Getting Procurement a Seat at the Digital Transformation Table

J&J Design
Nigel Storey
Chief Operating Officer

Zemoga
Donald Edgerton
CEO

CI&T
Bruno Guicardi
President

Getting Procurement a Seat at the Digital Transformation Table

10/10/17 | 10:30 - 11:45 a.m.

CI&T Johnson & Johnson zemoga LatAm ALLIANCE a SIG Working Council

You will learn

- Which deciding factors are driving Digital Transformation sourcing
- Distinction between transactional x preferred partners
- How Procurement can add value in the decision process
- Ideas to engage your business counterparts

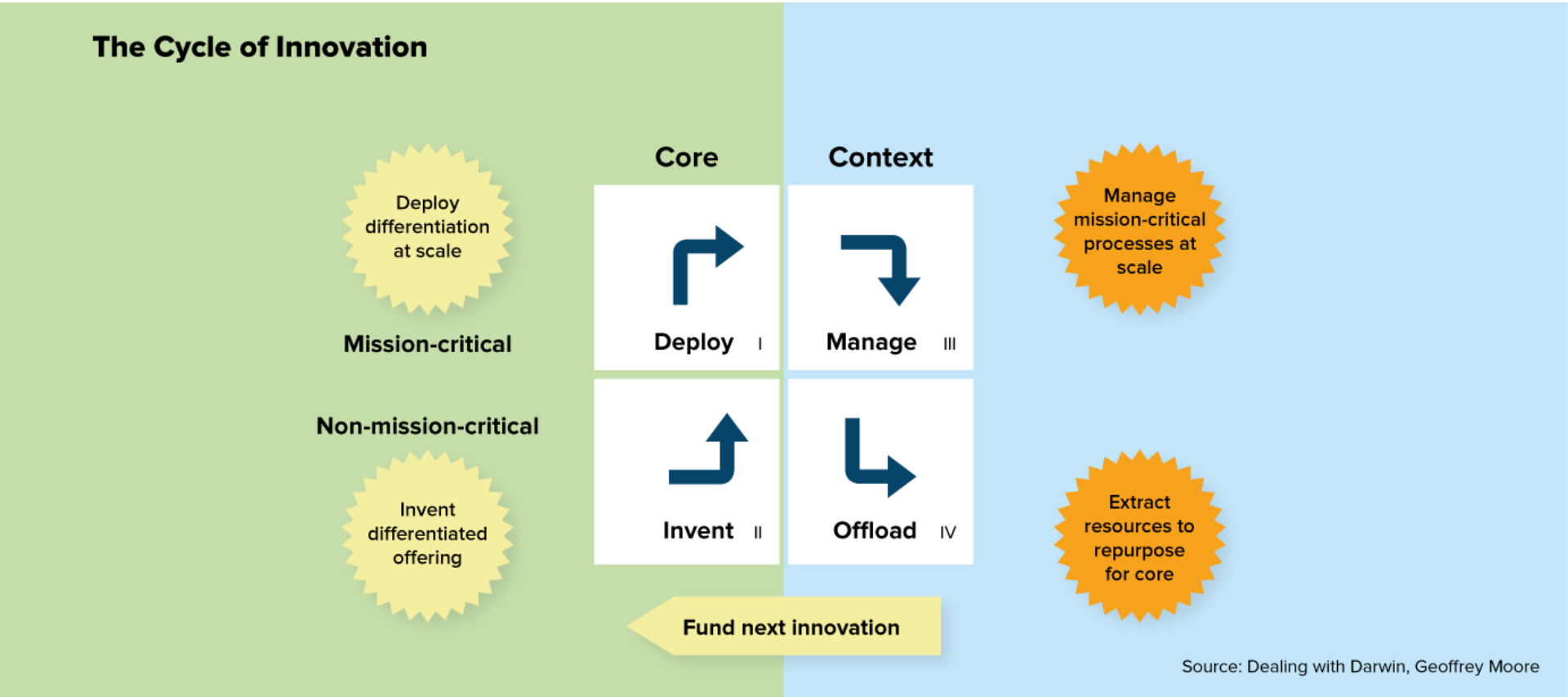
Agenda

1. Intros
2. Digital x IT (what has changed?)
3. The new deciding factors
4. Stories
5. Where is it going?
6. How can procurement add value?
7. Q&A

We would like to know ...

