

Cross Sector CSM Workshop

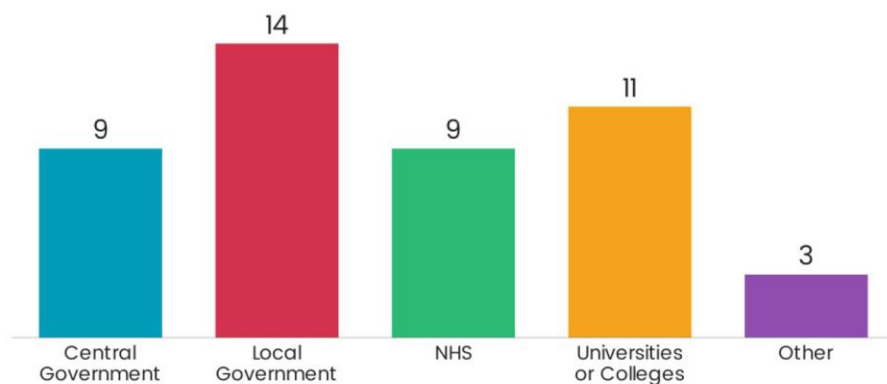
Write up and analysis

27 September 2017



Introduction

- This document provides a high level summary and analysis of the outcomes from the Cross-Sector Contract and Supplier Management (CSM) Workshop which took place on 16 August 2017.
- The purpose of the workshop was to:
 - Re-emphasise the value of CSM
 - Establish the key opportunities for and detractors to CSM
 - Provide the means for a dialogue across the public sector to consider solutions to these opportunities and detractors
 - Give an insight into the tools and techniques that can be used to initiate and run a healthy CSM process within your organisation
 - To showcase and discuss examples of Best Practice
- A rough breakdown of number of participants from each sector is shown below:
- This document focuses on the analysis and key points from the Force Field Analysis and Cooperative Learning Placemat exercises, which were carried out in cross sector groups.
- Contextual information about CSM in organisations, captured through a live survey of participants, is also provided to support the analysis.
- The raw data captured in the workshop, and the presentations given on the day, are available on the Scotland Excel Academy: <http://academy.scotland-excel.org.uk/>
- For the final exercise, delegates worked in sector groups to produce an Action Plan for their sector. These Action Plans are owned by sector representatives.



Context: CSM in organisations (i)

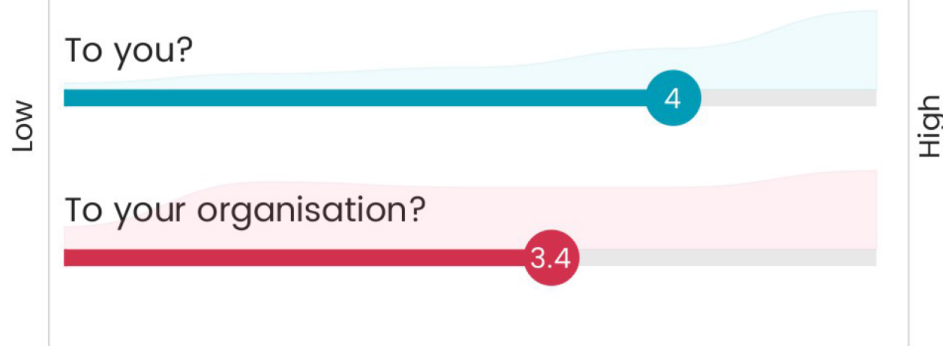
To inform the discussion and analysis, participants took part in a live survey covering several aspects of CSM in their organisation. The results of the survey are shown below and overleaf.

What do you see as the most important benefits of contract and supplier management?

