Building Castles in the Sand: Creating IT Alignment in Category Strategy

CBRE
Karyn Sanchez
Director of Strategic Sourcing
BUILDING CASTLES IN THE SAND

Creating IT Alignment in Category Strategy

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Karyn Sanchez is a highly respected procurement and sourcing professional with more than 18 years of experience in driving global sourcing initiatives, leading IT supplier negotiations, developing best-in-class processes, and managing capital budgets across diverse industries. Her expertise in aligning IT and Strategic Sourcing initiatives has helped implement complex IT projects and improve supplier performance, while exceeding cost savings goals year over year. She is currently the Director of Strategic Sourcing at CBRE, the world’s premier, full-service real estate company, and has made significant contributions, including establishing global processes for enterprise RFPs and negotiating and implementing a Global Managed Print and Digitization initiative. She is also currently the contracting and sourcing lead on the Global Workspace Solutions acquisition and integration by CBRE.

Prior to her role at CBRE, Karyn served as the Global Procurement Manager and Sourcing Manager at ACS, where she provided IT pricing and sales support for high-profile outsourcing deals and mergers and acquisitions, implemented a near-shore procurement organization in Jamaica, negotiated utility-based server pricing with a large OEM, and reduced overall IT storage costs by 40% through an enterprise storage RFP.

Karyn received her MBA from Texas A&M University-Commerce, and BA in Business Management from Texas Christian University. Karyn has a heart for helping those in need. She has visited Haiti multiple times to volunteer for rebuilding projects and assisting orphans, and recently adopted a son from the country. Karyn is married, and she and her husband spend their time with their two daughters and three sons.
ABOUT CBRE

- Fortune 500 and S&P 500 company headquartered in Los Angeles
- World’s largest commercial real estate services and investment firm (in terms of 2014 revenue)
- More than 70,000 employees (excluding affiliates)
- Serves real estate owners, investors and occupiers through more than 400 offices (excluding affiliates) worldwide
- Offers strategic advice and execution for property sales and leasing; corporate services, property, facilities and project management; mortgage banking; appraisal and valuation; development services; investment management; and research and consulting
- Manages approximately 5 billion square feet of commercial real estate and corporate facilities around the world
Will you be **surprised** when your sand castle is washed away?
TODAY’S DISCUSSION

- Line in the Sand
- Shifting Sands
- View from IT Sourcing
- The Right Mix
- Building the Castle
- Ideal Sourcing Expertise
- Transformation of IT Sourcing
- Foundations for IT Strategic Sourcing
When Strategic Sourcing isn’t aligned with IT and the business, we draw a line in the sand…

- Suppliers divide and conquer
- IT can’t build effective strategies or budgets
- Competing projects duplicate work effort
VIEW FROM IT SOURCING

→ Human Resources
→ Facilities
→ Marketing
→ Finance
→ Application Development
→ Software
→ Infrastructure
→ Network/Telecom
THE RIGHT MIX

Sourcing
- Low Cost
- Mitigate Risk
- Best Value
- Speed of execution
- Reliability to Business

Convergence
- Commodity Consolidation
- Cross-Functional Planning

Speed of Execution
- Length of Agreements
- Proactive

Strategy
- IT Knowledge
- Market Intelligence
- Communicate Business Needs
- Align with IT Needs

Bottom Line:
What is your value add?
It’s not just about RFPs
TRANSFORMATION OF IT SOURCING

**Pre-2009**

**Tactical**
- IT maintains budget
- Tactical procurement handles bids
- No formal RFP processes
- IT negotiates and executes agreements

**Commodity Based**
- Consolidation of service providers
- Sourcing broken into commodities and categories
- Sourcing processes restrict innovation

**2009-2012**

**Project Based**
- IT converged/appliances
- Business driving requirements
- Business hold larger percentage of IT spend
- Mediates business and IT
  - Supplier management
  - Service levels and performance

**2012-2015**

**Adaptive**
- Business retains large IT budget
- Shorter-term agreements
- Faster contracting
- Nimble processes for innovation and pilots
- Value-add services
  - M&A expertise
  - Product development

**Future**

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INNOVATION SOURCING EXPERTISE

IT Knowledge
- Overall knowledge of how technology integrates
- Ability to build trust within IT
- Capable of holding supplier discussions in the absence of IT

Market Intelligence
- Ability to seek market strategies
- Subject matter expert in alternative solutions

Navigation
- Mega vendor governance
- Small vendor escalation
- Organizational hierarchy

Communication
- Alliance Builder
- Presentation
- Translate between IT and Business speak

Adaptable
- Ability to accept more risk
- No fear of failure
- Willingness to make things happen and not focusing on standard process
- Sees the Big Picture
FOUNDATIONS FOR IT SOURCING

- Become a **partner** to IT
- Create **visibility** for IT in the business
- Understand roadmaps and innovation in **converged solutions**
- **Align teams** to IT structure and strategy
- **Enhance processes** to meet IT requirements
- Expand Sourcing portfolio to provide **additional services** for M&A and project development
- Institute **Innovation Sourcing** expert(s) to support digital transformation initiatives
Questions?
THANK YOU

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