Are you already sitting on the decision table for strategic Digital engagements?

Digital x Traditional IT



Source: Dealing with Darwin, Geoffrey Moore

Digital x Traditional IT

Challenges

High level of unpredictability (ever changing customer behavior)

Ever expanding tech landscape

Responsiveness and adaptability

Time-to-market

Challenges

Reduce complexity (Standardization & Consolidation)

Reduce Unit Cost (labor arbitrage)

Source: Dealing with Darwin, Geoffrey Moore

The New Deciding Factors

- High level of unpredictability (ever changing customer behavior)
- Ever expanding tech landscape
- Responsiveness and adaptability
- Time-to-market

- Context
- Cultural alignment (initiative, relationship with work (passion), xxx)
- Ability to rapidly adapt to change
- Communication
- Collaboration
- "Proximity"
- "On the edge" of things (process, tech, tools)

We would like to know ...

Do you use the same process to procure Digital and "traditional IT"?

Stories

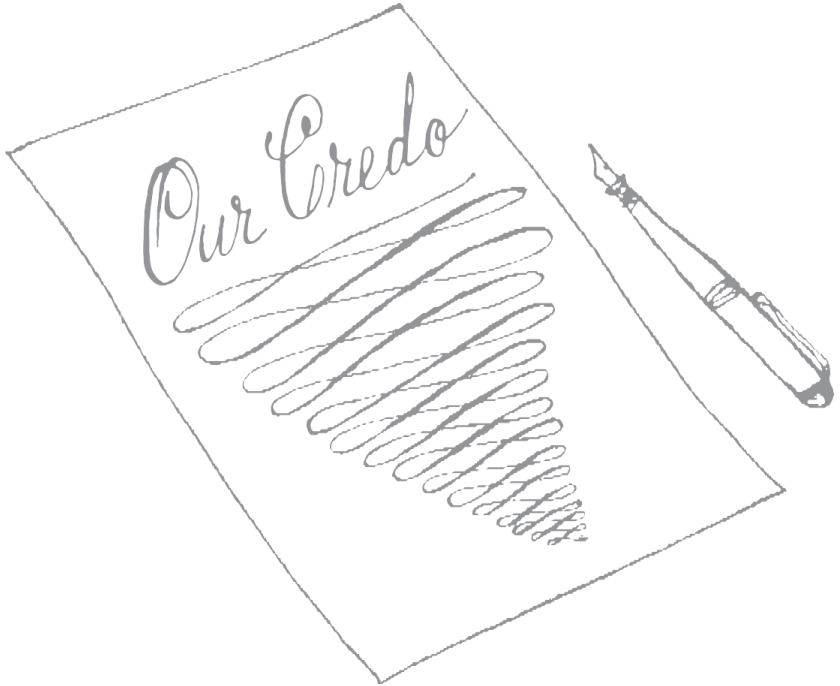
Johnson & Johnson

I’m Nigel.

