J.P. Morgan Without Chief Procurement Officer

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Date : January 22, 2015

J.P. Morgan is without a chief procurement officer. Richard Buccarelli, who served as CPO and had been with the bank since 2009, left the company several weeks ago.

The Wall Street Journal reported the news earlier this week. Why Buccarelli left JP Morgan was not made clear. During his time at the bank, Buccarelli was involved in interacting with third-party vendors, negotiating contracts and building new relationships. He also had a large role in the bank's renewed expense savings plan created earlier this year, which is expected to save the company hundred of millions of dollars annually.

The effort included Buccarelli re-examining thousands of the bank's vendors to revise contracts and lower spending. Bucarelli also aimed to decrease the number of vendors the bank worked with, reduce consulting services it paid for, as well as evaluate legal aid and real-estate management expenses. The [Wall Street Journal reported](#) that some vendors faced losing business if they did not comply with J.P. Morgan's request for lower fees.

Previous Role at the Bank

Buccarelli formerly served as leader of general services function at J.P. Morgan. The role included procurement operations, supplier management and sourcing.

Sources told The Wall Street Journal they are unsure what Bucciarelli's next move is.

Additional Analysis

Third-party risks pose a threat to companies, both in contracting as well as in other aspects of doing business with suppliers and business intermediaries. Compliance with the Foreign Corrupt Practices Act is a [considerable business threat for many US firms](#) and a driver behind supplier lifecycle management initiatives.

Financial services firms in particular have long list of regulatory compliance requirements to address in their supply chain. In the case of Bucarelli, Spend Matters has not uncovered anything that suggests a third-party risk oversight issue is behind the sudden departure.