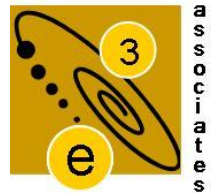


procurement organization maturity model



Level	Maturity	Typical Activities/ Characteristics	Results
1	Beginner	Administrator. Issue PO's. Make it safe and easy to buy things. Reactive environment. Value measured by tolerable level of complaints.	Understand total spend. Price at or above market
2	Basic	Advisor. Shop the world. You have commodity knowledge. You understand costs and technology. You make good decisions aligned with enterprise needs. Primarily reactive environment. Value measured by period-to-period price takedowns.	Understand total spend and market opportunities. Price at or below market.
3	Competitive	Process Enabler. Influence suppliers to get preferred treatment. You understand costs, availability, market trends, risk. Preferred treatment is managed as a process. Primarily reactive environment. Value measured by period-to-period price takedowns.	No surprises. Excellent price (better than market) and assurance of supply.
4	Leader	Contributing Partner. Process focused, tool enabled environment. Worldwide access to suppliers for materials and services. Decisions are well-thought out and holistic in context. Primarily pro-active environment. Value measured by total economic value.	Better total costs.
5	World Class	Competitive Differentiator. Create clear and defined competitive advantages for enterprise enabled by automated tools and processes. Pro-active environment. Value measured by total economic value created.	Leader in market.