

CPO Summit 2024

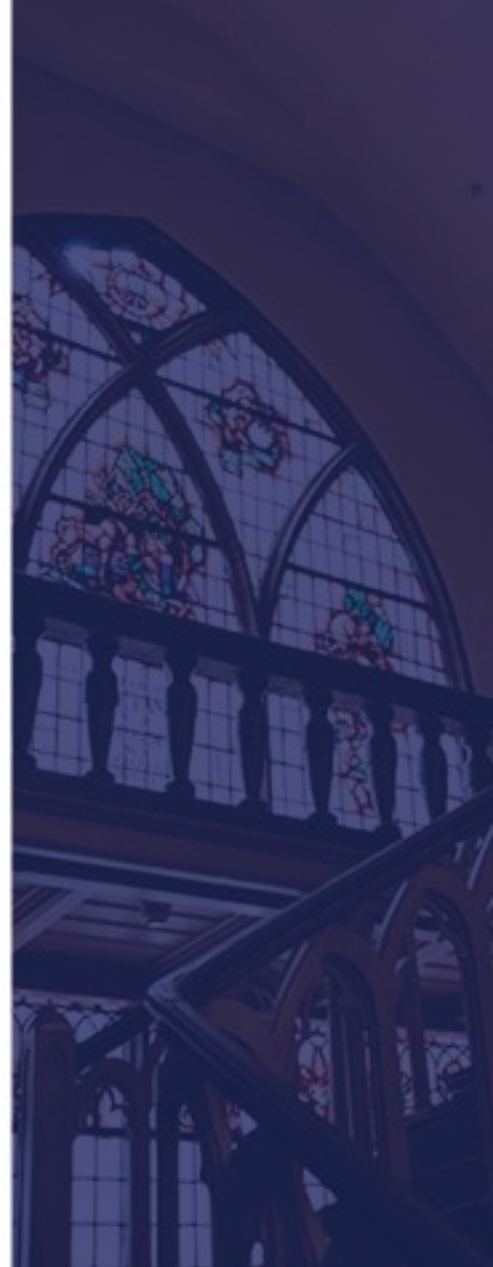
*Who is in charge of Procurement
in 2035?*

(Re)shaping the future

NEVI PARTNER



Welcome at CPO Summit 2024!



