

Practical Leadership Skills for Procurement Professionals

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center4procurement.org/va-procurement

Process vs. People

Although Procurement is primarily about processes and procedures...

... a majority of time is spent interacting with people!



Leadership Questions?



How can you easily change others?



How can you easily control others?



Q: “How do you get some one to do the job you thought they were hired to do?”



Ignaz Semmelweis

Know Yourself / Know Others



Leadership Realities

- People don't always listen – even if you're right & have data
- Everyone thinks they are doing the right thing
- You cannot easily control others
- You cannot easily change others

“People Skills”
are among the most
important attributes of
effective Procurement
& Supply Chain
Professionals



Working with Internal User Groups

Terminology

- Internal Team
- User Groups
- Business Units
- End Users
- Internal Clients
- Client Personnel
- And so on...

The *NON-PROCUREMENT*
Members of the
Client / Buyer
Organization's
Project Team

Impacts of Client Personnel

1. Client has never been involved in a procurement
2. Client has limited experience with this type of project/service
3. Client isn't sure what exactly they want
4. Client wants to sole-source
5. Client wants to pick a supplier that they know
6. Client wants to pick a supplier that has worked for organization in the past



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*Can Be Addressed
Through Education
& Toolkits*

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***Resistive Behaviors
That Will Require
Greater Attention***

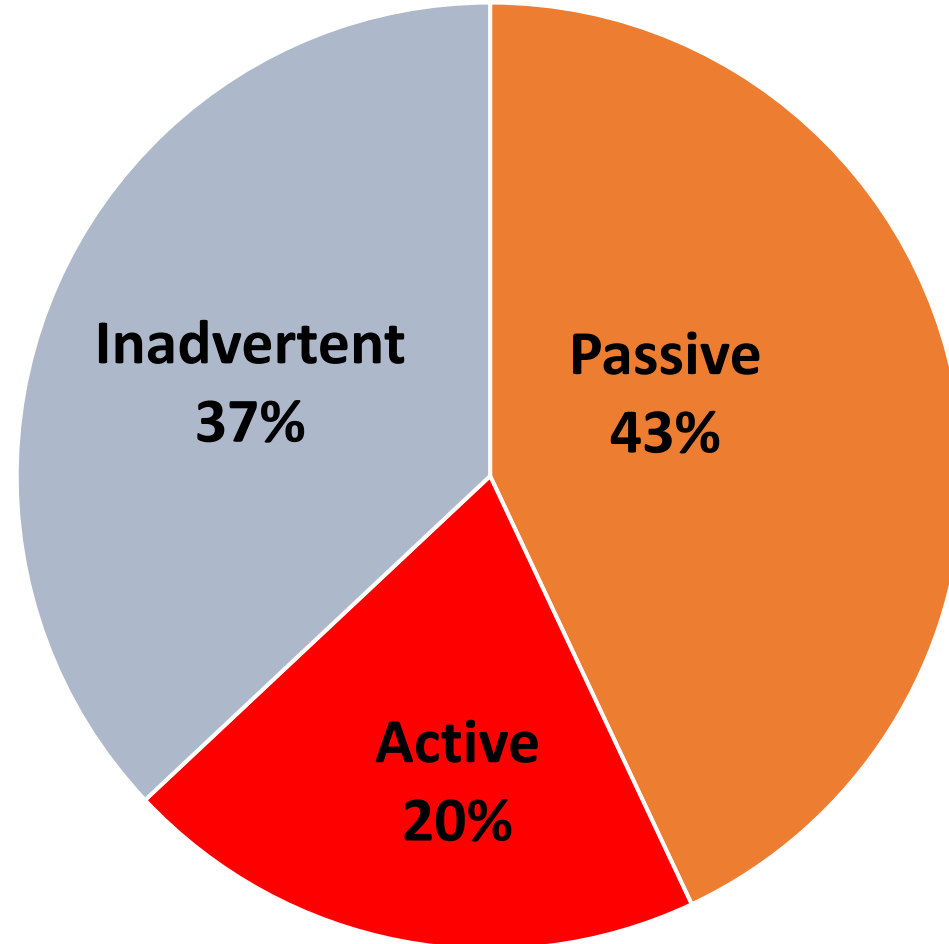
Resistive Behaviors

- Most people are not intentionally trying to be difficult
- Many are resistive due to fear of change or fear that the outcome of the project/service will impact their work personally.

Simplar's Organizational Change Database

Top 5 Resistance Behaviors

1. **Reversion**
2. **Reluctant Compliance**
3. **Arguing**
4. **Lack of Transparency**
5. **Delaying**



Ask Yourself...

...Is the Client looking to sole source or pick a supplier just because they want to increase the risk of a protest?

- 4. Client wants to sole-source
- 5. Client wants to pick a supplier that they know
- 6. Client wants to pick a supplier that has worked for organization in the past

Ask Yourself...

...Is the Client looking to sole source or pick a supplier just because they want to make your life more difficult?

- 4. Client wants to sole-source
- 5. Client wants to pick a supplier that they know
- 6. Client wants to pick a supplier that has worked for organization in the past

Why Is The Client Asking For This?

*Could it be because the Client
doesn't think they have time
to run a full RFP?*

- 4. Client wants to sole-source
- 5. Client wants to pick a supplier that they know
- 6. Client wants to pick a supplier that has worked for organization in the past

Why Is The Client Asking For This?

Could it be because the Client personally had a bad experience with Suppliers in the past, and doesn't want to get stuck with a low performing Supplier again

- 4. Client wants to sole-source
- 5. Client wants to pick a supplier that they know
- 6. Client wants to pick a supplier that has worked for organization in the past

Why Is The Client Asking For This?

Could it be because the Client has personally invested a lot of time gathering information about products/suppliers and believes that they know what the best product/supplier is?

- 4. Client wants to sole-source
- 5. Client wants to pick a supplier that they know
- 6. Client wants to pick a supplier that has worked for organization in the past

Why Is The Client Asking For This?

There are many “valid” reasons why the Client believes that they know best...

- 4. Client wants to sole-source**
- 5. Client wants to pick a supplier that they know**
- 6. Client wants to pick a supplier that has worked for organization in the past**

Why Is The Client Asking For This?

