

The TEAM Project



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People want IT/IS procurement to become more professional

- ⇒ **5% of procurements involve Purchasing (*Buy IT*)**
- ⇒ **IT a management 'black hole', yet Europe's top 10 spends > \$15 bn a year (*Spikes Cavell, 1995*)**
- ⇒ **"IT directors are over-sensitive, have a poor understanding of their organisations business, and always believe they are right" (*Business & Technology*)**
- ⇒ **IT as a mediaeval 'craft guild'**
- ➔ ***Procurement 'successes' and 'disasters' are about people, not technology - and vice versa!***



Distribution of Best Practices



IT procurement lagged behind other business processes

⇒ **European Procurement Forum top 3**

- ⇒ **Buyer Supplier issues, Teamworking, Skills & Training**
- ⇒ **Case Studies show there no rocket science in achieving improvements**
- ⇒ **The issues are not unique to IT.....**

⇒ **There have been breakthroughs in other business processes**

- ⇒ **Customer Service**
- ⇒ **Manufacturing**
- ⇒ **Supply chain**
- ⇒ **New product development**



TEAM Overview

Challenge ● Improve the management of procurement teams involving purchasing, development & planning/standards personnel

Approach

- Identify a set of organisational improvement techniques
- Conduct experiments with 6 companies undertaking procurements
- Collect metrics for IT projects, organisation and perceptions at start and finish
- Document successful approaches

Results

- Case studies of successful procurement team building
- Measure of improvements that can be achieved
- Defined procurement practices for further study



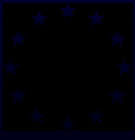
Partner Roles

⇒ Facilitators

- Collects organisational metrics before and after experiments
- Works with users to manage experiments
- Partners: The Open Group (UK), ISQ (Portugal), IVF (Sweden)

⇒ Users

- Conducts actual procurement using new approach, tool, technique or organisation structure
- Receives funding to cover costs plus partner support to assist in implementation
- User Partners:
 - Rhône Poulenc (France)
 - Swedish Defence FMV
 - Instituto Informatica (Portugal)
 - UK Post Office
 - Portugal Telecom
 - Portuguese Transport Authority



TEAM Tasks

Develop organisational metrics and collection tool



Collect metrics and design experiments

Conduct 6 Improvement Experiments



Collect metrics and prepare Case Studies

Publish and disseminate Case Studies



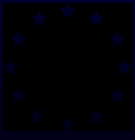
TEAM Refinements

- ⇒ **Organisational metrics have also been used as a diagnostic and motivator**
- ⇒ **Procurement teams need more assistance than anticipated**
- ⇒ **Users are utilising project participation to motivate broader change within their organisation**
- ⇒ **Organisational tool in the form of Procurement Team Survey has been adopted as management tool**
- ⇒ **Organisational metrics are clearly an exploitable result**



TEAM Challenges

- ⇒ **Procurement teams are generally large (8-25 people) and sometimes geographically dispersed - scheduling difficult**
- ⇒ **Building consensus at the start was very time consuming, but *essential***
- ⇒ **IT procurement teams first choice is (yet another) tool**
- ⇒ **Life and business has to continue!**



TEAM Task Benefits

- ⇒ **Clear information provided concerning how to implement team building actions and their benefits**
- ⇒ **Additional best practice identified related to managing procurement teams**
- ⇒ **Survey tool useful for initiating improvements and monitoring team performance**
- ⇒ **Area of clear concern for many procurement organisations being addressed**



TEAM Procurement Experiments

- ⇒ **Swedish Defence (FMV)**
 - Info repository, easy entry/access
- ⇒ **Portugal Telecom**
 - Project management tool, leadership training
- ⇒ **UK Post Office**
 - Best Practice consultant + internal marketing
- ⇒ **Instituto Informatica**
 - Project configuration management tool
- ⇒ **Portuguese Transport Authority**
 - External consultant for workflow
- ⇒ **Rhône Poulenc**
 - Project structuring and catalysis via facilitator

