

ISM TWIN CITIES

MONTHLY PROFESSIONAL DEVELOPMENT MEETING

July 17, 2024



ISM—Twin Cities, Inc.

ISM-TWIN CITIES MONTHLY PROFESSIONAL DEVELOPMENT



“Optimizing Your Indirect Sourcing - Panel Discussion”

Thanks to our panel:

Aaron Barriger – Daikin Applied

Jovelyn Larson – Wells Fargo

Peggy Sowden – Stratasy

WELCOME TO OUR ISM MEMBERS AND GUESTS!

Institute for Supply Management® (ISM®)



- The world's leading not-for-profit professional association for Supply Management
- Founded in 1915 by practitioners, for practitioners
- Sets the standard for supply management capability requirements through the ISM Mastery Model® framework of 16 Core Competencies
- Certifying professionals for more than 45 years across 80 countries



- The only Minnesota metro-area organization focused on Sourcing & Supply Management
- One of the largest ISM chapters serving our members since 1919
- Providing networking & best practices for Supply Management professionals
- Helping your career flourish with certification maintenance support

We advance the practice of Supply Management globally...

ISM — Mission and Value Proposition

OUR MISSION

We advance the practice of supply management to drive value and competitive advantage, and contribute to a prosperous, sustainable world.



EDUCATION



CERTIFICATION



LEADERSHIP
DEVELOPMENT
& CAREER
GROWTH



RESOURCES &
TOOLS



EVENTS &
NETWORKING

We advance the practice of Supply Management globally...

ISM Supply Chain Capability Model

Business Acumen & Leadership	Category (Commodity) Management	Corporate Social Responsibility & Ethics	Cost and Price Management
Financial Analysis	Legal & Contracting	Logistics & Materials Management	Negotiation
Project Management	Quality Management	Risk	Sales and Operations Planning
Sourcing	Supplier Relationship Management	Supply Chain Strategy	Systems Capability and Technology

OUR FANTASTIC FALL CONFERENCE IS COMING SOON!



Date & Venue: October 14-15 at the Crowne Plaza in Plymouth

Theme: “Procurement 2025: Leading Change, Driving Impact!”

Early Bird Registration opens soon!

Watch your email for more information and a link to register!

OUR FANTASTIC FALL CONFERENCE IS COMING SOON!



ISM—Twin Cities, Inc.

Join us for the ISM Twin Cities Fall Conference 2024!

- Are you ready to lead change and drive impact in the world of procurement and supply management?
- Join us for the premier supply management event designed to inspire, educate, and connect sourcing professionals from across the region.
- Hear from industry thought leaders on topics such as:

Streamlining your supply chain
Improving your supplier diversity
Managing supplier risk
Conflict resolution
Supplier relationship management
Transforming indirect sourcing
Sustainability in Sourcing...AND MUCH MORE

OUR FANTASTIC FALL CONFERENCE IS COMING SOON!



ISM—Twin Cities, Inc.

Why Attend?

- At the ISM Twin Cities Fall Conference, you'll have the unique opportunity to:
- **Learn from Industry Leaders:** Our conference features a stellar lineup of keynote speakers who will share insights, strategies, and best practices to help you stay ahead in the rapidly evolving procurement landscape.
- **Expand Your Network:** Engage with like-minded professionals, industry experts, and thought leaders through exclusive networking opportunities, including our fun and interactive Networking Bingo Game.
- **Access Valuable Resources:** Gain access to all session presentations and materials after the conference, allowing you to continue your learning journey long after the event ends.
- **Enhance Your Career:** Discover new ideas, innovative solutions, and actionable takeaways that you can immediately apply to your work to drive impact and advance your career.

Volunteers Needed!



ISM—Twin Cities, Inc.

Committees

- Membership
- Professional Development
- Website/Marketing
- Fall Conference (2025)

Commitment is about one hour per month!



Join our LinkedIn Group!



ISM - Twin Cities an affiliate of ISM



Standard group

Questions or want to learn more? Contact Us!

Websites:

- twincities.ismworld.org
- ismworld.org

ISM Membership:

- 480-752-6276, Option 8
- membersvcs@ismworld.org

General Inquiries:

- info@ism-twincities.org

Chapter Leadership:

- execdirector@ism-twincities.org



ISM—Twin Cities, Inc.