*There are many “valid” reasons why the Client believes that they know best... **but that is why the Purchasing Agent is so important to the Organization!***

- 4. Client wants to sole-source
- 5. Client wants to pick a supplier that they know
- 6. Client wants to pick a supplier that has worked for organization in the past

Good Procurement Leadership Perspectives

Reality of the Situation

- Performance on projects (public works, aux services, construction, design, software, IT, FM work) **has been proven to NOT correlate** to contract types, delivery methods, software, design quality, etc.
- Performance **HAS BEEN PROVEN to highly correlate** to the capability, skill, and experience of the people doing the work – the critical personnel on a project

Importance of People

Only PEOPLE can deliver:

- Innovation
- Risk Minimization
- Creativity
- Value Creation
- Cost Reduction



**Just because something is
written in a contract
does not make it so**

Alignment

#1

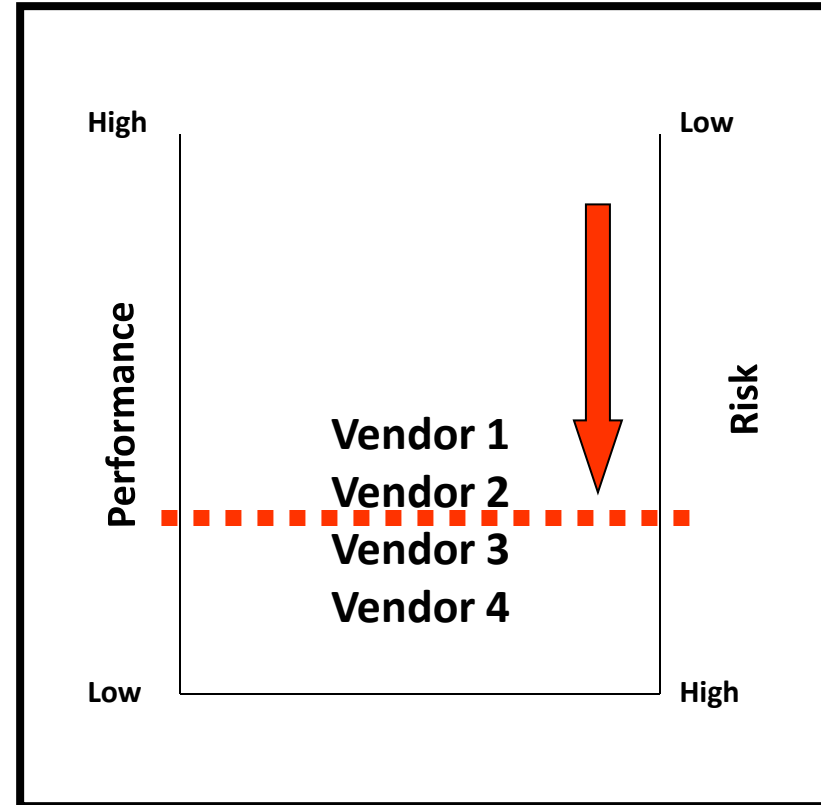
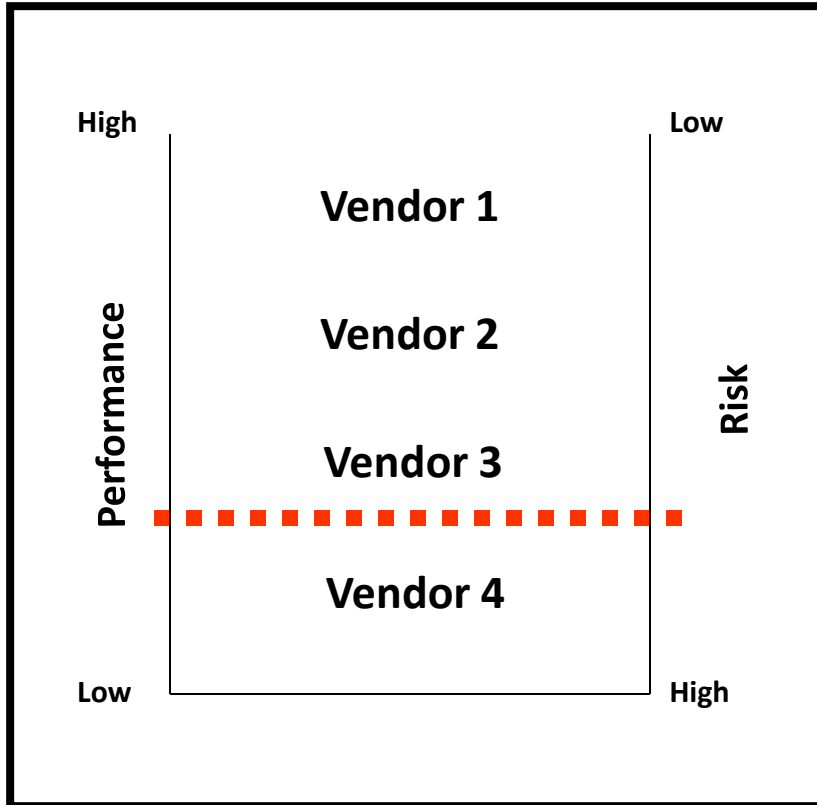
Do not assume the client can describe what they want or even knows what they really need

