

LEADERSHIP ROUNDTABLE

FIVE ANSWERS FROM FIVE EXPERTS

PART 2 – THE CONTINUING PROCUREMENT IMAGE CRISIS?

The most successful businesses have come to recognise procurement's power to unlock value, drive innovation and achieve strategic goals.

So, why is it that procurement teams still seem to be suffering an image crisis when it comes to the way they are perceived? In a recent survey (Hackett), 74% of respondents felt the procurement function consisted of gatekeepers or administrators. Procurement's biggest perceived failing was an inability to communicate effectively.

Yes, we know talent is sometimes scarce, but this survey feedback points to a wider set of issues involving procurement – and businesses that neglect to address them are hampering their own success. We asked some of Barcanet's senior procurement executives how business leaders should go about repositioning procurement, so their teams have the edge they need to shine.

Your Expert Panellists



Perrin Haydon-Rowe – Global Director of Procurement at Clarks Shoes, Perrin has extensive experience in the retail and FMCG sectors around the world, having worked for the likes of Procter & Gamble and JM Smucker.



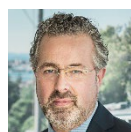
Kim Godwin – Former CPO of Barclays Bank plc., Kim is now an independent procurement consultant and has transformed business across the Finance, FMCG and Public sectors.



Matt Row – his chance introduction to procurement has led to a career including Dyson, Ladbrokes Coral, Lloyds TSB and BT, before becoming the Property and Procurement Director at Zellis.



Peter Duffy – Another who fell into procurement, 35 years later and Peter has led strategy and change across public and private sectors at Cargill, TATA, Weetabix and the Cabinet Office.



David Loseby – Currently Director of Procurement at Rolls-Royce, having worked for diverse businesses including Wolseley, Barclays, GSK & Arriva. David co-founded the Procurement Doctor to provide rich content to procurement professionals free from 'software sponsored advertising'.

How business leaders should go about repositioning procurement, so their teams have the edge they need to shine.

"For me CIPS qualifications are the key to changing the current perception", says **Peter Duffy**. "Insisting that your procurement teams are MCIPS/FCIPS – depending on seniority – or are, at least, studying for the qualification, and are ethically certified brings credibility to the both the profession and the organisation."

"On top of this," Peter adds, "you need to support ongoing development such as CPD, invest in training and development, and pay for relevant professional membership fees. This promotes employee engagement and encourages procurement team members to recognise and assert their own value within the business."

Kim Godwin agrees; "Tackling the misperception of procurement is the reason I took an active role in CIPS from an early point in my career", he says.

"I've been clear with my staff and the business about the value that procurement brings, and always ensure that the team is focused on the highest value- add/Rol. This is dependent upon recruiting, training and nurturing the right skills and behaviours – influencing, relationship management, strategic awareness and business acumen being the main ones."

The power to influence by honing strong communication skills is a recurring theme amongst the panel.

Perrin Haydon-Rowe says, "I spend time coaching the team on communication styles and techniques, the art of story-telling and persuasion."

"Procurement is an art and a science. You have to gain quick credibility through results and learn to speak in meaningful terms with your stakeholders. For instance, no one in marketing will be enthused to hear what percentage saving you achieved on an agency commission. They will get excited, however, if you can illustrate that you've delivered £2m savings, which can be reinvested in landing the talent for the next ad campaign, consequently driving digital heat and double digit sales growth."

Peter Duffy concurs; "Communication acumen within procurement is vital, as is being given a platform to communicate at a strategic level."

"Give procurement a seat at the table, recognise their status, have your CPO on the board or senior leadership team. That way the organisation sets an example that will break down barriers. By doing this you find that you will bring a better "qualified" individual into play who will have enhanced communication capability and is perceived as a business partner, rather than a back-office gatekeeper."

It's all about business partnering for **Matt Row** too. He says, "There is no substitute for building deep relationships with the business so that the procurement function is speaking the same language as the business."

"This for me is the biggest solution to any issue with procurement being overlooked, as the procurement function can prioritise the delivery of business goals that positions it as a fundamental enabler to the business.

"The biggest risk for procurement functions is that they fail to deeply embed themselves in the business, pursuing the perceived goals of the organisation and falling back into the mentality that savings delivery must be the number one priority."

And where can technology help to bolster procurement's capabilities and power? There is plenty of scope, according to **Perrin Haydon-Rowe**, who explains, "I drive the impetus to embrace new technologies that make things work faster, easier and better, creating much-needed time to focus on the good stuff; the strategy, the relationships, the people, the results. I demand simplicity and user-friendly processes – complexity for complexity's sake kills pace."

"Improve the processes and automate", says **Kim Godwin**. "The Cinderella of the procurement team is often the systems/data/process 'back office' – get the right people for this, often not commercial people, and make sure it's properly resourced. Procurement efficiency is an underrated subject."

Finally, a word of caution from **David Loseby** who stresses, "This might be controversial but we need to make sure that system and processes and digital platforms don't replace the critical people interactions that generate opportunities, engagement, collaboration, innovation et al. This is in the same context that combining home working with attending physical office settings offers the optimum balance, which is true even for those organisations whose business model is predicated on remote working."

Capable procurement people supported by technology that helps them provide invaluable business partnering and tell engaging stories with data is the winning formula then. With this combination in place, our experts agree that procurement will soon shake off any outdated perceptions and take its place at the heart of business success.

To talk to us about any of the information in this blog, please contact hello@barcanet.com. We'd love to hear from you.