

How Category Managers Can Become More Strategic

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It is certainly not easy to act as a strategic thinker when you are constantly attacked by competing priorities. Even if you have the wisdom and know-how to pursue impactful initiatives, you might still become entangled in a whirlpool of low value-added activities and time traps that keep pushing you in different, unfocused directions.

So, how can category managers prioritize tasks to assist their organizations in finding that so elusive pot of gold at the rainbow's end? Well, there are no easy answers but here are some pointers:

Be aligned with the business • Take the time to understand what business leaders in your organization are trying to accomplish, and figure out how procurement teams can support them. Keep in mind that almost no one else in your organization is in a better place to facilitate global business strategies. The wide-angle lens offered by procurement's unique position provides vision across multiple product lines, business units and regions. The expertise provided by procurement can be very handy to your organization when launching a new product, taking an existing product to a new market/region, or when the business is seeking to improve product margins without compromising quality. You are a resident expert and asset to your company! But you need to "sell" your services to your internal business partners the same way an external consultant would. Like it or not, we are all in sales!

Be a preferred client to your suppliers • Some suppliers know more about your business operations than you would ever guess. Developing a trusted relationship with critical and strategic suppliers can give your organization a

real competitive advantage. Reward those suppliers that bring in ideas and innovations as well as those that bring in propositions for lowering your total cost.

Broader your interests • People are usually drawn to tasks that are comfortable to them, and when someone is in too deep in a routine that never changes, it becomes a challenge to break the habit. Be known that making small incremental improvements every now and then is certainly valid but it can be limited in the long run, which can make people wonder whether those activities have real impact on the bottom line. It's not uncommon to find procurement teams that live in total disconnection between what they do and what their time is worth. So get to expand your interests and understand why you do what you do.

"There are way too many fires to put out and no enough hours in the day. What if I still cannot find time to be more strategic?"

Pitch an organizational change • In the past, procurement organizations experimented with different operational models. An early trend favored centralized procurement, featuring big teams responsible for high volume, manual, and operational tasks. The desire to reduce unnecessary overhead pushed organizations to explore other possibilities. One other model featured small, centralized procurement teams where various activities were pushed out to the business creating an empowering self-service movement. This latter trend was usually accompanied by the implementation of an indirect e-procurement tool, a model carrying innumerable benefits but two major pain points: (a) internal users' low satisfaction with the process, and (b) the entire procurement team being in constant firefighting mode. A new operational model that I see emerging has elements from previous models but aims for balance. It features a centralized, right-sized *tactical procurement* group that provides support and guidance to internal users.

This new model promotes early engagement and also frees up time from the *strategic category leads* so they can better influence spend and help improve the bottom line. If that intrigues you, consider enlisting the help of a leading consulting firm to conduct an evaluation of your current operational model and help you create a compelling justification for change.

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