Alignment

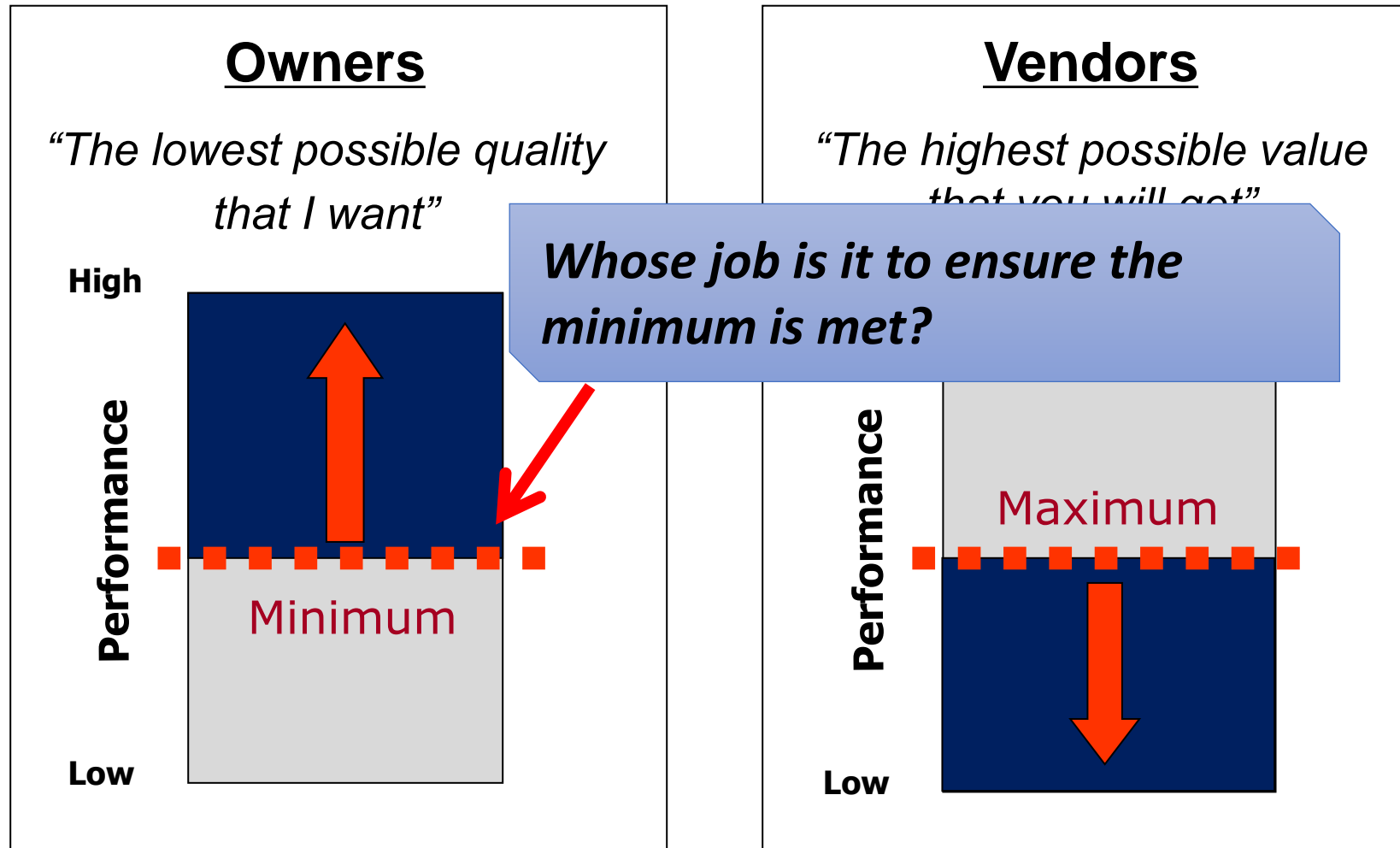
#2

**Understand what is the biggest risk
on your projects**

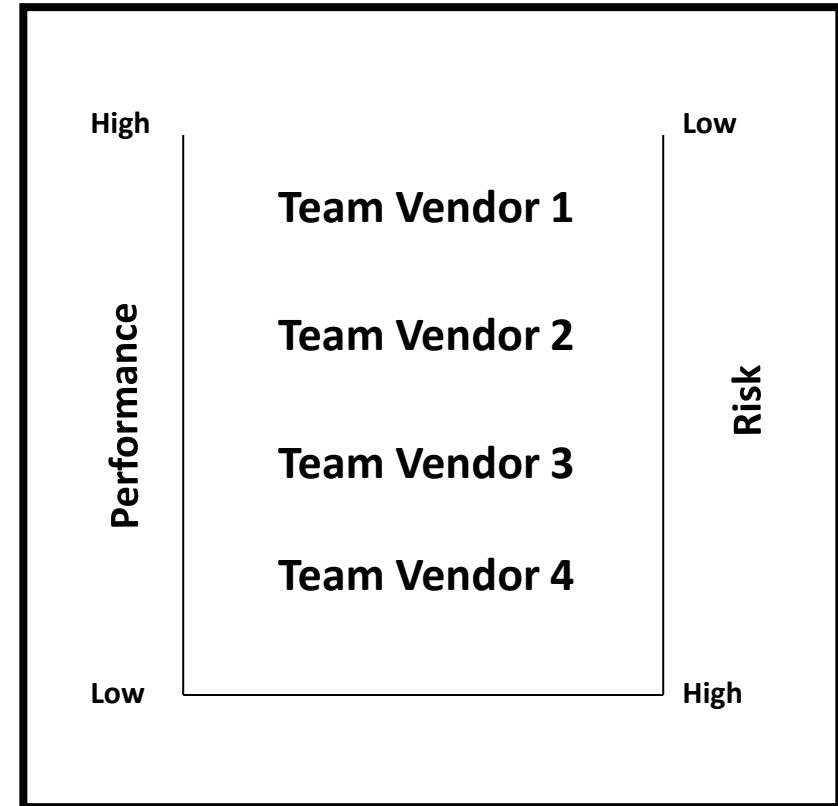
See: Impacts of Common Approaches



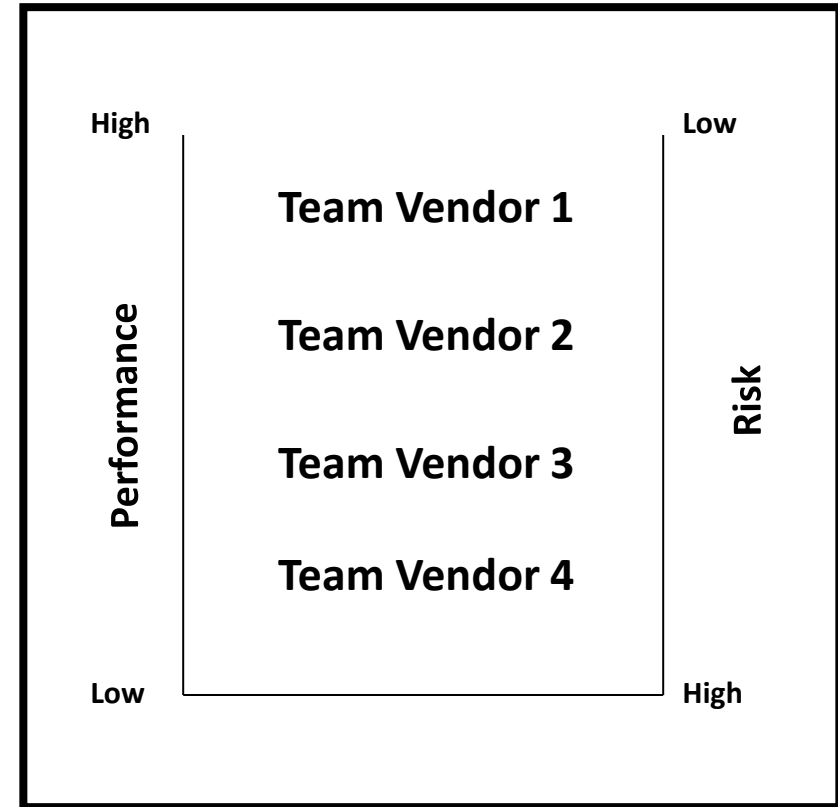
See: Problem with Traditional Approach



Which of these
teams
brings your
organization the
most risk?



Which of these
teams
can bring your
organization the
most value?



A “Client-of-Choice” (“Customer-of-Choice”)

- Vendors / contractors want to work for you over other owners
- Clients-of-Choice get vendors’ **best teams (experts)** on their projects
- Contractors spend the time to put together an **accurate proposal**
- Client-of-Choice personnel know how to **behave with experts**
