

A Strategic Plan for 2024 and Beyond

To help CPOs address the current challenges in today's macroeconomic environment while meeting their goals, ProcureAbility has developed a seven-step action plan with an emphasis on prioritization, broken down to take to confront near-term pressures and advance longer-term, transformational initiatives.

NEAR-TERM ACTIONS

01 Project pipeline development

- Conduct a review of your current pipeline of active and planned sourcing projects to estimate the magnitude and timing of potential savings and other value-added impacts, and compare those estimates with your 2024 savings targets to understand gaps.
- Initiate opportunity assessment efforts focusing on spend analysis, market assessments, and stakeholder validations to further identify potential strategic sourcing and supply chain improvement opportunities that will address gaps in savings and other value-added impacts.

02 Multi-level engagement with business teams

- Identify key business stakeholders/buying decision makers across functions and at multiple levels of your organization and set up regular engagements to understand their business needs, priorities, and plans for 2024 and beyond.
- Leverage these meetings to validate savings and other valuable opportunities identified during the project pipeline development step.

03 Supply risk and supplier relationship management

- Conduct a deep-dive assessment (utilizing frameworks such as the [Kraljic Matrix](#)) of your current supply base to identify key/strategic suppliers and any risks to the continuity of supply for the products/services procured from these suppliers.
- Develop mitigation plans to manage supply risks, such as strengthening relationships with your key suppliers to ensure continuity, and developing new sources of supply through focused supplier development efforts that reduce supply risk caused by geopolitical or supplier-specific disruptions, keeping in mind critical factors like geographic location and security of trade routes.



Let ProcureAbility help you drive transformative change in 2024 and beyond

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LONGER-TERM, TRANSFORMATIONAL ACTIONS

04 Procurement organization enhancement

- Review your current organizational structure and governance model while considering changes to your existing structure and operating model that would better address your current business needs, improve efficiency and speed of tactical procurement processes, and enabling increased focus on strategic sourcing and category management efforts.
- Identify your resource and skills gaps of current procurement personnel to effectively lead category management, sourcing strategy and negotiation efforts, and develop hiring and training plans to address them.

05 Policy and procedures alignment

- Review your current procurement policies and procedures to improve their efficiency and ensure they are aligned with the changing needs of the business. Look to refresh or update policies for matters such as approval/signature thresholds, competitive-bid requirements, small or diverse supplier usage, and procurement engagement requirements.

06 Procurement technology roadmap

- Assess your current procurement technology stack to better understand their effectiveness in supporting your existing procurement processes, and your team's current needs and vision for the future.
- Develop a multi-year roadmap for technology changes/updates to improve the speed, efficiency, and effectiveness of your team by potentially addressing areas such as category management, sourcing/negotiation process, procurement operations, contract lifecycle management, spend analysis, marketing intelligence, and benchmarking (see ProcureAbility's [Five Bold Procurement Predictions for 2030](#)). Explore various technologies including AI and machine learning offerings to assess their applicability while developing your technology roadmap.

07 ESG programs

- Address your organization's ESG goals by establishing a robust [ESG program](#) for your procurement team, focusing on current state assessment, metrics, baseline and targets, action plan development, communication, and progress measurement.
- Establish SMART goals that are **Specific, Measurable, Achievable, Relevant, and Time-Bound**. Be ambitious and create these goals as a team to ensure buy-in and accountability.