

Category Management is Best: Procurement Myth No. 8

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We continue our series on the top 25 procurement myths. Some you may know, others maybe not. You also may agree with us on certain ones and not others. But, the important thing is that we have this discussion. We will post 1 a day here on [Chief Procurement Officer](#), so make sure to check back on the site to catch them all.

8. Category management is an effective component of sourcing and should be used as a better way to engage stakeholders

Category management is not a subset of strategic sourcing focused on identifying spend categories and rationalizing the supply base within those categories. This is category sourcing and implicit within strategic sourcing 101. If you merely re-badge strategic sourcing as “category management,” then you are doing yourself and your stakeholders a disservice. Category management is rather about cross-functionally managing spend categories across the process lifecycle from design to sourcing to P2P (and supply chain planning/execution) to ongoing management.

For more on this concept, see [here](#).

It’s an easier way to talk to stakeholders about holistically managing similar suppliers across all interactions, not just “drive-buy sourcing events,” and helping stakeholders realize value from those categories and reduce risk.