Lizan Molmans

Ruud Plu

NEvi



Lizan Molmans

CEO

Nevi



Ruud Plu

Chairman Board

Nevi

JP Lauer GEP



Frank Rozemeijer

Finn Wynstra



Prof. Dr. Frank Rozemeijer
Professor Purchasing and Supply Management

Maastricht University



Prof. Dr. Finn Wynstra
Professor of Purchasing and Supply Management

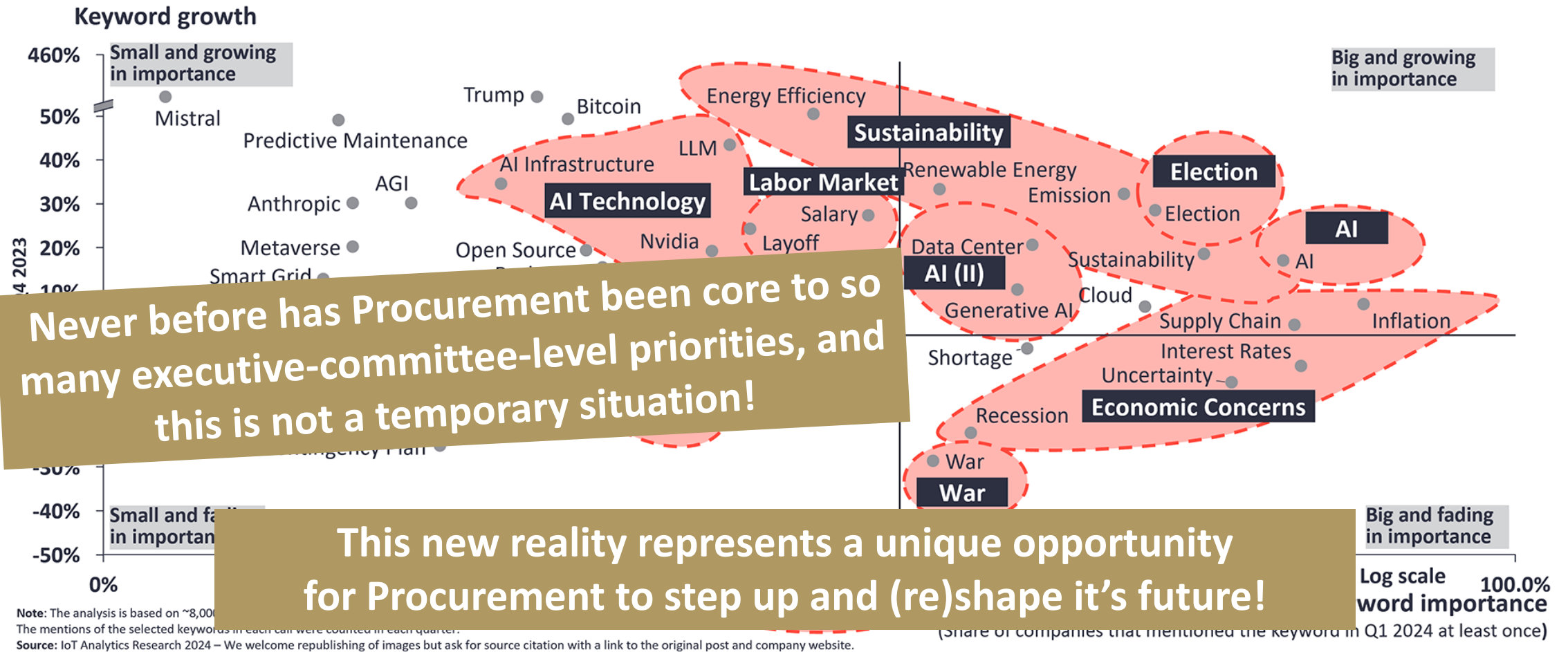
Erasmus University Rotterdam

Geopolitical and Technology Trends

- Russia – Nato tensions
- US – China strategic competition
- Climate risks
- Advances in AI & Machine learning
- Cyber-attacks
- Pragmatic globalization
- Energy insecurity and transition
- EU as regulatory superpower

Source: McKinsey (2023), S&P Global, Veenstra et al. (2024)

What CEOs talked about in Q1 2024 (vs. Q4 2023)



A new era for Procurement

By embracing these 3 challenges, CPOs can position themselves as **strategic partners**, incorporating *innovation, resilience, and sustainability* throughout the value chain.

Source: McKinsey (2023). A new era for Procurement

Procurement 2030 poses three challenges for chief procurement officers.

Procurement challenges

Challenge	Element	From	To
Becoming end-to-end value entrepreneur	Redesign of the upstream value chain	Managing categories and suppliers	Actively shaping value chains
	Downstream margin management	Siloed optimization and revenue at the end	Aligning cross-functional joint goal
	Strategic resilience	Cost optimization structures that assume security of supply	Anticipating price changes to the market and directly
Opening new venues for value creation	Volatility management	Reactive cost management	Anticipating price changes to the market and directly
	Scope 3 upstream optimization	Building transparency	Automated processes to enable superior sourcing decisions at every step of the process
	High-value analytics	Using less than 20% of available data	Automated processes to enable superior sourcing decisions at every step of the process
Building the operating model of the future	Agility through digitization	Fragmented processes and tools, inside and outside the organization	An interconnected organization and set of processes, leveraging leading digital tools and generative AI to
	The buyer of the future	Function-based procurement teams	Procurement as a thriving and attractive community of professionals
	Gain, retain, and develop talent	Procurement as back-office support function	Procurement as a thriving and attractive community of professionals

Supply chain at the heart of business model and value creation

Investments in Sustainability, Resilience and N-tier supply chain Transparency

AI Supported Procurement Operating Models

CPO Summit 2024

Objectives

Meeting of Minds among Procurement Leaders

Around **hot topics** in Procurement:

- Responsible and Sustainable Procurement
- Transformational impact of AI on Procurement
- Procurement Strategy!?
- New Procurement Operating Models

What happens in Zeist, stays in Zeist!

1,5 Day

Outside-in

Top Speakers

Sharing

Work & Shop



Introduction: Who is in the room?

CPO Summit 2024

Checking-In (1 round)

- Connect with someone you **don't know** yet
- Take **each 3 minutes** to **introduce yourself** and discuss for what topics you are looking for **additional inspiration** the coming days



CPO Summit 2024

Our first speaker

How to respond to 2030s challenges:

1. **Becoming the end-to-end value entrepreneur**
2. **Opening new venues for value creation**
3. **Building the operating model of the future**

PRESENTATION

Boliden – Europe's provider of sustainable metals

Anna Falk

CPO of Boliden



Anna Falk

CPO

Boliden (Sweden)

PRESENTATION

IT'S ALL ABOUT BUCKS, KID ...