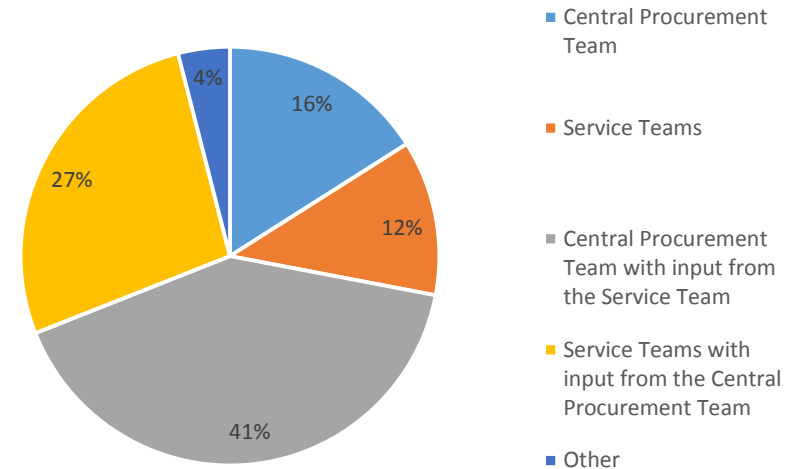


Context: CSM in organisations (i)

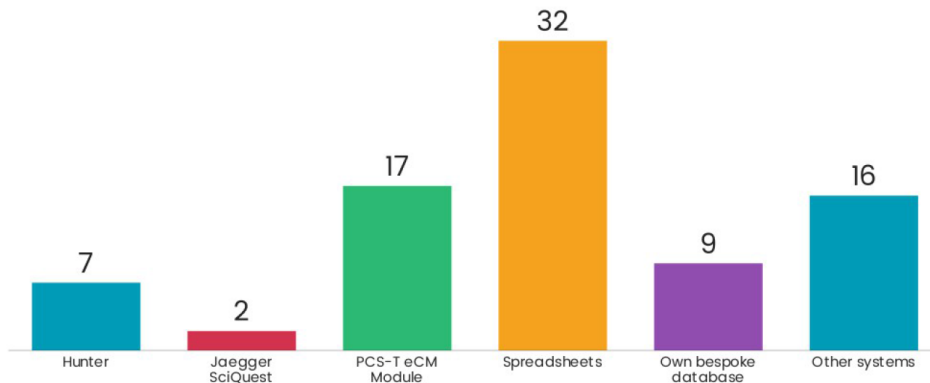
How important is contract and supplier management?



Where does responsibility for contract and supplier management sit in your organisation?



