



Digital Procurement Success

3rd EDITION
2023



Annual Survey of the Success of Procurement Departments' Digital Transformation

A study by :



With the support of





Digital Procurement Success

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3rd EDITION
2023



Michael Bentolila,
CEO & co-founder of InsideBoard

Digital transformation is a catalyst for change that has revolutionized many aspects of our economies, and the Purchasing function is no exception. Over

the years, Purchasing departments have faced unprecedented challenges and opportunities, stimulated by technological advances, growing demands for sustainability and the need to maintain agility in an ever-changing economic environment. Today Purchasing departments are reinventing themselves, and their digital transformation is at the heart of this evolution, bringing new fundamental questions.

Based on a collective intelligence approach, the Digital Procurement Success barometer is designed to explore the ways in which Procurement decision-makers approach this digital transition, the strategies they build, the obstacles they face and the results they hope to achieve.

Digital transformation invites the profession to take an in-depth look at current practices, to share best practices and to learn from their peers on how to successfully digitalize their organization. Insideboard's solutions are made to cope with these issues because digitalizing the commitment of every player in the Purchasing function is decisive in promoting sustainable success. Like a wake-up call, this 3rd edition confirms trends and reveals a true acceleration in the transformation of the Purchasing departments.

I would like to thank the CNA for supporting this program, and all partners involved in this

3rd edition for their contribution and support : the members of the Editorial Committee, ADRA and the sponsors Jicap, Creditsafe, Esker and Jaggaer, who make this program possible.

I hope this barometer will contribute to Purchasing decision-makers' thoughts about how they can get the best out of digital transformation to meet the changing needs of their companies and markets.



Jean-Luc Baras,
Chairman of CNA, CPO Eiffage

This is the 3rd edition of the annual Digital Procurement Success barometer, initiated by our partner Insideboard and supported by CNA over the years to provide the entire purchasing community with the

only truly community independent reference tool designed to guide Purchasing departments in their digital transformation, but also in the wider sense of the overall transformation of the profession. It completes a series of workgroups carried out by the "HA lab" around experts who are available to our members all year about topics such as decarbonization, risk management, energy and purchasing tools, especially for the small and medium organizations.

I would like to take this opportunity to thank the Editorial Committee, which analysis and vision have contributed to enrich the content of this 3rd edition, the partners for their support and contribution, because the digital transformation of our organizations cannot be achieved without this ecosystem of solutions and expertise they represent. I also thank all the participants of this barometer and ADRA for its support.

The previous editions and the last 3 years have enabled us to identify trends in the digital evolution of Purchasing departments. A first observation: if the digital transformation of Purchasing is underway, now it needs to accelerate, and all aspects of this transformation must be encouraged : data governance and exploitation, process optimization, suppliers' relations, strategic management. We, decision makers, also need to go beyond compliance issues to fully contribute to the invention of new sustainable business models, responsible and value-creating models... In each of these areas, digital is an opportunity.

Two key facts stand out this year. Firstly, there is a strong recognition of the reality of the digitalization of the function: beyond declarations of intent and commitments, a new step must be climbed if we are to meet the ever-increasing challenges of today and the challenges of the future. With everyday shorter deadlines, we need to act, quickly and now.

Secondly, some insights from future decision-makers : this year, we have interviewed young purchase executives who will be in decision-makers themselves in 2050. Because tomorrow's Purchasing will be built with this new generation and its own aspirations. This generation of future purchasing decision-makers are clearly critical of their companies' CSR commitments, and have a keen sense of the climate change and the widespread use of Artificial Intelligence as tomorrow's major challenges for the Purchasing profession.

How are Purchasing departments going to use digital technology to continue their transformation? Will artificial intelligence revolutionize the purchasing profession? What role do we need to build today for the buyers of tomorrow?

One thing is certain : to meet the challenges of the new economic paradigms, Purchasers will be at the forefront, and we, as purchasing decision-makers, must be the driving force behind these transformations and take this responsibility.



Survey methodology



Elaboration of the editorial line with the support of an editorial committee of 10 leading purchasing decision-makers (see list below), academics and experts from CNA, ADRA and Insideboard, and our partners Jaggaer, Esker, Creditsafe and Jicap.



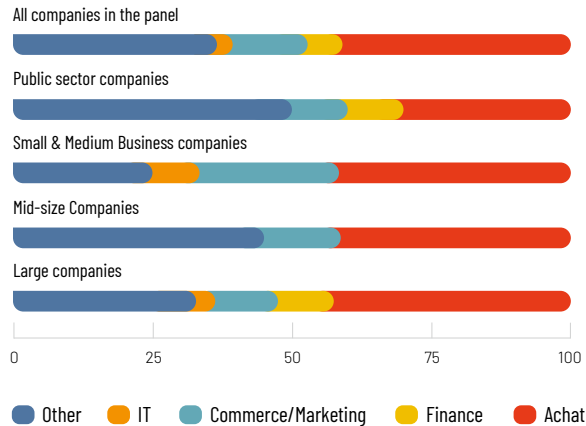
Distribution of the questionnaire to the CNA, ADRA and to our partners' networks in addition to a direct emailing survey. In the end, more than 6,000 purchasing decision-makers were approached, with the aim of covering as many companies with over 100 employees in all sectors of activity in France as possible.



Analysis and interpretation of results with the teams of CNA, InsideBoard and our partners in order to compare and measure trends with previous editions, examine in greater depth some features already identified, and detect new trends that emerged in 2023 and will shape 2024.



Chart n.5 - Function of respondents



Profile of respondents

For this 3rd edition of our DPS barometer, over 6,000 purchasing decision-makers were surveyed in companies from all business sectors, with a minimum workforce of 100 employees.

144 purchasing decision-makers responded to our questionnaire. This level of participation, up 30% on the previous edition, is representative of the diversity of Purchasing decision-makers' missions (Chart n.1), and of company profiles in France (Chart n.2).

Chart n.1 - Breakdown of respondents' companies by size

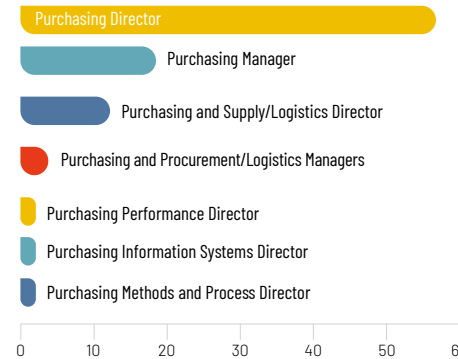
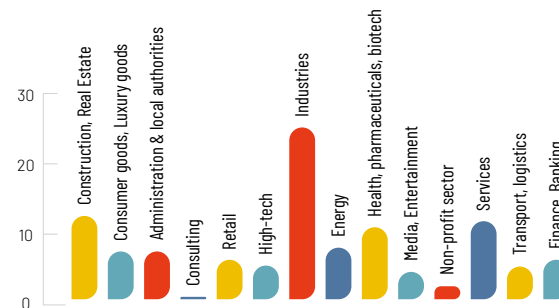


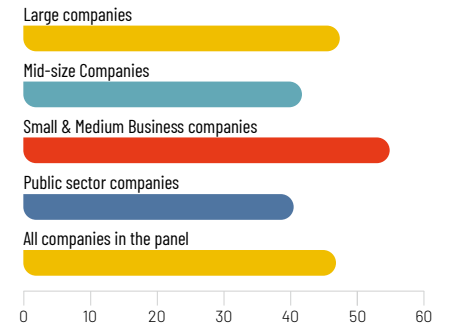
Chart n.2 - Respondent companies' business sectors



Large companies are largely represented, a logical reflection of the fact that Purchasing functions are less present in smaller companies (Chart n.3).

Large companies are largely represented, a logical reflection of the fact that Purchasing functions are less present in smaller companies.

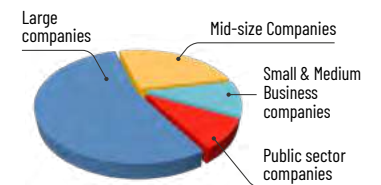
Chart n.4 - Proportion of Purchasing departments part of their company's Board



With the exception of the public sector, the majority of Purchasing decision-makers still come from a background other than a specialization in Purchasing (41% of them). Chart n.5

Finally, for this 3rd edition, a survey was also carried out among a group of 50 "young The purchase manager" (either at the end of specialized post-graduate studies, or working for less than 2 years).

Chart n.3 - Breakdown of respondent companies by size





Editorial Committee

Jöel Aznar

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Group Chief Procurement Officer

SPIE

TOP 10 of the KPI's survey



In 2023, **less than 1 in 2** procurement departments will have engaged their digital transformation



PODIUM : the 3 main levers for boosting the ROI of a procurement department's digital transformation

- 1 Make a better use of data
- 2 Review process
- 3 Renew, update and adapt tools



+ 8/10 Procurement managers do not measure the carbon footprint of their suppliers



-1/5 Procurement departments include CO2 measure in their supplier assessment process

TOP 3 skills sought by Procurement decision-makers within their teams:

- ★ 1 Risk management
- ★ 2 Community management
- ★ 3 CSR skills



1 in 5 Procurement Departments benefits from sufficient resources for digital transformation



More than 1/3 Procurement Departments do not use a risk mapping



28% of Procurement departments consider their use of data collected with digital tools to be excellent or correct.



For **71%** Procurement decision-makers, AI will not compete with the purchasers, but will complement their set of digital tools.



1/4 of young purchasers consider their company to be sufficiently visionary and proactive in terms of CSR commitment



Analysis results

Summary



1

A progressing digital transformation

2

A ROI to improve

3

Digital technology at the service of all Purchasing transformations

- A revisited and strengthened profession
- Data & BI, the new philosopher's stone for turning information into gold?
- Smarter and smarter tools
- Les Achats, moteur des engagements responsables et durables des entreprises

4

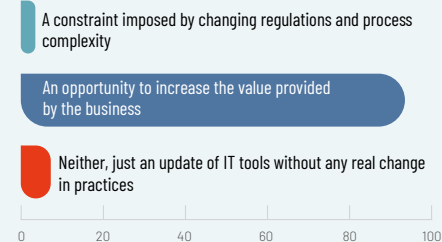
The purchase manager in the digital age

1 A progressing digital transformation

For several years now, purchasing departments have been relying on digital technologies to improve their efficiency. This digital transformation includes process automation, supplier management via digital platforms, data analysis for informed decisions, e-procurement, sometimes the use of blockchain for traceability issues, online collaboration, and a profound cultural change. With the aim of optimizing operations while adapting ever more effectively to market changes.

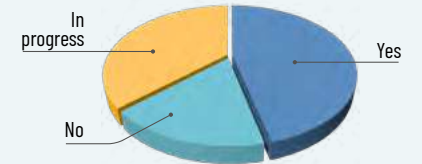
Right from the 1st edition of this barometer, a strong conviction emerged from the Purchasing community on the importance of digitizing the function. At the time, 65% of Purchasing departments' digital projects were considered critical or strategic, and the following year, more than one Purchasing decision-maker claimed to be relying on digital tools to develop their teams' performance culture. Our latest survey reveals that 92% of Purchasing decision-makers see digital transformation as an opportunity to increase the value delivered by the profession.

Chart n.1 - The digitization of the profession seen by Procurement decision-makers



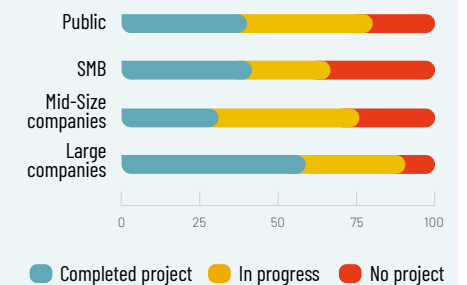
Even so, much remains to be done, with fewer than one in two Purchasing managers claiming to have embarked on their digital transformation by 2023. Given this situation, the profession seems to be accelerating, if the trend is anything to go by: 37% declare a digitalization project in progress, thus denouncing the digital inertia of almost 1 in 5 purchasing departments...

Chart n.2 - Has your Procurement department embarked on its digital transformation?



There are wide disparities in the level of digitalization among Purchasing departments, depending on the size of their company. Logically, large companies have taken the lead and are pursuing their digital developments; the public sector, driven by a voluntary policy, is also showing an advanced level of digitalization. Perhaps more surprisingly, SMEs are ahead of SMEs, demonstrating their agility to transform, although SMEs should catch up, given the high proportion of digital projects in progress.

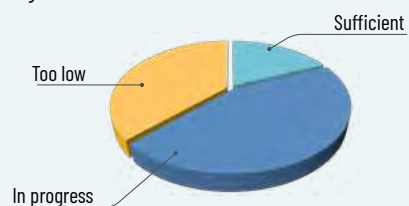
Chart n.3 - Procurement departments' level of digitalization by company size



Since any transformation calls for investment, we were interested in the financing of these projects:

do purchasing departments feel they have the necessary resources to successfully complete their digital transformation? Confirming the adage that when it comes to budgets, you can never have enough, only 1 in 5 Purchasing decision-makers consider the financing of their digitalization projects to be sufficient. If we add the 43% whose budgets are increasing, more than 6 out of 10 Purchasing managers are directing their investments towards their digital transformation.

Chart n.4 - Assessment of the resources available to Procurement departments to operate their digital transformation



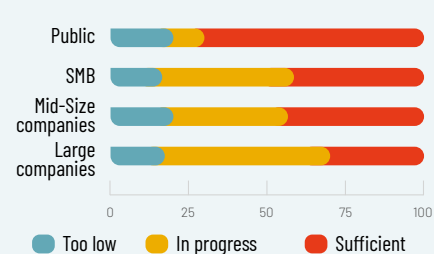
Investment trends are indicative of individual commitments: while large companies continue to invest massively in the digitization of their purchasing departments, the public sector - after having carried out major projects in this area - seems to be slowing down sharply. SMEs have slightly fewer resources at their disposal than Mid-size companies, but are making a greater effort to pursue an already significant transformation.

Chart n.5

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effort to pursue an already significant transformation.

