sibling foster experience, Miller was motivated to continue the family legacy. “I worked for a foster care agency when I lived in Orange County. My role there was to recruit and train potential foster parents,” she shared. Her job also entailed giving the foster parents on-going support and placing children in their homes.

Miller explained how her multiple foster care experiences have had a positive effect on her procurement career, “It goes back to that core of what I’m passionate about. It’s serving people and helping them find what they need. I was able to connect children that needed families to parents that wanted to extend their love and [care] to another child. To get those children into a loving environment, [to] see them change and blossom and grow was very rewarding.”

Helping Children in Africa

Several years ago, Miller traveled to Kenya. It had a profound effect on her. She explained how she got involved with a charity called Milele Home (milele means “forever” in Swahili). “I was there with my best friend who supports children in Kitale, Kenya. A few years later as a junior in college, [my friend’s]

daughter, Cassie Fields Furnari, started the Milele Home for street kids.”

Miller continued, “The Milele Home provides opportunities, encouragement, and education for teenage street children. [The goal is to help them] rise out of poverty and become leaders in their communities. Cassie is taking teenage boys who are living on the streets and giving them a milele (forever) home. I have been involved with them ever since.”

Miller explained how and why the funds were raised, “Cassie solicited sponsors for her home. She got the boys into boarding school, [which was no easy] feat because they can’t go to school unless they have purchased their uniforms, shoes, books, everything.” In addition to the costs of an education, there is a negative perception surrounding street children and many people are unwilling to help.

The work did not end there. “Beyond that, Cassie found them a home because of what was happening during breaks in school. [The boys] didn’t have any place to go. The risk of returning to the street was huge. [We thought] that we might lose them to drug abuse or other abusive situations during those breaks in the school year,” Miller stated.

Miller then explained her role. “[Furnari] enlisted a local pastor and his wife, who graciously offered to take these boys into their home. Their home wasn’t large enough to accommodate all the boys, so Cassie solicited more support and found a bigger home. The funding is managed by Cassie and her team to help Pastor Joel and Margaret Juma run Milele Home. I am part of supporting the bigger home.”

The results have been miraculous. “What started with seven boys has grown to 22 boys that have been rescued from a life of hopelessness on the streets to a life of love, acceptance, care and education: A life filled with hope,” explained Miller.

Transcending Procurement

Procurement is more than just a job for Miller. “I really do love it. I love that I get to know so many people, and that I [interact with] every single department in the company. Pursuing a career, working hard at it,

“The results have been miraculous. What started with seven boys has grown to 22 boys that have been rescued from a life of hopelessness on the streets to a life of love, acceptance, care and education: A life filled with hope.”

and being successful has enabled me to fulfill a lot of other passions in my life. And one is supporting these children [in Kenya]. Not just there, but I also do volunteer and charitable work here in our own backyard,” she explained.

Her backyard is California. “I volunteer in Santa Cruz. I have done work with Project Homeless Connect and with a women’s shelter and crisis pregnancy center. I got involved through my church, but it’s an entire community service effort that helps these organizations in Santa Cruz,” Miller explained.

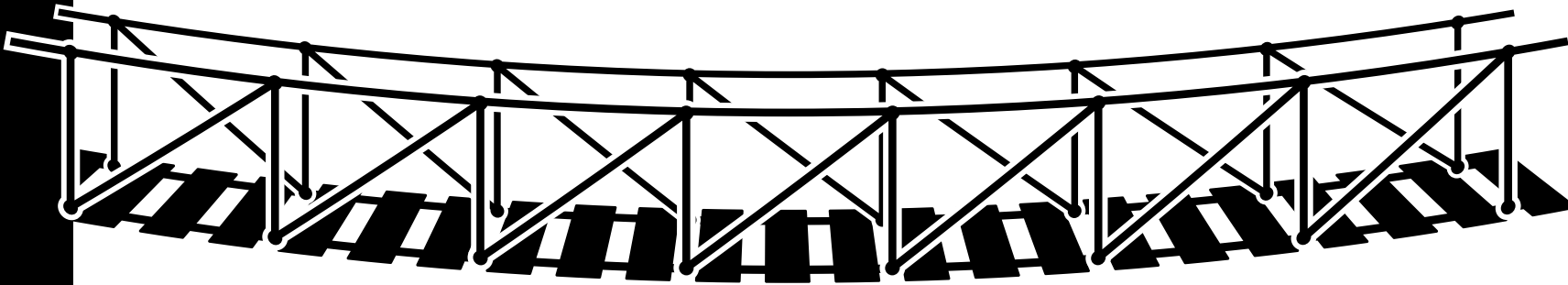
When I asked Miller if she felt that she was carrying on her parents’ legacy, she responded by saying, “If I can do half of what they did and impact a few lives, I will be grateful. They have impacted a lot of different people in many ways.” In her own humble way, Miller is an inspiration to others, showing how one person can make a positive difference in the world.