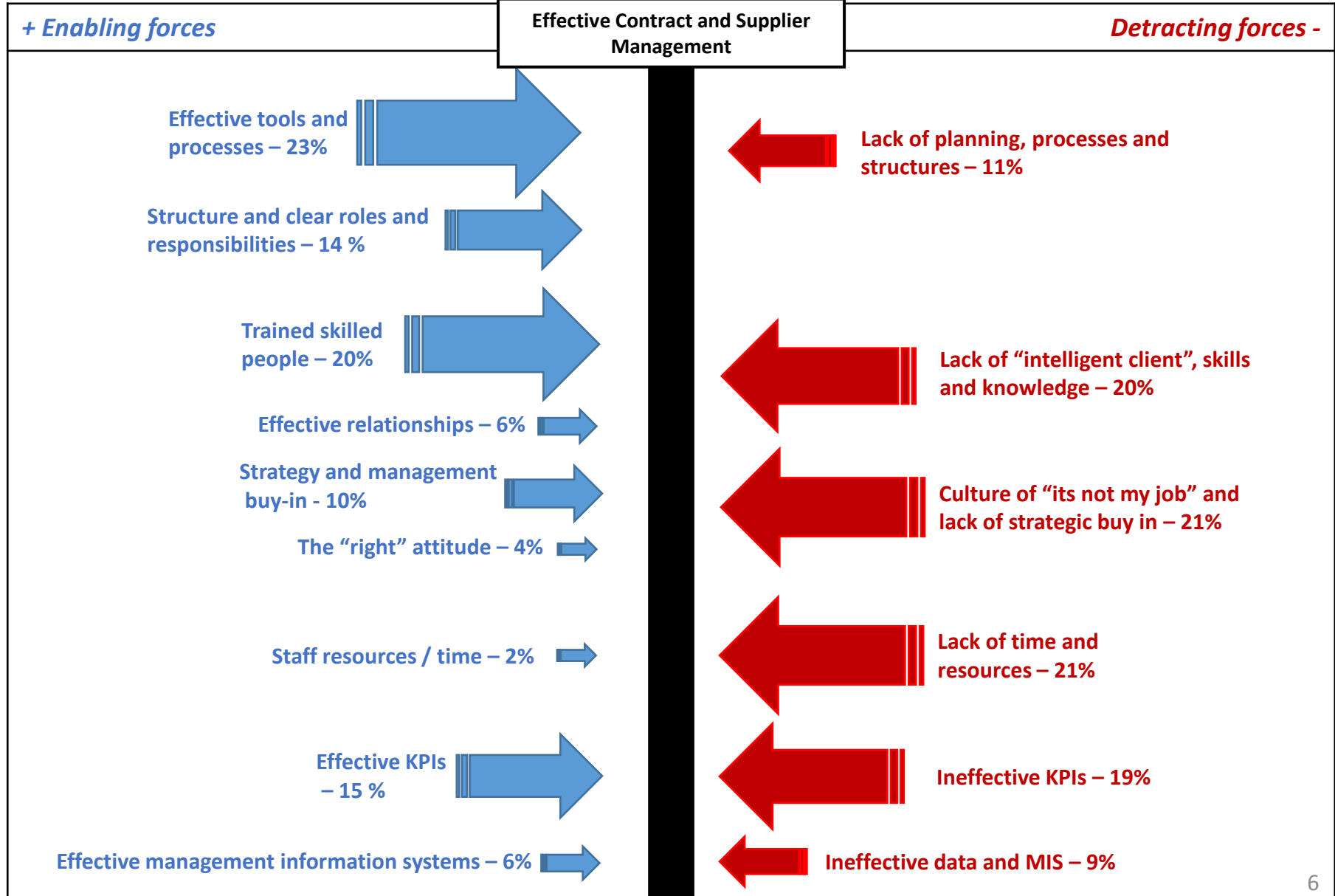
What ICT systems do you use to help you with contract and supplier management



