

Function	Questions for Analysis	Current level	Stage 1 (0% - 25%)	Stage 2 (26% - 50%)	Stage 3 (51% - 75%)	Stage 4 (76% - 100%)
1. Procurement Planning (PL)						
Demand Planning (PL1)						
Process	To what degree is purchasing involved in the project/product planning? Is this a documented and revolving process?		Product or project planning is sporadically known to purchasing.	Dedicated purchasing personnel are informed about product or project planning. Purchasing has access to demand planning systems.	Purchasing is integrated into product and project planning and utilises existing demand planning systems. Purchasing inclusion points are defined in the process documentation.	Early involvement of purchasing in product and project planning is always ensured. Planning results are an integrative component of the purchasing strategy.
Assessment of demand	Where are requirements and demands derived from? How is the process described?		Demands are partly derived from sales or order income prognosis/forecasts.	Demands are derived from sales or order income prognosis/forecasts and planned for significant commodity areas.	Demands are derived systematically and in structured fashion from sales or order income prognosis/forecasts. Procurement market facts are remedially considered.	Pro-active demand control on the basis of procurement market facts and product life-cycles (Product Lifecycle Management).
Pooling Planning (PL2)						
Planning	Are commodities analysed for group-wide pooling potential? Does this regularly happen to all commodities?		Occasional analysis of selected commodities.	All commodities are analysed based on commodity code data.	Complete purchasing volume is permanently analysed in regard to pooling opportunities. Results are documented.	Future demands are analysed regularly of their pooling opportunities Cross-functional partners are involved.
Mandates	How are negotiation mandates and responsibilities defined? Are there group-wide procedures established?		Regulation of negotiation mandates and responsibilities is planned.	Negotiation mandates and responsibilities are partially regulated for single commodities.	Negotiation mandates and responsibilities are regulated. Process applied for all commodities.	Negotiation mandates are delegated and responsibilities are clearly defined on a global basis. Mandates are actively applied.
IT Support	Which IT tools support you when analysing and managing poolable demand?		Insufficient application of IT tools for pooling (e.g. Excel or similar IT-tools).	Application for a business unit wide IT tool for pooling.	Application of a uniform IT-tool for group-wide pooling.	Application of an integrative intranet-based IT tool for corporate-pooling? Intranet based preferred parts and preferred suppliers database used cross-functionally.
Environment Scanning (PL3)						
Process	How is the process of a supply market analysis described and documented?		Process is described unsatisfying.	Process is partially described.	Process is documented and applied.	Processes subject to regular reviews. Cross-functional acceptance and commitment.
Resources	Is sufficient personnel allocated to market analysis?		Provision of personnel capacity of supply market analysis is limited available.	Sufficient personnel for market analysis is available. Responsibilities and commodity groups are defined.	Own capacities for market analysis are derived out of the planning process and are available for market scan activities.	Capacities for market analysis (own and where necessary bought) are available. Cross-functional partners can be involved if required.
Cross-functional integration	How are partner functions involved in drawing conclusions out of the analysis results?		Results out of the supply market analysis remains mostly at purchasing.	Less active exchange with other process partners (e.g. Engineering, Sales).	Regular information exchange with partners (e.g. Engineering, Sales).	Exchange of market analysis results occur continuously and protected against non-authorised use.
Innovation Planning (PL4)						
Technology identification	How do you keep track of technology trends? Is there a formal process of technology monitoring?		Purchasing reactively follows procedures of process partners (e.g. Engineering, Sales).	Purchasing present remedially information about technology trends to their process partners. Technology monitoring is part of purchaser's responsibilities.	Purchasing acts pro-actively following established processes.	Purchasing support systematically product or technology development. Information about technology trends will be used through cross-functional partners.
Technology roadmaps	Do purchasers know the technology roadmap of your company and your suppliers? Is there a methodology of correlating your technology roadmaps with those of your suppliers?		Own product and technology roadmaps partially known.	Own product and technology roadmaps are known, those of strategic suppliers are partially known. Responsibilities for roadmap-analysis defined.	Process of matching own product and technology roadmaps with the roadmaps of significant suppliers.	Implementation of harmonised product and technology roadmaps with selected suppliers, cross-functionally agreed.
2. Organisational Structure of Purchasing (OS)						
Structure & Mandates (OS1)						
Organisational structure	Is a purchasing organisation established? Are responsibilities defined?		Purchasing responsible people are named. Purchasing organisation is insufficiently established.	Purchasing organisation is formally in place.	Purchasing organisation is established and is in charge of all procurement activities. Procurement policy is described and communicated via internal circular latter as mandatory.	Purchasing organisation is continuously further developed based on business strategy, benchmarks, interviews or process reviews.
Mandate	Is purchasing responsible for all procured goods and services? Do you have regulations for sanction in case of non-compliance?		Many commodities are not managed in responsibility of purchasing.	Purchasing initiates programs and measures for mandating procurement fields. Penetration >50%.	Purchasing has the mandates for complete purchasing volume defined mandatorily and communicated. Penetration >80%.	Regulations for sanctions in case of non-compliance are introduced. Penetration ca. 100%.

