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SUBJECT: THE NEED FOR PROCUREMENT LEADERS, LEADERSHIP AND REFORM

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ABSTRACT

The paper will look at the need for Procurement Leaders and Leadership. Currently there is a lack of procurement leadership. This leads to a lack of vision, direction and ideas.

The paper outlines the issues and possible ideas about how to change this, the benefits of procurement leadership directing the agenda for procurement change by raising procurement visibility, as well as looking at having effective procurement champions and mentors.

Procurement practitioners can debate the need for procurement leaders and procurement direction, on a broad level and this is included as part of the discussion.

CONCEPTUAL FRAMEWORK

The conceptual framework for this paper is to look at the existing issues relating to procurement leaders and leadership. In addition the paper will look at the concept of leadership in terms of providing vision, direction, ideas and flow through to the awareness of achieving ongoing debate on possible procurement reform. Awareness raising is key for the need to identify procurement leaders.

There is theory based on 'of course there needs to be leadership'. This is the expectation, and is often stated. The issue however is that there is little 'push' to make it happen.

Daily procurement often takes precedence which is understandable but we need to also strategise as well. The framework needs to have a change mechanism as procurement matures.

We can 'overdose' on theory. We need sufficient emphasis on practical procurement leadership by way of identifying and encouraging leaders, among procurement practitioners.

The framework will therefore look at:

1. What is currently occurring.
2. What can be achieved.
3. How to achieve debate.
4. Recognising success.

The conceptual framework will also incorporate some mechanisms to consider, and look at ways to implement them. Below are definitions for Leaders and Leadership which should form part of a conceptual framework and allow clarity about meaning.

DEFINITIONS

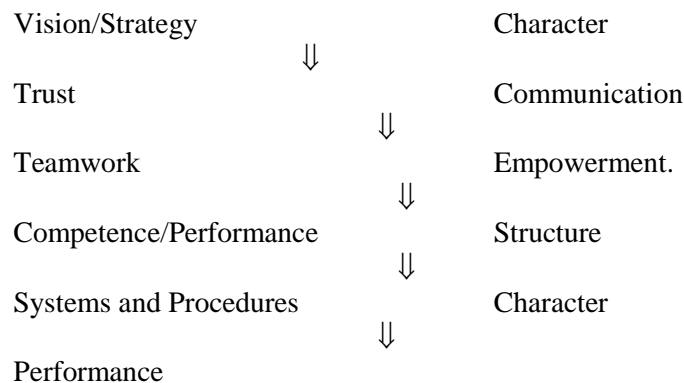
Leader A person who leads, one who is followed by others.

Leadership The actions/activities of a leader.

I find these definitions to be interesting. When looking towards promoting procurement reform we need a process that promotes excellence and a pathway to attain it. These definitions show us clearly that having leadership is achievable if we focus clearly on the ultimate goal of procurement reform.

Lastly, while having a framework is extremely beneficial, the practical operational reality is that it takes time and effort to engage with the framework as well as adding to and improving it.

It would be helpful to establish just what we mean by Leadership. Below are common values:



INTRODUCTION

When considering this theme it is helpful that we consider what we want the procurement picture to look like. Currently, there is little by way of debate or vision for either procurement outcomes or procurement leaders, so there is the need for leaders to work towards a vision. There are expectations which can be unrealistic and sometimes procurement outcomes are not realised.

While the actual outcomes may be different from what was anticipated/expected, it is sad that action is not taken so that better results can be achieved. When working in a new arena, it is difficult to have a fixed idea of how things should work. It is better to have a 'plan, do, check, revise' process until it is clear how the vision will work. However, having a clear direction is essential. We can and need to do so much better. We need to have the impetus to achieve the best results possible.

There is a real need for procurement leadership, both within buyer and supplier organisations. The question is: where are these leaders going to come from? Where are the ideas? What direction do we want? These are some questions needing answers.

