



Building a procurement team from scratch

Spotlight on Stephen Day, CPO, Kantar

Words by: Alex Klein

2020 was undoubtedly one of the most challenging years procurement professionals have ever faced. From COVID-19 supply chain disruption to worldwide shortages and shipment delays across industries, delivering savings while also driving financial growth seemed like an impossible task.

But Stephen Day, CPO at Kantar, saw an opportunity to completely transform the procurement function within the organisation.

Against a background of unprecedented change and an internal restructure that saw Kantar sold to Bain Capital Private Equity, Day has spent the last 18 months successfully building a diverse procurement team from scratch and delivering more than \$60 million of savings for the business, all while settling into a brand-new role.



Stephen Day, CPO at Kantar



Alex Klein, Efficio COO and Co-founder, sat down with Day to discuss Kantar's procurement journey, how it was achieved, and the key learnings discovered along the way.

Plotting the procurement transformation roadmap

At the end of 2019, advertising giant WPP sold 60% of Kantar, a UK-based agency that provides data and consumer insight to clients worldwide, to Bain Capital Private Equity. However, the procurement function of the business remained with WPP, which meant Kantar needed to build a procurement function from the ground up to continue delivering savings and ensure its future growth.

When Day joined the business, his sights were set firmly on delivering results. But in the midst of a pandemic, it became apparent that Day was faced with a unique set of challenges that would add a layer of complexity to the typical challenge of thriving and delivering savings under the umbrella of a private equity company.

"We were a very underinvested business from a procurement perspective," Day said. "Efficio did a scoping piece of work to say, for an organisation of this size, this is what we think you should deliver in terms of savings, and this is what we think your own target operating model should look like." Using this insight as the starting point, Day created a procurement transformation roadmap that set the tone for success to come.

Accelerating procurement transformation through robust processes

In a pre-COVID world, the sheer volume of work involved in building a procurement function would be enough to keep a CPO busy for at least the first 12 months. The priority was to introduce procurement processes that allowed Day to measure and manage risk, by getting existing data within the business into a place where it could provide a holistic overview and form the basis of a roadmap. "It's not enough just to do the deal," Day said.

"You've also got to secure the savings by working hard on your processes and systems." Developing processes that are truly transformational requires procurement to act as coaches to nurture supplier relationships. Day revealed that it's vital for procurement teams to clearly outline steps to engage internal and external stakeholders, "when you run big global processes, you think of it from the lens of corporate risk that you need to manage, that in itself becomes quite a bureaucratic process."

Another benefit of streamlined processes is the impact they can have on securing buy-in from the C-Suite, enabling procurement teams to clearly illustrate how savings will be delivered.

"Private equity is very good at understanding the value levers very early on, and then putting real muscle into achieving them. But they're also incredibly analytical, so

they understand the nuances, but they use data to really shine a light on the size of the opportunity and what's possible," Day said.

"You need to tell the story in a way that really engages and resonates with your key stakeholders."

Stephen Day

Building high-performing teams through diverse talent

One of the most illuminating learnings was that to build a high-performing procurement function, you need to celebrate different points of view and hire diversely. "There's an increasing need for leaders to be able to absorb and allow for conflicting points of view but have a common set of values in the team that guides everybody," Day said.