Prof dr Harry Hummels

Professor of Ethics, Organization & Society



**Prof. Dr. Harry
Hummels (G.J.A.)**

**Professor of Ethics,
Organizations and Society**

Utrecht University

PRESENTATION

Generatieve AI: Hype, Hope or Hazard?

Mieke De Ketelaere

Adjunct Professor AI at Vlerick Business School &
Director AI at imec



**Geertrui Mieke De
Ketelaere**

Adjunct professor

Vlerick Business School

GEP Survey (5min)

AI in Procurement Use Cases

This short survey, which should only take about 5 minutes of your time, is designed to understand your organization's current state and future expectations regarding AI in procurement following our interactive session.

Your valuable feedback will help us understand the adoption level of various AI use cases, anticipated benefits, and crucial enablers for deploying AI-led solutions in your organization. Your responses will guide our future sessions and allow us to provide better support for your AI initiatives.

Thank you for your participation.

* Vereist

1. What is the name of your organization? *

Selecteer uw antwoord

Volgende

Pagina 1 van 5

Geef nooit uw wachtwoord. [Misbruik melden](#)

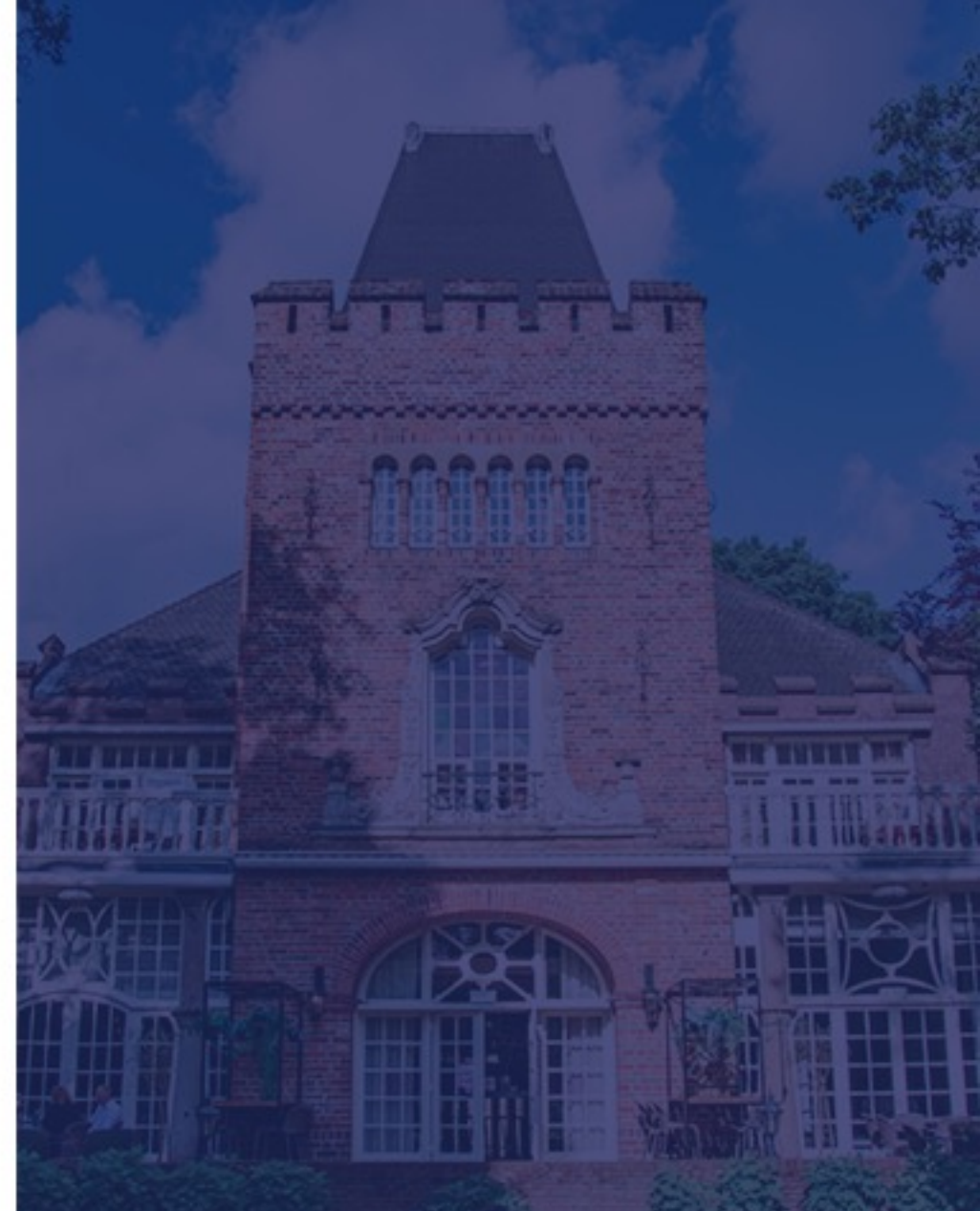
AI in Procurement Use Cases



Lunch break

12:55 – 13:50

Please make sure you are back at 13:50 at the latest!