It is time for the procurement profession to move in a forward and positive direction. This would be made easier if there was debate in respect to this and the way forward. It does not matter if leadership comes from either buyer or supplier, it is more important that leadership and debate happens. However, leadership from both would be ideal. There is no reason why this cannot happen.

What does leadership look like? Some things for consideration – leaders may:

1. Influence thinking.
2. Contribute to the debate.
3. Contribute ideas both verbally and written.
4. Promote discussion areas within their organisations and networks.

Question: Where are our Procurement Leaders?

We need to have high standards and ideals in procurement which are desirable to achieve, and we should aim to review the existing situation. Two aspects should be considered: (a) the need for vision and ideas and (b) the need to provide for debate.

The reason we need positive direction is to have consistency and transparency for procurement staff and also a time to look at the desired direction we want to take procurement. This will lead us to achieving excellence.

BACKGROUND

I think a part of the problem is that procurement people are not known to promote procurement activities and issues, either internally or externally. It should not be a surprise given how procurement is seen within an organisation. It is often invisible and does not have a natural place on most organisation charts.

We need to move from historical perspectives to a more realistic understanding. Procurement practitioners can operate in isolation even from within a 'team'. This makes it difficult therefore for leaders to emerge. We in effect are doing our profession a disservice. We need a 'voice' that does not currently exist. We need to speak up. There is a lack of debate about procurement reform and the need for procurement leadership and leaders.

Question: Why do we let this happen?

Where does this leave us? The answer is: not in good shape.

It has to be said that buyer organisations operate, in the main, by procurement staff operating by past experience and 'hard knocks' rather than by having a clear direction or even clear policy and procedures pathway to operate from.

This leaves procurement staff working - sometimes in a vacuum, which is not necessarily the correct way of operating – and this means that procurement staff may have no consistent mechanisms and everybody 'does their own thing'.

This is also due to the historical perception (and sometimes reality) of procurement which has been – and sometimes still is – seen as a clerical function without much importance.

It has to be said that this is difficult for procurement staff, who, in the main, want to do the 'right thing' but often find themselves not knowing what that is. This could be alleviated by having good, consistent support with policies and procedures and direction backed up by training and input.

WHAT WE NEED

How can we promote leadership? I believe it is up to Procurement to have the vision and to communicate that vision. In the short term, leadership might have to start with procurement practitioners and be encouraged by management. The procurement staff know the processes they use, and work with management, so this is the obvious place to start. Having enlightened management helps too.

Diagram of an Ideal Procurement Leader

1. Vision/Direction
2. Communication/Influencing Skills
3. Promoter of Procurement
4. Passion for Procurement
5. Procurement Skills
6. Procurement Principles of: Transparency, Accountability and Fairness

The above fits into useful attributes listed below.

Procurement practitioners need to show leadership to the organisation. Equally, being a leader is vital to bring Procurement to where it needs to be. Procurement needs leaders and leadership – both overall and within organisations. Leadership and ideas can expand further afield into a wider forum.

Leadership needs to incorporate: Accountability, Vision/Direction, and Communication/Influencing skills. A part of procurement leadership is to have the skills and passion for procurement as well as promoting procurement overall.

What makes a Procurement Leader?

A procurement leader comes about by being passionate about procurement but also having the ability to 'see' the big picture. There is the need to have the 'mechanics' of procurement but also the ability to communicate, promote and 'walk the walk and talk the talk'. A procurement leader provides added value to the day to day process and is able to think and act strategically. In addition, the ability to be proactive, practical and operational is important. This of course includes achieving not only 'buy in' but implementation.

Question: Does having the procurement 'mechanics' make you a Procurement Leader?

Useful Attributes for a Procurement Leader

1. Attitude
2. Capable
3. Communicator
4. Decision Maker
5. Empathy/Experience
6. Financial understanding
7. Management Potential
8. Negotiator
9. Open
10. Procurement experience
11. Results Driven
12. Training
13. Wordsmith

These attributes will enable change to occur both for the organisation and for procurement leaders. These skills will provide a mechanism for change. These skills can be learnt.

Question - How many of these factors do you have?

