

## Three Steps to Take

### Key Findings

1. Procurement managers estimate that 72% of their staff now have roles that require them to be strategic. Unfortunately, many of them don't have the right skills and that will hurt the function long term.
2. Six behavioral competencies must be present on a successful procurement team: Complier, Results Seeker, Influencer, Functional Expert, Adaptor and Innovator.
3. Although 60% of all procurement staff are expected to excel in at least four of the six behavioral competencies, only 20% actually do.
4. Staff who are in complementary teams where they can make use of their individual strengths are almost twice as likely to show strategic performance than those who are not.

In a study of more than 900 procurement staff, we identified three key things to know as you build procurement talent and performance.

### Step 1: Identify Team Competency Gaps

To start building complementary teams, heads of Procurement must first know what team competency needs exist and how they change over time. Strategic performance requires all six competencies, but depending on a category's complexity and other factors, some may be more critical than others.

#### Actions to Take:

- Calculate the degree of proficiency a category requires across the strategic competencies.
- Expose gaps in staff behavioral performance that are hard to see.
- Assess current-state staff capability on the competencies to understand teams' strengths and weaknesses.

#### Six Natural Groupings of Competencies Exhibited by Procurement Workforce

<b>1. Complier</b>	<b>2. Results Seeker</b>	<b>3. Influencer</b>
 <ul style="list-style-type: none"> <li>▪ Follows policies and procedures</li> <li>▪ Encourages others to follow policies and procedures</li> </ul>	 <ul style="list-style-type: none"> <li>▪ Meets deadlines for tasks</li> <li>▪ Identifies priorities and action steps for achieving objectives</li> <li>▪ Consistently achieves project goals</li> <li>▪ Ensures commitments to customers are met</li> </ul>	 <ul style="list-style-type: none"> <li>▪ Effectively presents the key points of an argument</li> <li>▪ Quickly establishes relationships with others</li> <li>▪ Builds wide and effective networks of contacts inside and outside the organization</li> <li>▪ Relates well to people at all levels</li> </ul>
<b>4. Functional Expert</b>	<b>5. Adaptor</b>	<b>6. Innovator</b>
 <ul style="list-style-type: none"> <li>▪ Has knowledge of procurement concepts and processes</li> <li>▪ Has knowledge of internal policies and procedures and external industry regulations</li> <li>▪ Has knowledge of categories, commodities, and competitor product</li> <li>▪ Has knowledge of business and supply chain partners</li> </ul>	 <ul style="list-style-type: none"> <li>▪ Copes with disappointments</li> <li>▪ Stays calm under pressure</li> <li>▪ Handles criticism well and learns from it</li> </ul>	 <ul style="list-style-type: none"> <li>▪ Thinks creatively</li> <li>▪ Produces a range of solutions to problems</li> <li>▪ Anticipates changes in the business environment</li> <li>▪ Applies specialist and detailed technical expertise</li> </ul>

Source: CEB analysis.

#### About CEB

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Procurement staff who are expected to be strategic—but aren't—result in US\$41 million in missed savings and US\$1 million in suboptimal use of head count budget.

## Step 2: Address Team Competency Gaps

Many procurement leads fail to take action on identified team competency gaps because they are unaware of the best solutions and they fear organizational change. Managers need help understanding which solutions are best suited to close team competency gaps.

### Actions to Take:

- Prioritize team-level competency gaps.
- Build a complementary team by mapping the right staff to the right roles.
- Review competency deployment periodically.

## Step 3: Overcome Inertia Preventing Optimal Staff Deployment

In a complementary model, staff work more fluidly across the organization and with different people more often. Getting staff to accept new expectations required in a team environment is easier when leaders minimize friction with peers.

### Actions to Take:

- Facilitate structured team discussions about their collective behavior.
- Minimize friction across staff with different competency strengths.
- Hold teams accountable to collective behaviors and outcomes.

## What This Means for You

Building higher-performing complimentary teams will take a creative strategy that we can partner with you to build. Here are some sample resources that we have to help:

- The **Category Competency Needs Assessment Tool** will help you determine what competencies a category needs based on characteristics of the product, sourcing process, and business environment. And it will help you compare those needs to the current category manager.
- Use our **Procurement Talent Test** to assess your staff's effectiveness at key competencies proven to drive functional performance, as well as your organization's effectiveness at supporting the development and application of those competencies.
- Our **Individual Development Plan Builder** will help you create a competency-specific individual development plan for procurement staff.

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