Cross-functional integration	Are interfaces towards partner functions defined? Are they cross-functionally agreed and responsibilities defined?		Interfaces of purchasing are known and tasks are partially described.	Interfaces are cross-functionally agreed for isolated function. Respective tasks and responsibilities at the partner functions are known.	Tasks and responsibilities are coordinated with all interfaces according to company wide defined processes and are described in a guideline.	Purchasing drives continuous improvement and the definition of interfaces and guideline.
Integration into group	How is purchasing integrated in the purchasing network of the group?		Purchasing acts locally without exchange with other purchasing departments.	Purchasing remedially exchanges information with other purchasing departments.	Purchasing is an active part of the group-wide procurement network.	Purchasing is an integrative part of the worldwide procurement network of the group.
Spend Management (OS2)						
Understanding and awareness	How are direct and indirect procurement defined and perceived in the company?		There is no clear internal definition for indirect spend and barely anyone is aware of the difference to direct spend.	There is a company definition with many exceptions and there is still some debate and disagreement among the responsible people.	There is a clear definition for indirect spend with only several exceptions and most of the responsible people are aware.	There is a clear definition, barely any exceptions and the vast majority of the people is aware and understands the importance.
Communication and responsibility	How is the communication and interaction between the different categories and the Region/OpCo?		Barely any to no interaction between the categories and Region/OpCo. There is no indirect sourcing manager to facilitate communication between the different parties involved.	There is only interaction between several categories and the Region/OpCo. The need is identified to appoint someone as indirect sourcing manager.	Significant interaction between the different Category Managers and the Region/OpCo. Although there is a responsible manager for indirect sourcing, there is no clear interface between the involved parties.	There is an indirect sourcing manager committed to coordinating the interface between the indirect purchasing departments of the Region/OpCo and Category Managers.
	How is the responsibility divided for the Region/OpCo regarding indirect procurement?		There is no person assigned as the NPR buyer (non-product related). NPR purchases are done by multiple unidentified people within the Region/OpCo.	NPR purchases are done by multiple identified persons within the Region/OpCo.	The appropriate person is assigned as the NPR buyer but certain activities are still carried out by someone else. Category Managers start to recognise their responsibility to act and take initiative.	NPR purchasing is done by the appropriate person and the management has an overview of those people. All the Category Managers feel the responsibility to act when deemed necessary.
Purchasing process	How are indirect goods and services bought?		There is no difference made between buying direct or indirect goods/services. Purchases are done mostly in an analogue manner.	There is a difference made between buying direct or indirect good/services. Purchases are partly done in an analogue manner and partly digitally.	There is a clear difference between buying direct or indirect good/services. Purchases are done mostly in a digital manner.	Purchases are always done in a digital manner if possible. The majority is bought through the use of an e-catalogue.
Approach	How is the approach for spend management and which tools are used?		There is no clear and unambiguous approach to manage the spend. Multiple tools are used, the origin of the data is not always known, it is presented inconsistently and details are missing.	Spend management is done by using a main tool, but additional tools are still needed. The origin of the data is not always known, but it is presented inconsistently and details are missing.	Spend management is done by using a main tool, but requires support from an additional tool. The data is mostly coming from one source and is presented consistently covering most of the details.	There is a clear and unambiguous approach to manage the spend. The majority of activities in spend management can be covered with only one tool. The data is coming from one source and presented in a standard format.
Strategic Integration (OS3)						
Board meetings	Does the purchasing director take part in board meetings?		Purchasing director participates occasionally in the board meetings.	Purchasing director is permanent member of the board committee.	Purchasing director is permanent member of the executive committee of the business unit.	Purchasing director directly reports to business unit Executive Management (CEO/CFO).
Make-or-buy decisions	Is purchasing involved in all make-or-buy decisions? Does purchasing take part at core competency definition and strategic decisions?		Purchasing is informed about procurement related aspects in make-or-buy projects. Core competencies of the business units are defined, but without purchasing involvement.	Procurement is involved in major make-or-buy decisions. Core competencies of the business unit are detailed documented and published.	Purchasing is involved in all make-or-buy decision and influences the definition of core competencies, as part of strategy definition.	Purchasing is an integrative part of the make-or-buy decisions. Purchasing tasks are documented and cross-functionally accepted. Potentials for optimisation of the depth of own value added are indicated along the product life-cycle.
3. Process Organisation (PO)						
Strategic Sourcing (PO1)						
Sourcing Strategy	How is the sourcing strategy determined? Is it documented and known to your partner functions?		Defining of a sourcing strategy is in progress.	Sourcing strategy is documented and applied for all major material groups.	Sourcing strategy is derived out of corporate strategy, cross-functionally agreed, documented and applied.	Sourcing strategy is defined as a roadmap, regularly updated, adjusted to corporate strategy and tied into target agreements.
Process supplier selection	Is supplier selection carried out systematically and according to requirements profile and selection criteria? Is the selection process well defined, logical and documented?		Supplier selection process is not or only partially described.	Selection process is defined and cross-functionally applied. Supplier selection occurs systematically based on requirement profiles and selection criteria.	Selection process is completely applied. Supplier decisions are traceable documented (e.g. quotation comparison sheet).	Supplier selection is based on complete application of insights and decisions throughout the company (e.g. pooling organisation, supplier evaluation results, etc.). Selection process is continuously adjusted to latest requirements of the business unit.
Responsibility	Who is responsible for supplier selection?		Purchasing is not or only partially involved in supplier selection.	Purchasing supports supplier decisions.	Purchasing is process owner for the supplier selection process.	Cross-functional decision-making committee (e.g. Sourcing Committee) is in charge of the supplier selection process.