Training Mechanism/Forum for Prospective Procurement Leaders

It could be said that there is a need for a Procurement Leadership Academy in which we actively look for and teach leadership skills to procurement people who have the talent to progress. There is also an urgent need for skilled procurement staff to be trained and mentored. From there leaders can emerge. Of course this would take work but this is not a reason not to do anything.

What do we need from leaders? We need:

1. Vision
2. Strategy
3. Communication Skills

We need practical practitioners and not theorists. We require people with the ability to lead implementation teams working with procurement policies and procedures. Talking is fine but we need to move past that and to put theory into practice.

A mix of personal/professional integrity and ethics are vital. These are essential attributes for leaders and procurement practitioners. This enhances the procurement principles of transparency and accountability.

In the short term there is a requirement for personal leadership i.e. for each procurement person to learn and exhibit personal leadership skills, in other words to be a procurement leader. This needs to be encouraged and then leaders who can make a difference can emerge. There is a responsibility to provide direction within your organisation.

How important is leadership? It is vitally important if we want debate to occur and to promote procurement change. We do not want others to dictate how procurement should change. We need to be able to have that debate ourselves. There are leaders in organisations but they do not necessarily have the knowledge we do. Procurement does not need others to dictate the agenda – we need to keep control of the topic and our destiny.

Question – Do you provide personal leadership?

While we must operate as per statutory requirements, a change is needed and it can happen in a planned way, i.e. by forward thinking procurement people. An ad hoc way will take too long to effect required change.

How can we achieve? How indeed!. . We need to think strategically by aligning with like minded people. We need to think past the 'now'. To achieve a debate we need to make use of technology, the media, email, websites, blogs, papers, newspapers and face to face conferences. These are the quickest and widest communication tools. In addition both buyer and supplier need to work together to promote discussion and facilitate gatherings for such discussions. Procurement is not one sided.

However, we need to have consistent messages – whether written or verbal. In addition we need to 'live' them, to display clearly and to behave based on these key messages. If we do not then the various media mechanisms can – and will -work against us.

Comment: Utilise the various media and technology.

LEADERSHIP

We need effective leadership. Procurement leaders need to be able to provide leadership to the organisation and for procurement overall.

What does Procurement leadership look like?

Training Programme Outline. - Example

1. What is leadership?.
2. Skill base of leadership qualities.
3. Formal and Informal leadership.
4. Influencing others.
5. Communication styles.

There is a need to lead by example and promote procurement. In addition, provide leadership to procurement staff. It should be recognised as well that 'leadership' is also a personal attribute that can be demonstrated by all individuals, not just the formal leader of the group. Not in the 'leading a team in a direction' sense, but in the sense of being clear personally on what you are about, which direction you are heading, and having motivation and energy to get there

We should show personal leadership by being an enthusiast for change and improvement, by being curious about all aspects of your profession and by being unwilling to settle for shoddy, second rate behaviour and performance. Push for a better way of doing things, for the benefit of all.

Styles

Leadership style refers to a leader's behaviour. It is the result of the philosophy, personality and experience of the leader.

Autocratic or authoritarian style

Under the autocratic leadership style, all decision-making powers are centralised in the leader, as with dictator leaders.

They do not entertain any suggestions or initiatives from subordinates. The autocratic management has been successful as it provides strong motivation to the manager. It permits quick decision-making, as only one person decides for the whole group and keeps each decision to themselves until they feel it is needed to be shared with the rest of the group.

Relevancy to Procurement: This is **not** the style that Procurement needs.

Participative or Democratic style

The democratic leadership style favours decision-making by the group as shown, such as the leader gives instruction after consulting the group

They can win the co-operation of their group and can motivate them effectively and positively. The decisions of the democratic leader are not unilateral as with the autocrat because they arise from consultation with the group members and participation by them.

Relevancy to Procurement: This is the style that Procurement needs.

Question: Which is your style?

Going forward we need to push for (a) people skills (b) training/education (c) qualifications and lastly (d) to have a clearly defined vision of where we want to go, and a plan to get there.