- Client-of-Choice has an owner “team” that is **trained and prepared** to work in a high performance delivery environment

Creating Value

- **Value can only be created through expertise**
- **Sourcing cannot create value, but can create an environment that:**
 - **Attracts Value Creators**
 - **Enable Value Creators to Differentiate Themselves**
 - **Leverages the Expertise of the Value Creators**
 - **Protects Value Creators**
 - **Good Cop / Bad Cop**

Becoming a Client of Choice

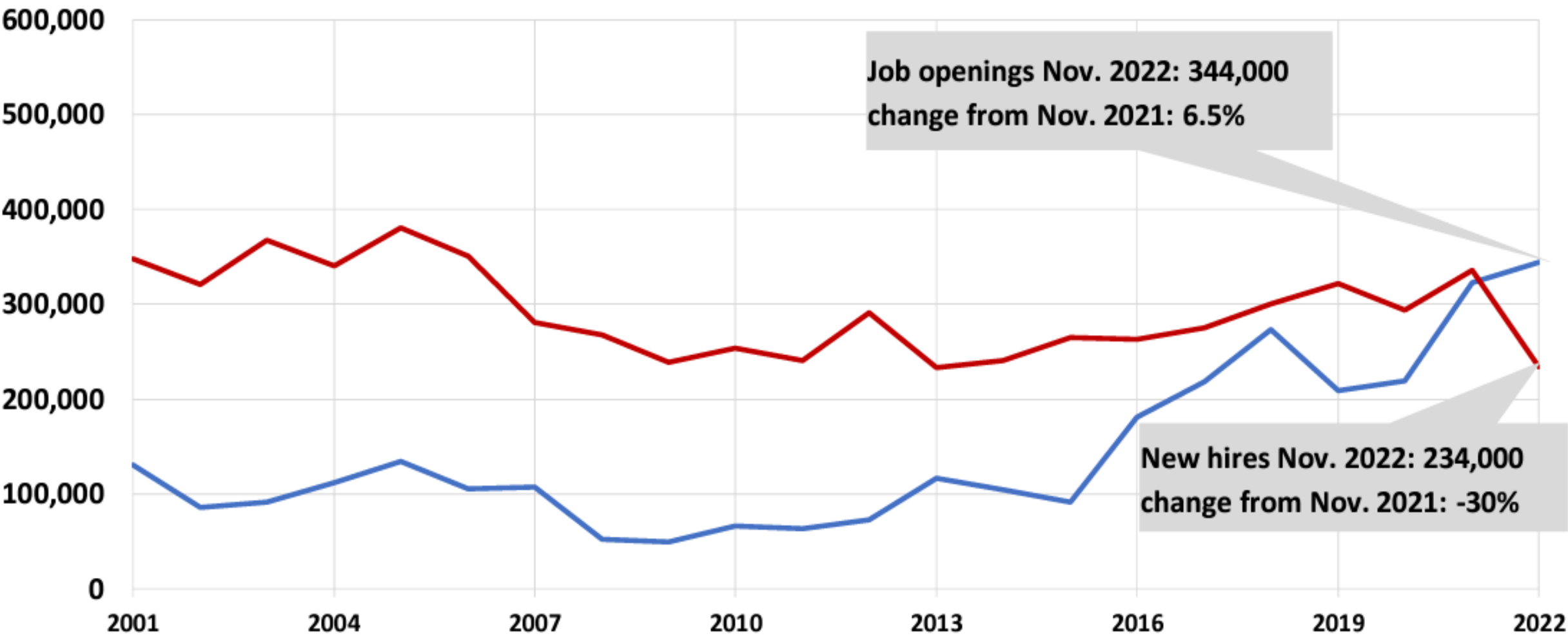
**Vendors want to send their best people to
compete on your projects**

Need to start with knowing yourself....

Construction job openings & new hires



Job openings and hires, Nov. 2001-Nov. 2022, not seasonally adjusted



Workforce

- Since the year 2000, the US Population has gotten:
 - Older or Younger?

