



Sigi Osagie on Procurement Change Management at the Trade Extensions User Conference

NANCY CLINTON - October 15, 2015 12:03 AM |

Categories: Procurement good practice | **Tags:** change management, Sigi Osagie, Strategic procurement, Trade Extensions



Sigi has an inimitable way of delivering speeches: he has a genuine passion for what he does (helping people build a credible and effective procurement capability) and it reflects in his presentations, and in his persona. He talks to his audience as if he were sitting in the pub conversing directly with them – and that makes his speeches particularly engaging. Sigi bases his teachings on real-life experiences, so when he talked about

“Procurement Success – what to pack for the Journey of Change,” at the recent [Trade Extensions user conference](#) (held at the impressive Emirates Stadium - pictured below) you could be sure he knew what he was talking about.

Sigi is a regular contributor to Spend Matters content, so you may already know that, among other things, he specialises in transformational improvement. But did you know that many years ago, he arrived in England from Africa, with holes in his shoes and £3 in his pocket? – and then went on to become a director, with global supply management responsibilities spanning a dozen or more countries, for a multi-billion-pound blue-chip conglomerate? Basically – Sigi transformed himself. He learnt that if he wanted to survive and succeed he would have to take advantage of every opportunity (even if that meant starting by mopping floors in Häagen Dazs in the west end – which he did) and learnt to build everything from scratch.

He went on a journey of transformation and learnt how to change - and that was the topic of his presentation. Change – he says – is something every procurement function needs – but they need to learn how to manage it. Because we don’t know how to navigate the journey, we get it wrong, and that damages our reputation – the last thing we want when we are trying to raise our profile. We have a big role to play – we get to be the DJ at the party. *We* have to deliver the



results, so *We* have to influence people including senior management. We must be seen to be relevant and have the right reputation.

Most stories we hear about change management, he said, involve pain and frustration. So if we have a better understanding of what change is – we can counter those. Everyone knows about ‘change’ nowadays – it’s a growing business imperative. (Sigi did a Google search and found 27 million ‘experts’ on change out there!). I have done change, he said, and I’m still learning about it. What is important to realise is that change is a journey – not an event -- and it’s a big deal to most sectors.

So why is it that two-thirds of change programmes fail? Why do so many get it wrong? He asked the floor and the answers came: Resistance to change? Lack of senior buy-in? Inaccurate view: necessary versus perceived change? Lack of budget?

The Essence is **People** – he said – People and their attitudes are the key to change management success, and that includes senior management support. The problem is:

- We don’t inform people enough – we don’t engage them.
- Some companies don’t put the effort in – they think that being big and successful makes them impermeable to failure.
- Sometimes we overcomplicate – we get so hung up with process we forget there’s no change without the people change.



There are three sides to the procurement change triangle: the people making the change; the people affected by the change; the senior execs who need to buy into the change (and some external people).

So, think about how you sell it to them, how you make sure they understand the need for the change, how to make them think and act differently. Tomorrow, we will take you through the rest of the journey.





Sigi Osagie on Procurement Change Management at the Trade Extensions User Conference (Part 2)

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Today we continue our overview of “Procurement Success: What to Pack for the Voyage of Change,” by Sigi Osagie, at the Trade Extensions user conference, at the excellent venue - Arsenal's Emirates Stadium.

We talked about how People are the essence of procurement change success. So, said Sigi, think about how you sell it to them, how you make sure they understand the need for the change, how to make them think and act differently.

Give them clarity – it’s they who have to do the work -- and make sure you engage effectively with them.

Clarity is a critical success factor: be clear about what is the end destination and what the goals are. Be clear about what you are changing and why you are changing it. To do that, you need to understand the current scenario, who does what, the process, the systems, the technology, why they exist – then you use the understanding of the ‘as is’ to work out what needs are. Be clear about the change will involve and what will be needed – and support that -- if the change programme is important enough for you to do it, then it’s important enough for you to give it the right resource. If it requires expertise, and you don’t have that expertise inhouse – go get it!

Engage is another: less than 50 percent of engagement is about what you say, the rest is about your non-verbal communication: the smile, how you say things, how you stand, etc.

The logical side of the brain is on the left and the sensing side on the right – the older part – so we have a tighter connection to the older part. It drives how we behave and how we engage with people, and this is most importantly linked to how we get it right. Aside from the data you have and the information to back it up -- it’s about how we touch people emotionally -- so do not rely on your data alone to help you win understanding and buy-in.

And, it is very important when driving change to listen – as well as informing stakeholders, you need to understand what their concerns are.

There is no one approach, no one change plan, but there are generic themes: communication, project performance management, and risk management. If you don't have a project plan you can't see where you are along the journey, what stage you are at, what comes next, whether you are on track, a way to spot and mitigate risk – these are things any CPO should understand – or you will get it wrong.

Make sure the tools are fit for purpose – not fit for the 1950s – and ask the people who are going to use the systems – you'll be surprised how much they know.

The formula is – organisational readiness + robust approach = success. The key is -- understand how the formula mixes together.

Even when you think implementation is at its end – it is important to remember that you haven't finished – you are in a transition. Then you can ask – what did we learn from it?



The floor was then open to questions – and there were many. But we will have to come back to that as space does not permit. However, questions about navigating procurement transformation, and many others, are answered in Sigi's book "[Procurement Mojo – Strengthening the Function and Raising its Profile](#)," which is a valuable and interesting read.

