About Optimum

We are a procurement outsourcing and consulting company, utilising bespoke technology platforms.

We provide clients with high calibre procurement resource and expertise, focused on securing incremental value through cost management, reducing supply side risk and improving sustainability.

Founded in 2007, we have grown rapidly to a team of 70 employees, all experienced and trained professionals. We work across a wide range of industry sectors and are recognised as a leading procurement service provider with a proven international pedigree and track record of success.

We are currently supporting organisations in the UK, Europe, the Middle East and North America.
Gerard Chick is Chief Knowledge Officer at Optimum Procurement Group. He has considerable experience working with some of the keenest minds at the most senior level in supply management today. He is regularly invited to make keynote presentations and deliver workshops on strategic procurement issues to senior executive teams across the world. A visiting Senior Research Fellow at Curtin University in Australia, a visiting Fellow at Cranfield School of Management, and a member of the Logistics and Operations Management Board of Cardiff Business School.
Zycus is a leading global provider of complete Source-to-Pay suite of procurement performance solutions. Comprehensive product portfolio includes applications for both the strategic and the operational aspects of procurement - eProcurement, eInvoicing, Spend Analysis, eSourcing, Contract Management, Supplier Management and Financial Savings Management. Proud to have as clients, some of the best-of-breed companies across verticals like Manufacturing, Automotives, Banking and Finance, Oil and Gas, Food Processing, Electronics, Telecommunications, Chemicals, Health and Pharma, Education and more.
About Zycus

Zycus Source-to-Pay Solutions

- Financial Savings Management
- Spend Analysis
- Strategic Sourcing
- Contract Management
- Supplier Management
- Requisition Processing
- Catalog Management
- Purchase Order Management
- Invoice Management

Strategic
Operational
Federal organization in the utilities domain using our P2P module
What is this all about?

The birth of professional procurement began around 1980 via business and academia

80’s - Edwards Deming, Lean, and JIT

90’s - Offshoring and Outsourcing

00’s - Everything starts with an ‘e’

10’s - Risk and Complexity

All business is predicated on three core activities:

Inputs

Conversion or Conversion (Operations and Manufacturing)

Outputs

Supply or Sales

Managing ‘cost’ out drove ‘risk’ in
Who says procurement isn’t strategic?

This equation reflects:

Profit \( P \) equals Revenue \( R \) minus Costs \( C \) divided by Asset Usage \( A^u \).

Which in turn reflects:

If procurement effects the P&L and cost of goods (COG) then it is strategic!

Peter Kraljic’s publication in the Harvard Business Review in 1983 ‘*Purchasing must become Supply Management*’ was pivotal in the rise of procurement from a tactical service to a strategic business function.
Procurement’s Value Proposition

Procurement’s value proposition, to the business is inextricably linked to performance, and capability. Capability enables better performance, as well as adding value.
ACE THE TRINITY OF ASPIRATION, CAPABILITY AND EXECUTION

**Aspiration:** What do you want Supply Side Management to be?

**Capability:** How good are the people and processes you have today what do you need to bring about change?

**Execution:** What performance level is required for efficiency and effectiveness?

---

- **External/internal drivers of change**
- **Need for Change**
- **Willingness to Change**
- **Know-how**
- **Effecting the Change**
- **Leadership & Direction**
- **Planning**
- **Organisation & Resources**
- **Behaviours**
- **Systems & Controls**
The 5 Game Changers
Modern Procurement’s ‘operating space’

4 domains

- Complexity
- Managing Markets
- Through Life Capability
- Performance Measurement
- Supply Management
- Risk
- Governance (public-private)
- Innovation Management
- Relationships
- Outsourcing
- Contracts
- Procurement
- Complex Products & Services
- Temporal Dynamics
- Sustainability
- Product-service Innovation
- Discontinuity
- Knowledge & Learning
- Alliances
- Procurement
The evolution of procurement’s value proposition

Increasing strategic impact and market focus raise procurements business impact
Procurement Skill Sets for the 21st Century

Contemporary Professional Procurement Skill Sets

Core
- Fundamentals
  - How you apply your skills
  - Knowledge
    - Literacy
    - Numeracy
    - Scientific knowledge
    - Technological proficiency
    - Commercial awareness
    - Cultural and civic understanding

Soft
- Competencies
  - How you solve problems
  - Intellect
    - Creativity
    - Communication
    - Collaboration
    - Empathy
    - Structured Critical Thinking
    - Problem solving

Life
- Personality
  - How you approach change
  - Nature
    - Curiosity
    - Initiative
    - Resilience
    - Adaptability
    - Leadership
    - Social and cultural awareness

Life long learning
Procurement Professionals in the 21st Century?

**Business Savvy**

They will be professional; polished; intelligent; respected; influential; persuasive; visionary; strategic; sharp; global; and collaborative.

**Enablers**

Procurement professionals will deliver strategic impact, in organisations they just won’t be part of a large, discrete, enterprise-level function any more.

**Executive**

Procurement professionals will focus on profitability, but will they concentrate on cost savings or revenue growth to get there. These people will make and take that decision.

**Commercially Prudent**

Procurement professionals will share risks and rewards in contracts, and will accept greater risk in relationships so as not to de-motivate suppliers.

**Part Commercial**

**Part Analyst**

**Tech Savvy**

Technology - smart phones, tablets, embedded chips, have created a mobile work environment for procurement professionals

**Students of Industry**

Procurement professionals will know everything, from the science, economics, law and politics of their supply markets on a global scale.

**Risk Aware**

Procurement professionals will generate consensus around how to measure risk, and access standardised, readily available information for operational risk assessment.

**Analytics**

Procurement professionals need to be data experts, able to see major trends and important takeaways in a mass of data at a glance.

**Part Analyst**

Procurement professionals in the 21st Century?
Questions?

‘The Procurement Value Proposition: The Rise Of Supply Management’

Is available from Kogan Page receive your special 20% discount. Visit www.koganpage.com/PVP and enter discount code PVPLI415 when prompted at the checkout.

Contact us

Email
info@optimumprocurement.co.uk

By phone
Call +44 (0) 844 800 2515

www.optimumprocurement.co.uk

@OptimumProcure
EXCLUSIVE FOR PROCUREMENT LEADERSHIP

PASA & ZYCUS INVITE YOU TO

ZEST

DRESS AS A GANGSTER OR A PROCUREMENT STAR
IT'S GONNA BE FUN, NO MATTER THE DRESS,
JUST BRING YOURSELF, WE'LL TAKE CARE OF THE REST!

VENUE
28 SKYBAR LOUNGE, CROWN METROPOL, MELBOURNE
14TH OCT, 2015, 5:00 PM - 9:00 PM

THE ROARING 20'S

LIMITED SEATS, FIRST COME FIRST SERVED BASIS
RSVP: anz@zycus.com