Force Field Analysis - overview

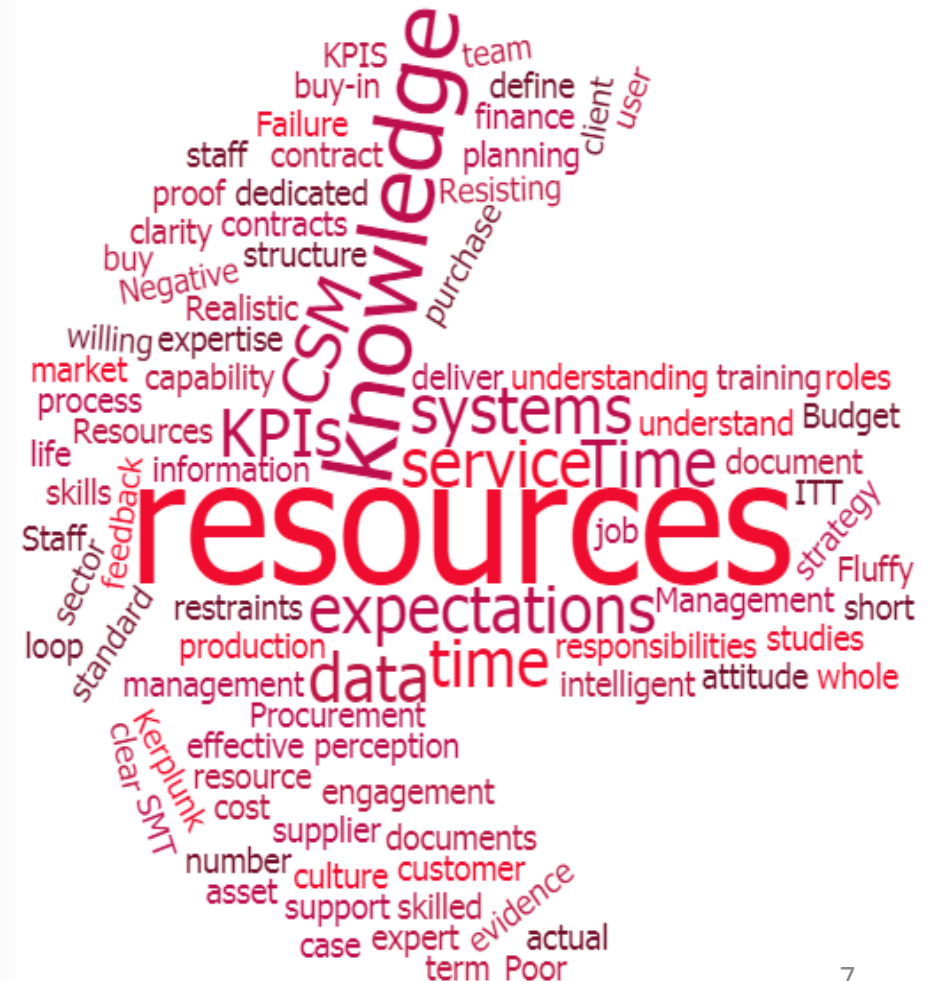
- The first exercise was an exhaustive look at the “enabling” and “detracting” factors which influence effective contract and supplier management, using a technique called [Force Field Analysis](#).
- Working in cross-sector groups of 3-4, participants were asked to brainstorm the enablers and detractors of effective CSM, capturing these on whiteboards.
- Each group was then asked to agree their top three enablers and detractors and write them on a post-it.
- These were then brought together to create an aggregate Force Field Analysis capturing the top three enablers and detractors from each group.
- Finally, participants were asked to vote for which areas on the aggregate Force Field Analysis they saw as the most important. Participants had five votes for enablers and five for detractors and they could distribute however, they saw fit. For example, they could vote for one issue more than once.
- Following the workshop, an analysis was carried out to group the individual enablers and detractors identified into themes. The result of this analysis is shown overleaf with the size of the arrows corresponding directly to the importance attached to those themes, e.g. the number of votes for each issue under that theme.
- A detailed breakdown of all the enablers and detractors identified through this exercise is available on the Scotland Excel Academy: <http://academy.scotland-excel.org.uk/>

Enablers and detractors – analysis (i)



Enablers and detractors – analysis (ii)

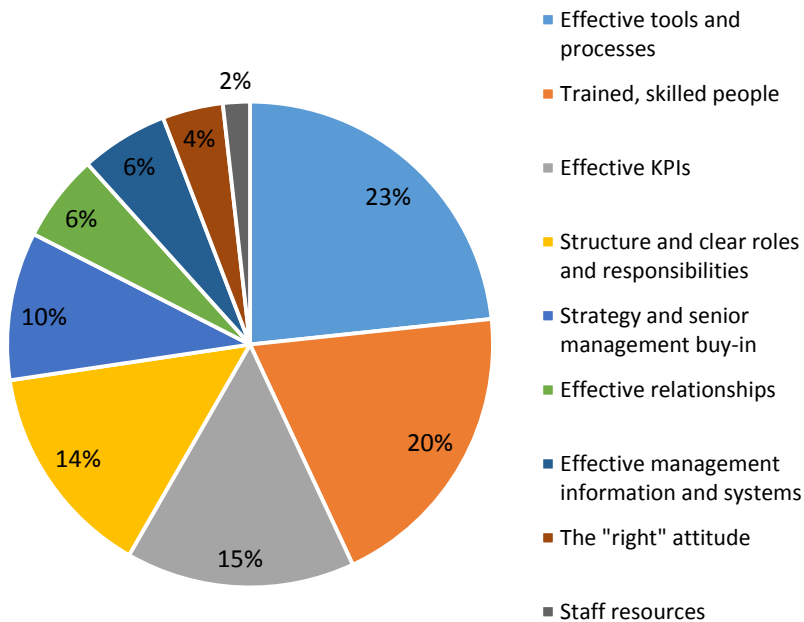
The below word cloud was created by analysis all of the post-its from the aggregate Force Field Analysis.