Workforce

- Since the year 2000, the US Population has gotten:
 - Older by 3.4 years

Workforce

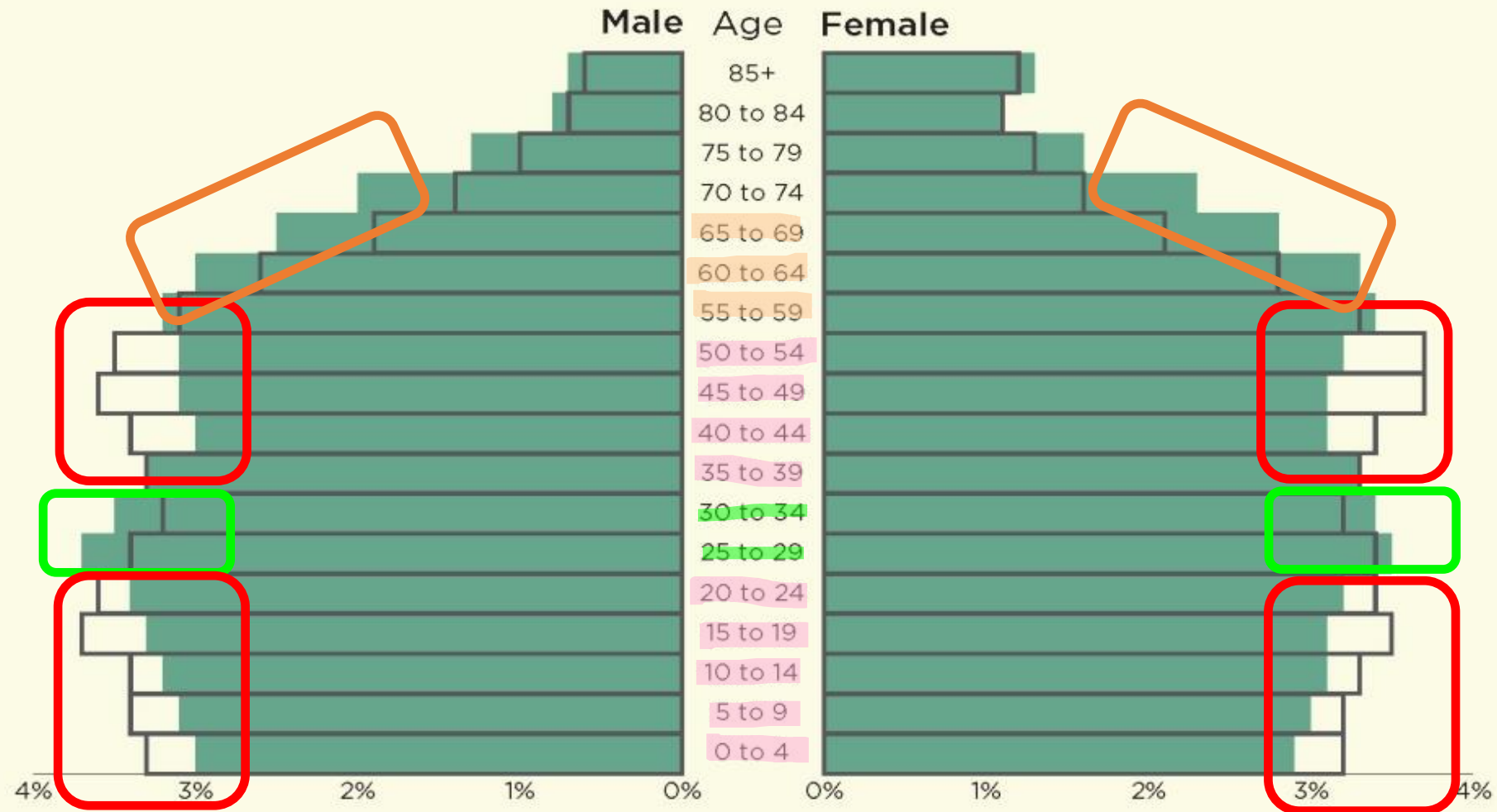
- Since the year 2000, the US Population has gotten:
 - Older by 3.4 years
- This trend is:
 - Accelerating or Decelerating?

Workforce

- Since the year 2000, the US Population has gotten:
 - Older by 3.4 years
- This trend is:
 - Accelerating (2021 was most rapid increase across the 21yr range)

Percent of Total Population in 2010 and 2019

□ 2010 ■ 2019



- **Senior Leaders**
leaving the workforce
- **Next Leaders**
large gap coming
- **Millennial “Bump”**
(brief) return to normal
- **Future Workforce**
shrinking
reinforcements

Introducing Human Dimensions

It's Elementary



- While the individual man is an insoluble puzzle, in the aggregate he becomes a mathematical certainty
 - Sherlock Holmes

Road to Today

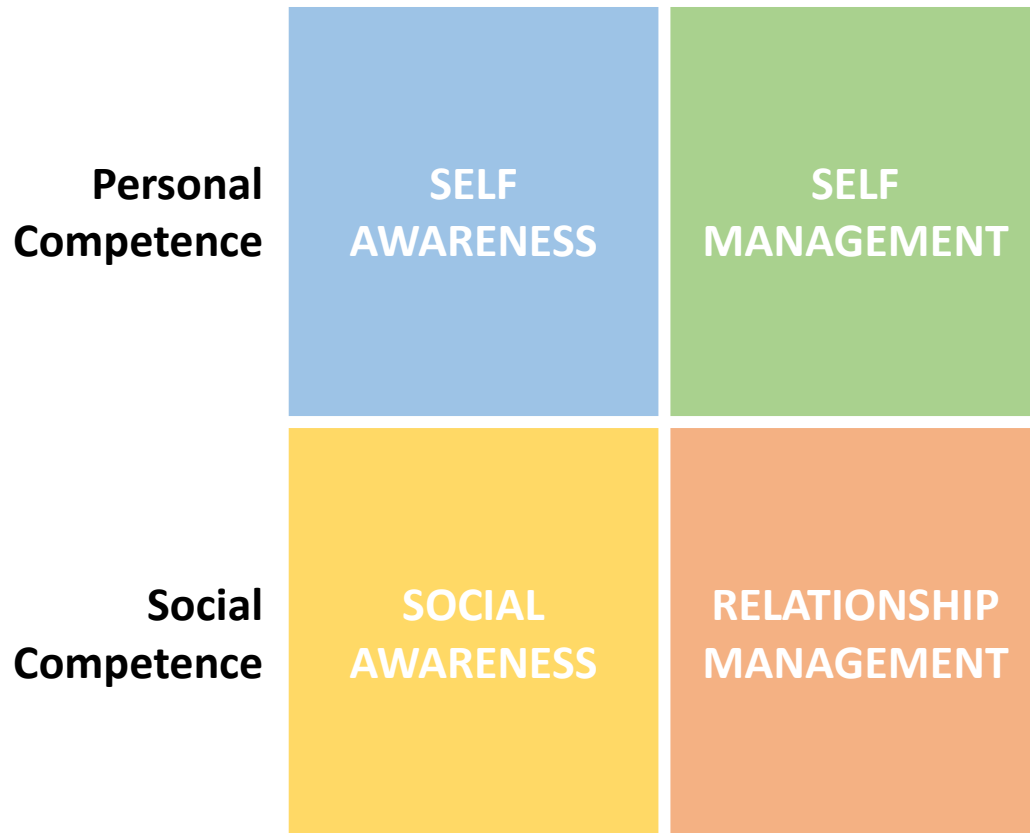
- Over 35 Master Degrees and 7 PhD Dissertations
 - What Psychological Tools are Available
 - How to Assess People and Teams
 - How to Collect Data
 - What Data to Collect
- Top Tools Identified
 - Personality & Aptitudes
 - Emotional Intelligence
 - Behavioral Diagnostic
 - MB

