Enterprise Success:
Strategic Sourcing in the Age of Collaboration

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A little about Adobe...
Changing the World
Through Digital Experiences
Adobe is one of the largest and most diversified software companies in the world

- ~18,600 Employees in 37 countries
- 35 Years of revolutionizing industries
- $7.3B FY2017 Revenue
- 76% Of employees work in LEED certified workspaces
- ~4,300 Patents*
- $36.4M Given to the community in 2017

* As of June 2018
Scout Overview
SCOUT AT A GLANCE

119,000+ Users
117+ Countries
$21B+ Spend Managed

155+ Brands

TODAY

FOUNDED 2014
POLL QUESTION (raise of hands):

Given dynamic environments, what’s the most pressing challenge in your organization?

A. Organization headcount / bandwidth concerns
B. Ability to influence within the business
C. Sustained value creation and measurement
D. All of the above
Challenges in our ‘Sourcing World’

- Rising globalization
- Intense competition
- High customer expectations
- Rapid change & tech adoption
Figure 1. Problems tied to a lack of flexibility—including the inability to experiment with technology, persistent ties to legacy systems, and rigid organizational silos—are the most substantial barriers to companies’ ability to make effective use of digital technologies.

Percentage of respondents identifying each as a significant barrier.
Figure 1. The use of digital technologies in noncustomer-facing operating activities, including sourcing and procurement, lags behind technology utilization for other critical business activities.

**Percentage of respondents reporting that digital technologies have made a positive business impact in each category**

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improving customer-facing touch points and experiences</td>
<td>72%</td>
</tr>
<tr>
<td>Increasing agility</td>
<td>72%</td>
</tr>
<tr>
<td>Better utilization of assets</td>
<td>70%</td>
</tr>
<tr>
<td>Growing existing markets/segments</td>
<td>69%</td>
</tr>
<tr>
<td>Launching new products and services</td>
<td>68%</td>
</tr>
<tr>
<td>Reducing costs</td>
<td>63%</td>
</tr>
<tr>
<td>Creating new markets/segments</td>
<td>63%</td>
</tr>
<tr>
<td>Improving decisions (e.g., better view of performance and customers)</td>
<td>62%</td>
</tr>
<tr>
<td>Increasing market share</td>
<td>61%</td>
</tr>
<tr>
<td>Improving noncustomer-facing operations including procurement</td>
<td><strong>60%</strong></td>
</tr>
<tr>
<td>Improving regulatory compliance</td>
<td>55%</td>
</tr>
<tr>
<td>Improving pricing capabilities</td>
<td>55%</td>
</tr>
<tr>
<td>Launching new business models</td>
<td>53%</td>
</tr>
</tbody>
</table>

Source: HBR survey of 376 senior executives, 6/16
Despite constant change and challenges, where are the opportunities?

✓ Listen…remodel…automate…educate ➔ partner with stakeholders to achieve goals and objectives

✓ Execute successful cross-team, collaborative plans

ONE REASON PEOPLE RESIST CHANGE IS BECAUSE THEY FOCUS ON WHAT THEY HAVE TO GIVE UP, INSTEAD OF WHAT THEY HAVE TO GAIN.

Easier said than done…where to start?

RICK GODWIN
The power of collaboration: Dr. Shelle VanEtten de Sánchez at TEDxABQWomen

https://www.youtube.com/watch?v=VmQVNE-MbKI

(Note themes you hear in her talk)
Peer Benchmarking:

What things have you done to foster collaboration with your peers, supply base, and business partners?
Collaboration Goals in Strategic Sourcing

1) Dismantle barriers with the business

2) Increase business impact (top and bottom line)

3) Foster seamless communication and partnership

Innovative idea to approach this?

Sales / Sourcing Funnel
Sales Funnel

- Opportunity
- Pipeline
- Sales
- Negotiation
- Contract
Sourcing Funnel
Great sourcing teams manage a pipeline

Key Pipeline Indicators

- Conversion rates between stages
- # of opportunities created (X period)
- # of meetings & touch points (X period)
- Opportunity values by category
- Average cycle time by stage & person
- Stuck opportunities in the pipeline
- Critical: Lost opportunity analysis

Goal: Quota Coverage
Awareness: Proactively identify future opps
Nurture the pipeline, show the value to the business

Opportunity
Pipeline
Sales/Sourcing
Negotiation
Contract

Develop interest early

Guides & Profiles
Pretty sure you’ve got this part covered...
Celebrate the wins: Reinforce right behavior

Opportunity

Pipeline

Sales/ Sourcing

Negotiation

Contract
Summary

➢ Constants: challenges and change
➢ Identify/prioritize those ‘barriers’ and leverage opportunities to overcome
➢ Collaboration (if done right) leads to better results
➢ How? Active listening, flex your EQ, and be willing to pivot as needed

Goals:
➢ Dismantle barriers with the business
  ▪ Align on common opportunities and goals through easy-to-use technology
➢ Increase business impact (top and bottom line)
  ▪ Align on metrics and targets for incremental revenue and/or OPEX reduction
➢ Foster seamless communication and partnership
  ▪ Align on negotiation strategy and shared goals to achieve win/win outcomes
THANK YOU!

Questions?

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Group Exercise: “The Worst-Case Scenario”

**Situation:**
- You’ve been left on a deserted island in the South Pacific by a tourist company.
- Everyone brought a ‘daypack’ with the items you’d normally bring on a day trip (personal for each of you).
- Good news & bad news: you know the company will be back…it’ll just be exactly one week later.

**Instructions:**
- Partner up one or two people next to you.
- Come up with your team survival strategy.
- Vote as a group to agree on your final strategy with your collective needs/wants.

Finally…you have 5 - 10 minutes…GO!
Session information and evaluation how-to’s

Why?

- Your feedback drives SIG Event content
- By signing and submitting your evaluation, you are automatically entered into a prize drawing

How?

From the App:
1. Select Sessions
2. Select Day
3. Select Session
4. Click on Clipboard Icon
5. Complete and submit evaluation

This was session # 14

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