CPO Summit 2024

"We're excited about the future because of our leadership in AI and our new, AI-first, low-code platform, [GEP QUANTUM](#), enabling clients to apply AI to drive efficiency, automation, agility and visibility into all procurement, ESG, and supply chain functions to achieve maximum ROI"

Al Girardi, GEP's chief marketing officer



WORKSHOP

Towards AI-led Procurement ?

Vlad Brincoveanu
Bernard Remacle
GEP



Vlad Brincoveanu
Senior Manager

GEP



Bernard Remacle
Director Business
Development Software

GEP

Long break

15:30 – 16:00

Please make sure you are back at 16:00 at the latest!

RESEARCH

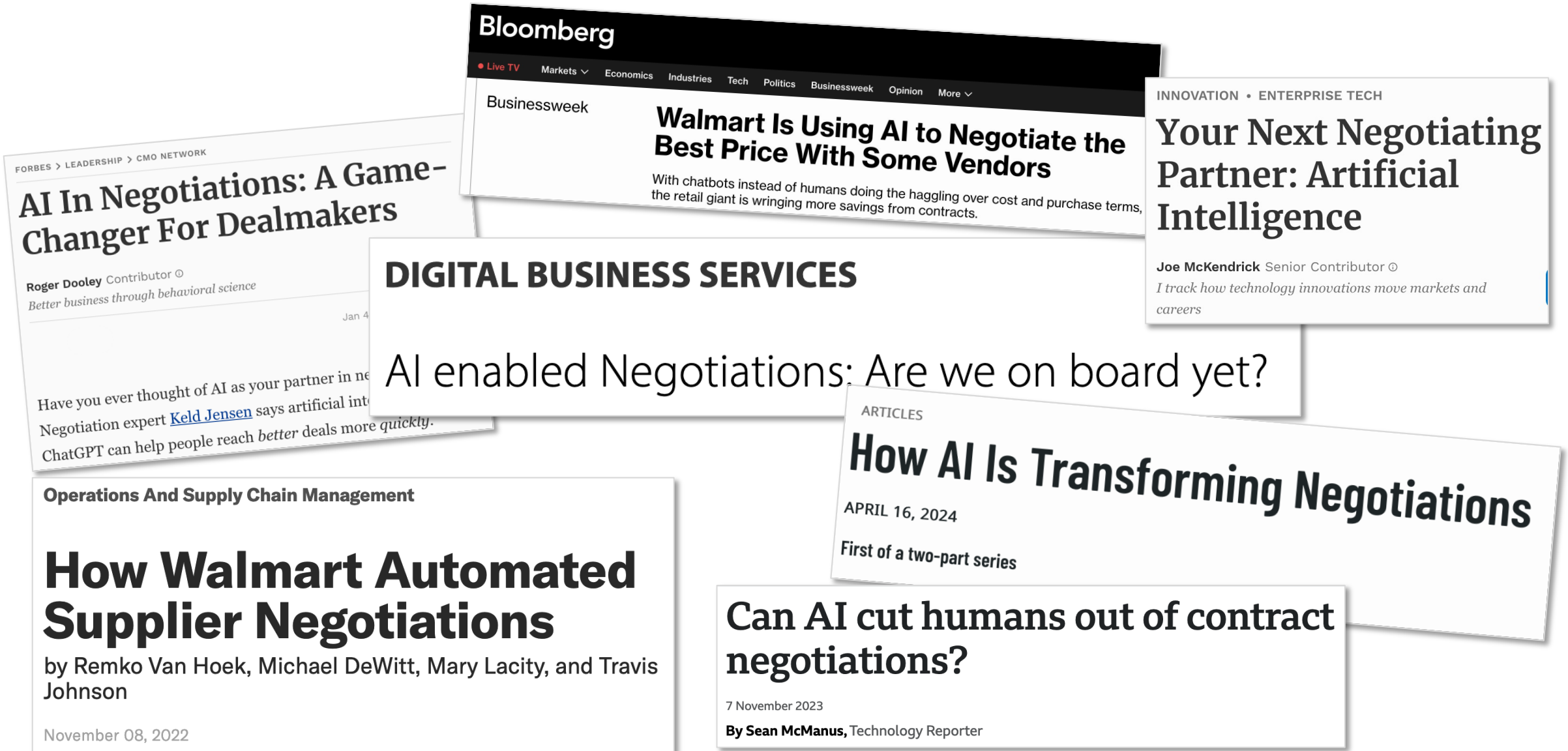
Bargaining Bots:

Using Generative Artificial Intelligence (GenAI) in B2B Negotiations

Silke Herold
PhD researcher
Maastricht University



Negotiating with AI-based chatbots – the future?



