

	Innocence		Excellence
1	Purchasing is viewed as an uncontrollable "cost" of doing business.	1 2 3 4 5	Strategic sourcing is viewed as a strategic "profit centre" core to the business versus "just a cost" of doing business.
2	Total organizational spend is not readily known.	1 2 3 4 5	Strategic sourcing strategies developed per category for total annual forecasted demand.
3	Strategic sourcing strategies not widely understand, communicated or complied to at the business unit level.	1 2 3 4 5	Management recognize economic benefits by controlling "renegade" spend with compliance to sourcing strategies.
4	Limited or no strategic supplier partnerships with long term agreements in place.	1 2 3 4 5	Risk management programs developed with suppliers to distribute risk and promote responsibility.
5	Limited structured supplier development and management program evident.	1 2 3 4 5	Strategic supplier relationships are developed for specific at risk commodities or services (i.e.. Long-term agreements).
6	Buyers are focused & measured on transactional PO volumes rather than leveraging strategic buying power.	1 2 3 4 5	Procurement organization "aligned", resourced and trained (supplier & contract Mgmt.) to support strategic initiatives.
7	Buyers are generalists and do not specialize in specific products or commodities.	1 2 3 4 5	Within the procurement function, buyers become functional "go to" subject matter experts in specific categories.
8	Buyers "buy" in isolation from the organization based on limited understanding of the specific business needs.	1 2 3 4 5	Extensive use of cross-functional sourcing teams with buyers as a key member.
9	Poorly understood end-to-end supply chain roles & responsibilities and SOP's for the various stakeholders.	1 2 3 4 5	Clearly defined roles and SOP's for internal customers (users), buyers, expeditors, logistics and inventory mgt.
10	No evidence of supplier performance monitoring or continuous process improvement.	1 2 3 4 5	A formal supplier evaluation in place and held accountable for performance (cost, quality, time, service).
11	Procurement organization fails to meet the needs of the business in terms of customer service.	1 2 3 4 5	Internal service level agreements in place between procurement and various business units.
12	Contracts negotiated at head office with little or no involvement by local plant procurement in administration.	1 2 3 4 5	Large complex contracts once negotiated are provided to on-site personnel for contract administration.
13	Late involvement of procurement in new product design significantly limits influence for cost reductions.	1 2 3 4 5	Engineering and purchasing collaborate early in the design phase to develop a BOM (bill of materials) for "best value".
14	Multiple departments can purchase on behalf of the organization.	1 2 3 4 5	Policies, procedures and defined levels of signing authority in place to control unauthorized "renegade" spend.
15	Decentralized and uncontrolled ability to "add" SKU's to inventory master with description.	1 2 3 4 5	Organization is fully compliant to a standardized naming convention for describing all inventory SKU's mgt.
16	Excessive inventory levels, replenishment, and order quantities result in poorly managed inventory levels	1 2 3 4 5	Strong evidence of proactive inventory mgt. by VMI, JIT, consignment, and use of EDI with vendors.
17	Technology is a hinderance rather than an enabler to the procurement organization.	1 2 3 4 5	Technology integrated to business systems; supplier mgt. (e-auctions, VMI, bar coding, contract admin, procure to pay).
18	Multiple systems & manual work arounds adds complexity to managing the supply chain from demand to settlement.	1 2 3 4 5	Enabling technology supports "end to end" management from forecasted demand to procure and payment.
19	Buyer centric transactional PO's create non-value added busy work for low dollar routine purchases.	1 2 3 4 5	Multiple procure to pay methods (P-cards, blanked PO's, e-catalogues) used to minimize transactional buying activity.
20	Managing the accounts payable process is labour intensive and untimely creating an unacceptable AP backlog.	1 2 3 4 5	Automated 3 way match of invoice, PO and goods receipt note in place for timely and automated AP settlement.

Add-up the total score of your self-assessment (circled scores).

If you scored; 20 - 40 - Substantial opportunity for improvement

41 - 60 - Significant opportunity for improvement

61 - 80 - Multiple areas of opportunity for improvement

81 - 100 -Congratulations. You are an effectively managing your supply chain.