Agile In Procurement -Just Talk Or Reality

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Introduction



Alejandro Basterrechea

- +15 years experience in procurement across various industries and roles
- Winner of the 2020 Amazon Business Procurement Hero Award for digital transformation
- Agile certification

zalando

- Founded in 2008 in the middle of financial crisis
- Leading online platform for fashion and lifestyle and Germany's first start up unicorn
- ~6.5bn€ revenue, 15.000 employees, 17 countries, 32m customers

Agile in Procurement: Use Case 1 of 2

Digitization: P2P implementation

- Run deployment in Sprints
- Iterate: Design -> Build -> Test -> Review -> Launch
- Daily Stand-ups
- Kanban to track issues and resolutions

Results:

- Design to Go Live: ~9 months instead of >12 months
- User Satisfaction: 65 NPS from 45 NPS
- Maverick Spend: 100% to less than 20% in 12 months
- elnvoicing: >50% in 6 months



Agile in Procurement: Use Cases 2 of 2

Negotiations

- Swarm team of Buyers
- Maximize result in a very short period of time
- Kanban to organize input and output of each Ask
- Daily Standup to align negotiation rounds
- Pre-qualified suppliers and comparable goods/services

Result:

- Reduce Tender to contract time by 4 months
- Savings of ~15% vs 9% expected



Picture by https://www.dailymail.co.uk/sport/formulaone/article-4401632/Formula-One-pit-stop-does-crew-work.html

Lessons Learned

- Agile is a mindset
- Agile is possible in Procurement
- Start small
- Agile increases customer satisfaction faster



Picture by https://www.thoughtco.com/how-fast-can-a-cheetah-run-4587031