

Willi Darr

*Conception for
Procurement Excellence*

*The performance profile and degree of
digitalization of procurement*



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Preface

The subject of this book is Procurement Excellence (the excellence of purchasing management) of procuring companies which is deemed a highly relevant topic out of two reasons.

Firstly, corporate procurement, respectively purchasing management has witnessed a significant boost of importance over the last years. Increased outsourcing of services to suppliers and, simultaneously, commissioning of international subcontractors, have heavily altered the responsibilities and job description of purchasers with regards to their contribution to the company's added value. Additionally, product developments along (global) supply chains are growing steadily. Meaning that without excellent supply chain management by the company's purchasing departments, corporate strategies can no longer be executed, or competitive advantages sustainably realized.

On the other hand, digitalization displays future-oriented alternatives for corporate added value and hence provides fundamental opportunities and necessities to reach and sustain (global) competitiveness. Logically, these developments shape the quality of procurement and its processes to suppliers. This means in turn that without excellence of management quality, corporate strategies cannot be implemented, nor competitive advantages sustainably obtained.

Only an excellent purchasing department can be an authentic success indicator within a company. This book focuses on the two pillars of Procurement Excellence. To do so, a conception for categorizing and controlling purchasing performances, and a conception for categorizing digitalization will be illustrated in order to make differentiated statements

regarding Procurement Excellence. Its two related dimensions will be merged within a final overall statement regarding Procurement Excellence.

These insights have great advantages for all interested parties: (i) Each particular profile and detailed knowledge of the degree of digitalization allow for the *responsible parties of the purchasing department* to directly decide over an examination and extension of services, respectively the digitalization. Understanding their own Procurement Excellence is the foundation of the next purchasing strategy. (ii) *Research and teaching* will benefit from adopting authentically practicable concepts as basics for education and training. (iii) *Students* of the subjects Purchase, Supply Chain or Logistics benefit from obtaining practicable tools for their own purposes in later life.

In order to preserve legibility, the publication does not include references to male or female individuals.

Special thanks to Mrs. Mai Beck who has translated my German book into the English language.

To all interested readers I wish lots of helpful ideas and insights.

Prof. Dr. Willi Darr