

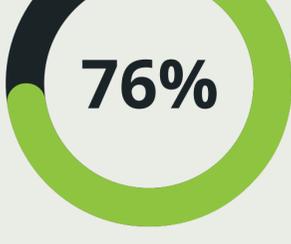
ISM 2023 STRATEGIC SOURCING RESEARCH

The Institute for Supply Management® conducted research between March 14 through April 13, 2023. The study focused on establishing a baseline understanding of the how strategic sourcing practices are being adopted by procurement organizations. The 661 respondents provided a first look at where we're at and where we may be headed.

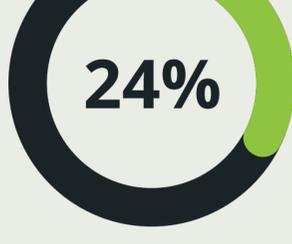
ORGANIZATIONS WITH A STRATEGIC SOURCING INITIATIVE



A STRONG MAJORITY OF RESPONDENTS HAVE A STRATEGIC SOURCING INITIATIVE WITHIN THEIR ORGANIZATION.



YES



NO

TOP 3 ELEMENTS FOR SOURCING TEAMS



1

BUSINESS PARTNER ALIGNMENT AND ENGAGEMENT

2

RELEVANT FINANCIAL IMPACT

3

JOINT STRATEGIC PLANNING

TOP 3 STRATEGIC SOURCING PRIORITIES



IMPROVEMENT OF COST REDUCTIONS AND SAVINGS



CONTRIBUTING TO REVENUE GROWTH



RISK MANAGEMENT

LEVEL OF SPEND DATA VISIBILITY

MOST RESPONDENTS HAVE A DIGITAL TRANSFORMATION STRATEGY AND GOOD SPEND VISIBILITY.



19%

EXCELLENT

39%

GOOD

27%

AVERAGE

12%

POOR

3%

NONEXISTENT

STRATEGIC SOURCING PROCESSES



RESPONDENTS' STRATEGIC SOURCING PROCESSES CONSIST OF:

86%

SUPPLIER SELECTION

84%

CONTRACT NEGOTIATIONS AND MANAGEMENT

77%

ROUTINE MEETINGS

70%

REQUIREMENTS AND SPECIFICATION GATHERING

68%

SUPPLIER PERFORMANCE (CONTINUOUS IMPROVEMENT)

What's Next?

For more information and resources around strategic sourcing, visit

ismworld.org