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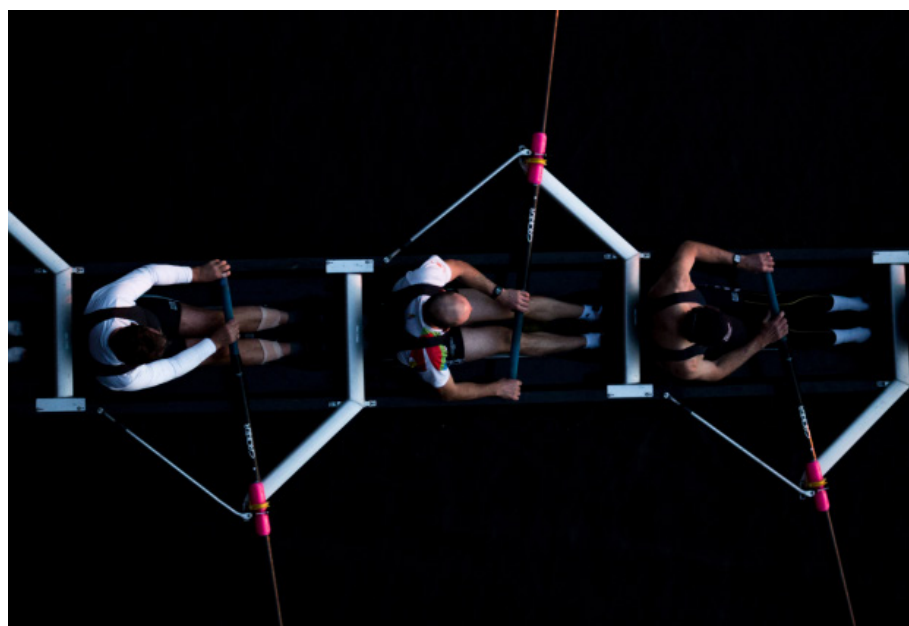
Stephen Day

Day purposefully set out to build a diverse team. "I'm very conscious that I could have staffed the organisation a lot quicker," he said, "but they would all look like me because the natural inclination is to reach out to your network."

By focussing on hiring the right people instead of rushing to fill the ranks, Day was able to grow the team from three people to around 40 people, with a 60/40 split of men and women. He acknowledged that procurement is in a unique position to champion diversity and accelerate change internally and externally.

Reflecting on the impact COVID has had on ways of working and leading transformation within the business, "it's actually made us feel more inclusive as an organisation, because we do have more people involved in conversations."

A virtual environment enabled Day to include more stakeholders without the barrier of limited meeting space, allowing



for diversity of thought and more productive conversations. "The beauty of this is everybody has equal weight in terms of their ability to express themselves," he said.

Exceeding savings targets through the power of storytelling

Most importantly for procurement teams is the ability to deliver savings across the business, and Day rose to that challenge. The goal was to build "a credible savings plan that engaged all of our stakeholders," empowering each person to understand the savings that could be delivered and the potential level of recurring savings on an annual basis.

To achieve this, Day stressed the value of communication. "An important part of the equation is that you're able to align with the financial organisation and give them the means by which they can understand where those savings come from," he said.

Through transparency and collaboration, procurement teams can demonstrate value to the most senior stakeholders and contribute to the full financial picture. Focussing on the story that you develop is the key to unlocking buy-in across the business and "engaging in a meaningful way".

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After setting an initial goal of delivering \$41 million in savings, the Kantar procurement team is currently on track to deliver around \$65 million – an increase of nearly 60%.

"For every dollar we invest in procurement, we try and save about \$5," he said. Day is confident that these figures will only get better, "I think we can expect a further step change in the level of savings performance that we deliver ... we're investing heavily in our technology, our products, and our people."

5 key takeaways for implementing outstanding procurement transformation

What learnings can CPOs and procurement teams take from Day's success at Kantar? Here are five steps to success in your procurement transformation journey.

- ☐ Streamline your procurement processes by consulting the data
- ☐ Develop a persuasive and engaging narrative that resonates with your stakeholders
- ☐ Align your objectives with the organisation, and demonstrate your purpose
- ☐ Communicate clearly and often to secure organisational buy-in at every level
- ☐ Recruit people who can bring diversity of opinion and new ideas to the table

Despite a challenging 18 months, Stephen Day's work at Kantar is a stellar case study of how procurement teams can deliver astonishing results. The hallmarks of success include data-driven and strategic planning aligned with the wider financial goals, a commitment to attracting diverse talent, and clear communication with stakeholders to ensure buy-in at all levels.



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We support blue chip multinationals, private equity companies, and SME clients around the world to deliver increased value from procurement.