Driving Business Value Through a Supplier Ecosystem – CIO's Perspective

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About BP

We find oil and natural gas extract it from hard to reach places

We move oil and gas across land and sea and trade it

We manufacture fuels and products and market them to customers worldwide
IT Function Scope and Scale

Connect
- Telepresence units
- WAN connections
- Video conferencing centres
- Users on Instant Messenger
- Landlines

Secure
- Block sophisticated attacks
- Stopping SPAM emails
- Web filtering to stop PC infections

Automate
- Applications that support Trading
- Customer facing applications
- Technical and Engineering applications
- Transactional applications

Compute
- High Performance Computing
- Servers
- Data Centres
- Peta bytes of Data Storage

Supported by our partners
Scale and degree of the sourcing transformation within BP IT

Our Drivers in 2008: Simple, Reliable, Lower Costs, Professional

Strategic Sourcing Response

- Consolidate to leverage scale to achieve best unit prices
- Deeper relationships with fewer suppliers

Achievements delivered through BP’s IT Operating Model 1.0

- Delivered cost effectiveness
- Reduced total no. of suppliers by over 1000 in the last 5 years (2500 to 1500)

Our Business Drivers have changed, this is no longer enough ... we need a new IT Operating Model with our suppliers
The Operating Model 2.0

Enterprise Priority: End-to-End IT Services

Deliver and Manage IT Service Stacks with strong support from suppliers

End-to-End Service

Tools

People

Process

IT Service

MARPET PROVIDED SOLUTION

End-to-End Service

BUSINESS OUTCOMES
BP’s IT Strategic Supplier Ecosystem
Captains’ Table

- An eco-system under a common operating model
- An executive board of CEO/CIO’s to set the tone
- Momentum through supporting execution groups
- BP Leadership commitment to engage vendors at all levels
How to create a supplier ecosystem?

- Implement a standard operating model
- Develop sophisticated vendor management capability
- Get the top of the house aligned – “Captains’ Table”
- Create a compelling story about why it is good for the suppliers
- Create working level groups and give them air-cover
- Identify a common deliverable to which all can contribute
- Decide on a methodology – for us it is continuous improvement
- Leadership perseverance is essential
- Inclusive behaviour at all levels will make or break success
Questions