Our industry needs well qualified people and even more so procurement qualifications. We need to 'sell' the need for people skills to management. Why is that we can buy and sell goods or services but we cannot 'sell' our procurement skills? We need to promote procurement to gain wider acceptance.

What we need is to move away from the 'old ways' and look at promoting procurement leaders and leadership to ensure that procurement reform can move ahead and in a timely manner, keeping in mind transparency, compatibility, accountability and consistency across the organisation. We need to move these concepts/ideals into practice.

We should be aiming to benchmark leadership skills and to promote widely so we can achieve a procurement solution that meets our needs. Overall procurement is in need of effective benchmarking and one way to achieve this is by way of vision and direction which leaders and leadership can achieve.

DEBATE

There is a huge need for debate(s) to discuss how we can find effective leaders as well as encouraging positive leadership to promote procurement reform.

Issues for Debate

1. Direction
2. Vision
3. Where are our leaders?
4. Need for effective and practical leadership
5. Areas for Procurement Reform
6. Communicating to others.
7. Specific Topics

Engaging in multiple debates is vital to be effective. 'Buy in' is vital. A one-off debate is insufficient if we are to be serious about this. It is okay to take time to do this.

Question: Do we have a Vision for the future?

Expectations of a Debate

Debate(s) should have the expectation of discussing and agreeing on issues relating to procurement reform, to positively create an agenda and to put forward ideas, thoughts, strategy and vision of how procurement can look and grow.

Procurement practitioners need to be the master of their destiny rather than letting others define and dictate for us. The expectation is that we are listened to – and actions occur.

Question: Do we have and should we have expectations?

An example of not getting it right is that we lose control of the agenda and decision making ability. We need to be involved or the debate will happen and we will be on the outside. We need to be prepared to contribute.

ISSUES

1. Recognising the Need
2. Training
3. Agenda
4. Debate

Recognise the Need – Procurement overall needs direction, vision and procurement reform. Procurement practitioners operate very much in isolation and historically do not promote procurement particularly well. There is a need for procurement to promote the agenda for positive procurement reform in order to find direction. The need for debate is essential, with the aim of finding procurement leaders who can provide leadership.

Training is essential. We need experienced procurement practitioners. Up to date knowledge and expertise is a must. We can no longer operate by trial and error.

Agenda - We need to write the agenda and promote the need for change. We need to make ourselves heard - clearly.

Debate – This comes from the agenda. We need direction, discussion and input. The debate(s) need(s) to be focused and to be inclusive and across business boundaries.

Resources – When we talk resources we are talking about (a) skill base, (b) staff numbers and (c) financial resources. Resources are necessary to ensure we can undertake and promote effective procurement.

Consistency – Consistency is essential in areas of training, key messages and high standards to operate by which includes effective measurements.

Question: Do we have the will?

BENEFITS/ISSUES/NEGATIVES

Procurement needs leaders and procurement champions – to promote procurement both internally and externally – with the goal of optimising organisational spend.

Benefits – the benefits of procurement champions – yes - champions – as well as championing procurement are:

1. Promoting procurement internally (and externally).
2. Achieving a 'Voice' that is heard.
3. Being seen in its own right.
4. Having a management procurement champion.
5. A 'voice' or seat on the Board.

These benefits can only enhance procurement overall i.e. The procurement process but also for procurement staff. Procurement staff are expected to undertake the procurement basics and are often not given an opportunity to adapt or change. This is a shame and is limiting for all concerned.

There is a way forward. We only need to take the steps that will make our procurement section the best and most effective it can be. These five points are positive in nature. It is going to require special skills to make it happen – which is achievable. The benefits of course include an increase in skill base and morale. Both of these benefits must not be under-estimated.

The benefits of having procurement champion(s) are many, with the end result of having an effective procurement unit with effective systems and procedures that will enhance procurement. This will allow procurement to move forward so that significant savings can be achieved, and to put in place effective buyer/supplier relationships.