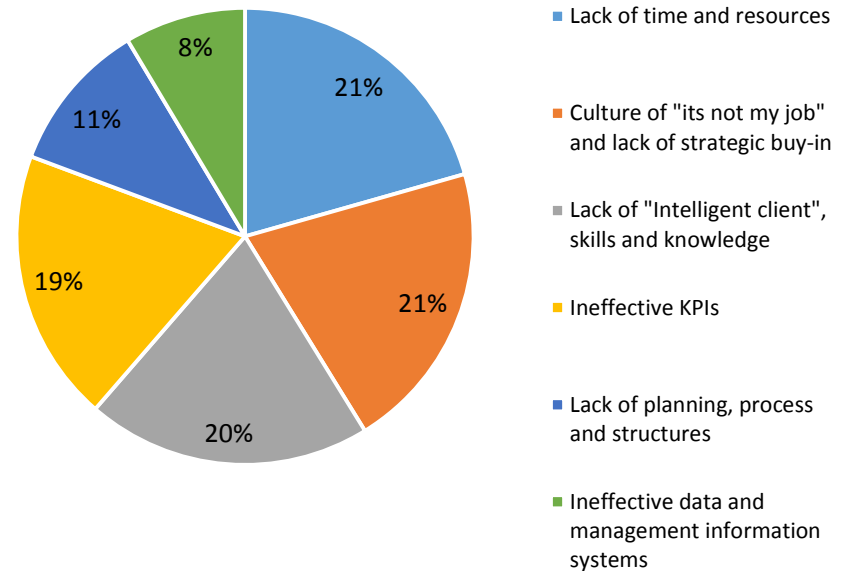
Enablers and detractors - analysis (iii)

The pie charts below show the key themes and the number of votes they received as an indicator of their importance.

Enablers



Detractors



Co-operative learning placemat introduction

- The purpose of the co-operative learning placemat exercise was to scope and agree priorities for tackling the issues that were identified in the Force Field Analysis.
- Working again in cross-sector groups of 3-4 on an issue of their choice, participants began by individually identifying what they saw as the key priorities for tackling the issues they had addressed.
- Participants then discussed and agreed the consensus, recording this in the middle of the placemat. This was then followed by an exercise to present their analysis and learn from others.
- Groups worked on a range of topics, and these have been merged together into three key themes to support the analysis:
 - Culture and client
 - KPIs
 - Resources
- The key priorities for each theme are highlighted as potential areas for future action.

Theme: Culture and client

Groups	3, 4, 6, 8, 9, 10, 15	
Topics discussed	<ul style="list-style-type: none"> • Culture • Conflicting priorities • Culture – its not my job 	<ul style="list-style-type: none"> • Intelligent client • Engagement with client • People

Key priorities identified

Leadership	<ul style="list-style-type: none"> • Setting expectations • Ensuring accountability • Defining priorities from the top down – e.g. from the Procurement Strategy to individual objectives • Challenging existing behaviours • Securing buy-in
Two way communication and engagement	<ul style="list-style-type: none"> • Selling the benefits • Understanding drivers and requirements • Breaking down perception of procurement “ivory tower” • Simplifying the message – e.g. don’t use acronyms
Defining clear roles, responsibilities and processes	<ul style="list-style-type: none"> • Job descriptions and personal objectives • Recruitment and selection • Ensuring consistency in the approach • Ensuring proportionate CSM requirements are understood at the contract strategy stage
Providing support	<ul style="list-style-type: none"> • Training • Tools, techniques • Collaboration
Capturing and sharing successes	<ul style="list-style-type: none"> • Achieving better outcomes • Delivering and communicating benefits • Sharing learning