Meet ProcureBot Charlie (based on ChatGPT)

Instructions

Please use the chat window on the right to negotiate with ProcureBot Charlie concerning the new frame contract for **standardized ergonomic office desks**. Your goal is to deviate as little as possible from the current contract terms which are as follows:

- Contract Item: Office Ergonomic Standing Desk
- Quantity per Order: 20 (several orders per year)
- Price per Item: 699€ (Total sum per order: 13.980€)
- Payment Terms: 7-Days Net (the longer, the better for AutomotiveCo)
- Shipping: Free, 5-7 business days

Please keep in mind that ergonomic desks are **non-critical items** for your client AutomotiveCo (low impact on their financial performance and low supply risk / complexity).

This of course means, that AutomotiveCo could easily switch to one of your competitors and no longer do business with you in case you do not come to an agreement. At the same time, there are many companies and public institutions that are continuously in need of standard office equipment.

Considering this information, please start the negotiation!

When you are done with the exercise, please click the green button below to return to the survey page.

End negotiation and go back to survey →

Time remaining: ca. 14 minutes

Two cases: Bottleneck & Non-Critical



ProcureBot Charlie

Thank you for taking the time to meet today to discuss the terms for the new contract period. How are you today?

Using ChatGPT in Backend (Mode: Chat; Model: gpt-3.5-tubo)

Chat Interface

Write your message



(Selected) Results: Trade-Off for companies

NEGOTIATION APPROACH

- ProcureBot (ChatGPT) that was prompted to negotiate using a **competitive negotiation approach** achieved **higher performance outcomes**
 - Higher Price discount (closer to -10% as prompted)
 - Longer Payment terms
- Practitioners (i.e. suppliers) valued a **collaborative negotiation approach** by the ProcureBot more compared to a competitive-prompted bot
 - Higher Trust
 - Higher Outcome Satisfaction
 - Higher Desire for Future Interaction

Research in Procurement: Findings and Opportunities?

Prof dr Finn Wynstra

Chair Nevi Research Committee

Professor Purchasing & Supply Management



Prof. Dr. Finn Wynstra

**Professor of Purchasing and
Supply Management**

Erasmus University Rotterdam

Short break

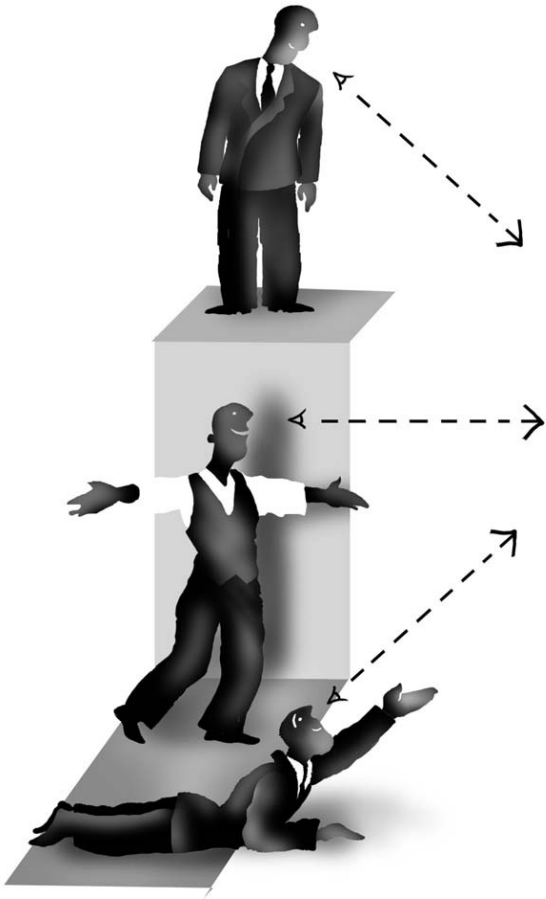
16:45 – 17:00

Please make sure you are back at 17:00 at the latest!