A Procurement Champion can work towards moving procurement on. They can promote well trained staff and, most importantly, a procurement unit that can communicate these 'wins'. This will promote procurement, be clear as to how the organisation can assist procurement and how procurement can assist the organisation. From there they can contribute to the overall debate.

Question: How important are these benefits to you?

The benefits are obvious.

Procurement Champions:

1. Can promote procurement.
2. Can provide vision and strategy.
3. Can communicate.
4. Can work with others.
5. Can train others.
6. Can implement change for the better.

This list shows the need for procurement champions to be good at procurement – promote procurement, have ideas/vision, put in place change but also be able to work with others and communicate effectively both internally and externally.

Procurement champions can also remove the stigma that procurement sometimes has: that we are rules orientated and Procurement is hard to do. This is partly our fault as we have not explained to staff what is required well enough.

Question: Do you have the skills?

ISSUES:

The issues to contend with are:

1. Historical Factors.
2. Internal stories of failure.
3. Lack of Understanding.
4. Lack of Support.
5. Rules.

6. Time.

It has to be said that points 5 and 6 have some merit, however, the rules are there to protect the organisation. In respect to time, this is an educative issue for organisational business units - specifically to plan better and in a timely manner. Procurement can and should make the experience go smoothly, and provide support – to be proactive.

How to Overcome

Can these issues be overcome? Of course, even if it might take time and effort. While we cannot change the history and internal stories, we can change 'now' and 'future'. Procurement practitioners need to look ahead, be proactive and prepared to work differently and to a clear vision.

Procurement practitioners can be their own worst enemy by working to today, rather than strategically and of a mid to long term nature. It is time to take the procurement message 'on the road', to show the organisation how procurement can assist. Communication is key. It is time to find effective forums to outline procurement practices.

This will allow for better understanding and factual base. This will hopefully lift the support that procurement needs. Of course support will increase when the benefits and savings are known – and that will happen only if procurement practitioners make it happen. Procurement champions are in a good place to promote procurement, and to get positive messages to the 'right ear'.

Comment: It is time to get past the historical factors. We live in a different environment.

Negatives

While the benefits outweigh the negatives and the biggest negative is the perception that procurement does not add value or that procurement is time consuming. This is where a procurement champion needs to be visible, be easily accessible and educate staff. This way any negatives can be ironed out - hopefully early.

Then it can be shown that procurement adds value by way of (a) people skills and (b) product skills and the easy access to procurement information. It is up to staff to prove that value is provided.

MENTORING

Definition: A Trusted Advisor (Mentor).

Mentoring others is a part of the procurement leader's tasks and unofficial job description. It is essential to remember that you appreciate assistance from mentoring so it seems fair to play your part. It should be a case of 'what goes around comes around'.

Procurement staff can benefit from mentoring. This can be from other procurement staff or other organisational staff. Experienced procurement practitioners should mentor other procurement staff and provide guidance. Mentoring needs to play a part in leadership, debate and direction.

Question: How prepared are you to pass your knowledge and experience along?

Example – Mentoring Programme

Mentoring Programme

Mentoring is a tool that organisations can use which allows staff to observe, question and explore. Mentors demonstrate, explain and model. The following is a foundation for a solid mentoring programme.

1. **Deliberate learning is the cornerstone.** The mentor's job is to promote intentional learning, which includes capacity building through methods such as instructing, coaching, providing experiences, modelling and advising.
2. **Both failure and success are powerful teachers.** Mentors, as leaders of a learning experience, certainly need to share their "how to do it so it comes out right" stories. They also need to share their experiences of failure, .i.e., "how I did it wrong". Both types of stories are powerful lessons.
3. **Leaders need to tell their stories.** Personal scenarios, anecdotes and case examples, because they offer valuable, often unforgettable insight, must be shared. Mentors who can talk about themselves and their experiences establish a rapport that makes them "learning leaders".
4. **Development matures over time.** Mentoring -- when it works -- taps into continuous learning that is not an event, or even a string of discrete events. Rather, it is the mix of ongoing events, experiences and observation.
5. **Mentoring is a joint venture.** Successful mentoring means sharing responsibility for learning.