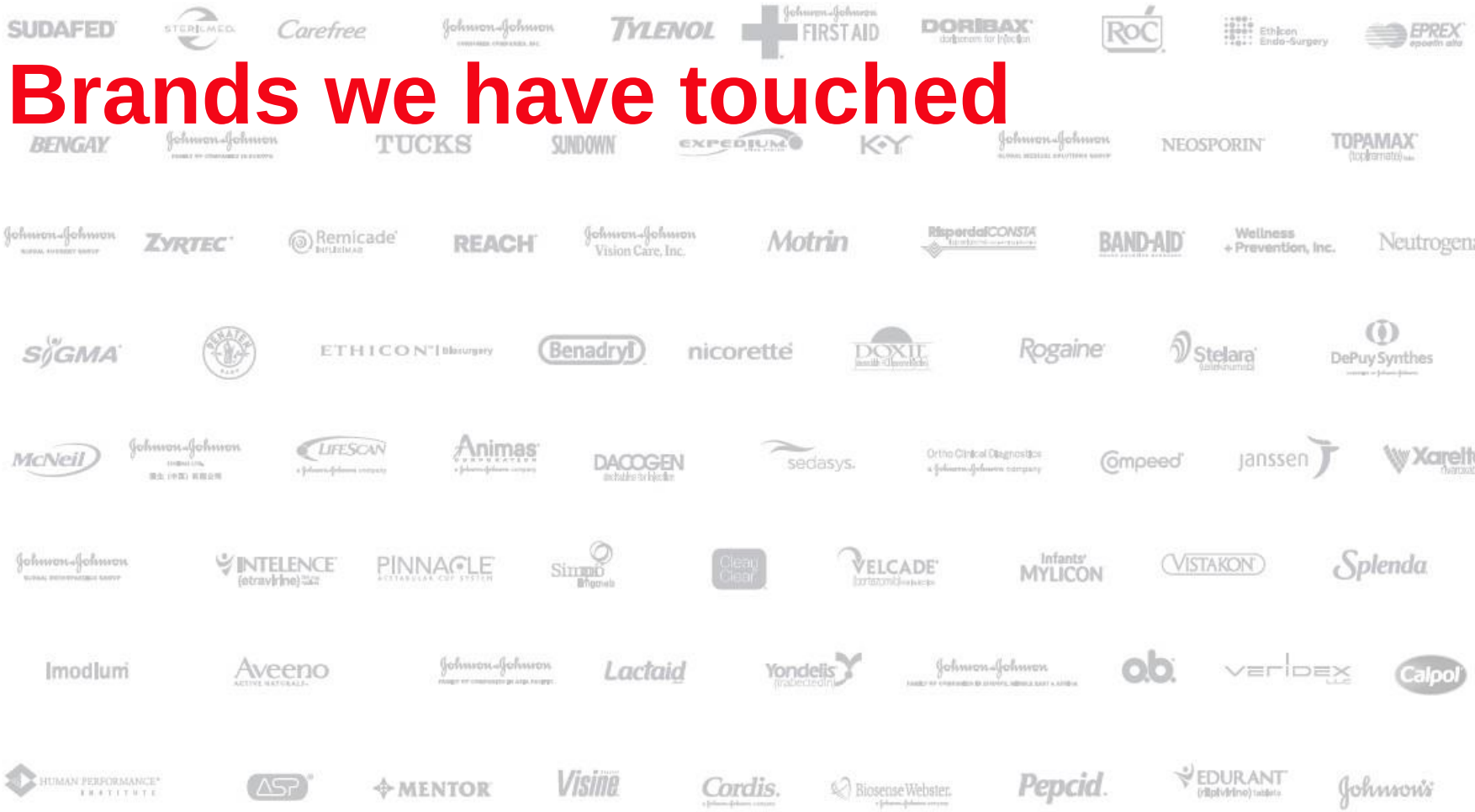
Disclaimer: The views and opinions expressed in this presentation are those of the author and do not reflect the official policy or position of Johnson & Johnson. Examples of data and analysis performed within this article are only examples. They should not be utilized in real-world analytic products as they are based only on very limited and dated information. Assumptions made within the analysis are not reflective of the position of Johnson & Johnson.

Credo Values

Challenges us to put the needs and well-being of the people we serve first!



Brands we have touched



Service Catalog

Welcome to the Application Services Catalog

Use this site to discover Service Information and Project Success Stories. We firmly commit to you - our IT partners across the globe - that we'll deliver better, faster, and more value application services than ever before.