Chart n.5 - Comparative analysis of Procurement departments' digitalization budgets according to their own evaluation



Digital must also serve Purchasing's internal communication, as Cédric Le Saveant, CPO at Technicolor, reminds us: "the digital transformation of Purchasing helps the function to better deploy itself with internal customers". Finally, digital is also seen as a key tool in decarbonization programs, both to measure the company's carbon footprint and to design and implement action plans accordingly.

Chart n.6 - Procurement departments' objectives for their digitalization program, in order of priority

- 1 Free up purchasers' time to focus on their core business
- 2 Collect truly useful data to feed your strategy and decision-making decisions
- 3 Simplify existing processes
- 4 Manage risk more effectively
- 5 Gain cross-functional interoperability with other company departments
- 6 Meet growing regulatory requirements
- 7 A commitment to decarbonization

Publishers' Viewpoint

The question of digitalization no longer arises for mature Purchasing departments. The vast majority of them recognize the value of this digital transformation. Today, it's the other way around: organizations that don't digitalize their purchasing will fall behind, be penalized and lose their competitive edge.

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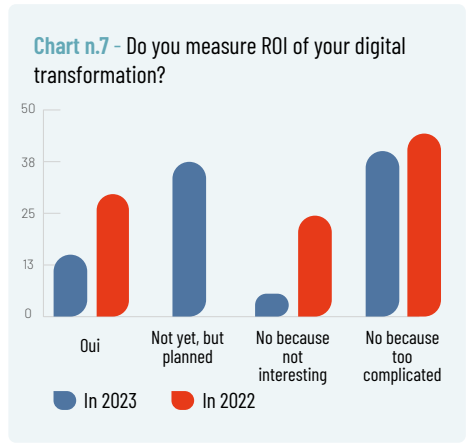
Esker / Jaggaer

2 A perfectible ROI

The benefits that purchasing departments expect to get from digitization are still considerable, and the success of these projects is considered to be crucial, given the economic and societal stakes involved, which call for a profound and rapid transformation of companies. Is the ROI there?

The question is not so simple: The question is not so simple: while the 1st edition of our barometer already observed a majority consensus on the importance of evaluating this ROI (80% of Purchasing managers), 1 out of 2 Purchasing decision-makers admitted their difficulty in producing it.

In 2022, 1 in 3 is tackling the problem, and the profession was very divided in our latest survey: see chart n. 5. **Chart n.7**



By 2023, only half as many will be tackling this ROI evaluation, but overall, a slight majority of Purchasing Departments express their willingness to do so. For the remainder, the difficulty of measuring ROI is the main reason for not doing so, with the proportion of Purchasing decision-makers who consider this assessment to be of no interest dropping from around 20% to just 6% today.

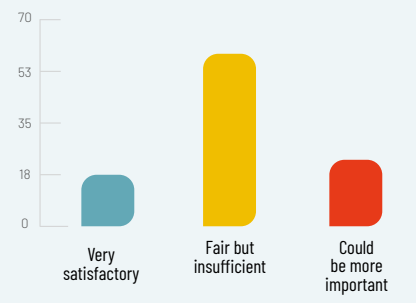
As one of our partners reminds us, the ROI of a project of this scale is obviously measured over time, both quantitatively and qualitatively. Several indicators can be taken into account, both financial and extra-financial: cost reduction, processing time (for contracts, for example), team efficiency (time dedicated to tedious tasks), losses avoided thanks to predictive risk management, savings achieved through optimized sourcing or rationalization of orders, or even through better monitoring of negotiations...

Our partners point out that Purchasing departments can call on editors upstream to audit their practices, project suitable digitalization scenarios and estimate the potential gains from these investments.

Finally, they point out that today's digital purchasing solutions include the production of KPIs to make it easier to measure the gains made and the final ROI. While this is not a general statement, and while the dimension remains complex, it is possible to measure the ROI of digital transformation.

Do Purchasing Departments who measure the ROI of their digitalization find it lives up to their expectations? The majority of the profession don't show outstanding enthusiasm while the remainder are equally divided between those who validate this ROI and those who are disappointed. Overall, for the purchasing profession, their transformation is not - yet - living up to all its promises.

Chart n.8 - Procurement decision-makers assess the ROI of their digitalization efforts



So what can be done to improve this situation and remove the frustrations? The profession seems unanimous: the digitization of Purchasing remains too superficial and its adoption too partial. As Sylvie Noël, CPO of the Covéa Group, points out in her interview following this analysis: "Most of the initiatives undertaken focus on one or two modules, mainly electronic signatures or catalogs". It is therefore necessary to go much deeper to reap all the benefits, and the ranking of priorities according to Purchasing decision-makers to improve this ROI sets out the roadmap: [chart n.9](#)

Chart n.9 - Areas for improvement, in order of importance, to increase ROI from digitalization

- 1 A better use of Data
- 2 Update process
- 3 Renew, update and adapt tools
- 4 Increase use of tools
- 5 Develop team skills
- 6 Increase interoperability between tools and their uses
- 7 Better community management

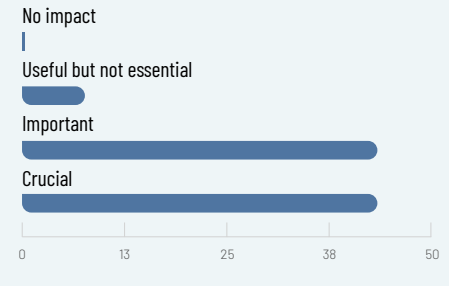
The question of how to measure the ROI of the digital transformation of Purchasing remains unanswered. It is likely to be the key to obtaining additional budgets, either to initiate this digitalization, or to pursue it, or even to embrace the innovations that are taking shape, such as artificial intelligence. Let's hope that the industry will be able to find ways of justifying these digital commitments to their senior management teams, other than simply on the basis of the obvious sense of history.

3 Digital technology at the service of all Purchasing transformations

► A revisited and strengthened profession

Despite a mixed ROI, Purchasing managers' conviction in the role of digital in their own transformation is not in doubt: [cf chart n. 10](#)

Chart n.10 - Contribution of digital to Procurement departments' priority areas for transformations



Digital is seen not as an end in itself, but as an essential means of enabling a series of changes - some would even call it a metamorphosis - and delivering even greater value to the company and its markets.

As can be seen from the ranking of Purchasing department priorities, the challenges facing the profession are equal to the economic and societal upheavals we are experiencing, and the climate crises that lie ahead.



Chart n.11 - Ranking of Procurement organizations' issues by level of priority and importance

- 1 Develop interoperability with Procurement communities : suppliers, markets and other company departments
- 2 Simplify existing process
- 3 Meet compliance challenges
- 4 Implement a strong CSR policy
- 5 Attract and support new talent

Like an echo of these new paradigms, the ambitions of Purchasing departments have never been higher: they must revisit their missions, rethink their operations and project themselves into a future whose clocks are already ticking, calling for new modes of organization and collaboration.

We need to respond quickly and today, because customer demands, regulatory deadlines and supply constraints are already here.

It's also a question of preparing for tomorrow without delay: everything suggests that the purchasing decision-makers of 2050 will have to deal with a world that is very different from the present. That's why, this year, the CNA wanted to interview young purchasers, either at the end of their Master's degree in Purchasing or who have been in their job for less than 2 years: to hear the vision of these Purchasing decision-makers of tomorrow and better understand their trajectory.

A look at the purchasing decision-makers of 2050

They are currently completing their purchasing studies, or have been purchasers for less than 2 years. How do the purchasing decision-makers of 2050 view the challenges facing the profession and its digital dimension?

Young purchasers expected better:

86% of them consider the company they joined to be barely adequately digitized, or even clearly under-equipped, with obsolete software. But do they have the skills to accelerate a company's digital culture?

Fewer than 1 in 4 feel comfortable with data analysis, and almost half of them admit to difficulties. Purchasing departments, however, are quick to give these young purchasers a helping hand on the Data front: 43% of them feel they are making progress

terms, young purchasers draw up a precise list of the skills they have mainly been trained in, ranking them as follows in order of importance:

1. CSR supplier evaluation
2. Forward-looking analysis techniques
3. digital tools available on the market
4. Data processing and analysis
5. Risk management.

The operational missions of purchasers, such as sourcing, negotiation, contractualization, etc., do not feature in this ranking. This omission does not mean that they are not taught, but rather reflects the image that young purchasers have of their missions: more strategic than their elders?

Do these young minds guarantee innovation? How do they see artificial intelligence in purchasing?

80% of them expect AI to automate time-consuming and administrative tasks to free up their time, and 90% don't see AI as anything more than a tool for purchasers. Only 1 in 10 young purchasers fear that they will one day be replaced by robots!

The adoption of AI is therefore not a matter of concern for them, as illustrated by their ranking of the priorities of their purchasing departments:

1. First and foremost, simplify existing processes
2. Next, develop interoperability with purchasing communities (suppliers, markets, specifiers and other company departments).
3. Meet compliance challenges
4. Implement a strong CSR policy
5. create digitalization
6. Attract and support new talent

... and 7. Adopt AI

Young purchasers' roadmaps are broadly in line with those of current decision-makers, but with a greater emphasis on digitalization than on the purchasing profession itself. This indicates that young purchasers are more sensitive to the digitization of the profession: in their view, the technological dimension is becoming a required skill for purchasers.

The real fear of purchasing decision-makers in 2050? Climate change!

Let's return to the issues that Purchasing departments want to address as a priority, and in which digital must play a key role.

The 1st priority is to increase the animation of Purchasing communities:

suppliers, markets, prescribers and other company departments.

For a long time, the Purchasing department was reduced, to the point of caricature according to some, to a simple negotiator of margins, with "savings" representing the buyer's only KPI...

While some Purchasing departments see these interactions as a competitive risk, this does not obscure the gains sought, in order of importance:

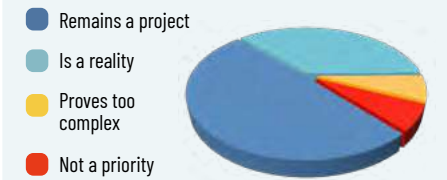
1. a means of aligning roadmaps for greater synergies
2. leverage to improve collaboration with SMEs
3. accelerating the development of industry standards
4. a competitive advantage for your suppliers on their other markets
5. an opportunity to share skills with SMEs.

“The adoption of a platform facilitates the animation of Purchasing communities because it acts as a point of convergence between these communities”

JAGGAER

Yet, as chart n.12 opposite shows, the reality shows the efforts needed to make this collective intelligence a reality.

Chart n.12 - Moving from traditional supplier relations to facilitating Procurement ecosystems (suppliers, internal specifiers)



Here again, digital technology is a powerful ally, since 96% of Purchasing Departments that have launched programs to animate their communities consider its contribution to be useful or even decisive.

► Data & BI, the new philosopher's stone for turning information into gold?

Digital solutions are accelerating the production and availability of data at an exponential rate, and in a wide variety of forms: structured databases, texts (studies, offers, contracts...), emails, videos, images...

At the same time, purchasing departments have never needed so much information: not only to feed their analyses and decision-making processes, but also to meet complex and growing compliance requirements, both financial and extra-financial. Even so, they still deplore the lack of information sources on certain subjects, such as the reference bases for calculating their carbon footprint, for example.

Purchasing departments are therefore huge consumers of data. But do they know how to cultivate and capture this wealth of information? Previous editions of our barometer have shown that barely 1 in 10 purchasing managers consider the quality of their supplier data to be satisfactory; more than a third never audit the quality of their databases, and the profession is agreed on the obvious lack of data governance.

Purchasing departments see this as a real opportunity to improve the quality of their already rich and constantly growing databases.

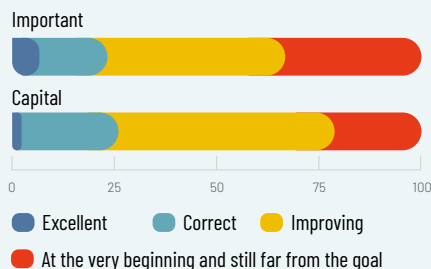
Let's focus on the databases available to Purchasing departments today, and the extent to which they are exploited. According to the decision-makers questioned, this exploitation is correct and generally improving. Due to an obvious lack of experience, but also to an often-confessed ignorance of BI tools, young buyers are lagging further behind when it comes to mastering data analysis. **Chart n.13**

“ Digital and the data intelligence that goes with it are accelerating the transformation of Procurement professions ”

Jean-Nicolas Lintz, Demathieu Bard

Purchasing departments are getting organized to develop their “Data Driven” culture: the equipping of teams with BI tools is massive and seems to be going faster than the training of teams, which responds to the feeling of many Purchasing decision-makers about the lack of mastery of these tools by their teams. As for the use of dedicated experts, or “Data Scientists”, this is still relatively anecdotal, even though almost 1 in 2 Purchasing managers are preparing for it. **Chart n.14**

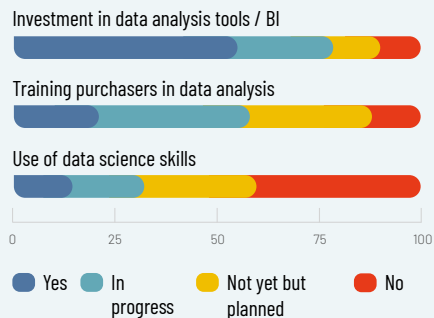
Chart n.13 - How would you rate your use of the data collected using digital tools?



“ The growing opulence of information databases must not be at the expense of the relevance of their use: the interpretation of data must first and foremost serve a performance purpose ”

Sophie Macquet, SPIE Group

Chart n.14 - Procurement departments and data



“ The integration of the latest technological innovations such as AI may sometimes clash with existing IT systems ”

Sophie Macquet, SPIE Group



The editors' viewpoint

Collecting data is essential, but it's also important to make it usable by Purchasing teams using analysis and reporting functions.

Reporting and strategic analysis are becoming increasingly important. The implementation of a digitization policy will make it possible to efficiently collect a very large amount of data from multiple sources: ERP, suppliers, technology partners, and many other sources.

The data will be presented in the form of dashboards for monitoring key indicators, or, for the most advanced solutions, in the form of predictive analyses and recommendations (thanks to Artificial Intelligence, machine learning or RPA, Robotic Process Automation). The use of a Suite of integrated solutions guarantees end-to-end process transparency and efficient management of commercial transactions with suppliers.