Comment: Learn so you can mentor others some day.

Principles to Remember

Do:

1. Build a group of people you can turn to for advice when you need it
2. Nurture relationships with people whose perspectives you respect
3. Think of mentoring as both a long-term and short-term arrangement

Don't:

1. Assume that because you are successful in your field that you don't need a mentor
2. Rely on one person to help guide you in your career
3. Expect to receive mentoring without providing anything in return

SUPPLIERS

Suppliers do not provide leadership and this arises from frustration and cynicism. They have been 'beaten down' over the years and they are not inclined to be proactive. This is a shame – but perhaps it is a case of 'chickens coming home to roost' from recent years of non involvement. Procurement Associations and the like need to take a broader approach and include both buyers and suppliers.

Where do suppliers fit in? It is time for suppliers to ask for change, for a new direction and to promote procurement as way for change. Supplier associations equally need to promote and enter into debate(s).

We need suppliers to provide leadership and leaders to contribute to the debate. They have an important role to play and we would be foolish to leave them out. We need suppliers to have their own leaders and leadership. We need to bring them along with us. We need to recognise that both sides need each other.

Question: How easy will that be?

REALISATION OF THE GOAL – WHAT DOES IT LOOK LIKE?

MEASURING SUCCESS

Before you can measure success you first have to know what you want to achieve. You will, of course, have specific areas of interest and expectations.

Definition:

Expectations	Being helpful.
Success	Doing or getting what you want.

What do you want to achieve? This might sound simple but it isn't. Of course the day to day work has to happen. If you could wave a magic wand, what would you want to achieve?. Would it be:

1. Upskilling of staff.
2. Internal recognition of Procurement.
3. Finding internal leaders.
4. Finding leaders internationally.
5. Debate on the need for Procurement Reform.

Or, something else?

How do you measure success? This is hard to define, but one would think of all the possible success factors, that procurement is given respect, that we have leaders and there is positive leadership and direction.

Expectations

The best measurement of success , of course is seeing results overall and specifically the taking up of systems and procedures, compliance, etc. This will show clear understanding of requirements and 'buy in'. Having general staff working to effective procurement requirements is the best result. Even better, if they pass on information to others, they can champion procurement for you. A win-win!.

Success is being able to act in a leadership capacity even if it is personal leadership, where you can make a difference in your organisation. From there comes the opportunity to step up, promote and provide leadership on a bigger stage.

To me the goal is realised when:

1. We can name Procurement Practitioners.
2. We can propose the agenda on procurement reform.

Realisation occurs when:

1. We can debate and are able to influence procurement direction.

2 Procurement practitioners work towards being leaders in their organisations.

Question: How do we know when we have achieved?

THE WAY AHEAD

In the procurement world there are many procurement practitioners who do a fine job. Equally, there are those who would like change, can see where change can happen but do the job, hoping that something will happen to bring the change.

There are those practitioners who can work operationally and can see the 'big picture' and look at procurement strategically. They are happy to try to effect change but are not totally sure about how to do this. The focus here is to provide a mechanism so they can act as a procurement champion for their organisation.

Being a procurement leader is an objective that needs to be worked on. Why? The fact is procurement needs a 'voice' that can be heard in the organisation – and further afield.

This will lift Procurement so that their 'voice' will be taken up and heard at Management/Board level – to the benefit of the organisation overall. We need to look at the mechanism of becoming a Procurement leader/Champion and the means to achieve for your organisation – and yourself.

A Procurement leader needs to be able to:

1. Communicate the vision both internally and externally.
2. Promote procurement.
3. Take others along in making procurement of goods and services (either buyer or supplier) effective.
4. Make the procurement profession visible, efficient and effective.
5. Be able to effect change.
6. Be able to 'speak' for what should be.

In addition, to be prepared to act in such a way as to be a champion in their actions.