Service Categories | **All Services (A-Z Listing)**

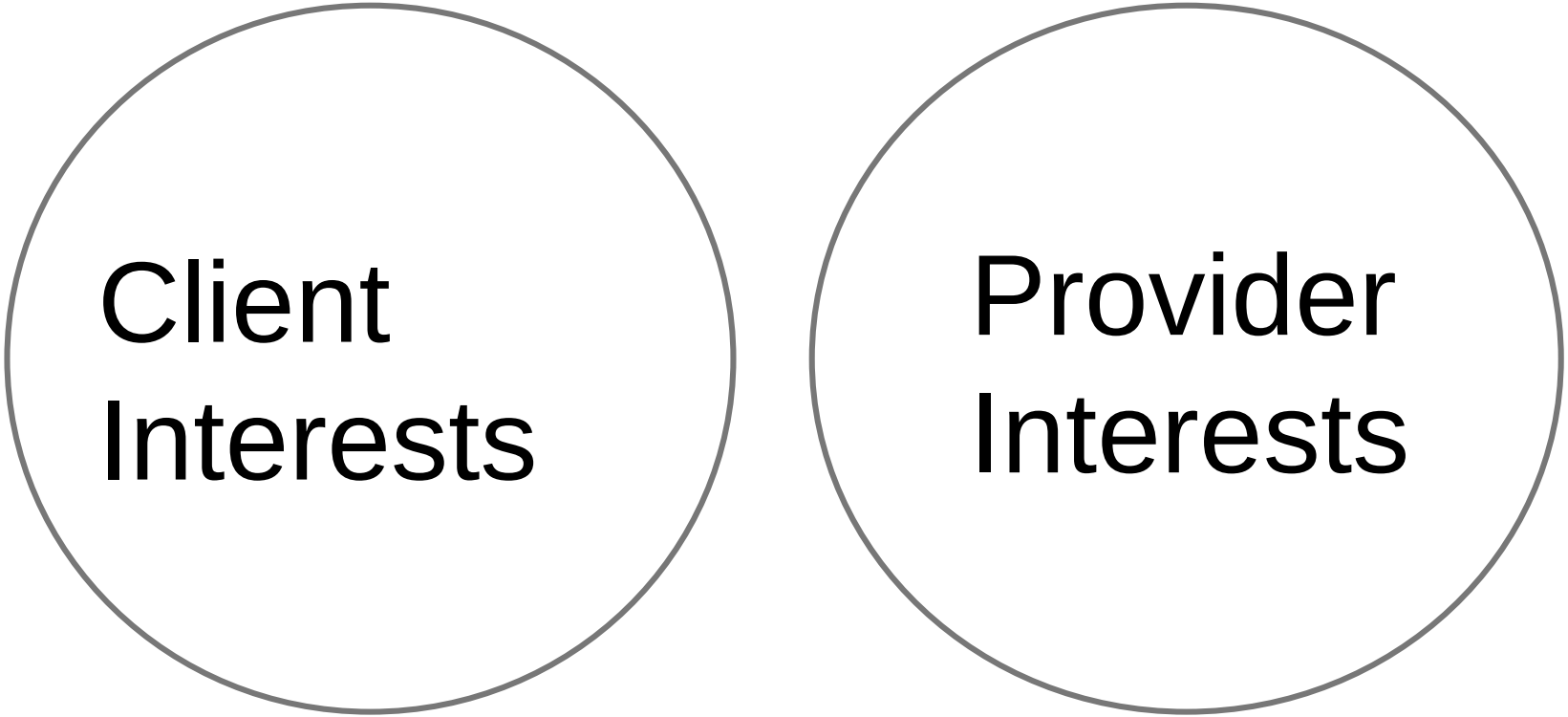
APPLICATION DEVELOPMENT SERVICES | APPLICATION SUPPORT SERVICES | PROFESSIONAL SERVICES

