Wednesday Featured Keynote

How Relevant Will Sourcing/Procurement Be in 2020?

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How relevant will Sourcing/Procurement be in 2020?

The Procurious extended outlook:

76% procurement will thrive but their value proposition will not be understood by the business

51% future procurement model of agile business advisors

49% workload self-identified to be tactical, and yet…

58% we believe that a majority of our tasks cannot be automated
How relevant will Sourcing/Procurement be in 2020?

In contrast:

- In 2007 Aberdeen Group stated 75% of procurement teams’ primary focus was cost savings.

- In 2011 Ariba projected that in 2020, procurement:
  - would be more closely aligned to business strategy
  - would drive supplier innovation
  - would develop closer relationships with critical suppliers; and
  - the function itself will be the driver of organizational change.

- In 2018, Deloitte CPO study identified cost reduction as the primary business strategy for 78% of procurement leaders.
6+ Years our vision has been to provide access to affordable, high-quality eye care and eyewear to the world.

Today, VSP Global remains a doctor.governed company that exists to create value and access for our:

- 39,000 VSP Network Doctors Worldwide
- 88 Million Members Worldwide
- 60,000 Clients Worldwide
- 6,000 Employees

Through VSP Global Eyes of Hope®, we also bring access to eye care, eyewear, education, and disaster relief to where it's needed most around the globe.

- 1.6 Million People in Need Helped to See
- 8,500+ VSP Network Doctors Participating Annually
- 550,000 Miles Driven to Deliver No.cost Eye Care

vspglobal.com
Top of Mind

- **Engagement**
  - Trusted advisor journey
  - Self-service model

- **People**
  - Continue to invest
  - Structured, curated development plans focused on trusted advisor journey

- **Process**
  - Kill a rule, courtesy of Lisa Bodell
  - Automate, optimize and/or jettison
  - Balance compliance aligned to the needs of the business

- **Technology**
  - Integrate best of breed solutions
  - Deliver a supplier management program
Capital One Financial

- Highly competitive and heavily regulated
- Digital transformation arms race well underway
- Competing with Tech companies and FinTechs

- 2017 Revenue at $27B (Fortune 100)
- 24 year old company
- 49,000 associates and >70M customer accounts

- 21 years in the making...
- “Change Banking for Good”
- Everything being done in the company links to this
Enterprise Supplier Management (ESM) Overview

1. Sustain execution excellence
2. Prepare our associates and internal customers for the future
ESM 2020: Structured approach to embracing new technology and big data to prepare for the future:

Why are we doing this?
1. Avoid irrelevance
2. Stay ahead of the curve:
   • For our associates
   • For our customers
3. Competitive advantage

What are we actually doing?
1. Structured learning for SLT
2. Testing and learning (pilots)
3. Accelerated learning from peer organizations
4. Defining talent needs
5. Full transparency for our team
SIG Global Executive Summit

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Viet Ho
Chief Procurement Officer
10 October, 2018
About Russell Investments

• Russell Investments is a global asset manager that provides multi-asset solutions through our 5 world class capabilities: capital market insights, portfolio construction, portfolio implementation, manager research and factor exposures

• Russell Investments has approximately $287 billion in assets under management and works with 2,700+ institutional clients, independent distribution partners and individual investors globally

• Headquartered in Seattle, Russell Investments has nearly 1,380 associates in 22 offices globally

• Russell Investments’ Global Sourcing & Procurement (GSP) team manages over $1 billion in spend for both direct and indirect

• Russell Investments’ Corporate Transformation Services (CTS) team is responsible for global optimization efforts
• **What values** does your procurement team bring to the organization?
• What are your procurement **strengths**?
• How can you as **procurement leaders** chart a path for your organization that leverages your strength to bring the **most values** to your organization?
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