

Case Study: Creating A New Procurement Team



Joerg Strauss, Global Head of Procurement, shares his experience of creating a new Procurement Team at leading international law firm Freshfields Bruckhaus Deringer.



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Creating a new procurement team

The company

Freshfields Bruckhaus Deringer is leading international law firm, offering high-quality business law advice across Europe, the Middle East, Asia and the US. It has over 2,400 lawyers and 2000 business services staff in 27 key business centres around the world, providing a comprehensive service to national and multinational corporations, financial institutions and governments.

The background

Back in 2013, there was no global procurement function at all within the organisation, with each business unit and country organisation operating independently. The firm decided it needed to align procurement activity into a global team, to reduce costs, increase value for money, improve process efficiencies and above all to lower risk, in particular operational and reputational risk.

The solution

Global Head of Procurement Joerg Strauss was tasked with setting up the new operation. His first move was to devise a roadmap outlining where the function wanted to be in three years, identifying the enablers to make this happen. He also set about implementing a series of 'quick wins', to win over hearts and minds of other business units and lay down a foundation of trust. They called each office manager to see how they could help them, to prove that procurement was an essential function across the whole firm.

Joerg took back control of the process – while previously everyone had been doing their own procurement, he established parameters, new qualification systems for suppliers and began to take the lead in firm-wide sourcing projects. Senior support was essential in order to get the whole organisation on board. To change the culture to one of collaboration, he established a global procurement community, enabling managers to share best practice and knowledge, as well as streamline and make consistent the use of the same suppliers.

Getting the right people in place ensured that procurement is a strong and respected function. Joerg recruited top talent with sourcing experience and expertise in the relevant categories. Soft skills and Emotional Intelligence (EI) have been the key drivers to influence and move the organisation and procurement function in the right direction

Tender templates were overhauled – where before supplier terms and conditions were prominent, the team made sure that Freshfields' terms and conditions were also adhered to and part of the new templates.

The procurement team now do an annual spend review across regions and categories, and also now plan for future spend. They are looking to significantly reduce the 7,000 suppliers they have been using, and software, hardware and network equipment spend has also now been brought under the umbrella of procurement.

Achievements

By 2016, the team have made some significant achievements:

Strategy: The function has been established, is leading all major and global sourcing projects and is seen as a valued business partner within the firm.

Process: There is now a standardised sourcing process and supplier qualification and business review process.

Organisation: The sourcing team is being built up and a global procurement community has been established, with the procurement team now involved in business leadership meetings.

Tools: New tools include spend analytics, contract management and new tender templates.

People: Experienced sourcing specialists with ambitious career aspirations have been hired, and the first promotion has been implemented.

The team is now looking to its next set of goals for 2018, including empowering team members to take leadership roles, leading global travel management, getting mid-level spend under control and increasing process efficiency through order management automation.

“We have worked hard to sell the benefits across the business and build up relationships. One of the key aspects of our success was hiring not just good but very good people with strong emotional intelligence skills.”

Joerg Strauss, Global Head of Procurement

CIPS Group Easton House, Easton on the Hill, Stamford, Lincolnshire, PE9 3NZ, United Kingdom
T +44 (0)1780 756777 F +44 (0)1780 751610 E info@cips.org

CIPS Africa Ground Floor, Building B, 48 Sovereign Drive, Route 21 Corporate Park, Irene X30, Centurion, Pretoria, South Africa
T +27 (0)12 345 6177 F +27 (0)12 345 3309 E infosaf@cips.org.za

CIPS Australasia Level 8, 520 Collins Street, Melbourne, Victoria 3000, Australia
T 1300 765 142/+61 (0)3 9629 6000 F 1300 765 143/+61 (0)3 9620 5488 E info@cipsa.com.au

CIPS Middle East & North Africa Office 1703, The Fairmont Hotel, Sheikh Zayed Road, PO Box 49042, Dubai, United Arab Emirates
T +971 (0)4 327 7348 F +971 (0)4 332 5541 E mena.enquiries@cips.org



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