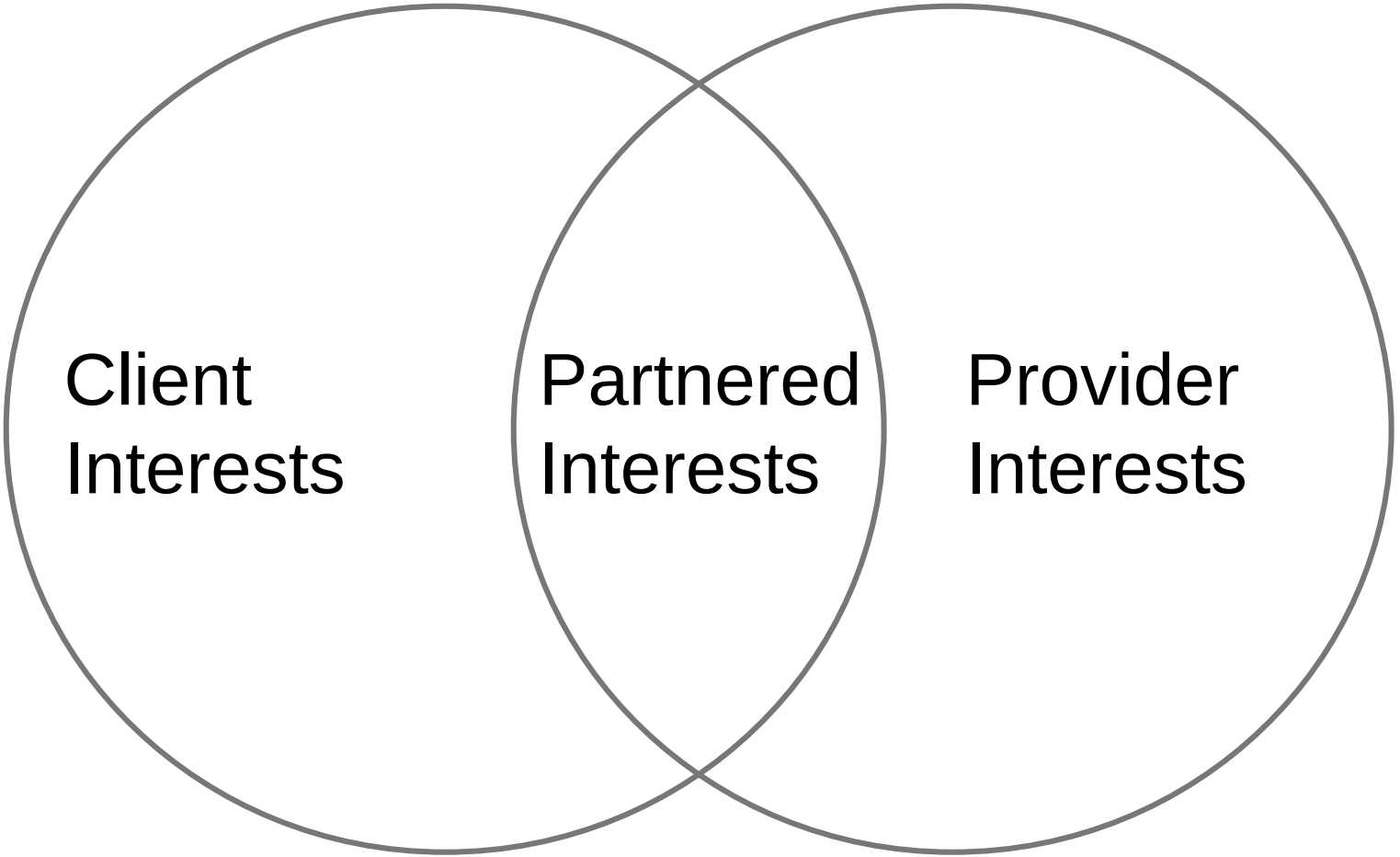
- Content and Collaboration Development
- Data and Analytics Development
- Digital Development
- Enterprise Applications Development
- Global Education Development
- Health Technology Development
- Quality and R&D Development
- Sales Force Effectiveness Development
- Supply Chain Development