Burning Issues in Procurement Today

Peer-to-Peer Consultation

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A *Meeting of Minds* around your own Topics (1 hour)

1. Form Triads with at least one person you don't know
2. Find a comfortable spot, or take a walk outside
3. Share your case: *What is keeping you awake at night?*
4. 5WHY > Advise
5. Shift roles after 20min



**Dinner
starts at
19:00**



Dinner Speeches

What inspired you
recently?

Do you dare to
share a:

Best-Practice?

Brilliant Failure?

Concern?

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*Who is in charge of Procurement
in 2035?*

(Re)shaping the future

NEVI PARTNER

 **GEP** | STRATEGY
SOFTWARE
MANAGED SERVICES

nevi

CPO Summit 2024: (Re)Shaping the future

Day 2

DAY 2

Strategy and Structure in the 21st century

Prof dr Ard-Pieter de Man

Professor Management Studies
School of Business & Economics, VU Amsterdam



Ard-Pieter de Man

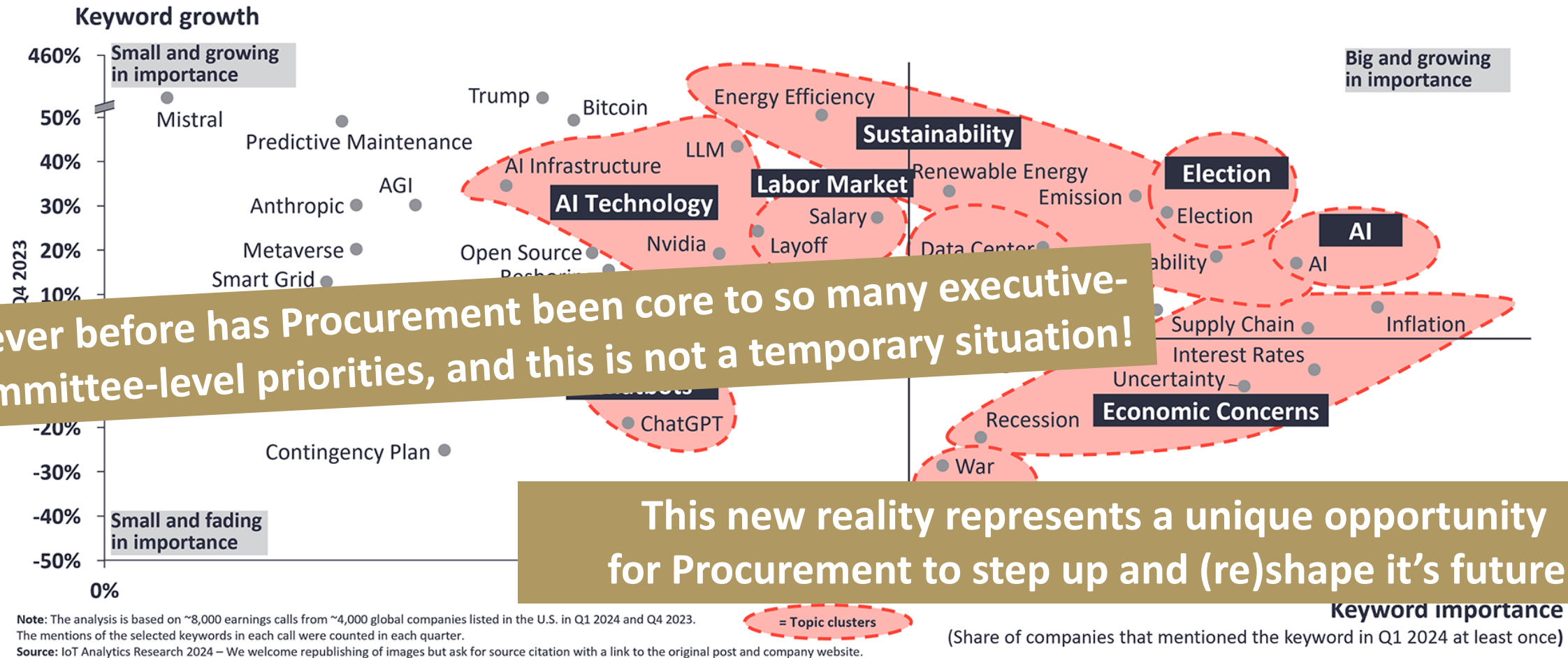
Boardroom consultant

CPO Summit 2024: (Re)Shaping the future

Wrap-up



What CEOs talked about in Q1 2024 (vs. Q4 2023)



