



Advisory Board Update

Considerations for Achieving Success as a Corporate United Member

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Corporate United is a member-driven organization, and the member Advisory Board plays an important role in reviewing the commercial, operational, and administrative strategies of the group.

Dennis Bent: BAE Systems

Sena Kwawu: Genworth Financial

Don Seward: CH2M HILL

Reuben Slone: OfficeMax

Mike Rager: Diebold

Alan Harrah: Pentair

Sample topics for advisory board consideration:

- Best practices in category identification
- Sourcing process evaluation
- Contract and Supplier Management evaluation
- Creating appropriate brand image and awareness
- Encouraging the optimization of the portfolio of assets
- Attracting new and qualified members to the group

The Board has no financial interest in or fiduciary responsibility to Corporate United, the guidance provided is presented as a means to create more accountability and value.

Corporate United is all about members working together to achieve better pricing, increase resource flexibility, and benefit from the knowledge of the group.



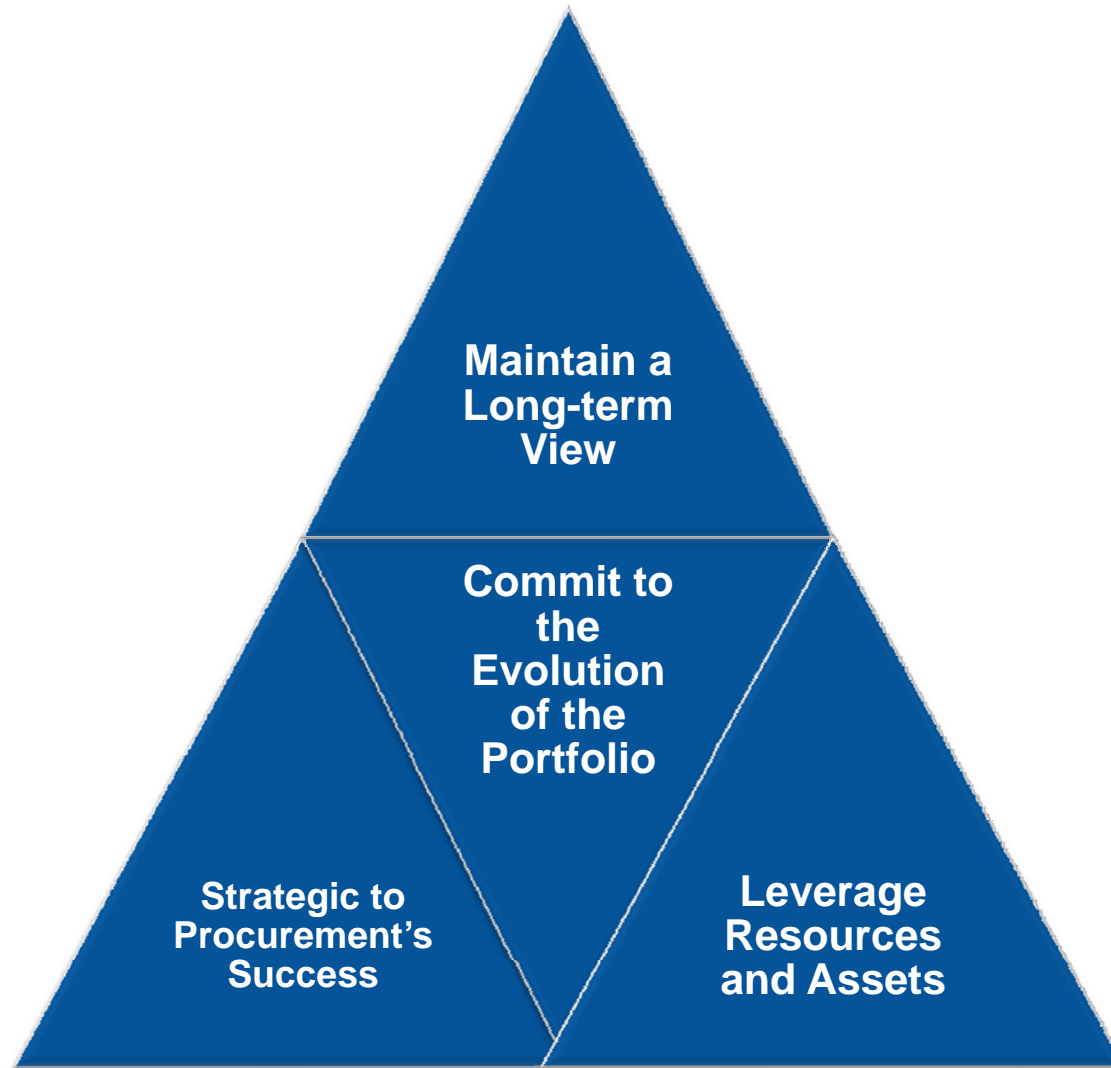
Have you considered what are the best ways for your organization to interact with Corporate United and leverage the portfolio of assets?

The Board's role is to confirm that Corporate United upholds its responsibility to the members and is continuously evolving to remain relevant in the products and services offered.

- Key considerations
- Internal alignment and strategy
- Developing an implementation strategy
- Treating implementations as projects
- Partnering with suppliers
- Continuous optimization
- Overcoming Obstacles

The value that you derive through Corporate United participation is maximized through aggressive agreement adoption and optimization; the extent of your adoption also effects the category optimization of all other members.

Our responsibility to one another



Message

- Economy makes CU more relevant than ever before
- Assume that no one outside of procurement (and some inside) understand value

Frequency

- No such thing as enough communication
- Most "get it" if ample time is given to explain

Method

- Develop regularly scheduled communications plans that utilize multiple media
- Highlight successes



Assess
Procurement's
stature in the
organization

Consider the
need to establish
a track record

Use the economy
as an opportunity
to advance
Procurement

Can Procurement support multiple, concurrent implementations?

Proven sourcing process

- ✓ Identify target cost savings and service level improvements
- ✓ Gain alignment of stakeholders and functional owners
- ✓ Identify an executive sponsor, obtain project approval
- ✓ Assign a project manager within Procurement
- ✓ Develop a project plan with tasks addressing scope, schedule, and required resources
- ✓ Communicate new source or features internally
- ✓ Debrief the executive sponsor
- ✓ Report cost savings

- Understand your company's culture regarding interaction with Corporate United suppliers
 - Is it collaborative?
 - Is it effective?
 - Would your suppliers like to fire you?
- Request that suppliers evaluate your operations and suggest areas of improvement

- Know your Corporate United advocate
- Stay on top of new categories
- Monitor developments of suppliers
- Look for rationalization opportunities
- Administer the CMSAs – will better spend management yield the next rebate tier?
- Self-assess your degree of optimization – what plans do you have to improve?

Within Procurement

- May view CU solution as a threat
- Communicate CU as preferred sourcing approach

Within the Organization

- Assess Procurement's status
- Obtain c-level support
- Use project-specific executive sponsors

Within the Supplier

- Leverage Corporate United personnel
- Expect communication to resolve most issues



Corporate**United**
Achieve More.



Thank You