- Brand Website Development
- Custom Web Application Development
- Digital Asset Analytics
- Mobile Application Development

QBRs
(Quarterly Business Reviews)

Preferred Partner Strategies


Client Interests
Provider Interests


Client Interests
Partnered Interests
Provider Interests

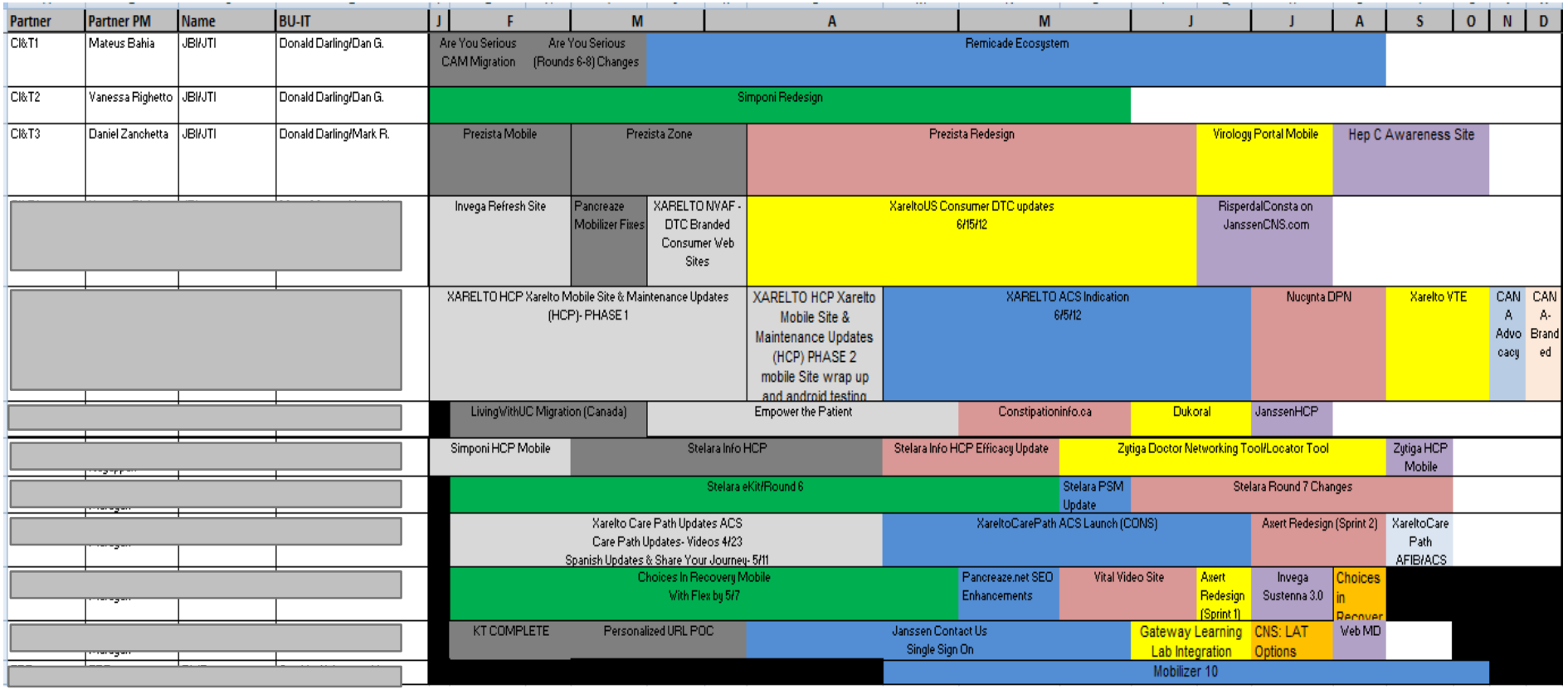
Site Benchmarking Visit

Project Names
Celebrating the Wins

719982534

Formalized Processes

NA Portfolio Planning and Management



Resourcefulness

Case Study

70 Pages of Changes
+ 1 Business Hour =
impossible mission

70 Pages of Changes
+ 1 Business Hour =
possible mission

zemoga

From The Horse’s Mouth

MORNINGSTAR

Jeff Hirsch- Head of Technology Products

“When procurement is aware of the detail of our need and the challenges we face, the outsourcing solutions they recommend are much better suited.”