“Efforts and courage are not enough without purpose and direction.” —John Fitzgerald Kennedy

*Note: Cassie Furnari is looking to expand Milele Home in Kenya. If you are interested in learning more, click on this link: <https://www.milelehome.org>.

MAXIMIZING INVESTMENT

CROSSING THE BRIDGE TO FULL ADOPTION FOR SOURCING TOOLS



By Jane Zhang, Co-Founder & COO, ETCH Sourcing

Sourcing is an amazing field because of its ever-evolving nature. Businesses are always coming up with innovative ways to partner with each other, and as the engine behind supplier connections, the sourcing industry is currently in a period of technology innovation and growth to develop new tools in order to support this critical function.

These days, sourcing has more options than ever to augment its toolkit to better service the businesses they support. With such a wide array of different products on the market that can support the various sourcing functions, ranging from full end-to-end solutions to specialized technology that excel in servicing specific needs, the challenges faced by sourcing leaders are selecting and adopting the right tool and features to elevate their teams' delivery capacities. Similarly, organizations are further recognizing the value sourcing has to offer and are taking the steps to invest in the tools to support these teams.

Having completed a market analysis, chosen the right technology for their needs, implemented the new eProcurement technology and provided technical training to their team, sourcing leaders expect to see the fruits of this investment. However, they soon find that the sourcing teams are not using the new tool for even half of the features purchased, or, in some extreme cases, they find that their teams are not using the new tool at all, opting instead for exemption pathways or work arounds. The feature for bidding on the new Sourcing module gets ignored in favor of the old word document template that is sent out via email, which is then attached and loaded for 'compliance purposes' within the tool. In that case, suppliers are created with the minimum required information, which doesn't help supplier insight grow, or maybe everyone is using the tool's basic functions, but the enhanced feature set that was paid for remains neglected ... Is any of this sounding familiar?

If users know how to use the functionalities within the tool, then why aren't they using it?

The most effective adoptions of eProcurement technology occur when they're supported by an integrated sourcing process that is founded in simplicity and ease. After all, water always flows downstream.

When a user must stop and pause in a project to wonder if there is a need to click the next button on an event, or if approval should be obtained first, it creates a drop in the bucket of adoption resistance. When a user has built an RFP outside of the tool, then realizes a week before it is being released that the RFP within the tool itself must be rebuilt, it is yet another drop in the bucket. As each of these small drops add together, they form a wave of adoption resistance that eventually cumulates in the new investment being under-utilized, none of which is the fault of the technology or the people.

Process development and training will help build the bridge to close the gap between reality and the promised land of maximizing all of your features. By bringing in these new features and functionality, there is the potential to simplify sourcing. Also, previously complex tasks can be simplified and increased in efficiency through proper process mapping and

optimization, time to purchase can be sped up by efficient tool configuration, and user adoption can be facilitated by functional change management that is tailored to a team's needs. Now, the question remains: How does your team leverage all of these new features, and how do they integrate them into its day-to-day roles within sourcing? A technology implementation will teach users how to use the bidding feature of an eProcurement tool. An integrated process will teach teams when to use it, and how to use it in the most efficient manner.

Strong sourcing results in strong contract and supplier relationships to hold up the business. It is not enough to say: "This is how you do it." Instead, we must help our sourcing teams to understand by saying, explaining, and showing, "This is why you do this, and here is how it benefits you and the company." Instead of handing your teams a tool and showing them how to create an RFP, it is vital to show them how the tool can make the procurement process easier. They must be shown how they can collaborate with their business unit requestors on these documents, how they can save time and expand their supplier lists by using the supplier data bases, how they can leverage the spend summaries to save them from doing extra work and still gain insight on the overarching supplier relationships with a particular supplier across the whole business.

Here are a few questions that you should be asking in order to help you maximize the adoption of tools:

- What part of my existing process is no longer needed or is made more efficient by this tool?

Eg. RFP response summaries for simple bids become automated

- What part of this tool makes my users' lives easier, and can I quantify this improvement?

Eg. Time to release and approvals are easier to obtain through enhanced connectivity

- Is the next step in the process something that is logical, or do my users need a map? If they need a map, is it easily accessible?

Eg. Approvals for award are logically built in or easily accessible

It is vital to make this process easy for users so they don't need to ask, "Do I need to do anything else, or can I hit the next button now?"

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