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Sigi Osagie Explains How Procurement Will Get Its Mojo Back At Next Level

Roberta Patterson - August 15th, 2016



Procurement is rapidly evolving from what was once a manual laden process to one where technology is enabling practitioners to deliver enhanced value contribution to overall business success.

Becoming a value creation function involves **change**. So how does Procurement manage change successfully and gain a better reputation across the wider enterprise?

To answer this question, SciQuest selected

leading procurement effectiveness expert and writer, [Sigi Osagie](#), for one of the keynote sessions at Next Level 2016. Sigi knows a thing or two about procurement success and wrote the book, *Procurement Mojo – Strengthening the Function and Raising Its Profile*, where he shows how to get a Procurement function firing on all cylinders.

I checked in with [Sigi](#) to get a preview of what he will be talking about during his presentation.

I love the name of your book, *Procurement Mojo*. Has Procurement lost its mojo?

From the perspective of Procurement’s positioning in the enterprise way back when a move into the “Purchasing Department” was, in effect, a relegation to the backwoods of organizational existence, you’d have to say Procurement has come a long way.

Today, some Procurement functions are doing a fantastic job supporting the profitability and strategic goals of their organizations.

But if I aggregate my experience with clients, discussions with Procurement people in different regions and insights from trade articles, online forums, blogs, etc., it's clear that many Procurement functions are still struggling. Quite often the difficulties that hinder their success are "soft" issues – organizational challenges like senior executives who just don't "get it," territorial stakeholders, or ineffectiveness within the Procurement function itself.

Such Procurement functions lack a credible "Procurement brand." Unless they change their approach, their Procurement mojo will remain a mirage.

During your Next Level session, you are going to speak about change management. That seems like a tall order. Do you have any tips on how a Procurement department should start?

The most fundamental requirement is effectiveness; which is more important than efficiency. You can be very efficient at the wrong things; a bit like the guy who's very fast at climbing up a ladder, only to get to the top and discover that the ladder is leaning against the wrong wall.

Focusing on Procurement effectiveness forces us to think about what the department wants to achieve and the requisite actions to attain those end-goals.

Getting from where you are today to where you want to be is where change management comes in. Many of us in Procurement are versed in the technical aspects of the job but often lack change management know-how. Our ability to navigate our way through change, against a backdrop of the organizational dynamics I mentioned earlier, is crucial for Procurement's success and reputation in the wider enterprise.

So Procurement functions must center their efforts on effectiveness and leverage robust change management. It's impossible to do this without sound leadership. A fish rots from the head down; so having an effective Procurement leader is key – leadership is the glue that binds everything else together.

How do you build a Procurement brand?

In *Procurement Mojo* I use real-life examples to explain the four foundational actions Procurement functions must take. The first is building an effective organization – it's paramount, because people are the fundamental creators or destroyers of performance success.

The other key actions are deploying enablers (processes, systems and tools) that are fit for purpose, managing the supply base robustly, and applying an appropriate performance management framework. Everything we get right in these four areas helps nurture our Procurement brand.

Additionally, it is imperative to foster positive perceptions of Procurement in stakeholders' consciousness, through effective communications, good (internal) customer relationship management, and smart PR.

Combining the four foundational actions with these stakeholder management approaches is how we build and sustain a great Procurement brand.

What are your suggestions for making the case for technology investment and getting executive buy-in?

A solid business case is vital; but it's not just about data and facts. It's really about selling, and being organizationally savvy. You've got to read the organizational landscape and identify the right "hooks" that will resonate with executives.

Getting executive buy-in is part of good change management, thus getting your Procurement mojo back! I'm looking forward to sharing more about this at Next Level 2016.

Sigi Osagie is a featured speaker appearing on Monday, August 22 at Next Level. Follow him on [Twitter!](#)