Esker / Jaggaer

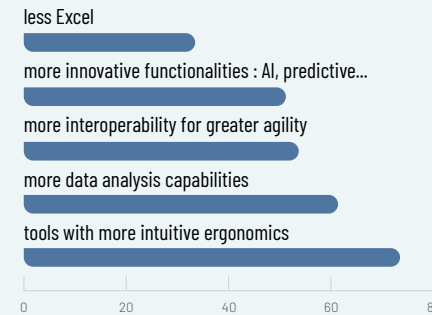
▶ Smarter and smarter tools

“ AI is not a replacement, but a facilitator and demonstrator of efficiency gains ”

JAGGAER

The range of software publishers has expanded considerably, from complete Suites to more specialized tools for the enthusiasts of best-of-breed architectures. Like a craftsman always on the lookout for the best tools, Purchasing departments are happy to share their expectations of software publishers. **Chart n.15**

Chart n.15 - Procurement managers' expectations of software publishers



Ease of use, through improved ergonomics and better integration of data and data processing, reflects the attention Purchasing departments pay to the user experience of their teams. It's all about facilitating the adoption of these tools and helping buyers to add even more value by simplifying their day-to-day work.

Artificial intelligence makes an immediate contribution to this notion of assistance. These new technologies had already begun to feed buyers' toolboxes, to work out pricing scenarios, as Yasser Balawi, CPO of the Sodial Group, recounts in the interview page 32 of this document.



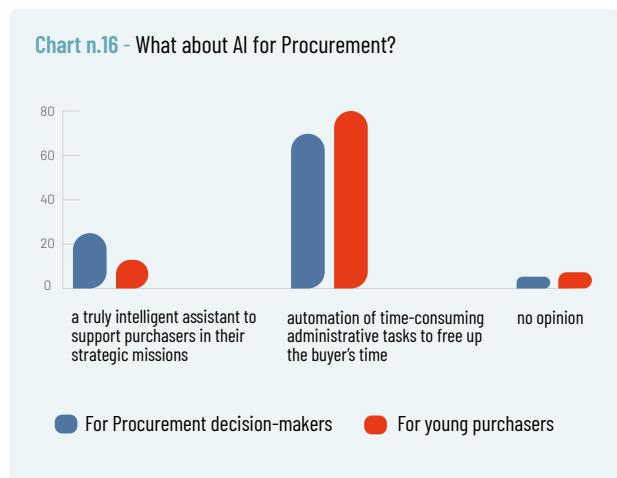
The phenomenon is now intensifying and accelerating with the arrival of generative AI and LLMs (Large Language Models), including the famous ChatGPT.

In 2022, 25% of Purchasing decision-makers considered AI to be indispensable, almost 50% felt that AI was not yet mature, and 25% had no position. One year on, the same number are reviewing their positions, and only 5% are still uninterested.

It's worth noting that young buyers generally share the view of purchasing decision-makers on the role of AI for the profession, expecting it to help them with time-consuming day-to-day tasks rather than provide real co-piloting of their strategic actions.

As the 2023 star of artificial intelligence, ChatGPT is not sparing Purchasing, but the enthusiasm remains measured and shared across the profession: while a good third of decision-makers or young purchasers have already tried it out, another third are interested in it but haven't yet taken the plunge, and a final third are staying away from it.


Like the libraries of use cases that are still in their infancy, ChatGPT tests mainly concern information searches, supplier analysis and market research.



Pioneering users and experts such as Joël Aznar share promising feedback in his interview at the end of this document, and see immense potential in these intelligence technologies. To the point of replacing purchasers?

Decision-makers and young purchasers don't believe in such a dystopian scenario, and agree instead on the concept of the augmented purchaser, where **AI will complete the profession's arsenal.**





Expert's view

Rethinking AI integration in purchasing departments

By **Christophe Tricot**, President and Founder of La Forge, a startup studio dedicated to artificial intelligence - PhD in Artificial Intelligence

Purchasing departments, despite their rapid adoption of the latest innovations in artificial intelligence (AI) to optimize their activities, are nevertheless failing to achieve a deep and significant transformation.

This transformation is nonetheless necessary to respond effectively to contemporary challenges: controlling expenditure, sustainable purchasing, social responsibility, risk reduction, strengthening sovereignty, etc.

This situation can be explained by the difficulty of grasping the full richness of the purchasing profession when exploring the opportunities offered by new technologies.

Admittedly, the use of AI technologies can already improve performance by optimizing activities. The digitization of documents and the automation of routine tasks have been major advances. Massive collection of data allows business players' assessment and predictive analysis to reduce risk, predict demand and plan inventories.

However, applications remain limited and do not fully address today's challenges. Focusing solely on improving what already exists tends to converge all companies towards the same uses, and impoverishes the practices that make them unique.

To initiate a significant transformation with AI, it is therefore crucial to take a step back and always consider the Purchasing function in its entirety. This includes a detailed understanding of markets, as well as the management of supplier relationships

through the creation of a pool of companies that need to be piloted, animated and developed.

We can also mention the formalization and implementation of a sustainability and ethics policy. These are all activities that require constantly renewed skills and produce unique know-how, reflecting the company's values and convictions.



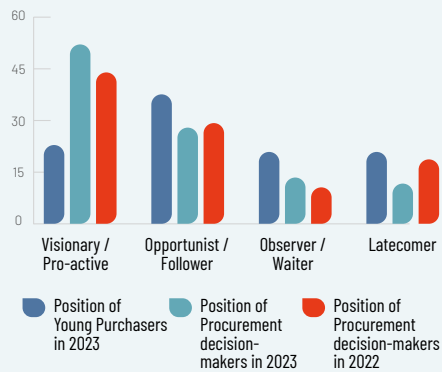
A simple, pragmatic evaluation method for the opportunities offered by AI has emerged: to what extent does this solution impoverish, reinforce or multiply team know-how? This systematic and creative approach enables AI's full potential to be exploited.

AI should therefore not only be seen as a tool for improving operational efficiency, but also as a lever for enhancing and amplifying know-how, essential factors in competitiveness and performance.

► Purchasing, the driving force behind companies' responsible and sustainable commitments

In 2022, 44% of the purchasing decision-makers considered their company to be pro-active visionary in terms of CSR commitment, and 18% considered them laggards. The evolution of strategies and the development of regulatory frameworks have led to a rapid change in this observation, since in 2023, these same decision-makers awarded 8 points more to their company's pro-active CSR position.

Chart n.17 - How would you rate your company's to CSR issues?



On the whole, Procurement departments believe that companies' CSR commitment is progressing. But not fast enough, if we are to believe the feeling of the new generation: young procurement executives are much more demanding and severe than their elders, and feel that, for the most part, their companies remain opportunistic and laggard in their commitments to sustainable and responsible development.

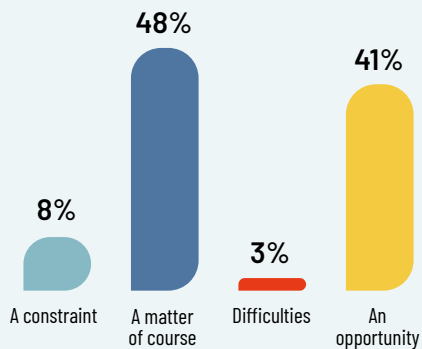
Without denying this, Julien Blazy, Purchasing Performance Director at Eiffage, adds a nuance in his interview at the end of the document : in his opinion, it is essential to communicate Purchasing's CSR policies

to young buyers, and internally in general, as they are often more focused on day-to-day operational issues, and therefore less aware of their departments' actions on these subjects.

This expectation forces companies to evolve, and procurement departments are directly concerned. Especially as the pressure is not only coming from new generations of employees : markets and customers are demanding it, just as they are for organic and fair trade products. Investors and shareholders are increasingly calling for new strategic orientations, as mentioned by the Global Investor CSR Survey in 2021 with 82% of investors calling for CSR criteria to be integrated into corporate strategy.

Even so, the implementation of CSR policies in procurement departments remains complex, and even too timid according to many. In her interview at the end of the document, Sylvie Noël, Covea Group Procurement Director and President of ADRA, asserts that the profession must mobilize to go beyond good intentions, and notes that regulations such as Scope 3, the sustainability report and the double materiality requirement of the CSRD directive will now force Procurement Decision makers to take action.

Chart n.18 - How are CSR policies and strategies perceived?



The results of our survey reveal that the transition to CSR processes is today as much undergone as perceived as an opportunity. Vincent Leroux-Lefebvre, Sustainable Procurement expert for Afnor, insists on the need to go beyond the regulatory framework, and instead turn CSR into an opportunity for innovation and transformation. He calls on purchasers to "think outside the box".

How can they do so? Many procurement decision makers deplore the lack of resources available for CSR transformation. The importance of these resources is ranked as follows :

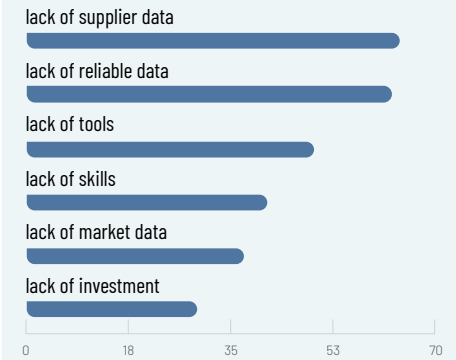
Ranking of resources used to implement CSR policies and process :

- 1 Use of internal data
- 2 Support from CSR and/or academic experts
- 3 Industry work and standards
- 4 External databases

The aim of all these initiatives is to produce indicators to guide their decisions according to CSR criteria. Problem : 65% of procurement decision makers believe that their CSR criteria are currently neither sufficient nor effective.

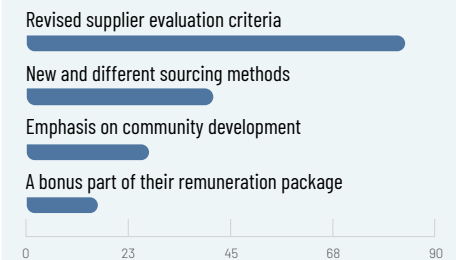
First and foremost, because suppliers and markets data issues : not enough information and insufficient reliability. Then there are questions of tools, not sufficiently adapted to these CSR approaches, and know-how in data collection and processing. The impact of limited budgets comes last. [Chart n.19](#)

Chart n.19 - 65% of Procurement decision-makers believe that their CSR criteria are neither sufficient nor efficient. What are the reasons for this?



In terms of resources, we also need to consider how procurement managers are encouraged to adopt these new CSR process. The methods used by Procurement departments vary, but the majority focus on the introduction of new indicators to monitor purchasers' activities. Fewer than 1 in 5 Procurement departments have adopted a bonus-based remuneration on the successful implementation of CSR process.

Chart n.20 - What does the CSR approach mean for purchasers?



Ultimately, what are the results of the resources deployed?

First, there's the question of measuring carbon footprints. This is a major objective of CSR policies, and an essential indicator that receives a great deal of media coverage.

Here again, we note that the approach is on the move: while a third of Procurement Departments already have a tool for assessing the carbon footprint of their suppliers, 41% of them have launched the project. In other words, more than three-quarters of the purchasing profession has taken up the issue of carbon footprint assessment.

Chart n.21 - Do you have a tool for assessing your carbon footprint?

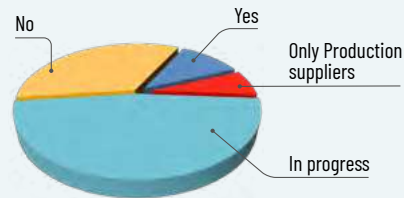


Having the tool is one thing, using it is another. We have seen that the means required are numerous, and each one has its own obstacles, such as data availability and the question of data quality.

Regarding the actual measurement of suppliers' carbon footprints, less than 1 in 5 Procurement Departments admit they don't fully measure their carbon footprints, including those who only assess their production suppliers.

Here again, we note a real positive dynamic, with almost half of procurement organizations (47%) having undertaken this project. This still leaves a good third which have not, and this raises questions about the imminence of future regulatory requirements and the difficulties these Procurement Departments will face to comply with them... **Chart n.22**

Chart n.22 - Do you measure your suppliers' carbon footprint?



This overview of tools and practices for suppliers carbon footprints' measure provides a better understanding of the actual weight of the CO2 indicator in purchasing departments' assessment of suppliers.

The dynamics observed above are once again in evidence, with a situation that is forcing Procurement organizations to accelerate the adoption of new CSR process in order to comply with regulatory frameworks.

The 65% of Procurement Departments that have not yet integrated the CO2 indicator in their supplier evaluation reply they have to compose with several limitations : the lack of dedicated tools in the first place but also a lack of know-how of their teams. Then there's the question of data and the difficulty of collecting it from suppliers who are not always willing to share it.

This last obstacle has prompted some Procurement Departments to take the initiative and to offer their help to their suppliers in producing this data and establishing an assessment of their carbon footprint : 13% are already doing so, 25% are just starting.



Chart n.23 - Does the weight of CO2 is taken into account for the supplier evaluation?

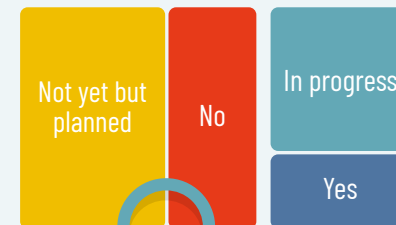
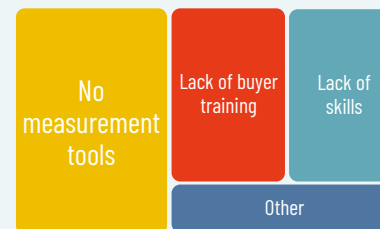
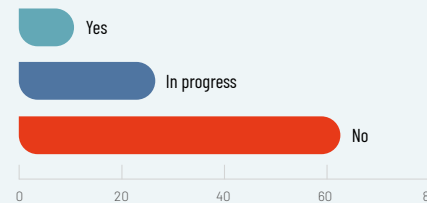


Chart n.24 - If no or not yet, why?