A useful definition is:

Procurement – acquisition (or Procure - acquire)

Champion - support a cause by speaking for it.

Leader – a person who leads.

This says it all for me - The ability for procurement people to be prepared to speak up for the procurement profession, to be able to internally 'move' procurement from the back office to the top i.e., Management/Board level.

Leaders can enhance procurement principles, understanding of procurement across the organisation and bring procurement issues to management/board level. They can leverage procurement strategically and build awareness of the significant organisational procurement spend that needs to come to the attention of management.

Leaders can also work with Procurement staff to lift procurement to 'what can be' rather than 'what is'.

The questions to ask are:

1. Can an organisation afford not to have procurement leaders?.
2. Can procurement practitioners afford not to be, nor contribute to being, a procurement champion?.

To achieve, businesses can promote a philosophy that results in achieving the benefits of having a procurement champion who can ensure that their organisation's contractual obligations are met, that the organisation spend is spent wisely and look at options that can leverage the total spend. Equally, they need persons who can add value to themselves, others and to the organisation they work for.

Procurement practitioners need to be proactive and, by doing so, they can 'blow their trumpet', celebrate their 'wins' – and communicate those wins.

This will ensure that procurement itself can be better understood. In addition, the skill base of procurement staff is increased and the collective experience can be used to increase procurement's value to the organisation. A procurement practitioner who is passionate about procurement and who can work to change procurement for the better is a jewel that should be valued - for their professional development, but also to the benefit of the organisation overall.

The above is equally required to play out on a bigger stage.

WHAT IS A PROCUREMENT CHAMPION?

A Procurement Champion comes about by wanting to make procurement better, somebody who can promote procurement and communicate possibilities to the organisation and to be able to introduce change

There is a need for procurement practitioners to take the lead and to promote procurement, themselves and fellow procurement staff with the aim of promoting procurement across the organisation.

In addition for procurement issues to be taken up at Board level and to incorporate a Board Procurement Champion.

All too often procurement is left to languish, or be tagged to other better known divisions i.e. Finance. I believe, this is detrimental for Procurement long term.

VISION AND DIRECTION

Having the vision is vital - as is putting together a positive direction and the mechanism to implement. Without a clear implementation plan, it makes life significantly harder than it needs to be.

Vision – what do you want to achieve – and why?. Examples could be:

1. A totally electronic system.
2. Procurement by commodity done well.
3. Collaborative relationships.
4. Well trained staff.
5. Effective and significant savings.

Direction - who or what do you want to influence – and why?. Examples could be:

1. Manual systems to electronic.
2. Business case with timeframes, budget and implementation plan.
3. Training plan – for staff and procurement staff.
4. Working for a Board 'Voice' on procurement.
5. Plan on influencing staff to effect change – HR, Finance, Management etc.

External Direction

1. Working to promote procurement reform.
2. Promoting the procurement debate.
3. Ideas.
4. Mentoring.

Question: Do you have a direction?

TRAINING

Procurement is not a static profession,. Ideas and concepts change as does the need to think strategically and operationally. It is vital for procurement practitioners to undertake regular training to keep up to date with changes and industry trends.

Professional development is a must, and for procurement leaders it is essential to take the opportunity not only to increase procurement skills but also the complementary skills within the business arena such as financial, management and communication skills.

Question: Do you utilise the training budget for your professional development?

The question is: should 'soft' skills of (a) leadership, (b) communication and (c) management be a part of procurement skills? I believe so. Procurement needs leaders and leadership. These skills should be taught alongside procurement basics. In this way procurement can emerge and grow which is badly needed.

Example of Training Programme Outline

PROCUREMENT CHAMPION

1. Negotiation – How to negotiate.
2. Communication Skills – Communicate effectively.
3. Financial – Being financially responsible.
4. Management – Understanding management styles, understanding management structure.

PROCUREMENT

1. Leadership – Leadership Styles and attributes of Honesty, Forward looking, Competence, Inspiring and Intelligent.
2. Training Others – How to pass on knowledge.
3. Effective communication – Communication mechanisms – verbal versus written.
4. Strategy – Thinking strategically.