Supplier Selection (PO2)

Process documentation	Is the sourcing process documented?		Sourcing process is documented insufficiently.	Approach for sourcing has been defined internally in purchasing.	Compliance with the documented and cross-functionally accepted sourcing process.	The organisation is aligned to support the sourcing process.
Negotiation	If preparing a negotiation, do you follow a uniform and systematic approach? Are decision criteria, tactics, and targets agreed cross-functionally?		Less negotiator preparation.	Systematically preparation approach. Negotiation targets are explicitly defined and documented. Customer requirements are considered the negotiation strategy.	Cost structures of suppliers are analysed. Procurement relevant consequences from possible negotiation results are analysed and evaluated. Negotiation targets are methodically deducted and explicitly defined. Process is described.	Future influencing factors on cost structure of suppliers are considered (cost reduction potentials, market prices, funding, etc.). In the case of awarding high-volume contracts, structured negotiation strategies are applied. Decision-making criteria are accepted cross-functionally.
Contract management	Do you have a Contract Management function in your organisation and what are its activities?		Tasks are hardly described and are covered within other responsibilities. No application of standardised contracts.	Tasks are isolated described contact partners are known. Application of company wide and existing standards.	Task is pursued by responsible persons and shows first results. Application of standards under group wide adoption and owns structure (e.g. contract configurator).	Function is an established interface between cross-functional partners and purchasing. Functions significantly drives and determines contract management issues. Group wide standards are communicated and are valid.

Supplier Evaluation (PO3)

Process	Is there a systematic procedure for Supplier Evaluation in place?		There is no supplier evaluation systematics in place.	Less than 60% of the purchase volume is evaluated according to an applied supplier evaluation systematics.	60 - 80% of the purchase volume is evaluated according to an applied, cross-functional supplier evaluation systematics.	More than 80% of the purchase volume is evaluated according to an applied cross-functional supplier evaluation systematics.
Communication with suppliers	Are evaluation results communicated to suppliers? On a regular basis?		Evaluation results are sporadically communicated to suppliers (e.g. during price negotiations).	Evaluated suppliers are promptly informed about the evaluation results. Results are internally recorded (e.g. central database).	Evaluation results are discussed with selected suppliers in a cross-functional team.	Evaluation results are discussed with selected suppliers under involvement of the management.
Responsibility	Do you have a Supplier Management function in your organisation?		Supplier Management function is hardly existing.	Function is documented and implemented.	Function is implemented as described and is actively managing the Supplier Management processes.	Function is an established interface between cross-functional partners and purchasing, drives application of agreed supplier strategies and reports relevant results (e.g. cost reduction, contribution to business).

Supplier Development (PO4)

Process	Is there a systematic procedure for Supplier Evaluation in place? Is the process described and communicated within the company?		Supplier development measures are defined individually.	A planning process is existing for all substantial suppliers.	The supplier development process is defined. Supplier development plans are derived from the supplier evaluations and are implemented.	Development process is implemented and regularly updated. Development plans are harmonised across the organisation and derived from the supplier development strategy. Communication of all results is ensured.
Optimisation	Do you visit the sites of your supplier on a regular basis? Do you perform trainings and workshops with your suppliers?		Selective visits at suppliers.	Periodical realisation of trainings and workshops at the supplier.	On demand internal/external resources are available to support projects, training and implementation.	Professional consulting project and trainings take place. Resources for consulting are permanently provided for respective project. Joint continuous measurement of development success with suppliers.
Phase-out	How would you describe the supplier phase out process? Who decides about phase out?		Suppliers will be phased out based on subjective criteria.	Responsibilities for phase-out decisions are defined.	Phase-out strategy exists. Process with defined criteria is described.	Consequent application of phase out strategy, cross-functionally agreed.