HEXACO Personality Inventory

- Based on “Big Six” personality aptitudes and four sub facets each
- Each facet and sub facet is measured on a scale of 1 to 5
- Respondents indicate agreement or disagreement with various statements
- Developed by Ashton & Lee in the early 2000s
- Robust research background
- 60 questions

HONESTY-HUMILITY	EMOTIONALITY	EXTRAVERSION
Sincerity	Fearfulness	Social Self-Esteem
Fairness	Anxiety	Social Boldness
Greed Avoidance	Dependence	Sociability
Modesty	Sentimentality	Liveliness
AGREEABLENESS	CONSCIENTIOUSNESS	OPENNESS TO EXPERIENCE
Forgivingness	Organization	Aesthetic Appreciation
Gentleness	Diligence	Inquisitiveness
Flexibility	Perfectionism	Creativity
Patience	Prudence	Unconventionality

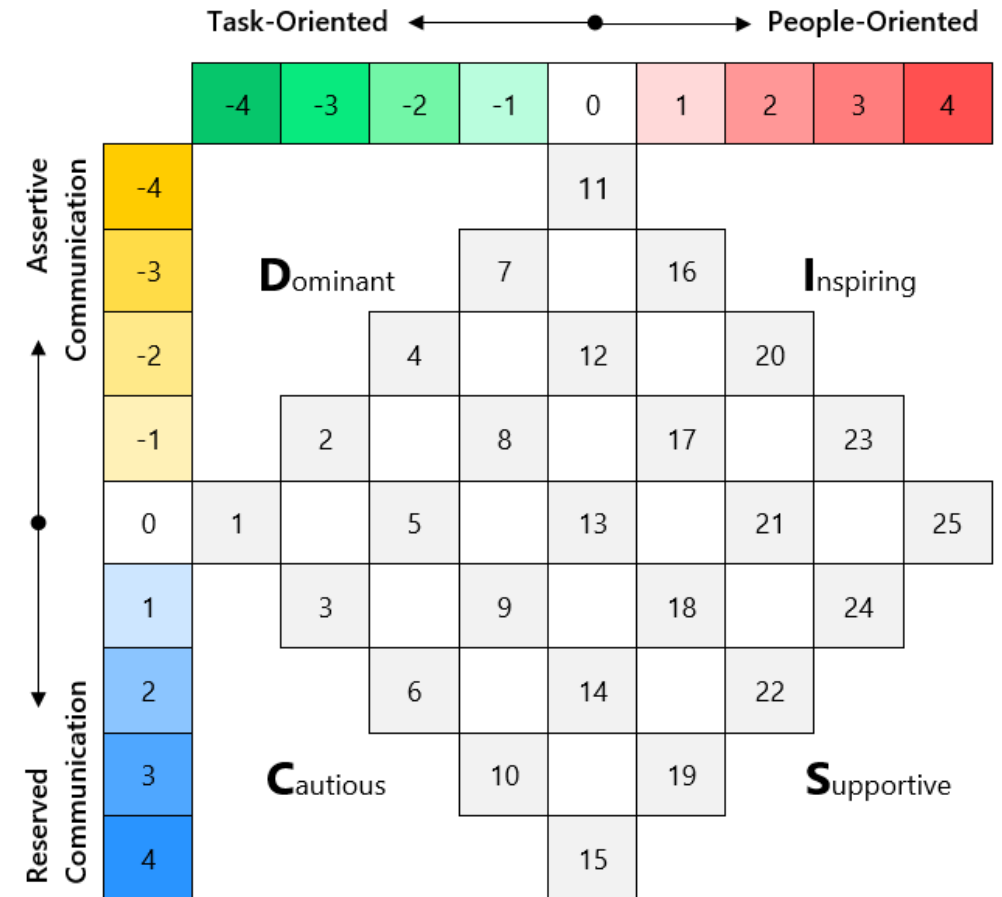
Emotional Intelligence



- Four primary skills under two main competencies: *personal competence* and *social competence*
- Measured on a scale of 1-100
- Overall Emotional Intelligence score computed from the scores of the primary skills.
- 28 questions
- Respondents indicate how often they demonstrate a behavior (never to always)
- Developed by Bradberry & Greaves

Behavioral Tendencies

- Advanced version of the four-quadrant behavior diagnostic tool known commonly as DISC
- Provides insight into [workplace priorities](#) and [preferences](#)
- 48 questions
- People vs task orientation (-4 to 4)
- Reserved vs assertive communication (-4 to 4)
- Overall DISC (1 to 25)
- Respondents choose descriptions that are most/least like them :
 - Dominant
 - Cautious
 - Supportive
 - Inspiring



Individualized Reports

Human Dimensions

Organization: [REDACTED]
Date: 8/29/2018

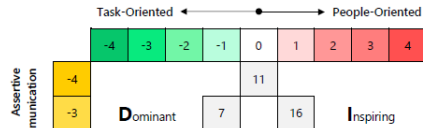


This report presents your personalized results for the following personality diagnostics: *HEXACO Personality Inventory*, *Emotional Intelligence*, *Myers-Briggs Type Indicator*, and *QDISC-101*. Each section contains your assessment score, and an explanation of the score. The appendix explains what is being measured in each assessment and the various possible outcomes.

