

CPO Job Description: Managing Procurement Staff

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This is part 4 of our "CPO job description" series, which takes an in-depth look at the role of a chief procurement officer. Check out our last installment [here](#), which discussed the CPO's role in leading the selection and management of procurement technology systems.

When it comes to resources, IT may be critical, but human resources are even more key. So, perhaps the most important CPO responsibility of all is:

Management of procurement staff in (and across) sourcing, contracting, transactional purchasing, supplier management, and miscellaneous internal procurement support activities © 2015 Spend Matters. All Rights Reserved.

A top performing procurement organization requires a top performing team, which in turn requires effective talent management to ensure that the right staff (internal or external) are filling the various procurement roles called out by the organizational design (determined as part of the broader procurement strategy specified earlier in this series). We'll talk about this talent management process shortly, but from a "steady-state" management standpoint, the CPO is the global process owner for the source-to-settle and supplier management process. This almost always means control of sourcing staff (organized by spend categories and/or stakeholders). It usually also means control of staff for purchasing operations (i.e., transactional purchasing), supplier management and a [Procurement Center of Excellence](#) to support multiple transformation/enablement activities.

Organizationally, sourcing staff might be matrixed into the business, so the CPO will also need strong stakeholder management skills. The procure-to-pay (or "req-to-pay") staff that includes A/P personnel is increasingly getting managed in shared services or "Global Business Services" model, so CPOs will need to know how to integrate into that type of model to create a [Procurement Business Services](#) capability to the business. For supplier management, a CPO will need to be prepared to manage a hybrid operating model with both functional partners (e.g., IT), business units and specialized groups (e.g., niche Vendor Management Organizations set up to manage BPO firms, IT firms, etc.).

As much as a CPO will try to delegate responsibilities to leaders in the above areas, a CPO not only gets personally involved in strategic supplier relationships (and negotiations) as a "player-coach," but also must manage the day-to-day activities regarding staff reviews, promotions/demotions, hiring/firing, conflict resolutions, employee engagement, transformational activities, coaching and overall leadership-by-example. The CPO job responsibility is nontrivial!

So much of a CPO's job centers on talent, so we should cover the next primary responsibility of a CPO:

Creating a talent management process in coordination with HR to ensure that the

right resources are in place

There are a lot of diverse “seats on the bus” in the rolling value-creating machine called procurement. The talent requirements for a senior category manager will certainly differ than those of a transactional support staff member. However, a CPO must make sure that the right “seats on the bus” are specified and also that the right people are in those seats. Procurement staff members will be looking for such clear roles and responsibilities as well as a career development path to make sure they are on the right bus to take them where they want to go.

The level of effort to transform the procurement organization in terms of overhauling reporting lines, job descriptions, reporting levels, required competencies, compensation structures and the staff members themselves should not be underestimated – especially early in a procurement transformation. In fact, a larger transformation at a less sophisticated procurement group often requires a complete rewrite of the organizational structure, roles and jobs – and a major overhaul of the staff members (e.g., everyone having to re-apply to the re-written positions).

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Once the new/enhanced organizational structure is in place, then the CPO can assess the talent gaps and determine a plan to hire (or “rent”) new resources or train existing resources. This leads to our next CPO responsibility...

Managing the skills and competency development of procurement staff, including training development and knowledge management capabilities

We’ll address this in the next installment of this series.