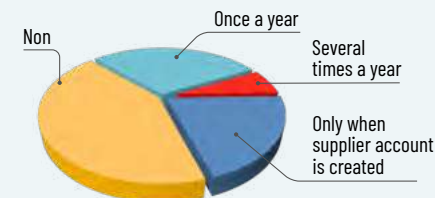
There is every reason to believe that this collaboration will take on a significantly greater dimension in the coming years, as it will not only facilitate the adoption of extra-financial regulatory requirements, but also to encourage the shift from transactional relationships between Procurement and suppliers, to transformational relationships, for greater innovation and co-development.

Chart n.25 - Do you help your suppliers assess their carbon footprint?



Regarding the data issues, our survey investigated on how this data is collected from suppliers. The figure below shows that 6 out of 10 Procurement Departments carry out CSR audits of their suppliers, but only a few among them update their data regularly. When it comes to CSR data, the majority of Procurement Departments are fine with a one-time snapshot rather than following the film... with the risk of obsolete data. In spite of this situation, there is a tendency to accelerate the implementation of these audits, with only 42% of Procurement Departments not carrying them out in 2023, compared with 50% in 2022.

Chart n.26 - Have you set up regular CSR audits of your suppliers?

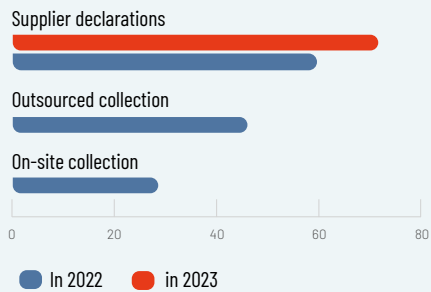


Most of these CSR audits are based on surveys sent to suppliers. This method based on supplier statement only is directly linked to the increasing volume of CSR audits.



A virtuous practice in quantitative terms : sending out and processing questionnaires facilitates the audit process, but a practice that also has its limits in qualitative terms : how reliable is the information declared?

Chart n.27 - How do you carry out these CSR audits?

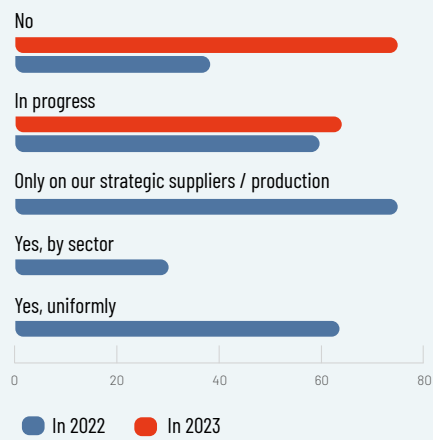


For more strategic suppliers or sensitive markets, Procurement departments know how to go beyond this simple act of declaration, by increasingly resorting to collecting information directly on supplier sites - in a targeted manner, as this is still very resource-intensive - or by calling on external service providers to carry out this collection.

If we extend our survey to Procurement Departments' practices in terms of Supplier risk management, we again see a clear increase in the number of Procurement Departments that have set up a risk map, since the proportion that had not equipped themselves by 2022 has halved by 2023, from 28% to 14%.

Even if only a quarter of Procurement Departments have risk mapping in place for their entire supplier portfolios, awareness of risk measurement is on the rise, reflecting both the impact of regulatory requirements in financial and non-financial terms, and the need for anticipation and agility inspired by the crises of recent years. **Chart n.28**

Chart n.28 - Have you set up a risk mapping?



The editors' viewpoint

"The lack of data on CSR criteria seems to be a major problem for Procurement Departments. Some struggle to understand the CSR practices of their suppliers. The need to obtain this information, whatever the level of suppliers, makes it complex to collect, analyze and evaluate social and environmental responsibility throughout the supply chain.

Added to this is the question of data reliability when the information used is solely provided by suppliers. To ensure the quality of supplier data, Procurement managers can rely on software publishers' solutions, which integrate surveys on precise criteria for suppliers, collect third-party data from dedicated partners, and offer advanced tools (dashboard and scorecard) to facilitate the analysis of this information."

Esker / Jaggaer

An expert's view

THE DUTY OF CARE: AN OPPORTUNITY FOR FRENCH SMALL & MEDIUM COMPANIES

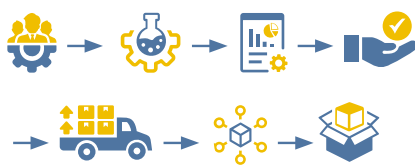
by **Marc Jacouton**, CEO of RSE Développement and expert in CSR strategies for transforming business models | www.rse-developpement.com

Duty of care, which is currently being extended across the European Union, aims to promote sustainability and human rights, and to mitigate the negative impacts of corporate activities.

In our globalized economy, establishing a fair supply chain is part of a sustainable economic vision that goes beyond simply reducing harmful effects in favor of positive ones.

To enable French companies to seize the opportunities for profound transformation that this vision brings, **it is urgent to lighten the regulatory burden that is holding them back**, particularly for SMEs and Mid-size companies.

It is also imperative to introduce greater transparency, traceability and even ethical labeling to inform consumers before they buy. French and European political decision-makers must play a major role here, by **demanding greater transparency in the supply chain with the integration of standardized ethical and environmental information** such as extended product labelling.



Beyond regulations, **CSR is becoming a major lever for companies**, particularly SMEs, whose impact on human rights, working conditions and the environment is tangible. A voluntary approach must prevail and exclude any punitive approach, in order to achieve significant results.



Concrete examples of good practice exist in the textile industry, for example with organic fair-trade cotton, which offers complete ethical traceability of production, from the cotton fields to the garment factories.

It is essential that companies make concrete commitments, supported by Procurement departments convinced of their central role in these developments.

4 The buyer in the digital age

In the digital age, 91% of Procurement decision-makers believe that the new purchase manager is less a negotiator than a Business Partner in charge of managing the company's external resources. The profile of the purchase manager is evolving, and today's Procurement departments say they give priority to the following skills, in order of importance :

1. Risk management
2. Community management
3. CSR skills
4. Mastery of compliance processes
5. An appetite for digital tools
6. Data skills

Added to this list is the ability to think strategically, and a strong "soft skills" dimension that echoes the new purchaser's role as Business Partner. As Jean-Nicolas Lintz, Procurement Director at Demathieu Bard, points out, the Procurement function is diversifying : the Front to external resource managers, and the Back to support staff (data analysts, industrial engineers, etc.).

Beyond the technical profile, Procurement decision-makers agree that they are looking for entrepreneurs with a "game changer" mentality.

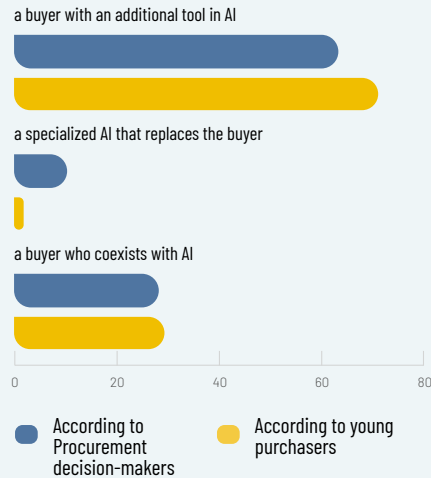
Cédric Le Saveant, CPO at Technicolor, advises that, to succeed in the digital transformation of a Procurement department, it is essential to "surround yourself with people who are curious : they are the ones who get to grips with innovation".

When it comes to CSR, Mathieu Thévenot, European Director of Indirect Procurement at Air Liquide, has made his choice: he recruits "activists" who want to change the rules of the game and take action (see the study carried out by the CNA and published at the end of 2022 on the CSR policies of Procurement Departments).

As to whether the purchase manager of tomorrow will be an augmented one, Natacha Tréhan refutes this in her interview at the end of the document : according to her, "the augmented purchaser is a myth".

Sophie Macquet, CPO of the SPIE Group, agrees and adds : "to master the use of AI, young purchasers will need to develop logical reasoning skills". Well-versed in the proper use of AI tools, of course, but not under the tutelage of autonomous robots !

Chart n.29 - The digital buyer of tomorrow?



The rules of the game are changing.
Tomorrow's purchase manager will be the strategic leader of the company's external resources.

Digital technology will play a key role.

Expert's viewpoints

→ ONE-ON-ONE DISCUSSION

Purchasing Director of the SODIAAL group, Yasser BALAWI has initiated a digital transformation of the group's Purchasing organizations, with the gradual introduction of Artificial Intelligence-based solutions. After a career as a purchasing manager, Joël AZNAR took on the challenges of digitalizing the Schneider Electric Group's purchasing activities, and is now extending his missions to include data governance issues. This background and a strong personal appetite for innovation led him to explore the capabilities of information technologies, and ChatGPT in particular.

Both share with us their experiences and convictions regarding the use of intelligence by purchasing departments.

Yasser BALAWI : One of my missions concerns the transformation of the Sodiaal group's Purchasing department to serve the cooperative and its brands. To fully understand the stakes involved in this mission, it's important to remember that Sodiaal's history is made up of successive acquisitions, with varying degrees of integration. The group therefore has to deal with several ERPs and different sets of processes, which inevitably poses problems of Data and consolidated Spend visibility. How do you live with this heterogeneity? As a big-bang solution with a "supra-organizational" system was not an option, we had to opt for a new digital roadmap, covering both the transactional and strategic aspects of the Group's Purchasing functions and its entities. We therefore chose to rely on digital solutions to harmonize and optimize Purchasing data processing, with the use of AI technologies.

Joël AZNAR : Digital solutions have an immediate impact on data collection and, naturally, data consultation. The digitization of Purchasing tools is thus revisiting performance indicators and their restitution models. Given the direct link between data and performance measurement, I share the view that the first area of application for AI technologies is Spend Analysis. This is often the beginning of the "digital journey" for a purchasing department.



Yasser BALAWI

Chief Procurement Officer
SODIAAL Group Cooperative



Joël AZNAR

President, ExQI Association
Director of Data Governance
Schneider Electric

Yasser BALAWI : Yes, this is the exploratory side of the journey, and I'd like to stress that the use of innovative information processing technologies requires a learning mindset, a great deal of humility and an approach based on experimentation. With regard to our own experience with Artificial Intelligence, I would like to mention three areas of application for this technology in our digital roadmap:

• **Visibility** • **Prediction / Anticipation** • **Enhanced data**

“Through its processing capabilities, AI acts as an intelligence accelerator”

Yasser BALAWI

The AI technologies embedded in the digital tools we deploy first respond to the first challenge of our program: gaining visibility over our performance thanks to better information processing.

The main issue here concerns our ability to collect usable data. The technologies we use today multiply our information-gathering capacities by automating the consultation of a large number of information sources and exploiting massive volumes of documents. AI also provides a first level of analysis and classification of our purchasing data and articles. All in all, the work undertaken over the past 4 years with our digital roadmap has enabled us to develop a consolidated, responsive and reliable tool for steering our Purchasing performance.

The second aspect of our use of AI concerns anticipation and therefore forecasting.

We use the Datapred solution, originally designed for the energy market. Based on machine learning technology, this tool combines historical transaction data sources, market data and macro-economic data to project Price Corridor scenarios over the next 2 to 3 years. The idea is to explore several scenarios, run simulations and explore different impact analyses. We can explore various crisis scenarios, such as the consequences of the conflict in Ukraine; and the more we feed the solution, the more it corrects and refines its forecasts. For us, this is a real breakthrough in strategic decision-making, with highly operational consequences.

Joël AZNAR : Par sa puissance de traitement, l'IA nous permet de dépasser nos limites humaines au quotidien. En exploitant des jeux de données massifs, dynamiques et de nature hétérogène, en jouant avec plusieurs référentiels simultanément, ces technologies nous permettent de bénéficier de capacités d'analyses inatteignables jusqu'ici. Apportant un niveau de réflexion et d'argumentation beaucoup plus complet et complexe à nos décisions. En fait, en démultipliant ses capacités d'analyse, l'IA permet à l'acheteur de passer d'intuitions à des décisions Data Driven.

“AI enables the buyer to move from hunches to Data Driven decisions”

Joël AZNAR

So we can see that AI is positioned upstream of the sourcing and consultation processes, to guide and "challenge" the buyer's thinking. For example, to help him reread specifications and make sure they're complete before sending them out.

Yasser BALAWI : AI is not used as a direct sourcing lever today, but this should change in the next few years. But it's clear that these technologies act as a data collection gas pedal. In fact, this is the third part of our roadmap at SODIAAL: collect more and better, with technologies that analyze, categorize and qualify data for maximum usability. Not only to feed our management tools, as mentioned in the first part of our program, but also to enlighten the analyses, reflections and actions of our teams.

Joël AZNAR : Today, tools such as the latest versions of ChatGPT remain limited to descriptive, public supplier data. Gateways to access private and confidential data linked to transactions (RFP, RFQ, emails, contracts, orders, invoices, etc.) will enable us to go much further in supporting buyers. The aim is for buyers to be able to extend their use of AI from Spend analysis, as they do today, to their day-to-day actions in animating their communities.

Yasser BALAWI : This requires the ability for purchasers to use and adopt AI without the constraint of having to train as "coders".

Joël AZNAR : We need to make these technologies accessible to purchasers, by proposing very concrete use cases. A tool like ChatGPT will help them to review all these documents, to interpret them and identify gaps, inconsistencies, anomalies or risks in clauses, or to suggest analyses and ideas. A very interesting use of generative AI such as ChatGPT concerns the organization of brainstorming sessions: like the Datapred tool mentioned above, these tools can generate scenarios on the fly and facilitate the exploration of unexpected situations. Admittedly, the user has to sort through the proposals that emerge, but this approach is highly effective in providing food for thought, with a maximum number of cases studied before a decision is made. Another example: using ChatGPT to organize role-playing exercises to prepare for a negotiation, or creating a coaching program to train and improve skills on a particular subject. The use cases around the idea of user-driven expert assistance are, in fact, limitless!

