

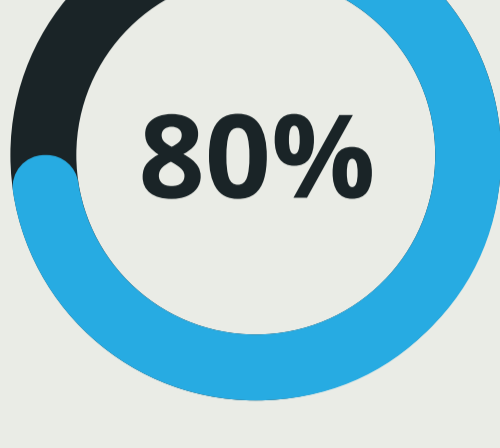
ISM 2024 STRATEGIC SOURCING RESEARCH

The Institute for Supply Management® conducted research between March 29 through April 23, 2024. The study focused on establishing a baseline understanding of how strategic sourcing practices are being adopted by procurement organizations. The 280 respondents provided a first look at where we are at and where we may be headed.

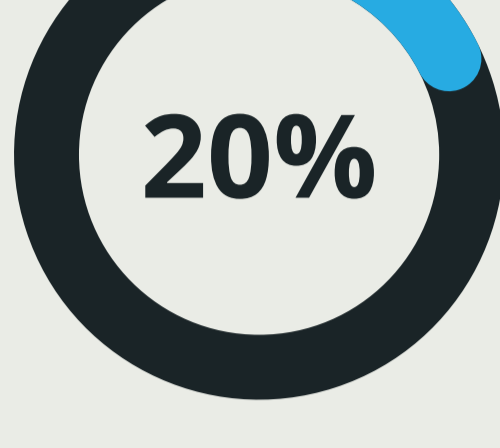
ORGANIZATIONS WITH A STRATEGIC SOURCING INITIATIVE



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



COST REDUCTIONS AND SAVINGS



COST AVOIDANCE SAVINGS



CONTRIBUTION TO INCREASED MARGIN

LEVEL OF SPEND DATA VISIBILITY



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

22%

EXCELLENT

40%

GOOD

28%

AVERAGE

10%

POOR

1%

NONEXISTENT

STRATEGIC SOURCING PROCESSES



RESPONDENTS' STRATEGIC SOURCING PROCESSES CONSIST OF:

85%

CONTRACT NEGOTIATION AND MANAGEMENT

85%

SUPPLIER SELECTION

78%

SOURCING STRATEGY

73%

REQUIREMENTS AND SPECIFICATION GATHERING

72%

SUPPLIER PERFORMANCE (CONTINUOUS IMPROVEMENT)

What's Next?

For more information and resources, visit

ismworld.org