FORMAT FOR TONIGHT



ISM—Twin Cities, Inc.

- Introductions
- Sharing of an Effective Practice
- Q&A with the Panel



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Introduction – Aaron Barriger

aaron.barriger@daikinapplied.com



ISM—Twin Cities, Inc.

Career History

- Daikin (5 yrs.), Polaris (3 yrs.), Winona State University
- Current: Indirect Supply Chain Leader, Daikin Applied Americas



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The Power of Partnership: Controlling your Indirect Spend

“Influential partnerships enable organizations to gain visibility into their spending, reduce rogue behavior, and drive compliance, leading to significant cost savings and more controlled, strategic spending decisions.”

Scenario: Daikin is on a multi-year journey to digitize Indirect spend management.

 **Finance**

Influence: Spend Visibility & Supplier Payment

Daikin Approach: Identified non-compliant spend & back-channels.

Result: Identified \$100M+ in non-compliant spend.

 **Legal**

Influence: Policy & Compliance

Daikin Approach: Contract policy deployment & inclusion rule.

Result: Gained visibility to \$5M Engineering contract.

 **Marketing**

Influence: Communication & Culture

Daikin Approach: Creation of change management & communication plan.

Result: Targeted & enterprise communications

 **HR**

Influence: Training & Development, Compliance

Daikin Approach: Developed new hire training & “how-to”.

Result: All new hires conduct procurement training.

Considerations

- 1. Level of Maturity
- 2. Resource Availability
- 3. Appetite for Change

Key Takeaways

- 1. Maximize influence regardless of business appetite
- 2. Don't underestimate the value of supporting functions
- 3. Patience

Introduction – Jovelyn Larson

jovelyn.c.larson@wellsfargo.com



ISM—Twin Cities, Inc.

Professional Background

- JD, MBA, LLM
- Public Defender
- Held several positions in the corporate and business divisions of Medtronic (*litigation, capital management, sourcing, legal operations*)
- VP, Strategic Sourcing (TCF Bank, Huntington Bank)
- Held several positions for different non-profit organizations.

Current Company & Role

- Wells Fargo- Vice President, Strategic Sourcing
- ISM Board member



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An Effective Indirect Sourcing Practice

Scenario 1: Robust/Mature Sourcing Process

Approach

- Strictly following sourcing process
- Understanding category management
- Be on top if there are changes to the process
- Partnership with Third Party-Risk Management
- Thorough understanding of sourcing end to end process (*Intake to P.O.*)

Results

- Consistent and reliable outcomes
- Reduced errors and rework
- Increased efficiency and productivity
- Better risk management and mitigation
- Improve customer (internal/external)satisfaction

Lessons Learned:

- Document errors and challenges
- Replicate success
- Early issue detection
- Stakeholders satisfaction
- Alignment with organizations goals
- Promotes continuous learning



An Effective Indirect Sourcing Practice

Scenario 2: Strategic Partnership with the Line of Business

Approach

- Build relationships
- Understanding roadmap (*short term-long term*)
- Identifying LOB sponsor(s) (*stakeholder analysis*)
- Category management and market intelligence

Results

- Build supply chain resiliency
- Gain transparency
- Shared vision and values
- Deliver better value
- Drive efficiency

Lessons Learned

- Strategic sourcing strategy (*optimizing value, mitigating risks, Sourcing as a valued partner, etc.*)
- Category management
- Investing in key supplier relationships
- Cost savings
- Risk mitigation
- Collaboration
- Identifying core capabilities



Introduction – Peggy Sowden

peggy.sowden@stratasys.com



ISM—Twin Cities, Inc.

Career History

- 2012 – 2019 Post Holdings
- 2011 – 2012 Smartrac
- Current Role: Stratasys (2019 – current)
 - ❖ Regional Indirect Sourcing Manager
 - ❖ Long time ISM Officer, Board Member & Committee Leader



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An Effective Indirect Sourcing Practice

- Situation: Getting involved early and directing RFPs
- Approach: Explanations, Timeline document, conversations, assuring decision making
- Results: Better decisions for the company, better control
- Lessons: Take the work from them, let them do what they are good at



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Q & A With the Panel



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