“The adoption of AI will depend on concrete use cases echoing the daily life of purchasers”

Joël AZNAR

Yasser BALAWI : Yes, but how can we rely on AI analyses and recommendations, and be sure of their relevance? The question of trust as the key to adopting these technologies is often raised. It's a glass ceiling. In reality, this trust is built up gradually, through daily proof, with each use, of the quality of the results produced.

And it's already happening! Google, Waze, Amazon: we live in a world powered by AI. Take GPS, for example: the question of trust is now a thing of the past, we use it naturally because we've experienced the validity of the route proposals. The same logic applies to the adoption of AI in business.

Joël AZNAR : Everyone has access to OpenAI's public ChatGPT, but many companies take certain precautions regarding personal data and confidentiality rules. The Enterprise version of ChatGPT, based on a private model, provides a better framework for these risks, while guaranteeing more relevant results.

“Using ChatGPT should be as simple as searching with Google”

Yasser BALAWI

Yasser BALAWI : I would add that beyond making these tools available to buyers, I think it's essential to facilitate their use. Above all, AI shouldn't add complexity, and purchasers shouldn't feel they have to become technology experts. Using ChatGPT should be as easy as doing a Google search. In my opinion, it's the role of purchasing managers to think about use cases and thus to create these conditions of easy access for their teams. As purchasing decision-makers, we need to think in terms of a new, intelligent, digital ecosystem to provide purchasers with more performance levers. The augmented purchaser is a better-equipped one, not one to whom we add purely IT skills.

“We, purchasing decision-makers, need to think in terms of a new digital ecosystem for augmented purchasers”

Yasser BALAWI

Joël AZNAR : It's a trend for all business functions to appropriate digital technologies to acquire greater intelligence and move towards this concept of augmented profession. Take Human Resources: recruitment, skills management, career guidance, etc... digital technology and AI have also been transforming this business for some years now. How far will we go, and how quickly will everyone adopt these technologies?

Yasser BALAWI : The maturity of AI adoption and use depends first and foremost on awareness on the part of company leaders. Purchasing departments clearly have a role to play in informing and enlightening their organizations about these trends. For purchasing departments themselves, it is undeniable that tools like ChatGPT will have a profound impact on the profession, greatly increasing its capacity for analysis and anticipation. The impact on buyers' performance will be truly substantial. But the impact will also be visible in the attractiveness of the buyer's profession, which will become much more strategic. This is an evolution that purchasing decision-makers must enable and support today.

“Purchasing decision-makers must seize AI to transform the purchasing profession”

Yasser BALAWI

Joël AZNAR : Yes, digital and AI are catalyzing the evolution of the Purchasing profession towards this notion of the augmented buyer. But while these technologies are proving to be incomparable when it comes to processing data and producing hyper-argumentative recommendations, I don't believe they can totally replace purchasers in the long term. We can see everywhere in the business world the extent to which soft skills are essential to bring the right added value to the mechanical tasks of a machine, however intelligent it may be. So let's keep in mind that, as our teams become more automated and technologically advanced, we also need to nurture the soft skills that make up the very fabric of our commitment to "living and working together".

Expert's viewpoints

→ INTERVIEW

Sylvie NOËL

Purchasing Director - COVEA Group
President of ADRA



“Digital must liberate purchasers and help them in their primary mission: to serve business!”

DPS : The 2023 edition of the DPS barometer confirms that digital is perceived as a real opportunity by Purchasing decision-makers. However, more than half of them admit that they have not yet begun to digitize, and the majority deplore a lack of resources. Is this a paradox?

Sylvie NOËL : Not really. Few of them have really embarked on the digitization of their operations, and most of the steps they have taken relate to one or two modules, mainly electronic signatures or catalogs.

As far as the lack of resources is concerned, this can be explained first and foremost by General Management's lack of understanding of the Purchasing function. Many still view this function through the prism of their own day-to-day purchasing experience, with the sole objective of obtaining a discount and a good price. Like buying a car and negotiating a 10% discount. If today's buyers are Bac+5 graduates, it's precisely because the Purchasing function is far from being summed up in this description. Today's purchasing managers still find it hard to make their companies understand the full scope of the function's added value.

DPS : Purchasing managers say they are measuring the ROI of their digitalization less and less: how do you understand this trend?

Sylvie NOËL : Calculating the ROI of digitalization is far from simple, and there are no abacuses to help. Take the example of risk management: how many purchasing departments centralize and pool access to supplier data to avoid ordering similar information reports several times? Who defines the data to be collected, so that only the information needed for the purchasing process is retrieved? Added to this is the need for purchasing departments to equip themselves with digital tools to carry out their operations and meet reporting and compliance challenges. The need goes far beyond that of the purchasing function, and as a result, ROI no longer has the same value....

The Covid crisis also acted as a gas pedal in the digitization of Purchasing: when senior management asked, overnight, to see the list of strategic suppliers and the associated action plans, they realized that the majority of Purchasing departments were not equipped with an SRM... for lack of means. But an SRM is not an end in itself, it's simply the first brick in a digital system that needs to go much further to meet the growing challenges of risk and compliance, and lighten the load on buyers so they can concentrate on their strategic management of purchasing operations. Without this, the buyer is reduced to doing nothing more than compliance.

“Compliance: purchasers are more than just a “Mr. Risk””

DPS : Speaking of compliance, standards are evolving and becoming more complex, and Purchasing is more than ever at the heart of the compliance challenges facing companies. Is this an opportunity to promote the function?

Sylvie NOËL : With the changing regulatory framework around CSR compliance issues, we're moving from a non-financial rationale to a sustainability rationale. These compliance requirements put the Purchasing function at the forefront, but paradoxically, while companies are required to submit their first sustainability report by January 1, 2025, many have not yet started. This means revisiting all relationships with the company's business departments, suppliers, experts and supply chains. And to involve buyers in the challenges of innovation and collaboration, and not just as negotiators.

DPS : According to the 2023 edition of the DPS barometer, facilitating supplier communities is a top priority for purchasing departments.

Sylvie NOËL : This is an important area for the performance of Purchasing departments, who must take care to structure their approaches with groups of suppliers and experts. Leading communities must be based on a shared strategy. The aim of a community must be to draw up progress plans and to measure continuous improvement on a factual basis.

DPS : The profession sees purchasers as the managers of the company's external relations. Vision or reality?

Sylvie NOËL : The role of the purchasers is clearly to manage the company's relations with multiple third parties, not just suppliers. But the company must give him the means and the time to do so. Buyers are generally too busy with administrative tasks, and don't have enough time to carry out more strategic missions for the company. Take the case of sourcing: it's a process that requires time for research, analysis and exchange, and given the current economic climate, regular sourcing is more essential than ever for companies. In my team, I ask purchasers to source 20% of new suppliers every year, and I make sure they have the means to achieve this objective.

DPS : In other words, purchasing departments need to make sure they use digital technology to support buyers in their missions, and lighten the administrative burden of compliance as much as possible?

Sylvie NOËL : Exactly. Regulatory obligations must not deprive buyers of their core business, which is sourcing the right suppliers. And digital must not be built to the detriment of pragmatism, but rather to ensure that the purchasers' role remains central to the relationship with suppliers.

Digital must help purchasers in their day-to-day work, freeing them from administrative tasks so that they can concentrate on their real area of expertise. This is typically the reason why more and more Purchasing Departments, like mine at COVEA, are turning to Artificial Intelligence: faced with ever-growing masses of data and a growing number of administrative tasks with no immediate added value for the business, these technologies are becoming increasingly indispensable. The combination of OCR and AI, for example, works wonders in identifying and updating obsolete clauses in contracts.

“The augmented purchaser is a purchaser who is freed from low value-added tasks thanks to technology”

Purchasing's primary mission is to enable business units to develop their activities in complete security, using products and services provided by buyers. However, the business is changing fast, and a supplier who is approved today may no longer be approved tomorrow, due to a change in the regulatory framework. Fragile and uncertain economic conditions add up to an acceleration in the rotation of supplier portfolios. For the purchasers, this means not only mastering purchasing skills - to be able to source efficiently, for example, and to be able to replace the supplier - but also acquiring the tools needed to monitor, anticipate and react more effectively.

DPS : In your opinion, is sourcing becoming the most important skill for purchasers?

Sylvie NOËL : Once again, a purchasers' first added value is to find the right supplier, and today, the notion of the “right supplier” is becoming increasingly complex: suppliers must both meet the usual specifications AND comply with compliance standards.

“Sustainability regulations will lead some organizations to drop their marketing posture”



DPS : Speaking of compliance and, by extension, companies' commitment to adopting new standards, the 2023 study confirms a position already measured in previous editions: the majority of Purchasing decision-makers consider their company to be visionary in terms of ESG commitment. Do you share this view?

Sylvie NOËL : To tell the truth, I find it very complacent. In reality, we see very little concrete action in terms of CSR. That's where the new obligations with the Sustainability Report, the CSRD, etc. will bring about a real change. Even companies with little commitment today will be forced to take steps towards compliance very quickly.



DPS : Purchasing departments deplore the lack of data and tools for conducting CSR assessments of their operations.

Sylvie NOËL : In that case, you have to go out and find them, and start by questioning your own resources. It's time to take action, to become pro-active on these issues to accelerate change and remove the obstacles that have already been identified. For example, measuring carbon footprints or applying scope 3: how can we do this without abacuses? The industry needs to mobilize to design common frames of reference. We now need to move from commitments to implementation. We don't want to be too radical, but we do need to retain a certain degree of operational latitude: when we plan to replace a supplier if he's not compliant, we need to consider that, sometimes, we can't replace him. 100% is not possible in reality. So let's be ambitious, let's get moving, and let's keep the most basic aspect of Purchasing as our priority: serving the business above all !



Expert's viewpoints



INTERVIEW

Vincent LEROUX-LEFEBVRE

Sustainable Procurement Expert
Afnor Group



“When it comes to CSR, Procurement must move from control to innovation”

DPS : Vincent, you joined the Afnor Group as a Responsible Procurement expert after a career as a procurement decision-maker. Can you tell us more about this mission?

Vincent LEROUX : Our role is to support companies in developing good procurement practices in line with voluntary standards. There are a number of standards related to procurement, in particular ISO 20400, which have the advantage of providing a clear structure for the steps taken. We also take part in training cycles to help procurement teams develop their skills, which can go as far as obtaining CSR purchasers' certification. On request, we also intervene in schools and universities to develop the CSR skills of future purchasers. We help procurement departments to develop their capacity for strategic analysis, and to adopt the most appropriate methods for supplier evaluation, risk management and stakeholder involvement. To achieve this, we use innovative decision-making tools. The aim is to learn how to generate greater and more responsible value for all parties.

DPS : You've had a sneak preview of the results of the 2023 edition of the DPS barometer. What caught your attention?

Vincent LEROUX : In my analysis of the survey results, what struck me first was the maturity of Procurement decision-makers in understanding CSR issues, and at the same time, the fact that a majority of them consider their company to be rather lagging behind, wait-and-see or opportunistic in this area.

For me, this raises a paradox : Procurement is generally expected to play an innovative role in the company on the subject of CSR, yet it is confined to a simple position of executor. But eventually Procurement teams show a real desire to innovate on CSR issues.

“Quality of sourcing is the key to Procurement performance”

DPS : Many procurement decision-makers have told us that they are concerned about the growing role that compliance procedures are taking on in a purchaser's day-to-day work, with the fear often expressed that they will simply become pure producers of compliance reports.

Vincent LEROUX : Yes, integrating the dimensions of social and environmental responsibility into supplier relations, right from the sourcing phase, must not be limited to control. Compliance rules should not be seen as a constraint, but rather as an opportunity to revisit existing methods. Let's take the example of CSR strategies: are they applied by procurement family? For the most part, no. Today, audits are nothing more than control tools, which are essentially self-declared. This is what I call the "Ecovadis phenomenon": we order an analysis that we charge the supplier to ensure that it has a medal. Too many purchasers rely on tools designed for suppliers to evaluate themselves, rather than looking for tools to help purchasers in their own supplier evaluation process. Procurement departments need to move beyond the current dichotomy between simple control on the one hand, and real innovation with sustainable suppliers who respect the three main CSR pillars on the other.

“The purchaser has to think outside the box to find more value”

DPS : Procurement departments are making community development a priority. But can they afford to do so?

Vincent LEROUX : Community management is clearly a major factor in the development of Procurement performance, and one on which Procurement departments need to mobilize and make progress. Today, there is both a lack of information and a lack of training, as shown by the barometer figures. The Procurement function is claiming a growing role in the innovation of their organizations, and in the value creation process. And this value creation process is intimately linked to sustainable procurement practices. So it's now a question of activating other levers, such as Value Hill, to invent a better business. I like to take the example of a portage company that often loses tenders because purchasers ask for RFAs that are incompatible with the business model. In the end, both parties lose out, and Procurement, in this particular case, would do well to explore other and more mutually beneficial models of collaboration.

“Value creation is intimately linked to sustainable procurement”

DPS : The subject of training came up a lot in this year's study, particularly with the feedback from young purchasers.

Vincent LEROUX : CSR is very present among this new generation of purchasers, a real concern. My experience as a trainer has shown me that CSR is often not given enough attention in training courses. It's a little extra that comes at the end of the course, whereas purchasers are constantly confronted with CSR issues in their day-to-day work. As a result, the methods used by purchasers are not yet being challenged, and remain too traditional.

DPS : Are these traditional practices the reason why collaboration between purchasers and suppliers is still too superficial?

Vincent LEROUX : Purchasers who encourage regular exchanges with their suppliers' sales teams are still too rare. And salespeople still do their utmost to concentrate on the specifier, avoiding purchasers and confining them to the role of last in the chain in the commercial relationship. The blame is shared, but this pairing needs to move towards a more constructive dialogue. Everyone must adopt a more responsible stance.

“Sustainable procurement calls for sustainable business”

DPS : The assessment of carbon footprint reveals a very weak approach at present.

Vincent LEROUX : The methods used today are still unreliable and require a huge effort : it takes several months and a considerable effort to collect the required information, process it and produce either a tertiary decree or a carbon footprint for a car fleet for instance. The real question is how to interpret the carbon footprint in order to draw up an action plan.



