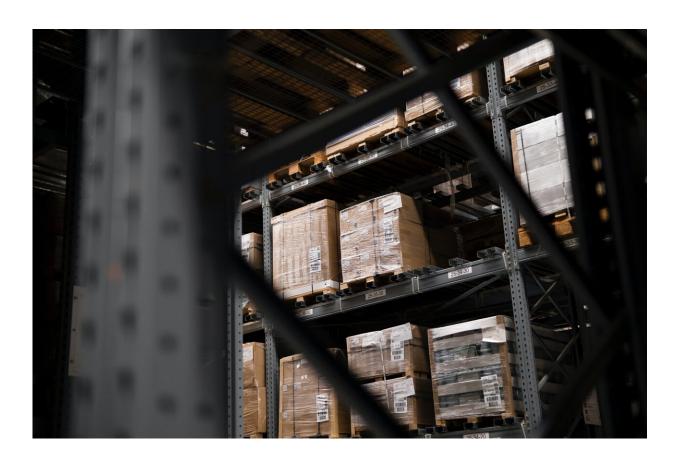


Reasons for talent gap in procurement field examined in new business analysis

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Everybody is a student of "procurement," whether they realize it or not.

"It's really what we do every day," said Joe Walden, associate teaching



professor of business at the University of Kansas.

"When you go to the <u>grocery store</u>, you're there to do procurement. You're finding suppliers, negotiating with them on quality terms and delivery price, then receiving and paying for it."

Walden's new article "What are we teaching our procurement students?" looks at why there is a talent gap in the industry, which can be traced to what future <u>supply chain</u> managers and procurement professionals are learning in college. The paper analyzes what these professionals are expected to know and what hiring officials are seeking, then offers recommendations for how this can be addressed by academic programs. It's published in the *Journal of Supply Chain Management, Logistics and Procurement*.

The Institute of Supply Management (ISM) defines procurement as "the identification, acquisition, access, positioning, management of resources and related capabilities an organization needs or potentially needs in the attainment of strategic objectives."

While the definition of this subset of supply chain is pretty well-acknowledged among professionals, Walden said there are still key areas that are undervalued within the career field.

"One of the most important parts of procurement is understanding quality," he said. "We've learned through so many experiences that the lowest price doesn't guarantee the best quality. Sometimes lowest price equals lowest quality, which is really why a lot of companies have gotten away from going to the lowest bidder and finding what they've started to call the 'best supplier.'"

Ethics is another aspect that Walden said is critical to not overlook.



"Dealing with ethical suppliers. Dealing ethically with the suppliers. Going through the process of finding quality vendors with quality products that can deliver it when you need it—that combination of quality and ethics are probably the two most important pieces," he said.

Walden said one of the fundamental misunderstandings about the field is that it's easy. Simple, even.

"People assume, 'We all buy stuff, so we all understand procurement.'
But it's extremely difficult. You've got to locate the suppliers, especially if it's a new product. You've got to go find people who actually have those materials you need. And you've got to make sure it comes when you want it. Plus, it needs to be the right quality at the right price," he said.

Those who viewed procurement as easy may have experienced a change of attitude after the COVID-19 pandemic. One of the byproducts of the event, Walden said, is it forced individuals to realize products didn't just magically appear. The so-called "Amazon effect," in which a purchase is expected to show up two days later, often proved no longer reliable or stable.

"Everyone expects that if you buy an item, it will be there on your doorstep. Well, if the procurement guy didn't forecast to buy enough, it's not there. I can throw all the money I want at it, but it's not going to make stuff get to you faster," he said. "The beauty of the pandemic is it forced folks to look at supply chain and procurement through a magnifying glass."

Raised in North Carolina, Walden spent 26 years in the U.S. Army, with an additional five working as a contractor. There, he developed his expertise in warehousing and distribution, which included designing a 4.2 million-square-foot distribution center in Kuwait for Operation Iraqi



Freedom. He retired as a colonel.

He said he hoped his assessment of the procurement talent gap would convince those in supply chain academia to reexamine their curriculum.

"Even the top schools with the top supply chain programs in the world aren't necessarily teaching all the critical skills," Walden said.

"So if students want to go into the procurement field when they get out, I want to make sure they're taught ethics, negotiation, supplier selection and <u>supplier</u> evaluations—things that aren't always being taught right now. We need to get academia to realize what they need to start doing so that our students are more competitive."

More information: Paper: What are we teaching our procurement students?

Provided by University of Kansas

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