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	Strategic resilience	Cost optimization structures that assume security of supply	Resilient and disruptive
Opening new venues for value creation	Volatility management	Reactive management	Anticipating price changes to outperform the market and directly manage volatility
	Scope 3 upstream optimization	Buyer-centric	Supplier-centric
	High-value analytics	Using less than 20% of available data	Enable superior decisions at every step of the process
Building the operating model of the future	Agility through digitization	Fragmented processes and tools, inside and outside the organization	An interconnected organization and set of processes, leveraging leading digital tools and generative AI to drive efficiency
	The buyer of the future	Functional procurement teams	Strategic business partners
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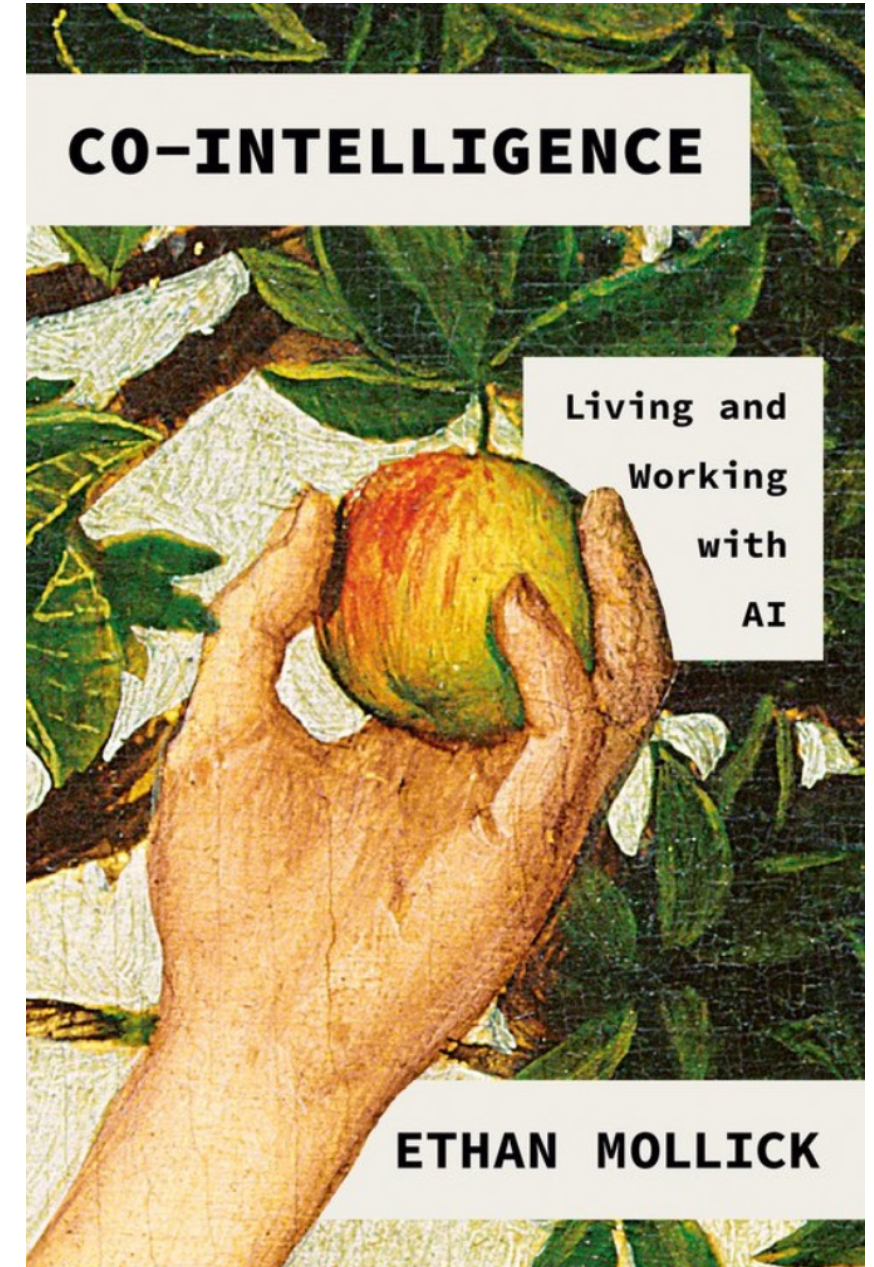
Work & Shop



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CO-INTELLIGENCE: Living and working with AI

- Transformational impact of AI
- Engage with AI as **Co-worker, Co-teacher & Coach.**
- Mollick challenges us to:
 - Utilize AI's enormous power without **losing our identity**,
 - Learn from AI without **being misled**
 - Harness its gifts to create a **better human future.**