“The purchaser must rely on frescoes of values”

DPS : What about publishers? Do they offer sufficient data exploitation to support responsible purchasing initiatives?

Vincent LEROUX : SRM modules are increasingly integrating data models and BI, and sustainable purchasing methods. The CSRD will accelerate this trend, and by 2025 software publishers will have to offer data connectors to feed purchasers' operations. There is still considerable potential for exploiting external data about suppliers, their markets, trends and news. But for my part, I feel that publishers are better at communicating than integrating tools. They need to make quick progress in anticipating their users' needs, in order to align their solutions.

DPS : To conclude, and in response to the transformation challenges facing the purchasing profession, how would you define the modern procurement manager?

Vincent LEROUX : He is clearly a more strategic purchaser, primarily focused on partner management. The analysis of business models of his company and its suppliers enables him to break down value drivers, so as to better explore and develop them. Understanding these models, integrating sustainable purchasing criteria to review its sourcing strategy and community : in a nutshell, here is the guiding principle for procurement managers in 2024. The modern purchaser must get all the benefits of digital technology to engage in more and better dialogue with suppliers who are no longer seen as a commercial transaction, but as partners in a shared project.

<https://inchainge.com/knowledge/sustainability/the-value-hill-circular-economy/>



Associate Professor Grenoble IAE-INPG
Researcher at the CERAG laboratory
Grenoble Alpes University



DPS : Purchasing departments see digitalization as an obvious lever for improving their performance, but many are struggling to implement it in all its dimensions. As a researcher and lecturer in management science and purchasing management, what is your take on the digital evolution of these organizations?

Natacha TRÉHAN : The digitalization of purchasing departments is still insufficient, and very unevenly distributed according to the size and activity of the organization. The DPS barometer reflects the difficulties faced by Purchasing departments in their digital transformation. In my opinion, there are three main obstacles to digitalization:

- Data governance
- Lack of integration of information systems and interoperability of tools
- Dedicated budgetary resources

As far as data governance is concerned, Purchasing departments are not taking this subject sufficiently seriously. What procedures are in place to guarantee data quality, availability, usability, security and confidentiality? Who is responsible for it?

On the one hand, digital technology is accelerating the volumes of data available and even required - for example, to meet growing compliance requirements - and on the other hand, the elementary principles of good database management are not being mastered. Lack of consolidation, deduplication, obsolete or incomplete data... these are the kinds of data quality improvements that Purchasing departments need to make a priority. Without reliable, usable data, no analysis or decision is possible. A consolidated spend cube, which is the basis for all Purchasing decisions, is still not accessible to many organizations. For this, the creation of a single "primary master data" repository is key.

DPS : So, there can be no successful digitalization in Purchasing without good quality data?

Natacha TRÉHAN : Exactly. Data quality is THE first critical point. Then, data access is crucial. Beyond the data warehouse, Purchasing needs access to a data lake: most of the data collected (up to 90%) is unstructured or semi-structured (emails, PDFs, social networks, internet...). Data warehouses are ill-suited to house such a mass of raw data. The data lake enables data to be stored in its native format. With the challenges of decarbonizing supply chains, the volume and diversity of data to be collected, centralized, stored and exploited is exploding. This "data lake" is therefore the sine qua non condition for agility in the future use of data

“Interoperability must go together with cybersecurity”

DPS : How would you describe the limiting role of tools and their interoperability?

Natacha TRÉHAN : As the study shows, developing collaboration through community building is a top priority for purchasing departments. More collaboration implies more time for the buyer to devote to animating his communities. To free up this time, buyers need to offer suppliers greater autonomy: giving them access to shared tools so that they can directly input the information they require, or share their contributions to the work of a community. More collaboration also means more interaction, which the purchaser must produce and manage. Here again, shared tools or tools that communicate are essential to support the concrete and productive animation of a community.

Natacha TRÉHAN : More collaboration also means more interaction, which the purchaser must produce and manage. Here again, shared tools or tools that communicate are essential to support the concrete and productive animation of a community. Finally, interoperability will also be crucial in the future to enable product traceability and increase circularity opportunities within Europe. This is what the European Digital Product Passport is all about.

I would also like to draw the attention of Purchasing decision-makers to cyber risks. The more they connect to external environments, with their suppliers, with innovation platforms, with sharing communities... the greater the risks.

SMBs are vulnerable because they don't have the resources of large corporations to protect themselves against cybercrime. When they share gateways with Purchasing Departments, these SMBs can serve as gateways into the systems of large companies. We've already seen this with Airbus subcontractors. Supply chain cybersecurity is, in our opinion, the subject that Purchasing departments must tackle as a priority, in collaboration with their IT departments. And in view of global geopolitical conflicts, cyber-attacks are likely to increase.

DPS : Why do you think budgets are an obstacle to the digitalization of purchasing?

Natacha TRÉHAN : As we can see from the study, these budgets are still insufficient. The reason, in my opinion, is that companies still don't consider data to be a strategic asset. During the Covid crisis, not all supply chain disruptions were due to shortages! They were also largely linked to a lack of integration of information systems between sales, inventory, production and purchasing. In tense supply chains, the lack of availability and accuracy of data means disruptions. What budget are companies prepared to devote to guarantee not only the integrity of their supply chain but also their compliance, responsiveness and competitiveness?

“Data is a strategic asset to be leveraged”

DPS : To what extent can purchasers benefit from technological innovations such as artificial intelligence?

Natacha TRÉHAN : Technologies use to be deployed in stages within companies. Purchasing first used “business intelligence” tools for descriptive analysis and detailed reporting. Then, Robotic Process Automation technology automated all the repetitive tasks performed by buyers. Based on massive amounts of data, machine learning is now able to offer advanced analytics, with 360° views by category, or cost structure modeling. More and more tools, by integrating big data and machine learning, are able to provide predictive analytics, such as the evolution of material prices. Scenarios are proposed. Tomorrow, we'll be able to access prescriptive analytics: based on market trends and supplier behavior, buyers will be able to analyze the “how”: how to optimize a negotiation with a supplier, for example. We are currently discovering generative artificial intelligence. These new analytical capabilities often lead to talk of the buyer's augmented intelligence. My position is that the augmented buyer is a myth if he is not critical and creative.

“A critical and creative purchaser rather than an augmented one”

Filing data and photos faster than any human is one thing, but inventing concepts and associating them is quite another. Machines lack critical thinking and abstraction. And yet, the great advances in science have stemmed from these characteristics. Harvard Business School, MIT and the BCG Henderson Institute have just conducted a scientific experiment on over 750 employees using generative artificial intelligence.

It increases content production and speed by an average of 40%. But when it comes to solving complex problems, average employee performance plummets by 23%. Generative AI standardizes employee output. The variety of their output drops by 41%, representing a drastic reduction in the group's creativity.

Exploring new models of collaboration with supplier communities, betting on innovations, seizing opportunities with the inherent element of risk in any company... is still not compatible with the intuitive capacities of our intelligent machines. The long-term challenge is to combine the computing power of machines with the critical and creative power of human beings. This will give rise to new models of value creation.

DPS : This brings us to the question of buyer skills, which need to be expanded to make the most of these advanced technologies.

Natacha TRÉHAN : Three key skills will be needed by buyers in this technological revolution:

- Cultivating critical thinking
- Develop computational thinking
- Learning creativity

DPS : Do you consider critical thinking to be a priority?

Natacha TRÉHAN : Yes, AI has no common sense, so we must always keep a critical mind when using it, because as with GPS, if we rely on it too much, we lose our sense of direction... at the risk of losing ourselves for good.

This critical spirit will be all the sharper if buyers are at least trained in data analysis and processing. This will enhance their relevance and their ability to make the right decisions. We are currently observing in student populations that correlation is often confused with causation. This interpretation bias is not compatible with the handling of complex analyses.

“Computational thinking will be the essential skill of the 21st century purchasers”

DPS : Not blind trust with AI, all right. But what do you mean by computational thinking?

Natacha TRÉHAN : A machine doesn't think, it just calculates. A question that's wrong at the outset will give a correct answer for the machine, but a potentially dangerous one for the user, because it won't correspond to reality. So it's up to the user to make sure that the question has been correctly posed, so that it can be processed by artificial intelligence. This ability to dialogue with the machine is what I call the development of computational thinking.

As AI makes its way into the purchasing function, computational thinking will become the essential skill of the 21st century buyer. It involves formulating problems in such a way that a computational method can be used to answer them. It's not coding or programming. It's not just for computer scientists. It's a holistic approach to understanding how algorithms work, what the machine does with the data, how it learns from the data you feed it, how to ask it questions...

Purchasers will increasingly work with artificial intelligence. Computational thinking will enable us to interact with them more effectively, to make more relevant decisions.

DPS : “Creativity is intelligence having fun”, said Albert Einstein. Should we entrust the cold analysis of data to the machine, and the playful part to the purchasers?

Natacha TRÉHAN : In some way, yes. Greater man-machine collaboration will require purchasers to step up their creativity. Not only is this something that differentiates them fundamentally from the machine, but above all, it is from creativity that innovation is born. The good news is that creativity can be learned. There are many, many techniques. The difficulty, as J.M. Keynes points out, is not in coming up with new ideas, but in escaping old ones. With AI at the forefront of their digital transformation, and in the face of the societal and environmental challenges we face, purchasers need to learn to reinvent themselves.



Julien BLAZY

Purchasing Methods
& Performance Director
Eiffage



DPS : Julien, you've gone through the results of the DPS survey for this 2023 edition, and one of your first observations was how the data was used.

Julien BLAZY : Indeed. First of all, I noticed a fairly general consensus on the importance of exploiting the wealth of data collected thanks to digital devices. However, in an almost contradictory fashion, we also noted a lack of practical application: BI tools are not systematically equipped, there is little training in data analysis, and in the end, little use is made of the data.

And in the end, I think this is a fair reflection of reality: although large companies have taken the step of equipping themselves with tools, and each component of their purchasing process is now associated with its own dedicated BI tool, these tools remain largely under-exploited in the majority of cases. This is due to a lack of training, awareness-raising, or even a lack of real need for these analyses on the part of buyers who are primarily mobilized by more basic day-to-day aspects...

“Education in the field of data analysis and data processing remains important”

DPS : You don't think the purchasing business is evolving so fast as to require such a high level of decision-making tools?

Julien BLAZY : On the contrary, the stakes have never been so varied and important. But on a day-to-day basis, the company's operational contacts lead buyers to focus on metrics directly linked to operating performance: prices, availability/supply, etc.

In decentralized structures with a strong regional presence, such as Eiffage, operational managers are little aware of the strategic role played by the purchasing department. Buyers are therefore faced with a form of ambivalence, between their internal customers, who expect immediate gains from their operations, and the Purchasing department, which demands the integration of objectives and indicators that are not always valued by these internal customers.

Purchasers, on the other hand, respond to the urgency of the operational situation, so priorities are naturally set by themselves, to the detriment of fundamental issues and time for analysis of practices and performance.

“Through their expectations of immediate gains, operational staff can limit the strategic actions of the purchasers”

Let's take the example of catalogs: few purchasers take the time to exploit the analyses at their disposal to identify the items on which to focus their efforts: developing more ambitious conditions with suppliers, having labels, descriptions and photos available for optimal promotion to internal customers, etc...

DPS : What can be done to increase the adoption of this BI aspect of digital tools?

Julien BLAZY : Purchasing teams need to be constantly encouraged to adopt the tools on a daily basis, through internal communication and regular workshops... but these programs must be backed up by a genuine Purchasing strategy, shared and supported by the Management Committee.

The aim is to reposition the Purchasing function higher up the value chain, by recognizing its role in risk management, compliance, and the management of the company's external relations.

A real evangelization of the challenges of digitizing the Purchasing function is therefore essential to optimize practices, collect the indicators required for compliance rules, and encourage analysis and reflection to regularly identify areas for improvement.

DPS : What are your views on the skills that Purchasing departments expect of their staff?

Julien BLAZY : We're seeing a clear breakthrough, with a recent, rapid and logical awareness of CSR skills. But I've also noticed a growing demand for community leadership, which is a good sign of the growing importance attached to developing new, ever more collaborative ways of working with suppliers. On the other hand, I'm surprised by the ranking of digital skills, which I feel is too low in relation to the issues mentioned above. The need for an appetite for digital is crucial if we hope to take ownership of purchasing processes. It's essential, for example, for a category manager to be able to carry out detailed analyses of portfolio data and devise a sound strategy, or to communicate his or her process to the people he or she works with, and to ensure that strategies are properly implemented.

It's also a concern for middle managers, who need to manage their teams, batches and major negotiations. The methods used remain too traditional, given the potential for improvement offered by digital technology.

“Purchase executives recruitment needs to focus more on understanding and digital skills”

DPS : What do you think of the gap between purchasing decision-makers and young purchasers when it comes to their company's CSR commitment?

Julien BLAZY : Young purchasers are indeed stricter than their elders. In my opinion, this is mainly due to the limited role of a young purchaser in CSR issues, and the consequent lack of visibility of CSR actions by the rest of the organization.

Young purchasers' contacts are essentially operational, with generally lower expectations in terms of CSR, and more focused on immediate operational gains, as discussed above. On a day-to-day basis, therefore, young purchasers make little contribution to CSR policies in the final analysis.

“Decentralized organizations need to better mobilize and involve purchasers in CSR issues”

Purchasers logically prioritize those who evaluate their performance, hence the bias played by internal customer expectations.

DPS : Assessing carbon footprints is described as a real complexity, and is still not widely practised.

Julien BLAZY : In the absence of standards, measuring emissions remains complex. To carry out such assessments, you need to be able to rely on concrete methods, shared with suppliers and explained to purchasers. Standardized approaches and data are rare, evolving and not necessarily sufficient to meet the needs of all industries.

In practice, companies wishing to make progress in this area are obliged to develop their own standards. Eiffage, for example, has created its own CSR questionnaire and indicators, which naturally leads to a very personal approach to the issue. The situation is evolving, however.

With the European taxonomy and the forthcoming CSRD, Europe is realizing its ambition to standardize extra-financial commitment, just as it has standardized financial management indicators. Logically, companies and their purchasing departments will gradually converge over the next few years, based on these new standards.