A high score for a personality trait does not necessarily mean that a personality type can be successful given the right circumstances. This can be used to connect better with colleagues and peers. This can be used to connect better with colleagues and peers. This can be used to connect better with colleagues and peers.

QDISC-101

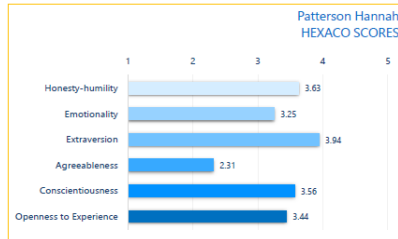
The *QDISC-101* is an advanced version of the *DISC* commonly as *DISC* developed by Dr. Avi Wiesel. It provides information about your workplace priorities and preferences. It displays each of the four behaviors to some level, and the four quadrants is available in the [Appendix](#). Your *QDISC-101* score is highlighted in the diagram.



HEXACO Personality Inventory

The *HEXACO Personality Inventory - Revised* (HEXACO) is a six-dimensional model of human personality that assesses six factors: Honesty-Humility (H), Emotionality (E), Extraversion (X), Agreeableness (A), Conscientiousness (C), and Openness to Experience (O). Each factor is composed of traits with characteristics indicating high and low levels of the factor, and is measured from 1 to 5. A detailed explanation of the factors is available in the [Appendix](#).

The following chart illustrates your scores on the HEXACO personality inventory.



WHAT DOES IT MEAN?

Your **Honesty/Humility** score is lower than average. It indicates that you tend to flatter others to get what you want, are inclined to break rules for personal profit, are motivated by material gain, and feel a strong sense of self-importance.

Your **Emotionality** score is higher than average. It indicates that you tend to experience fear of physical dangers, experience anxiety in response to life's stresses, feel a need for emotional support from others, and feel empathy and sentimental attachments with others.

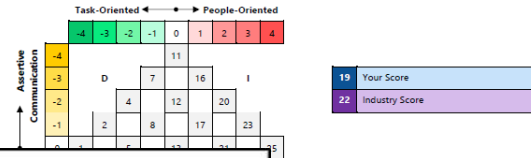
Your **Extraversion** score is higher than average. It indicates that you tend to feel positively about yourself, feel confident when leading or addressing groups of people, enjoy social gatherings and interactions, and experience positive feelings of enthusiasm and energy.

Your **Agreeableness** score is lower than average. It indicates that you tend to hold grudges against those who have harmed you, are rather critical of others' shortcomings, are stubborn in defending your point of view, and feel anger readily in response to mistreatment.



COMPARISON TO THE INDUSTRY

The following figure illustrates the average *QDISC-101* score within the industry along with your score.



ability of individuals to recognize their own emotions and different feelings and label them appropriately, use emotional behavior, and manage and/or adjust emotions to adapt to situations. It encompasses self-awareness, self-management, social and emotional intelligence overall.

scores



to accurately perceive your emotions in the moment and in various situations. It is the ability to use awareness of your emotions to stay flexible and direct. It is the ability to accurately pick up on emotions in other people and on with them. It is the ability to use awareness of your own emotions and those of others successfully. It is the ability to stay aware of your emotions, and to understand your own and others' motives.

INDUSTRY

scores for HEXACO alongside the average scores of other individuals in the industry based on the completed surveys in the industry comparison.

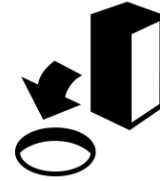


different your HEXACO scores are from the highest measured scores. The scores have been normalized to highlight the differences only make it easier to see differences and is not an absolute from the highest performers' averages.



How are these used?

- Hire/Assign the Right Talent



- Increased probability of finding employees who are the right “fit”

- Identify Existing Talent



- Assess likelihood of success

- Retain and Grow Talent



- Grow employees to achieve their maximum potential

Performance Ratings: ID the Rockstars

- Ranked the PMs via a weighted combination of:

Key Performance Areas

- Project
- Technical
- Leadership
- Other



How Many Are There?

- 6% are PM Rockstars (Top Performers)
- 51% are Good PM Performers
- 43% are Below Average PM Performers
- Considering:
 - Overall Quality of Work
 - Overall job knowledge
 - Ability to effectively lead and manage others
 - Ability to meet schedule deadlines in a timely manner
 - Overall leadership and communication skills
 - Ability to take initiative
 - Overall supervisor satisfaction rating of the employee
- GC + Electrical + Mechanical
 - *Mid-Career is highest performing (45ish)*



Biggest Differences

- #1 – Patience (17%) (calm vs anger)
- #2 – Forgiveness (high trust / after mistakes)
- #3 – Agreeableness (collaborative/cooperative)
- Other Significant Factors:
 - Higher Relationship Management Skills
 - Higher Greed Avoidance
 - Less Creative (Aesthetic)
 - Less Emotional (less stress)
 - Less Fearful
 - Less Openness to New Experiences

Field Leaders Vs Project Managers

- Top Performing Field Leaders (Superintendents & Foremen)
- Significant Differences from PMs
 - Lower modesty (know they are the boss)
 - Lower forgiveness (long memories, not trusting)
 - Even Lower Creativity (tried and true)
 - MUCH Higher Fear (extreme risk avoidance)
 - Higher self-awareness (understand their emotions effect others' performance)

Comparing Levels Org. Seniority

Entry Level 1

Honesty	3.71
Emotionality	2.96
Extraversion	3.56
Agreeableness	3.06
Conscientiousness	3.79
Openness	3.30
EQ	72.62
MBTI	ISTJ
DISC	S
Performance	8.03
Pot Exec	4.25

A few people working for them Level 2

Honesty	3.70
Emotionality	3.00
Extraversion	3.46
Agreeableness	3.07
Conscientiousness	3.87
Openness	3.53
EQ	71.00
MBTI	STJ
DISC	C
Performance	7.87
Pot Exec	3.83

PM; runs projects/systems Level 3

Honesty	3.73
Emotionality	2.87
Extraversion	3.49
Agreeableness	2.84
Conscientiousness	3.85
Openness	3.15
EQ	72.27
MBTI	ISTJ
DISC	D
Performance	8.43
Pot Exec	7.19