Purchasing Early Involvement In Development process (PO5)

Process	Does the process follow a documented path? Are tasks and responsibilities well defined within the overall process?		There is no early purchasing involvement process existing. Purchasing is not considered within the product development process.	Processes of early procurement involvement are described, responsibilities defined. Involvement and tasks of purchasing are documented within the product development process.	Processes of early procurement involvement are synchronised with the product development process. Responsibilities are clearly documented. Process targets are defined and responsible persons are measured at these targets.	Product development processes are compared and continuously improved by benchmarks of business units/other companies.
Cross-functional integration	How is purchasing involved in the product development process?		Purchasing is sometimes invited to team meetings by the engineering team.	Purchasing is an integrative part of the cross-functional engineering team during the design phase.	Purchasing is an integrative part of the cross-functional engineering team during the concept phase.	Purchasing is actively involved in the idea phase (e.g. concept workshops) and supports product- and program planning in respect to feasibility of product ideas.

Standardisation	Does purchasing pursue consequently measures to reduce complexity of products, processes and sourcing procedures?		Standardisation is not consequently considered within the product/project development process.	Purchasing influences consequent reduction of unnecessary complexity of components, processes and sourcing structures.	Defined standards (e.g. modules, component catalogues), suppliers per product/service resp. technologies are applied.	Basic concepts of standardisation (e.g. product platforms, modules) are defined cross-functionally together with purchasing.
Material/functional release	Has purchasing any impact on material/functional release?		Purchasing remedially determined material/functional release.	Material-/functional release occurs cross-functionally by engineering, quality and purchasing.	Purchasing is an integral part of material/functional release process and driver for 2nd Source.	Purchasing monitors and improves materials/functional release procedure based on jointly agreed targets together with partners.
Early Supplier Involvement Process (PO6)						
Early supplier Involvement	To what extent are suppliers incorporated into the phases of product development?		Less involvement of suppliers.	Suppliers provide regular focused and comprehensible input. Preliminary value added stages are explicitly considered.	Suppliers are systematically involved following a defined process. Development capacity of the supplier (resident engineer) is used on demand.	Suppliers are integrated on the basis of total cost of ownership criteria. Simultaneous engineering/joint project management with the supplier occurs on demand.
Technology roadmaps	For which suppliers do you have their technology roadmaps accessible?		Technology- and market strategies of the own product and service portfolio are known.	Technology- and market strategies of the suppliers' product and service portfolio are known.	Technology and market strategies of the suppliers' product and service portfolio are known and occasionally adapted to own ones.	Technology and market strategies of the suppliers' product and service portfolio are mutually adapted in substantial commodity groups.
Process Involvement With Other Functions (PO7)						
Involvement marketing	Is purchasing acquainted with marketing strategies and relevant markets? Is purchasing familiar with key customers?		Marketing strategies are known in purchasing. Integration depends on single persons.	Existing and future marketing strategies are known in purchasing.	Purchasing influences marketing strategies or sales prognosis by provision of procurement market know how following a regular process.	Purchasing is integrative part in the development of marketing strategies and sales prognosis.
Involvement quality	Is quality management included in the supplier selection process? Do purchasing and quality department form one face to suppliers?		Integration of purchasing depends on single persons. Integration occurs incidentally, criteria for integration are not existing. Quality management is subject to quality department.	Purchasing supports the quality department in quality related issues resp. supplier issues (e.g. claim and extra expenses cases). Interfaces established.	Integration and tasks of purchasing into the quality management system. Responsibilities and tasks of purchasing are clearly described. Resources with respective quality competence are existing in purchasing.	Quality engineering function is established in purchasing. Suppliers are integrated into the quality management system and carries out quality improvement programs together with the quality department.
Involvement logistics and production	How and to what extent is the procurement logistics/material handling process defined?		Inbound logistics processes are unstructured and not or only partially documented.	Logistics processes are structured, documented and implemented. Tasks of operative procurement are described within het logistics processes. Escalation model (e.g. troubleshooting for missing parts) is described.	Processes are regularly reviewed and improved. Purchasing is involved with all product ramp-ups and phase-outs as well as into the change management procedure.	Logistic processes describe the applied sourcing models. Purchasing drives activities along the value chain and is integrated at each phase.
Logistics targets	Are there and if so, what are the joint targets between purchasing and material handling/logistics?		Logistics targets are known to purchasing and sometimes part of supplier negotiations.	Logistics targets are partially known to purchasing and are considered in supplier negotiations.	In the regular process, logistics agreements are concluded together with logistics department at substantial suppliers.	Logistics targets are defined jointly with logistics, continuously updated and implemented.
Involvement operative procurement	Are agreements of strategic purchasing known by operative procurement? Is a consisted information exchange ensured between both departments?		Agreements of strategic purchasing are not known to operative procurement and vice versa.	Agreements of the strategic purchasing are known to operative procurement. Information exchange between the departments is ensured.	Strategic and operative purchasing systematically exchange important subjects about suppliers (approach, agreements, problems). Agreements with suppliers are known to operative purchasing and are implemented.	Strategic agreements with the supplier are fully implemented by operative procurement and are complied. Topics of operative procurement are agreed with suppliers by strategic purchasing.
Involvement risk management	Is risk management an integral part of the purchasing process?		Less involvement of purchasing.	Responsibilities within purchasing are clearly described and communicated to the employees.	Involvement and tasks of purchasing at the risk management process are described. Implementation follows widely the process description.	Risk management is an integrative part of the purchasing process. Cross-functional involvement ensured and documented.
4. Human Resources and Leadership in Procurement (HR)						
Job Description and Competencies (HR1)						
Functions	Are key functions described in a generic way?		Individual purchasing functions are described in general.	Substantial purchasing functions are standardised described, documented and adapter to firm strategy.	Purchasing functions are described in detail and agreed with cross-functional partners. Descriptions of purchasing functions are standardised at all sites.	Developments/ tendencies of job profiles are observed and forwarded for review on group level.
Technical competence	Is there technical competence available in purchasing? Are designated competences available (e.g. Advanced Sourcing Engineer)?		Partial existence of technical competence, further development is planned.	Technical competence in purchasing is existing for all substantial commodity areas.	Technical competence in purchasing is existing for all substantial commodity areas. Project management competence in purchasing is sufficiently developed for efficient collaboration with project teams.	Competencies for all substantial commodity areas are existing and will be continuously developed, remedial and temporary introduction of special knowledge (e.g. consultants).