In 2016, Morningstar Procurement was faced with a tough ask.

“Outsource like it’s one cube over with nothing lost in translation”

- We started with a small project “to help test a firm’s mettle”
- We needed to prove the tools we use match the internal teams standards and requirements
- They made the early vetting process match the need.

The Right Partner is in The Details

Project X - Actual questions from procurement vetting document
2 Billion
BerkHath Lead Investor

Detailed initial vetting included questions specific to project team needs short and long term.

- Do you have the infrastructure and tooling to provide product demos to Project X?
  (Please describe)

- What is your level of experience of integrating with security protocols?
  (i.e. experience with integrating SAML)

- What is your company's standard project management methodology?

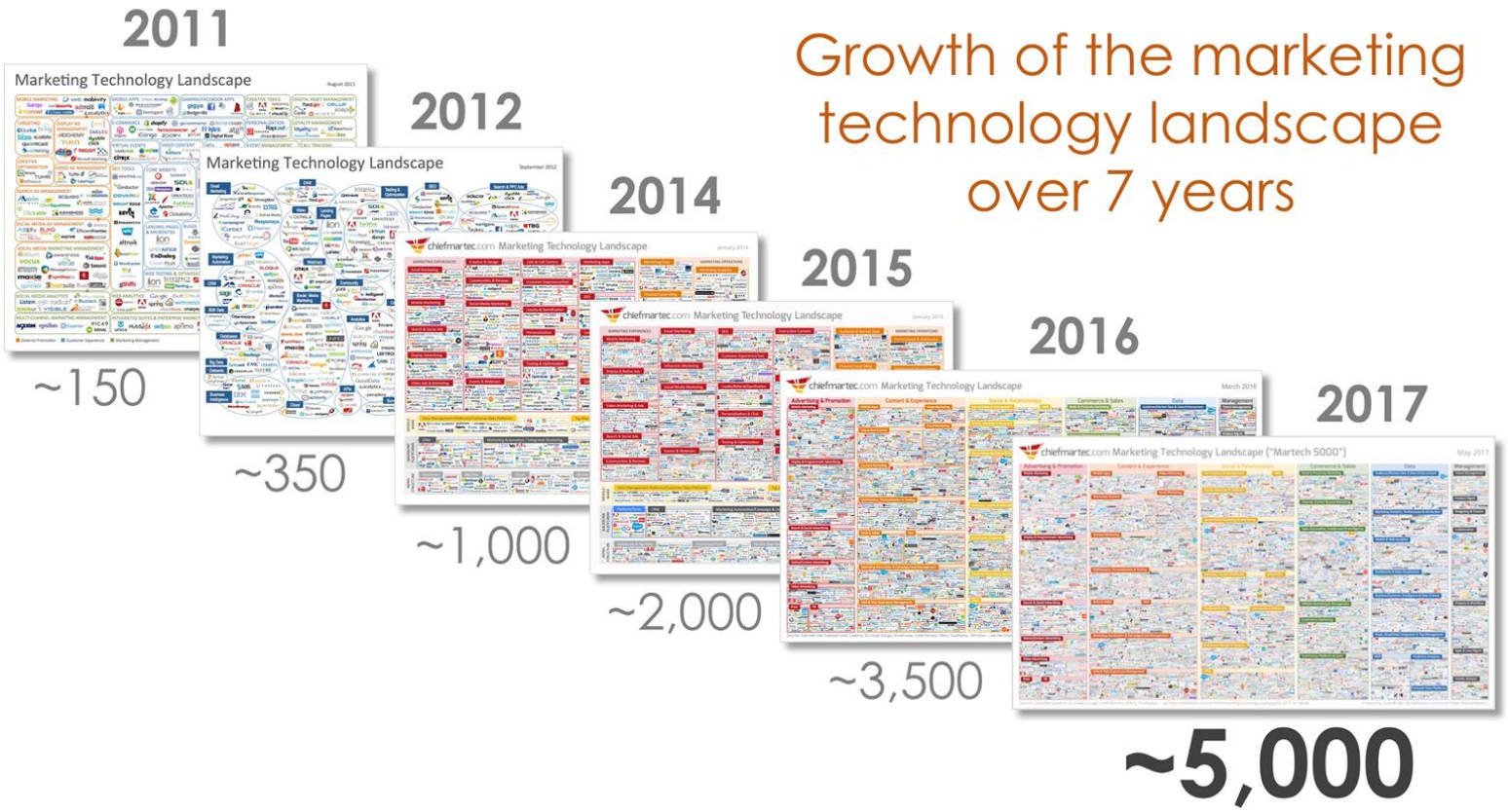
- How many certified project managers exist and of what type and qualification?

