

Changing Skills with the Transformation of Procurement Function

Authors : Ömer Faruk Ada, Türker Baş, M. Yaman Öztekin

Abstract : In this study, we aim to investigate the skills to be owned by procurement professionals in order to fulfill their developing and changing role completely. Market conditions, competitive pressure, and high financial costs make it more important than ever for organizations to be able to use resources more efficiently. Research shows that procurement expenses consist more than 50 % of the operating expenses. With increasing profit impact of procurement, reviewing the position of the procurement function within the organization has become inevitable. This study is significant as it indicates the necessary skills that procurement professionals must have to keep in step with the transformation of procurement units from transaction oriented to value chain oriented. In this study, the transformation of procurement is investigated from the perspective of procurement professionals and we aim to answer following research questions: • How do procurement professionals perceive their role within the organization? • How has their role changed and what challenges have they had to face? • What portfolio of skills do they believe will enable them to fulfill their role effectively? Literature review consists of the first part of the study by investigating the changing role of procurement from different perspectives. In the second part, we present the results of the in-depth interviews with 15 procurement professionals and we used descriptive analysis as a methodology. In the light of these results, we classified procurement skills under operational, tactical and strategic levels and Procurement Skills Framework has been developed. This study shows the differences in the perception of purchasing by professionals and the organizations. The differences in the perception are considered as an important barrier beyond the procurement transformation. Although having the necessary skills has a significant effect for procurement professionals to fulfill their role completely and keep in step with the transformation of the procurement function, It is not the only factor and the degree of high-level management and organizational support has also a direct impact during this transformation.

Keywords : procurement skills, procurement transformation, strategic procurement, value chain

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