Personnel Selection and integration (HR2)

Selection	On which methods/ systematics is the recruiting process based on? Is recruiting executed in a systematic and structured manner?		Recruiting is mainly based on experience.	Recruiting is based on generally described purchasing job profiles.	Recruiting occurs methodically, structured and is aligned to the vacant purchasing function.	Recruiting occurs on the basis of a competence mode. Structured interviews on the basis of standardised interview questionnaires with systematic and cross-functional analysis of results.
Integration	Are training plans available? To what extent?		Training plans are under development.	Training plans exist for few functions. Supervisor/Coach is defined.	Systematic integration based on training plans with defined checkpoints. Availability for substantial purchasing functions.	Cross-functional training plans are enhanced by target agreements. Feedback dialogue after completion of integration period.

Performance Appraisal & Career development (HR3)

Target agreements	Are targets defined on employee level? To what extent? Do targets contain qualitative and quantitative elements?		Target agreements on the non-managerial level is not existing.	Occasional finalisation of target agreements on the non-managerial level. Target agreements include qualitative and quantitative targets.	Target agreements finalised with the complete staff. Continuous support and review.	Target agreements are coordinated and defined with cross-functional partners if necessary, reviewed during the fiscal year.
Career development	Are there regular conversations in respect of employee development? Is there a structured process to identify potential candidates?		There are no conversation in respect of employee development.	Unregular exchange with potential candidates.	Annual structured review of potential candidates and initiation of development measures.	Group/Regional wide review of potential candidates and introduction to the company procurement network.
Feedback process	Is there a formal and regular procedure of monitoring and feedback established?		There is no feedback procedure in place.	Remedial request of single feedback from employees.	Application of the available human resource instruments and remedial feedback of cross-functional partners.	Annual employee dialogue of employees with purchasing department manager. Cross-functional, regular feedback with process partners (e.g. workshops, customer satisfaction surveys etc.). Bottom-up feedback established.

5. Purchasing Controlling (CO)

Controlling Systems (CO1)

Target result definition	Are the targets for the purchasing function derived from the business plan of the group? Is purchasing involved in defining its targets together with executive management?		Purchasing targets are derived isolated out of business planning targets.	Purchasing targets are derived from the business planning targets under involvement of purchasing. Targets are not cross-functionally agreed.	Purchasing is comprehensively involved in the target setting of the business unit planning process. Purchasing targets are partially cross-functional accepted based on rolling forecasts.	Purchasing is significantly involved in the target setting of the business unit. Input out of procurement markets are considered in the planning process. Impact of purchasing targets in business results are integrated in the budget and rolling forecast.
Target break-down	How are targets broken down? Are they detailed on employee-level?		There is no structured target breakdown in place.	Single financial results hard performance figures are defined and remedially reviewed.	Substantial financial results and performance figures are defined and are reviewed regularly.	Targets are broken down and structured based on scorecard targets (e.g. processes, finance, customer/market, employee/knowledge/innovation) and reviewed regularly on the basis of rolling forecasts.
Measurement figures	Are measuring parameters defined?		Only limited target follow-up based on existing performance figures possible.	Substantial performance figures (e.g. balanced scorecard) are implemented.	Group-wide mandatory performance figures are completed by own ones for particular areas.	Performance figures for all scorecard targets are continuously and cross-functionally defined.