Oversee multiple PMs Level 4

Honesty	3.69
Emotionality	2.99
Extraversion	3.45
Agreeableness	2.67
Conscientiousness	3.91
Openness	3.30
EQ	68.50
MBTI	STJ
DISC	D

Enhanced Decision Making – Promotions / Opportunities

HiPerf	"Susan"	"Larry"	"Bob"
Honesty 3.71	Honesty 3.70	Honesty 3.73	Honesty 3.69
Emotionality 2.96	Emotionality 3.00	Emotionality 2.87	Emotionality 2.99
Extraversion 3.56	Extraversion 3.46	Extraversion 3.49	Extraversion 3.45
Agreeableness 3.06	Agreeableness 3.07	Agreeableness 2.84	Agreeableness 2.67
Conscientiousness 3.79	Conscientiousness 3.87	Conscientiousness 3.85	Conscientiousness 3.91
Openness 3.30	Openness 3.53	Openness 3.15	Openness 3.30
EQ 72.62	EQ 71.00	EQ 72.27	EQ 68.50
MBTI ISTJ	MBTI STJ	MBTI ISTJ	MBTI STJ
DISC S	DISC C	DISC D	DISC D
Performance 8.03	Performance 7.87	Performance 8.43	
Pot Exec 4.25	Pot Exec 3.83	Pot Exec 7.19	
Aptitude Match	94%	85%	78%

Volunteer Procurement Professionals

• 309 procurement professionals







Major Differences from Procurement Leaders

- Procurement leaders tend to have **higher**:
 - Inquisitiveness (+16%)
 - Social Boldness (+13%)
 - Aesthetic Appreciation (+13%)
 - Openness to experience (+11%)
- Procurement leaders tend to have **lower**:
 - Anxiety (-14%)
 - Patience (-13%)
 - People oriented (-45%)
 - Reserved Communication (-50%)

Major Differences from Client's Reps

- Client's Reps tend to have **higher**:
 - Greed Avoidance (+15%)
 - Social Boldness (+18%)
 - Sociability (+17%)
 - Extraversion (+12%)
 - Unconventionality (+12%)
- Client's Reps tend to have **lower**:
 - Fearfulness (-23%)
 - Dependence (-29%)
 - Sentimentality(-25%)
 - Emotionality (-23%)
 - People Orientation (-44%)
 - Reserved Communication (-50%)

Reading List

- John Maxwell – (has several) 21 Irrefutable Laws of Leadership, 5 Levels of Leadership
- Covey – Seven Habits of Highly Effective People
- Drucker – (has several) Effective Executive
- Carnegie – How to Win Friends and Influence People
- C. Terry Warner – Bonds that Make Us Free
 - Leadership & Self Deception (Arbinger Institute)
- Kahnman – Thinking Fast and Slow
- Rath/Conchie – Strengths Based Leadership
- Harvard Business Review (On Leadership)
- Gordon – Power of Positive Leadership
- Greene – Laws of Power
- Clear – Atomic Habits
- Goldratt – The Goal
- Blanchard – Servant Leadership (there are several – but he is my fav)
- Heath - Switch

(Compiled list: https://www.amazon.com/hz/wishlist/ls/2U439J076CDS8/ref=nav_wishlist_lists_3)

Free Webinar Series

3rd Thursdays every month
@ 12pm Central

15-min Teaching Moment

(learn a new tip, trick, or tool)

30-min Virtual Peer Group

(network with professionals)

Office Hours

(open Q&A until the questions run out!)



Previous Recordings Available Online!

How Do You Ask For
(& Evaluate) Cost Proposals
In Software RFPs?

April 15, 2021



Simpliar's Evaluation
Criteria to Minimize
Budget Risk

May 20, 2021



Current State of Practice
In Software RFPs

June 17, 2021



How to do Market
Research More
Effectively

July 15, 2021



"Don't Worry, the
Contract Will
Save Us"

August 19, 2021



The Value of
Debriefings

September 16, 2021



Handling Large IT
Hardware Buys
With Different Scope Packages

October 21, 2021



Vendor of
Record Programs

November 18, 2021



7 Most Deadly
Marketing Phrases

December 16, 2021



It's a New Year -
Ready for the
Next Level?

January 20, 2022



Best Practices for
Evaluator Training

February 17, 2022



Got RFP Soft Skills?

March 17, 2022




center4procurement.org

16

November

← Later this month!



 Add to Calendar

The Love/Hate Relationship With RFPs: Feedback from Procurement Professionals

In this webinar, we delve into procurement professionals' real experiences with the Request for Proposal (RFP) process, discussing aspects they love, hate, and find perplexing.

21

December



 Add to Calendar

BAFO – what's in a name?

The term Best-And-Final-Offer (BAFO) means something different at nearly every buyer organization. Let's dissect the term, discuss the most common procedures, and share tips for success. And, most importantly, let's consider how our vendors feel about the BAFO process!

18

January



 Add to Calendar

Can We Craft Better RFP Questions to Ask Our Vendors?

Has your procurement group ever asked this question? Usually the intent is to better differentiate vendors during the proposal stage. Despite the good intent, we will discuss why this is the *wrong* question to ask (no offense!!!) and how to change the way we think



Upcoming Topics!

Register at: center4procurement.org/rfp-doctor



***FREE* Online Course!**



Better RFPs = Better Projects

- Session #1 = Organizing a High-Performing RFP
- Session #2 = Effective Statements of Work (SOWs)
- Session #3 = Evaluation Best Practices & RFP Admin
- Session #4 = RFP Ethics & Vendor Debriefings

Register via NASPO's Procurement U

- Log on to the Procurement U Learning Management System (LMS) to register, access the course and materials.
 - www.naspo.org/procurement-u/
- Open to all (even non-members of NASPO)
- Limited to first 100 participants.



Key Learning Points

- Procurement Leaders are in the People Business
- RFP Success is dependent on Soft Skills (Team Leadership)
- Resistive Behavior is fairly common!
 - Usually IS NOT because of *nefarious* or *adversarial* reasons
 - Usually IS due to a lack of *experience*, *time*, or *sense of value*
- Procurement Agents who can navigate these realities are an important asset to the organization!!!



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