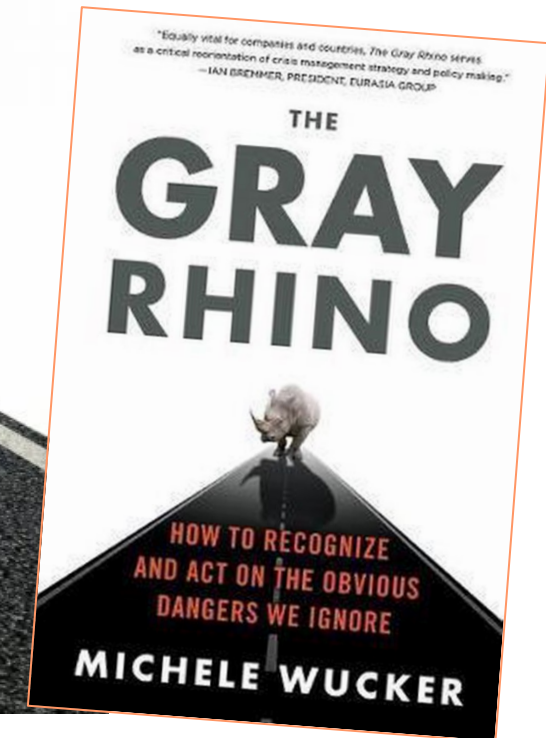


Gray Rhino

- You can spot them at horizon
- Big potential impact
- Yet often neglected
- Time to respond!

Supply Chain Resilience

1. Have you identified all your critical key suppliers?
2. Do you have a risk mitigation and/or business continuation plan in place for these key suppliers?
3. **Do you know the Purchasing manager of your key suppliers?**



How would you describe Procurement Excellence?

Quality

Digitalization

Stakeholder Partnering

Value Chain Orchestration

Ecosystems

New business models

Innovation

World-class
Performance

Resilient

ESG

End-to-end supply chain

Sustainability

Risk management

Integrated thinking

SRM

Agile

VUCA

Scope 3 CO₂

Data Analytics

Future proof

Issue	AND...	
Goals and objectives	• Cost reduction	• Value and revenue creation
Style	• Functional leadership • Serve the business • React to change	• Business driven leadership • Lead the business • Lead change
Supplier relations	• Competitive • Local sourcing • Dyadic approach	• Collaborative • Global sourcing • Network approach
IT	• Standardize	• Localize
Staff	• Functional expertise	• Business expertise
Performance mngt	• Cost savings	• TCO • CSR • Customer satisfaction
Structure	• Centralize	• Decentralize

Next Generation Procurement professionals are tapping more into the *right* side of their brains!

Contract
Control
Compliance
Cost savings
Competition

...



Creativity to
innovate

Courage to
challenge

Connect to
collaborate!

PROCUREMENT DELIVERS

UNLOCKING
VALUE

NIKE PROCUREMENT

01

PARTNERSHIP

Integrates with the business to deliver critical thought leadership.

02

GAME PLAN

Supports thoughtful planning and execution of spend category offense.

03

INDUSTRY EXPERTISE

Brings outside insights to maximize competitive advantage.

04

NETWORK

Operates globally, across business units to unlock value.

05

DATA

Influences decision making at critical points in time.

06

TALENT

Develops future enterprise leaders with critical business savvy.

Procurement awarded Unit of the Year 2022 Boliden



Already, **11% of CEOs at Fortune 200 companies** come from a Supply chain or Procurement background

Leaders including Apple CEO Tim Cook, CEO of Schneider Electric in North America Annette Clayton, Dole Sunshine Group CEO Pier Luigi Sigismondi and Greiner Packaging CEO Beatrix Praeceptor, all worked in supply chain roles before moving to the C-suite.

A man in a light blue suit is sitting in the driver's seat of a red McLaren SLR. The car is parked outdoors, with trees and a palm tree visible in the background. The man is looking towards the camera. Overlaid text includes 'I HAVE 100 CARS' in large white letters, 'McLaren SLR McLaren' in smaller white letters, '100,000' in large yellow letters, and 'Company' in large white letters. There are also buttons for 'SIGN IN' and 'SUBSCRIBE' in the top right corner.

SUBSCRIBE

◆ WSJ NEWS EXCLUSIVE

Tech giant, grappling with supply delays in China, has lost top negotiator Tony Blevins, who says he was quoting a movie when he made a joke at a car show

CPO Summit 20

A BIG THANK YOU TO....

Our great speakers & inspirators...!

Our great sponsor GEP !

Nevi team, co-host Finn and Silke !

and of course YOU !



NEXT...

- **Select your book**
- **After-mailing**
- **Hidden 'CPO Summit' pages on Nevi.nl for handouts, etc..**
- **Next year!**

See you next year!