Controlling Process & Structure (CO2)

Organisational structure	Is the function of planning and steering available and established? Are the planning and steering tasks of purchasing clearly defined and documented?		Planning and controlling function for purchasing controlling is not existing.	Planning and controlling function for purchasing controlling is existing.	Planning and controlling tasks of purchasing are described and implemented as an own function with defined processes.	Planning and controlling tasks of purchasing are applied as described and are integrated into the operative controlling processes of the business unit.
Responsibility	Are roles and responsibilities clear and described?		Tasks and responsibilities are insufficiently described.	Tasks and responsibilities are sufficiently described.	Tasks and responsibilities are described according to requirement profiles and are applied.	Tasks and responsibilities are included in an superior controlling guideline of the business unit. Implementation mandate for agreed standards in purchasing controlling is established.
Target controlling process	How are deviations from plan handled?		Target-/Actual-comparisons are unregularly applied.	Target-/Actual-comparisons are regularly applied. Necessary correction measures initiated partially.	Target-/Actual-comparisons are applied on the basis of rolling forecasts. Correction measures are consequently implemented.	Business results of the identified measures are reviewed and documented.

Measurement controlling process	Is there a structured procedure for controlling measures/actions/activities? Do you have the degree of implementation logic (or any other, e.g. milestones) in order to track the realisation progress?		Results relevant measures are hardly tracked.	Measures are tracked regularly.	Measures are regularly tracked by the degree of implementation systematic or similar.	All measures are systematically tracked based on their impact on business results. Supervision of measurement implementation by business unit management.
Controlling Methods & Tools (CO3)						
Commodity codes	Do you classify your materials to any kind of commodity code (e.g. ecl@ss)?		Commodity code classification only for selected commodity areas.	Correct and complete commodity code classification for "direct material" is ensured.	Commodity code is defined as a mandatory data field for order release. Continuous revision of wrong commodity code classifications.	Correct and complete commodity code classification is ensured for the total purchase volume.
IT Support	Are you able to perform spend analysis? On what level of automation?		Purchasing volume is available only for the local ERP-systems.	Purchasing volume is generated by calculating according to a group-wide accepted method and can be retrieved to a specific purchasing needs.	Regular provision of purchase volume in a central database (e.g. purchasing information system).	Availability of all purchasing volume data in a central database on a monthly basis and active support of standardised supplier number matching process.
6. E-Procurement (EP)						
Spend & Data Management (EP1)						
Data gathering	What is the availability and quality of data that has been provided by the user(s)?		Minimal amount of data is provided by the Region/OpCo. The data is only meeting the bare minimum of requirements (unique invoice id & line number, amount of spend in standard format, supplier) in a manual way at an ad hoc frequency. Action is required from the S&D mgmt. team on a regular basis to enable data validation.	The required and optional fields of data are provided. However, this is mostly done in a manual manner at a standard frequency. S&D mgmt. team on a regular basis to enable data validation.	Automated way of providing the data, including required, optional and miscellaneous fields, provided at a monthly rate. This process still considered to be touch, because the S&D mgmt. team still has to provide support for data validation.	Automated delivery of high data quality, containing most of the fields. Data only has to be validated by S&D Mgmt. team once per year and is thus considered to be a no-touch process.
Data enrichment & refinement	To what extent is data enrichment and refinement needed?		The majority of the spend is L1/L2 categorised. A lot of spend is unclassified, the ERP organisational structure is missing and supplier normalisation is no priority.	Automated enrichment process with 40% L3+ or higher. Organisational structures and regions are provided, but only the top suppliers are normalised.	Automated enrichment process with 70% L3+ or higher. Organisational structures and appropriate regions are provided and the top 90% of suppliers is normalised.	All the key reporting dimensions are available and correctly provided. 95% of the spend data contains category level 3+.
Reporting & analytics	To what extent do the users adopt the reporting and analytics tool (PDW)?		The users do not always make use of the main reporting & analytics tool nor are the needs made clear. Instead, alternative sources are used for analysis, leading to incomplete results and incorrect actions.	The users have adopted the main reporting & analytics tool but the dashboard do not fully cover the needs. Possible improvements are identified but majority of the opportunities are missed.	The dashboards mostly cover the needs of users to analyse either spend data, manage contract or improve sourcing activities. Opportunities are identified, however, insufficient action is taken to resolve issues or improve the process.	The reporting and analytics tool is able to connect all the systems in the organisation. The dashboards fully cover the needs of users to analyse all the data and processes. Major opportunities are identified and acted upon.
Contract Management (EP2)						
Standardisation	To what extent is the contract management process managed and standardised?		A clear approval structure is missing and there is only a minimal availability of templates. There is a risk that contracts contain signatures of unauthorised employees.	A general approval flow is defined by the procurement department but still many exception apply. Good templates are approved by the legal department and available at a central location. However, a lot of communication is needed to approve and sign contracts while the incorrect signature sometimes still ends up in a contract.	Best practices but mainly a manual contract management process. Depending on the contract scope, there is made a distinction between is local, regional and global level. Approval flow defined in collaboration with the legal department and other relevant entities in the organisation (category, sub-categories or outside procurement).	The contract management process is well-defined, standardised and considered to be no-touch. Templates ensure a pre-defined and automated process by covering different scenarios, defining the spend and threshold depending on the organisation, region and/or category. The process is easy to track through a log of history, the approval process is easy and limited to those that are actually authorised.
Contract adoption & compliance	To what extent are the contracts adopted and complied with?		New contracts and agreements are put in multiple places, thus lacking a proper overview and full adoption. Communication with the stakeholders is poor and there is no monitoring.	Stakeholders are engaged from the beginning of the process until a contract or agreement is approved and signed. Contracts are placed in a repository without additional features. Contracts are not always complied with and there is a lack of monitoring after the fact.	Besides the standard stakeholder engagement, contracts are also monitored to ensure compliance. There is a central tool to easily access contracts. The end-users are aware about the availability of vendors and their services per category and geography.	The usage and contents of contracts are monitored and analysed on a regular basis, while prioritising the ones with low compliance. There is regular communication with the stakeholders to improve the contract usage.