DPS : Talking of trends, we asked purchasing decision-makers about their expectations with regard to Artificial Intelligence, a subject that has recently come back into the spotlight with the success of ChatGPT.

Julien BLAZY : The survey shows that people are still very cautious about the possible role of AI technologies. We're still waiting for real use cases that can be exploited on a daily basis by purchasers. I'm wondering about the possible role of AI, and I consider it more as an interesting complement than as a pillar of tomorrow's purchasing operations.

DPS : Young purchasers see AI as the last priority for the coming years.

Julien BLAZY : It's quite surprising, I think, but ultimately it echoes the very relative digital appetite of the new generations.

This also raises the question of the academic training of young purchasers: it's difficult to project oneself into the adoption of AI if there isn't sufficient training in practical, day-to-day buyer situations.

On this point, I note that training still relies heavily on the literature of the purchasing function: a lot of theory. But what about training in practical applications, tools and data processing?

In my experience, training in this area is still too limited to Excel, which means that when we welcome young buyers into the company, we have to make sure they adopt the right reflexes for analyzing and exploiting supplier data.

DPS : To conclude, have you tried ChatGPT?

Julien BLAZY : Quite recently, yes. For example, I explored several use cases, starting with the definition of the purchaser's missions, and I was pleasantly surprised by the results.

But I don't see AI ever replacing the buyer. More like a tool used on an ad hoc basis to save time on analysis or compiling information. Above all, the Purchasing function needs human intelligence to meet the societal challenges facing companies.



Expert's viewpoints

→ CRISS CROSS INTERVIEW

The Technicolor Group has engaged an ambitious program to digitally transform its Procurement organization. Cédric Le Saveant and Wided Barguelil, who steered the project, agreed to share their experience with Anthony Sakr from Jicap, who assisted them in this project.

DPS : Cédric, what led Technicolor's Purchasing department to work with JICAP?

Cédric LE SAVEANT : Three years ago, Technicolor launched a project to overhaul its Purchasing organization, focusing on two key areas: People and Digital. We then looked for a consulting partner to support us in this project, and JICAP was the natural choice: their teams are truly experts in Purchasing issues, highly pragmatic and functionally oriented. With JICAP, we have business resources who integrate with our project team and bring all their expertise to bear, rather than consultants who only manage "off-the-shelf" powerpoint deliverables.

DPS : So this is a major project. Can you tell us more about it?

Cédric LE SAVEANT : First of all, we launched the "Source Ops" component, whose name deliberately echoes the famous "Dev Ops" to draw inspiration from the agile mode and its highly operational nature. The aim was to produce very concrete and pragmatic performance monitoring, with a detailed analytical dimension of our operations and a focus on Risk. As far as tools were concerned, while the complete solutions approach seemed obvious for the highly transactional P2P component, where we already use Coupa, the logic of the suite was more questionable for Sourcing.



Anthony SAKR
Partner & Digital Transformation practice lead for JICAP



Cédric LE SAVEANT
VP, Group Sourcing & Procurement Technicolor



Wided BARGUELIL
Director, Sourcing Performance & Transformation Technicolor

Existing solutions didn't seem very homogeneous, so we opted for a "Best of Breed" strategy. JICAP was with us every step of the way, from the overall strategy to the definition of business processes, and right through to the study, choice of suppliers and implementation of tools.

Anthony SAKR : Technicolor has a strong DNA of innovation and pragmatism. For a consulting firm like us, it's a real demanding customer who pushes us to be even more creative and to think out of the box. With this "Source Ops" project, the Purchasing department was clearly ahead of current business and digital trends, in particular with the choice of a "Best of Breed" architecture focused on "self-service" and a user experience very close to B2C.



“We want the Usain Bolt in every aspect of the purchasing process”

DPS : Opting for a “Best of Breed” architecture rather than relying on one of the market’s suites is a bold gamble. Why did you make this choice?

Wided BARGUELIL : Our choice of the “Best of Breed” strategy was motivated by our desire to increase flexibility and adaptability to our needs. Our aim was to achieve maximum agility at every stage of our Sourcing process, rather than settling for an all-in-one solution that may not cover all our needs. Also, our understanding of the suite offerings on the market led us to conclude that a single suite cannot consistently guarantee an optimal level of innovation on each of its bricks.

You might think that a Suite would be more economical, but in the end, the “Best of Breed” strategy proved to be far more valuable to us, because unlike a suite where certain bricks are often under-exploited, we take full advantage of each component of our device.

Cédric LE SAVEANT : For performance management, we opted for Per Angusta and Sievo for data analytics, with an approach that reflects the Human and End User Centric dimension of our digital transformation. The tools are designed from the point of view of our buyers’ daily lives, to help them first and foremost in their tasks, and not simply with the aim of producing reports.

“Digital must be seen as a working tool, not as a tool for keeping tabs on people”

DPS : Ambitious transformation projects often come up against obstacles. Have you come across any?

Cédric LE SAVEANT : Not building our tools around the CPO’s reporting needs clearly contributed to the successful adoption of our new digital devices. There’s a lot of talk about “User Centric” approaches in digital transformation projects: we did it for real! It doesn’t guarantee 100% buy-in, but today the proportion of users is high enough to drive out the holdouts. The movement has begun.

Anthony SAKR : In addition to change management, any transformation needs to be accompanied by the implementation of rituals based on the use of tools to collectively generate the desired value from the project. In this way, buy-in becomes an operational necessity.

“The digital transformation of Purchasing organization contributes to a better deployment of the function with internal customers”



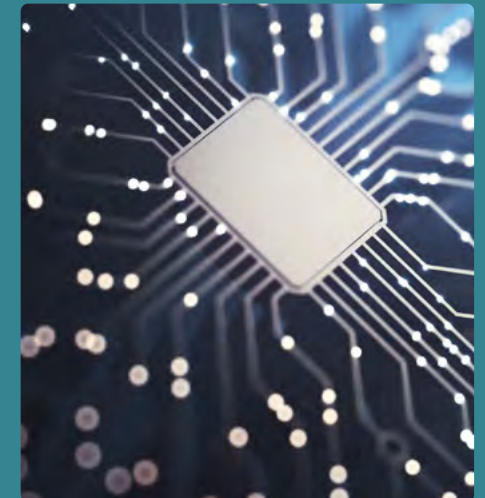
Wided BARGUELIL : Above all, we encountered exogenous difficulties, with Sourcing’s lack of awareness among the business lines and other corporate functions. Digital technology has been a real lever that has enabled us to acquire a position of reference, establish ourselves as the “knowers” and become the facilitators of transparency and communication. Thanks to the importance and abundance of internal and external data at our disposal, we are now in a position to respond effectively to strategic issues such as competitiveness, CSR, diversity and other key aspects for both our business and our customers. Digital technology has transformed Sourcing from a traditional support function into a value-creating one.

DPS : How would you sum up this collaboration?

Cédric LE SAVEANT : Excellent ! With JICAP’s help, we’ve moved from a purchasing tool based mainly on reporting our savings to a set of synergies around our projects and contracts. Today, the flexibility of our tools enables us to support the Group’s transformations, while offering an employee experience in line with the expectations of the new generations of talent we’re looking for. We must now tackle the challenges of compliance and risk management, once again with a desire for disruption, and therefore a need for agility and the interest of not being constrained by a Suite.

DPS : If you had just one piece of advice for a successful digital transformation project?

Cédric LE SAVEANT : Surround yourself with inquisitive people: they’re the ones who bring innovation. It’s also important not to let IT people drive your own digital transformation like a project to implement yet another piece of software : keep control.



A study carried out by



Founded over 75 years ago, the CNA (Conseil National des Achats) is a professional network for sharing expertise, business meetings and local contacts, for over 20,000 members - purchasing directors, purchasing managers, buyers, schools and service providers throughout France.



Every member has privileged access to a warm and caring community, where they can find personal welcome, share best practices and ideas, pool resources, federate, develop and play a role as an influencer.

Being part of the CNA means being part of a local association founded on the values of responsibility, performance and innovation, guaranteeing the ethics of the function, and whose mission is to make the Purchasing function a genuine business partner for business companies and public sector.

More informations : www.cna-asso.fr

Contact : lequipe@cna-asso.fr

We need to produce more collectively, on the standards of our profession, on the topics and issues that we all face in our missions as Procurement managers. Identifying best practices, participating in the effectiveness of tools and having a critical eye are all advantages in achieving this objective.

This ambition is essential if we are to develop and support the transformation of the profession in terms of the major issues at stake.

The CNA is also the commitment of all our volunteers, within our 11 Regions, in collaboration with a dynamic team that creates a framework with numerous services through the organization of over 200 inspiring and unifying events, whether face-to-face or during webconferences.

We also produce 3 trade magazines written by our members, all purchasing experts, and we run a media site : www.cna-asso.fr developed as a knowledge platform and a social network.



Join us !

A study carried out by



1st Artificial Intelligence AI-based Digital Success Platform, helping companies achieve a successful and sustainable transformation, from adoption to performance.

Why InsideBoard?

Change starts with people, and the success of a corporate transformation depends on the commitment of employees at all levels. 75% of transformation projects fail... Digital change management is no longer an option. It's a must-have !

To be committed to the transformation, employees need more autonomy, transparency and meaning in their daily work. Whatever their role or level of seniority, ongoing commitment and a direct link with the company's objectives are the keys to success.

That's why, at InsideBoard, our ambition is to be the best coach to help companies make a lasting success of their transformation. Major international companies have placed their trust in us since 2014.

“ InsideBoard is THE CRM of Change Management ”



Activate your Success!

More informations : www.insideboard.com

Support through all phases of transformation change management

Support through all phases of transformation change management

- **AWARENESS & ONBOARDING**
Boost your employees' commitment on your new programs and features
- **DEPLOYMENT & ADOPTION**
Accelerate adoption of tools and processes
- **PERFORMANCE & SUSTAINABILITY**
Maintain a high level of commitment over time with real performance management

Our formula for success

Key Performance Indicators (KPIs): a true measure of success

We are convinced that companies should measure success in terms of Key Performance Indicators (KPIs) for their business, so that transformation is measurable, tangible and monitored by all teams.

The value created by a digital transformation project should always be the measure of its success!

Communities of success: the incubator of success

If transformations struggle to be adopted, to spread and to be sustainable, it's because the communities that must carry these transformations are insufficiently taken into account. At InsideBoard, we've understood the importance of

mobilizing communities by going one step further and deploying Communities of Success, which bring together employees who share the same objectives and KPIs.

Boosters of success : positive emulation driven by AI

Once the KPIs and communities of success have been defined, our platform creates a stimulating and engaging environment through a number of animation levers, such as gamification and micro-learning. Each user gets customized support, whoever he or she may be, knows what he or she has to do, why and how, and all within his or her own working environment. Finally, our Artificial Intelligence engine sends personalized, automated recommendations to each user, based on their level of maturity and learning appetite.



ADRA, the Association of Purchasing Directors and Managers, was created in 2002 by Purchasing Directors for Purchasing Directors.

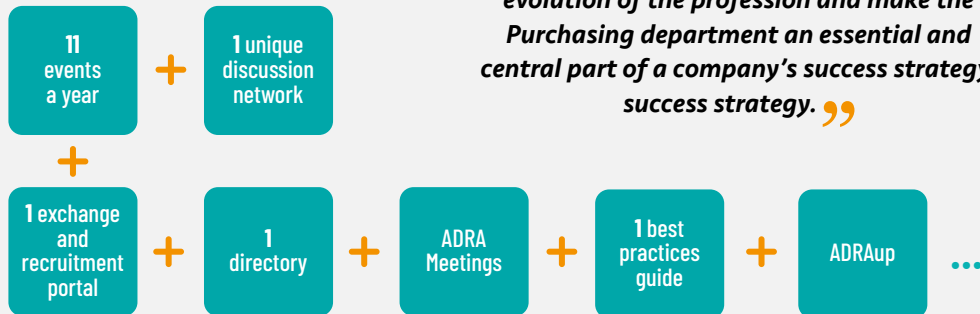
At the time of its creation, the founders identified a number of areas for reflection on the function, and our peers above all understood that ADRA could capitalize on individual experiences to create a real collective wealth to be shared with its members.

Our added value lies in our complementary nature and our determination to be active and committed players in the Purchasing function.

Our fundamentals have been anchored since the outset:

- Learn from each other
- Challenge each other and encourage exchange
- Create a network of purchasing professionals
- Capitalize on the experience of peers

Our figures speak for themselves



make ADRA a unique and collaborative space for our 106 members who account for more than 205 billion euros in purchases per year, across 43 sectors of activity in both the public and private sectors.

Our main missions, within the association, derive from the express will of our members:

- Federate the purchasing function within public and private companies,
- Promote the profession to all company directors and operational managers
- (Re)establishing the purchasing function as a noble profession, which is little known or even recognized by other corporate functions
- Actively participate in the digital transformation of companies
- Collect and disseminate best purchasing practices

At the heart of our Club: the "ADRA Thursdays" represent the DNA of the association. Every month, our members propose topics for discussion, to best serve the current and future needs of the purchasing function. We are constantly on the lookout for new developments in the profession within each structure.

ADRA operates on a voluntary basis.

Each member contributes individually to the association through his or her commitment, involvement and network. Our selection process is rigorous, and new members must be co-opted by the Board to join ADRA.

“Our ambition is to accompany the evolution of the profession and make the Purchasing department an essential and central part of a company’s success strategy.”

More informations www.adra-association.com





Esker's cloud solution digitizes the entire Source-to-Pay process to help Finance and Purchasing departments achieve their objectives: **eliminate silos between key functions, streamline the purchasing process, comply with purchasing policy and manage suppliers with full visibility of the entire process.**

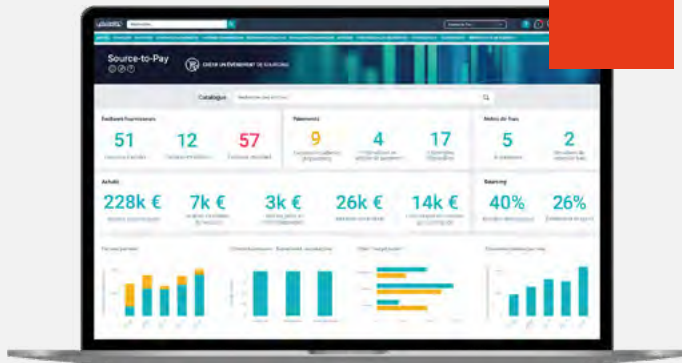
Its performance is recognized by leading analysts:

In 2023, it will be listed as a "Sample Vendor" in the Gartner® "Hype Cycle™ for Procurement and Sourcing Solutions"; in 2022, it will be listed for the 3rd time in the Gartner "Magic Quadrant" for its P2P solution.