Project X -Actual questions from procurement vetting document
BerkHath Lead Investor

These questions included inquiries specific to Nearshoring and attempts at a peek into our culture.

- Is the English Proficiency of your staff measured through ACTFL standards?
- What % of your staff has studied in the United States?
- How many have valid US visa's for temporary or short term work in the US?
- If your firm is HQ is in the US, does your company prepare an annual Transfer Pricing Study?
- List the Top 5 of each of the listed items as voted on by your staff.
  - Films
  - Songs
  - Clothing Brands
  - Public Personalities

Where is it going?



We would like to know ...

How do you see yourself helping in the process?

How can procurement add value

- Get out of back office and more upfront
- Start by listening to your business counterparts and understand their needs
- Less transactional, more consultative approach
  - Owning the overall agenda of the relationship (QBR, value drivers)
  - Maintain the preferred partner lists
- Helping to screen a fragmented market
  - Being the first Point of Contact
  - Finding new players
  - Site benchmarking visits
  - Know the platform landscape for options being considered

How can procurement add value

- Helping to screen a fragmented market (cont.)
    - Assessing new deciding factors (Culture, communication tools, "edgeness", etc.) and adjusting for the old ones (Size, Regions operates, Services & capabilities offered)
- Helping to solve the complexity to engage with smaller players (startups)
    - Long lead-time for negotiations of small deals
    - Liability and indemnification clauses
    - Payment terms

How you can learn more?

- Join the Council … http://latamalliance.org/join
  - Complete the member survey to give your input and guide our efforts
  - Use Peer2Peer to request input from colleagues and members
  - Buy-side, academics and students join for free
- Visit http://latamalliance.org
  - Review previous webinars
  - Access Provider Directory and case studies
  - View upcoming events on-site and WebEx
  - Gain access to quarterly SWOT analysis of key countries in the region
- Follow us on social media
  - Twitter: @latamalliance; LinkedIn: LatAm Alliance

Q&A

Bruno Guicardi - bruno@ciandt.com

DJ Edgerton - dj@zemoga.com

Nigel Storey -

https://www.linkedin.com/in/nigelstorey/

Thank you

Evaluation How-to:

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 **Schedule**
2. Select Schedule **by Day**
3. Select **Day**
4. Select **Session WS01**
5. Scroll to **Session Survey**

COMPLETE & SUBMIT EVAL

SIG Global Executive Summit

Workshop # 1

Getting Procurement a Seat at the Digital Transformation Table

CI&T	Bruno Guicardi	President	bruno@ciandt.com
J&J Design	Nigel Storey	Chief Operating Officer	nstorey@its.jnj.com
Zemoga	Donald Edgerton	CEO	dj@zemoga.com

SIG Global Executive Summit

All Tweeters will be entered to win a

$50 Gift Card.

The winner will be announced Thursday, October 12, 2017