Contract analytics	How are the contracts analysed and how is the data used for improvement?		Analytics are solely focused on expiry dates and planning for next negotiation cycles.	Besides preparing for new negotiation cycles, contracts are also analysed to improve the business deals. However, the focus is mainly on doing business with incumbent suppliers.	A centre of excellence is working together with the business to look into new opportunities for contact improvement by using a tool. This includes analysing previous performance, contract compliance and financial details such as spend and discounts.	The contracted spend is connected directly to the ERP spend for sophisticated analytics. Negotiated discounts and payment terms are monitored and acted upon to increase competitive advantage in future negotiations. Risk programs are in place to flag financial risk, adverse media and supplier sanctions.
Market Intelligence (EP3)						
Market analytics	How are the Market Intelligence capabilities within the organisation?		There is no central team to gather and analyse market data. The business is limited to their own resources and market opportunities are missed.	There is a central team that gathers market data. However, the central team has limited resources. Market information is mostly generic and not specifically fitting the needs of the requester (business). Business teams should analyse the data themselves.	There is a central team that analyses the market with the use of several sources of market data. Although there is a lot of data, the central team provides mainly generic reports, with the opportunity to link to business needs with additional analysis. Business teams have no access to the data and are only able to request this from the central team.	There is close collaboration between the requester, the central team and a third-party market data suppliers. There is a wide availability of specific or customised offerings such as recurring reports, deep dives for market scans and industry best practices, cost modelling and commodity subscriptions. Business teams are able to access data themselves through a portal or dynamic platform.
Communication and adoption	How is the awareness of MI's offerings and to what extent is the data provided by MI optimally used?		Offerings are not known or unclear to the targeted audience and do not fit the team's needs. There is a lack of effort to improve the report contents. The business team fully relies on gathering their own data and act on market experiences.	Offerings are known, but the reports have only a partial fit with the needs of the business team. If the team needs data, they directly contact the central team without looking at the available information. The business's main source of data is still the conversations and interaction with current partners existing suppliers.	Offerings are known, accepted, and used on a regular basis by the team. However, the business team does not make optimal use of the available information. Results and findings are often not implemented in the day-to-day business but treated as a one-off discovery. There is still support required from the central team and opportunities are missed to increase the usefulness of the offerings.	Offerings are well-known and are regularly used according to the specific business needs. The reports are integrated in the daily process and the data is efficiently used to create value. The business team makes use of a self-service platform to obtain on-demand procurement intelligence data. The business can provide data and collaborate with the central team to enhance the value of the offering.
E-Sourcing (EP4)						
Sourcing capabilities	What are the sourcing capabilities?		No tools used or available. The negotiations and tenders are executed offline.	Standard sourcing tools (i.e. SAP Ariba, Scanmarket, Coupa Standard Sourcing, GEP etc.) are used to capture information, documents and offers from suppliers. Little standardisation is embedded and there is a lack of extensive analytics done directly in online tools.	Templates and standardisation are used and there is a strong push for adoption. E-auctions and sourcing optimisation tools are applied to achieve additional savings and gain time efficiencies on the analysis.	Additional tools from the Industry (Procurement) 4.0 domain are embedded in operations, like Robotic Process Automation to create e-sourcing events, or machine learning to identify key value drivers in sourcing activities.
Organisational structure	Where are the e-sourcing activities located inside the procurement organisation?		No clear organisational split between roles and responsibilities regarding e-sourcing activities. There is a lack of in-house experts to execute e-sourcing initiatives.	There's a set of trained employees who can execute e-sourcing initiatives independently, however a third party is required to train internal users and facilitate the execution of complicated e-sourcing initiatives.	Trainings are provided internally by a dedicated Centre of Excellence (CoE). This CoE is the go-to group for support, system administration, and executing complicated e-sourcing initiatives. Skilled e-sourcing employees outside of this CoE are still limited in numbers though, thus making the business/category teams rely massively on this CoE.	Procurement category teams and businesses in markets are running their own e-sourcing activities, backed up by their own system champions (super users). There's an active engagement between these super users and the Centre of Excellence to share best practices, create sourcing templates that facilitate category/business sourcing strategies, etc.
E-sourcing strategy	Is there a clear strategy regarding E-Sourcing, and how does this relate to the company strategy and underlying category or Region/OpCo strategies?		E-Sourcing is rarely used and if it is done, only on occasional projects with no clear guidance or strategy towards this.	The organisation is using e-sourcing to capture the majority of tenders in an online platform. However, the quality of the e-tender set up is poor (as an example: no embedded analysis or questionnaire scoring).	E-sourcing is perceived as a key enabler of additional benefits. The goal is to drive more adoption and to educate the internal user community on how to create best-in-class set ups. The organisation is starting to measure, monitor and manage the performance and adoption.	There's a clear link between the organisation's (e-)sourcing strategy and the organisational goals of the company. The e-sourcing strategy is broken down on category level, having specifically tailored templates to automate and optimise tendering activities. Clear KPIs are set and measured to drive the continuous growth of adoption across the entire organisation. (Super)Users are trained and educated on this. A continuous development of Roadmap plans & initiatives is discussed to further drive the adoption and performance of (e-)sourcing activities.