Ardent Partners named it market leader in its "ePayables Technology Advisor" 2023 report, and Forrester included it in its report "The Environmental Sustainability Procurement Technology Landscape, Q3 2023" in 2021.

Headquartered in Lyon, France, Esker is present in Europe, North America, Asia/Pacific and South America.

More informations : esker.fr



Thanks to its international presence, the company has over 1,700 customers, including major groups such as Heineken, Optic 2000, Butagaz, Manutan and Chantiers de l'Atlantique.

Thanks to its international presence, the company has over 1,700 customers, including major groups such as Heineken, Optic 2000, Butagaz, Manutan and Chantiers de l'Atlantique.

As a software publisher, Esker is a trusted partner that supports Purchasing Departments in improving their processes. Its participation in the barometer for the 2nd year running reflects this commitment, aimed at creating a space for sharing within the professional community.

Esker aims to support the evolution of purchasing practices by making its expertise available to offer practical advice and help purchasing professionals in their development.

Esker intends to contribute to the creation of an environment where the successes and lessons learned by peers **become a source of inspiration for all, thus fostering an effective digital transformation that benefits the whole community.**



ELEVATE YOUR S2C DIGITAL TRANSFORMATION WITH JAGGAER

With JAGGAER solutions, you will receive comprehensive procurement solutions that will meet your needs. JAGGAER has the solutions you need to streamline your procurement processes, enhance supplier collaboration, harness artificial intelligence, enhance user experiences, and meet your sustainability targets. Take advantage of our expertise to help you navigate the complex waters of modern procurement

Supplier relationships: Access a global network of suppliers to expand your procurement capabilities. Strengthen your relationships with our collaborative platform, obtaining real-time information, automating communications and reducing risks.

User experience: We design and improve our platform with the end user in mind, thereby improving their productivity and satisfaction.

ESG Commitment: Integrate CSR criteria into efficient procurement for a positive impact.

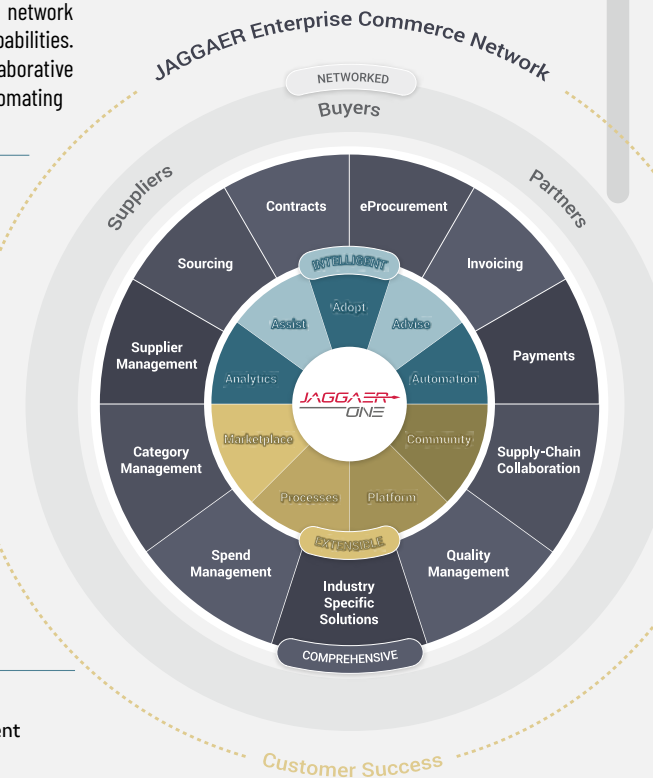
Integrated intelligence: JAGGAER provides a complete view of procurement processes through analytics, machine learning and predictive insights. It is equipped with AI that adapts according to your needs, provides real-time information, automates repetitive tasks and optimizes decisions.

Learn more about JAGGAER's procurement solutions at www.jaggaer.com

JAGGAER has been named a **Leader in the Gartner Magic Quadrant for P2P and Strategic Sourcing Suites.** Every year, more than \$500 billion worth of goods move through its network of 5 million businesses.

At **JAGGAER**, our **customers' success** is a priority. We are delighted to be a partner of the "Digital Procurement Success" barometer, which enables us to gain a **precise understanding of business needs**, in order to provide companies with the best possible support in their **digital transformation.**

Join us at the forefront of procurement innovation and embark on a journey that will redefine your organization's future. Your success is our mission, and together, we'll lead the charge toward a brighter, more sustainable future.





Creditsafe: your data ally for secure, optimized purchasing

Creditsafe is the world most widely used BtoB corporate data platform, offering a wealth of information to anticipate supplier risks, secure purchasing and optimize the digitization of processes.

Creditsafe's corporate data can be easily integrated into your own tools and information systems: web portals, API/connectors, batch files.

With over 430 million companies worldwide and real-time data from over 9,000 sources in 200 countries, Creditsafe offers a powerful solution for risk and compliance management, portfolio optimization and process automation.



Improve the reliability of your database



Better sourcing and onboarding



Monitor and manage risks

Every day, more than 500,000 professionals rely on Creditsafe for their strategic decision-making.

With 25 offices across Europe, America and Asia, Creditsafe stands out for the quality of its support and information, offering expertise and solutions on a global scale.

Why choose Creditsafe for Purchasing?

1 Supplier Data Collection:

Leverage detailed data to obtain crucial information on suppliers' financial situation, payment history, disputes, etc.

2 Data Centralization:

Facilitate access to and management of essential information by centralizing data in your supplier management tools or systems..

3 Data Analysis and Dashboards:

Use data to create analytical dashboards, enabling purchasing teams to monitor KPIs related to supplier risk and performance.

4 Risk Management and Predictive Modeling:

Implement predictive models to anticipate potential supplier risks and facilitate proactive risk management.

5 Continuous Supplier Performance Monitoring:

Use information to regularly monitor suppliers' financial performance, quickly identifying signs of deterioration or emerging risks.

6 Data Integration into CSR initiatives:

Evaluate suppliers' ethical and sustainable practices, helping to promote responsible policies within the supply chain.

By using Creditsafe data, purchasing departments can strengthen their position in supplier management, reduce risk and promote sustainability within their supply chain.

More informations : www.creditsafe.com



Jicap: a pragmatic consulting firm covering all aspects of the Purchasing Function

Jicap is a consulting firm specializing in **transforming purchasing** and improving the **management of the financial and non-financial performance** of purchasing functions.

Our 360° approach, built around six areas of expertise, provides concrete solutions to support all the key dimensions of the purchasing function.



Founded in 2016, Jicap now has over 50 employees in France and Switzerland. We have supported over 100 customers in all sectors thanks to **our approach that brings together: Vision, expertise and operationality.**

• **Expertise** : Combine consulting expertise and operational experience with significant track-record within major purchasing organizations.

• **Operational approach**: Combine purchasing experience and seniority, operational execution, and cutting-edge digital skills.

• **360° vision**: Contribute to the creation of value in all the company's key dimensions: Costs, Risks, CSR.

For any needs or questions, contact us:

Anthony SAKR
anthony.sakr@jicap-performance.com
06.08.43.57.80

Our transformation practice is organized around four service lines to cover all our customers' transformation challenges:

Business Transformation: Operating Model and Transformation Plan

- Diagnosis and strategic consulting
- Group purchasing policy and strategy
- Target Operating Model (TOM)
- Steering and performance monitoring cockpit

Digital transformation: Customer/user experience

- Technology consulting and selection assistance
- Target Application Landscape (TAL) and digital roadmap
- Project management and digital project management
- Analytics and automation

360° Risks: Third-party risk management

- Third-party risk mapping
- Design and deployment of risk management tools
- Definition of action plans and associated associated
- Governance training and awareness, risk and control (GRC)

Responsible purchasing: CSR issues

- Responding to decarbonization challenges
- Steering and governance of decarbonization plans
- Onboarding and training
- Deployment of steering tools

4 Service Lines covering all aspects of processing



JICAP's full range of business expertise is resolutely operational, enabling to co-construct pragmatic solutions and providing quick and sustainable results

jicap-performance.com

JICAP Performance

Conclusion

Increased regulatory requirements, the rise of artificial intelligence, an uncertain international situation, profound climatic and societal upheavals... more than ever, Purchasing departments are at the forefront of strategic corporate challenges.

The impacts are immense:

reinventing sourcing to boost innovation and secure procurement, moving away from pure negotiations with suppliers towards more partnership and co-construction, fully exploiting the intelligence of data and tools to liberate buyers and help them focus their expertise on the strategic management of the company's external resources...

The transformations expected are commensurate with the stakes:

we need to reinvent our business models to make them sustainable and compatible with a world whose resource map is changing rapidly.

And time is of the essence:

beyond the accelerating regulatory deadlines, the planet has already begun to set new limits on yesterday's models. Tomorrow is being invented today.

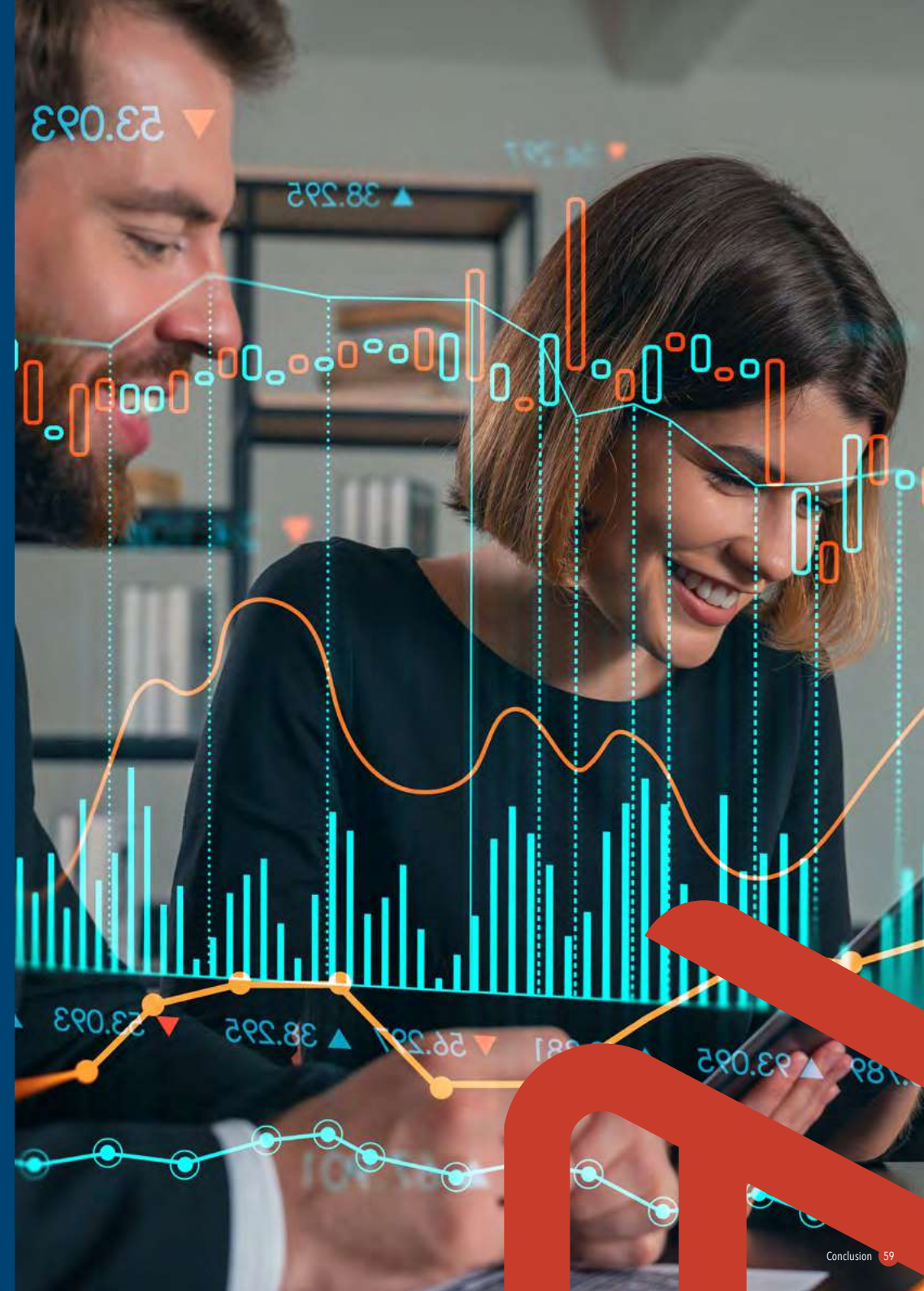
Purchasing departments are mobilized to meet this challenge. Every year, the results of the DPS barometer show that the profession is undergoing a profound transformation, relying heavily on digital technology to define its new missions and drive the evolution of its practices.

This trend must not only continue, but also accelerate, as our studies also highlight the fact that too many Purchasing Departments are still struggling to digitize, to fully exploit their data for better decision-making, and to engage their internal and external partners in new collaborative schemes.

As Purchasing decision-makers, we must continue to mobilize our teams and organizations to embrace these transformations, and equip ourselves with the resources needed to meet these new ambitions.

More than an objective, it's a responsibility for the Purchasing function to play a key role in meeting societal challenges, and to seize digital transformation as a catalyst and gas pedal of organizational change.

It's also a question of legitimacy for us, Procurement leaders !





**Digital
Procurement
Success**

3rd EDITION
2023

Annual Survey of the Success of Procurement Departments' Digital Transformation

A study by :



With the support of :