Theme: Processes and KPIs

Groups	1, 2, 7, 12
Topics discussed	<ul style="list-style-type: none"> • KPIs • Processes and KPIs • Don't understand arrangements / rules • KPIs

Key priorities identified

Developing effective KPIs	<ul style="list-style-type: none"> • Specific, relevant meaningful – linked to clear outcomes • Must drive supplier performance • Must be measurable
Putting in place effective processes and documentation	<ul style="list-style-type: none"> • Clarifying the CSM process • Devise standard KPI template • Contact Handover Template • Programme of Health Checks to identify • Use a standard CSM tool (PCS-T)
Engaging stakeholders and getting buy-in	<ul style="list-style-type: none"> • Involvement in developing KPIs • Commitment to attending contract management meetings • “If we don't manage suppliers they will manage us”
Supporting people	<ul style="list-style-type: none"> • Providing tailored training to key stakeholders • Ensuring support is allocated

Theme: Resources

Groups	11, 14
Topics discussed	<ul style="list-style-type: none">• Sufficient knowledgeable resources• Resources

Key priorities identified

Understanding the size and scope of CSM	<ul style="list-style-type: none">• Suppliers• Contracts• Staff
Understanding other influences	<ul style="list-style-type: none">• Impact of regulatory compliance• Funding pressures
Develop prioritise and processes	<ul style="list-style-type: none">• Develop and agree processes and skills• Prioritise workloads• Planning
Gap analysis to identify	<ul style="list-style-type: none">• Numbers of staff• Skills, training, recruitment

Conclusions and areas for consideration

- **Training, processes, tools, guidance and case studies** were all seen as valuable enablers of effective CSM. However, the main detractors identified were primarily **cultural**. In particular, a sense of a prevailing attitude or culture of **“its not my job”** was seen as a key barrier. Participants felt that CSM was more important to them than it was to their organisation as a whole.
 - *How can organisations continue to access effective training, guidance, support and case studies?*
 - *How can organisations be supported to change and challenge engrained cultural attitudes towards contract and supplier management?*
- The analysis shows the **importance of leadership buy-in** to effective CSM. This cut across a number of themes which reoccurred across the day, from securing more **resources**, to **challenging attitudes** to setting **expectations** and defining **clear roles and responsibilities**. **Communicating the benefits** of CSM to senior stakeholders was seen as a priority for influencing stakeholders.
 - *What can be done to influence people at the most senior levels in organisations to lead the cultural change required to deliver effective CSM?*
 - *In a context of shrinking resources, how can senior leaders be supported and encouraged to invest in CSM?*
 - *How can procurement professionals within organisations be supported to secure the buy-in of their senior stakeholders?*
- In over two-thirds (68%) of organisations, **responsibility for CSM is shared** between Central Procurement Teams and Service Teams and, perhaps linked to this, the need to develop an **“intelligent client”** function was seen as a priority. It was recognised that **early engagement** of stakeholders in the contract process was key if ineffective, “fluffy”, KPIs are to be avoided. However, this requires the **right culture** and **stakeholder buy-in**.
 - *With CSM primarily a shared responsibility in organisations, what implications does this have for supporting effective CSM? What can be done to reach and support people with responsibility for CSM outside of central procurement functions?*
 - *How can organisations be supported to develop an “intelligent client” function?*
 - *How can organisations ensure that they develop effective KPIs and contracts?*
- **Management information systems** and effective ICT systems were seen as key areas for development. Excel **spreadsheets** were still reported as the key system used for CSM.
 - *What more can be done to develop and embed effective ICT systems to support CSM?*