Transactional Procurement (EP5)

As-is situation	What is the level of control regarding the P2P processes and to what extent are they automated?		End-to-end P2P process is fully manual. Paper invoices are the majority of purchase orders.	Partial automation, mostly focused on invoice processing. Administration is in order but lacks efficiency.	Majority of the P2P process is automated, including possible Optical Character Recognition (OCR). Receipt of goods/services is done directly in the system and matched with POs and invoices.	A no-touch process with a fully automated two or three-way match. Approval is also possible on mobile devices. Possible manual handling of invoice discrepancy.
Quality and availability of P2P data	What is the availability of P2P Data and the corresponding quality?		Low availability of the data and a lack of a clear overview. The quality is insufficient and unreliable. The data cannot be trusted and no actions can be taken.	There is limited data available and the quality should be questioned. Partial automation is in place but mainly restricted to invoice processing. There is still no lack of a clear overview to ensure compliance.	Most of the data is available through automation. Quality is sufficiently accurate to analyse data. However, there is still some level of incompleteness.	The data is automatically processed through the use of an e-P2P tool. The necessary data is available and the quality is considered reliable. Reports can be retrieved from the system without the need to continuously validate the data.
P2P metrics and reporting	To what extent do you use metrics and KPIs to manage and challenge the transactional process?		There are no formal P2P metrics or KPIs in place. There is a lack of reporting to higher management to mitigate risks.	There are some formal P2P metrics and KPIs in place. However, there is still the need to learn how to utilise this properly. Reporting is in place but results are not realised.	P2P metrics and KPIs are in place to manage the P2P process but lack a proper baseline. Reporting is not reaching its full potential yet due to different formats.	P2P metrics and KPIs are utilised to manage the process and following a baseline. The report format is company standardised and includes goals that will promote improvement.

Supplier Relationship Management (EP6)

Supplier performance review	To what extent is supplier performance measured and how responsive is the organisation?		Incidental form of performance review and very limited in both directions. The supplier base is unorganised and only the top suppliers are taken into account.	Incidental form of performance review but mostly unilateral. The focus is on the supplier performance and a structured overview of the entire supplier base is lacking.	Supplier performance is regularly assessed including the company's way of working. Although the supplier base is harmonised and cleansed, the corresponding data is not used in to full potential and lacks a sufficient response from the company.	Sophisticated systems (i.e. PDW, eP2P) are in place to gather and store performance data, including the creation of advanced scorecards. Assessment is frequently executed in two directions to enhance existing relationships and establish new ones. If needed, the company responds accordingly and uses the performance reviews to minimise the supplier base.
Supplier risk assessment	How are supplier risks analysed and managed?		Only a small number of suppliers is assessed for risks, reaching a minimum amount of spend coverage.	80% or more of the spend is covered in the risk assessment. However, risks at smaller suppliers are ignored.	Mitigation actions are in place. The company acknowledges the risk is usually at the smaller suppliers while the focus is still on the major spend.	Mitigation actions are in place in combination with a risk-based approach. The focus is on controversy and bundling of small but high-risk suppliers. The majority of risks are covered by using a compliance tracker and thus tracking and flagging financial risk and adverse media, ensuring full compliance.
Segmentation & value creation	To what extent are suppliers segmented and how are the relationships defined?		Supplier segmentation is done in bits and pieces but not in a structural way on a category level.	The supplier base is segmented in a structural way and activities are focused and executed.	The supplier base is segmented and partnerships and collaborations are established with primarily incumbent suppliers to create value in areas such as innovation and sustainability.	The supplier base is segmented and collaborations are established outside known supplier base through joint ventures and cross-functional partnerships. There is an organisational platform available to create value in areas such as innovation and sustainability to have a bottom-line impact.

Model of H. Schiele used as baseline. Please refer to Supply-management maturity, cost savings and purchasing absorptive capacity: Testing the procurement–performance link. Journal of Purchasing & Supply Management 13 (2007)

Enhanced by Menno van Dijk in 2021. Spend management (OS2) + 6.PEX dimension