

AF STRATEGIC SOURCING FACT SHEET

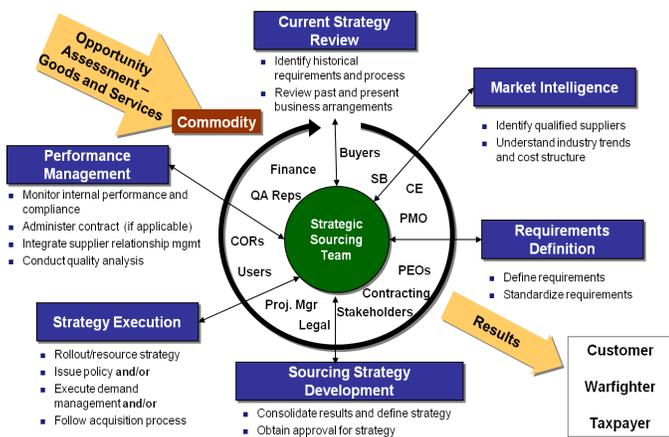
“Strategic Sourcing is the collaborative and structured process of critically analyzing an organization’s spending and using this information to make business decisions about acquiring commodities and services more effectively and efficiently.”
OMB Memorandum

What is Strategic Sourcing and How Do We Benefit?

Strategic sourcing is a supply chain management best practice representing a shift from buying tactically, on an as-needed basis, to a **collaborative buying model**. It facilitates **well-planned acquisitions that consider spending trends and future requirements of the entire organization** as opposed to a single contracting activity.

Benefits:

- Reducing Total Cost of Ownership
- Managing Consumption
- Improving Operating Efficiency
- Improving Focus on Socio-Economic Goals
- Reducing Contracting Workload



What has Strategic Sourcing Done for Me?

- Activated the Enterprise Sourcing Group (ESG)
- Established six Installation Commodity Councils
- Reduced federal government office supply costs
- Reduced redundant acquisitions of medical commodities
- Engaged customers to identify similar requirements
- Established centrally awarded contracts for decentralized task orders execution
- Standardized training based on the AF Sourcing Model

What are the Common Misconceptions about Strategic Sourcing?

#1) It is Bundling/Contract Consolidation... NO!

Strategic Sourcing is **a process** not a predetermined acquisition/commodity strategy. Contract consolidation may result from strategic sourcing, other times contract consolidation is not an appropriate strategy. Strategies are identified by thoroughly analyzing each specific initiative.

#2) It Eliminates Small Business... NO!

There are legislative statutes and specific Air Force goals regarding small business, these are taken into consideration by the sourcing team. During each strategic sourcing initiative, the team reviews the current environment and suppliers, which allows them to understand what is provided by small business today. They also perform market research which provides answers to questions such as: Are there other small business suppliers? Could this be a small business set aside?

Can you encourage adoption of more strategic sourcing practices by busting these misconceptions?

How Can I Promote Strategic Sourcing Success Locally?

- Review and tell your colleagues about the resources available on the Strategic Sourcing SharePoint site
- Become informed about strategic sourcing by taking DAU training or reviewing the training on SharePoint
- Submit your strategic sourcing ideas and activities to promote collaboration and reduce duplication
- Access tools, templates, and other useful resources on the Strategic Sourcing site to save time on any acquisition

For more information, please contact ESG at 937-257-8980 or esgworkflow@wpafb.af.mil