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Company: Axa Winterthur

1. How and when did procurement & supply become your passion and career choice?

My journey started with a business administration studies at Cologne University and my 1st internship within the procurement team of KraussMaffei GmbH (in Munich). I really enjoyed interacting with both suppliers and the internal company partners. This was followed by my Diploma thesis on Procurement strategies at Daimler AG (in Stuttgart) and the career decision was made! After 6 years at Carglass GmbH in Cologne it was on to AXA Insurance in Switzerland and I joined in 2013. I have been the CPO for just over 18 months. Over the last dozen years, I was able to combine my passion for procurement and organizational/personal development with a focus on the acceleration of professional procurement organizations.

2. What is on your agenda today? What takes most of your time currently?

I am primarily engaged with two main themes. Firstly, the field of tension between cost optimization, new collaboration models like agility as well as increased complexity in compliance regulatory requirements and sometimes, these three elements contradict each other. My team and I are often challenged to balance these tensions carefully and most of my time is about finding a consensus with all stakeholders on these elements. Secondly, I am involved in the Leadership Development across different AXA functions and contribute to the design and facilitation of workshops and trainings. As the Swiss insurance industry is at the edge of a big digital transformation, our market position is challenged by other competitors or disruptive start-ups entering the market. You all probably know the saying “culture eats strategy for breakfast” meaning that strong leaders and a collaborative culture are needed to navigate through VUCA times.

3. What makes you proud of your team? What is the success story you would like to share with international procurement community?

Moving procurement into an agile operational model. We have adopted Kanban principles to steer the workload and use the Scrum methodology if we work on procurement topics like the update of commodity strategies. This helps us to swiftly respond to fast and complex changes. The team was receptive to the new operational style. Very important for me is the culture of open feedback and speaking-up. Together with my leadership team we established good practises which go far beyond only being lip service.

4. How do you see the CPO role evolving next 3-5 years?

I see a key dimension in the continual evolution as a trusted advisor. Furthermore, I see the role as one that moderates and orchestrates collective intelligence. This will provide optimal leverage of experts within the ecosystem of solutions – and deliver best results. So, it is about being at the center of knowing your customer, managing your internal relationships and staying on top of the market developments.



5. Where should Procurement report in the organization in order to enable sustainable performance?

At present we report to the CFO and purchasing should certainly always report to an executive board. Sometimes it's more about the mindset of the individual executive than exact name of their title. Procurement is far more than just cost saving – as it delivers value in terms of innovation, risk mitigation, corporate social responsibility, compliance and process optimization. These benefits don't necessarily have a direct impact on the P&L but could be crucial for the competitive advantage of the company. This understanding helps to unlock the full potential of procurement and its positioning as a strategic function which is the case at AXA.

6. After centralized category management, could client-partnership move procurement back towards functions and business units?

At AXA, our sourcing experts are both category managers and also the single point of contact for the business units. We believe this hybrid is a key to ensure successful client partnerships and value creation.

7. In what ways do you see procurement's effectiveness being improved by digitalization (AI, robotics, analytics, connectivity)?

We are about to decommission our current e-procurement tool and migrating to a new one, a colossal change project! There are multiple prerequisites which need to be carefully managed in order to provide a foundation before you can really become digital, e.g. data quality, vendor masters, etc. Within that foundation it will be an expensive toy that nobody plays with. We are taking a realistic step-by-step approach to get it right from the get-go.

8. What would be your one piece of advice to the future procurement leaders?

Create your personal leadership vision and priorities, i.e. what you can contribute to the organization. Effective leaders create a vision that their team and/or organization can identify with and be proud of – and hence can support with both heart and mind. Developing an effective vision means making sure that each of your employees know and feel that what they are doing is meaningful for the team – beyond their individual interests. So, what’s the one sentence that describes what makes you sparkle...?

9. What differentiation does Switzerland offer as a place to do business?

Switzerland has been one of the most successful economies over the past several decades. It sits atop most international rankings in terms of innovation capacity, productivity, work-life-balance and competitiveness. In my opinion, the success roots back to the Swiss work ethic and this is also a talent magnet and attracts innovative, diverse and creative people.

10. What’s your wrap-up thought Almut?

My personal vision statement is “Empower people to grow”. There are lots of possibilities to contribute via Purchasing – as the function is extremely transversal and you are literally at the heartbeat of an organization. Thus, if you empower your people to grow, then your team is going to do great things!

The above CPO interview is part of a series of management-level insights from Swiss-based global procurement leaders. Switzerland is home to some of the most successful multi-national companies and non-government organizations. CIPS Switzerland uniquely engages with them and offers our community best-practice events, workshops and networking opportunities. More info via:

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