

global annual report

2020

STATE OF AGILITY

IN PROCUREMENT & SUPPLY



World Commerce
& Contracting



lean-agile
procurement

The Covid-19 crisis has emphasised the importance of commercial functions in procurement & supply. Unpredictable changes in market conditions, such as closed borders and national lock-downs, impact existing supply chains, partnerships with vendors, and the way we collaborate with our partners and customers. Professionals in procurement, sales and contract management have made possible things that used to be unthinkable, improving lead times, amending terms and securing alternative sources of supply. However, this was achieved at an unsustainable pace and via exceptional actions. Commercial functions need new - more agile- approaches in 2021 if they don't want to burn-out their employees & vendors.

PURPOSE OF THIS REPORT

Agile is more than 20 years old [2] now and the values & good practices, that began in IT have evolved to other functions, in particular those that need to deal with uncertainty. **Success stories in commercial functions** have demonstrated the potential for **huge business impacts, improving lead times between 200 and 800%** [3]. Nevertheless we know a lot about Agile in IT and other

“ There’s no way back for procurement. The new normal has become the benchmark! ”

Josip T. Tomasevic - Senior Vice President & CPO AGCO Corporation

domains [4] we literally know nothing about the the current developments in commercial functions. To get inspired what others are already or are about to do in terms of becoming more agile in Procurement & Supply we’ve enrolled our 1st global annual report State of Agility in Procurement & Supply [1]!- We’re positive, that this is valuable to improve every business and overcome the current challenges in the Covid-19 crises.

INSIDE THE NUMBERS

The study State of Agility in Procurement & Supply was covering businesses from all over the world, from corporates to SME’s, from multiple industries and roles. This has enabled us to present results from both the buyer’s and supplier’s point of view. The survey has been distributed by the World Commerce & Contracting- and the Lean-Agile Procurement Alliance and 12 more alliances from the Agile/Lean/Procurement/Supply space. The main results of the study showed, that **92% of executives** agree that “agility” is of strategic importance to their business.

- Strategic importance: 92% of respondents in executive management agreed that adopting agile is of strategic importance to their business 64% of respondents have started their agile;
- Agile transformation: 64% of respondents started their agile journey - but for most not enterprise wide, nor including commercial functions and external partners;

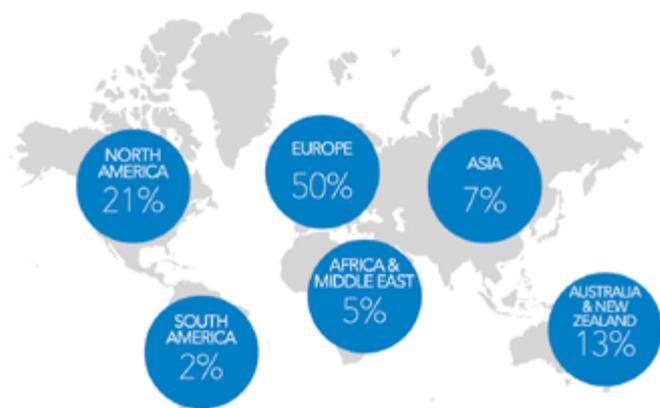


Image 1: Respondents location of organization [1]

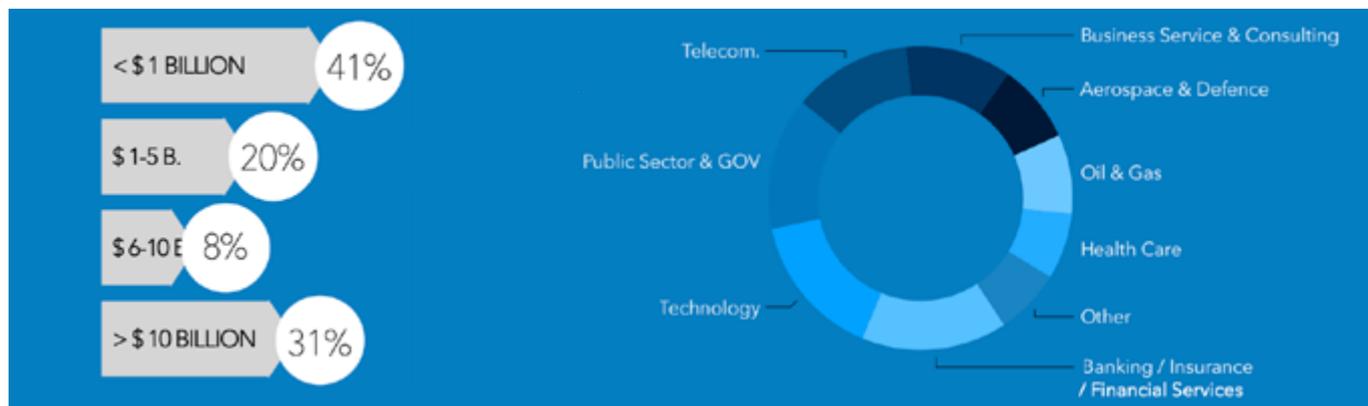


Image 2: Respondents size of organization (annual revenue in USD) and industry [1]

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CONCLUSIONI

Il secondo capitolo del libro...

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