Asking for Help – This is not always easy to do. However, there are people who are only too happy to help – you only need to ask.

If you want to be a procurement champion, then like most things, it takes time and effort. As a first step consider the benefits of mentoring.

As a second step, it would be useful to have a discussion with your immediate manager. Be clear about what you want. Thirdly, undertake research into available training and research time and costs.

Question: Do you feel comfortable in asking for help?

CONCLUSION

Seeing Results.

The best sign is an indication of taking others with you, that others want to see change, that promotion of procurement is being taken up by others who are in a position of influence. Another sign of success is by way of change of behaviour by staff, their actions and the way they deal with procurement

Positive results are the true measure of success. Promotion of procurement is the ultimate factor in championing procurement and being a procurement leader.

Externally, we need to look at outlining a new direction and develop positive roadmaps to follow. Let us acknowledge and work on:

- (a) Education
- (b) Debate
- (c) Leadership

It will take work but for procurement to move forward we need to be proactive and decide what we want and how to achieve it.

We each can step up and take a leadership role. We need leaders – we need even more leadership. To achieve we need ongoing debate. Equally we need educated procurement practitioners to move procurement forward.

We can start a conversation with our suppliers. They are a part of procurement as well: we need them – just like they need us. They could well have positive ideas – if only we asked them. We can not leave them out of any debate. We will be doing ourselves – and procurement in general – a disservice if we just talk amongst ourselves. We need to consult, to listen and perhaps in that way we can change the culture to a more cohesive and collaborative culture.

Procurement practitioners need to be aware for change opportunities and a debate about how procurement should progress. To achieve procurement reform we require leaders and leadership – and each of us needs to provide or show leadership in our own roles.

The best way to achieve is through professional development, mentoring, coaching and the like.

It requires the will and a desire for change. The question is two fold: Is there a will to take procurement to a new level, and secondly, are we ready?

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Two final questions: Where are our Procurement Leaders? Where is the procurement leadership coming from? Where indeed. Can we afford to sit back? I think not. How long are we going to wait? Do we lose another generation of procurement practitioners before we can provide effective procurement leaders and leadership. We need to start now – where are you?

I leave you with two last questions: Where are our Procurement Leaders? Where is Procurement Leadership coming from?

Thank you.

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Government agencies are significant users of resources, both goods and services, and have a big impact on the market by virtue of their procurement activities. If governments expect the corporate and non government sectors to take sustainability objectives seriously, they must show leadership and play a more engaged and strategic role to promote responsible business conduct throughout their own supply chains.

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IG finds lack of procurement leadership in Transportation Dept.

[David Perera](#)

Oversight and strategic leadership in procurement have been lacking in the transportation department, says a departmental inspector general report. www.fiercegovernment.com

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Margaret Gilbert, Director of Corporate Contracts Management Ltd, has had 23 years of practical experience in the procurement/contracts field both within New Zealand and internationally (Australia, Asia, the Pacific, The Middle East, South Africa, United Kingdom, Europe and the United States of America). She has experience working within Government, Local Government and Private industry. Her interest is in providing clarity of the procurement process to both buyers and suppliers and to ensure that there is clear understanding.

Margaret is a New Zealand consultant/trainer assisting in the complex contract world by looking at the 'whole of life' contract world and working with both one on one and larger groups.

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Margaret has written books in the Contract Matters series: Contract Matters: Changing the Buyer/Supplier Conversation: A Paradigm Shift, Contract Matters: A Practical Guide to the Contractual Process, Contract Matters: A Practical Guide for Suppliers, Contract Matters: Negotiation, Contract Matters: Procurement and Ethics, Contract Matters: Strategic Contracts/Contract Strategies, Contract Matters: Connecting the Education and Contract Worlds, and Contract Matters: Contract Management as well as books covering the tender/contractual process for countries such as Asia, the Pacific Islands, The Middle East, Scandinavia, United States of America, China, Russian Federation, South America etc.