case study

Building and executing the capability roadmap for a world class procurement function

PROCUREMENT STRATEGY

PROCUREMENT CAPABILITY

CATEGORY MANAGEMENT

PROCUREMENT TRANSFORMATION & IMPLEMENTATION

SUPPLIER RELATIONSHIP MANAGEMENT

RISK MANAGEMENT & GOVERANCE

SOCIAL / LOCAL PROCUREMENT

PROCUREMENT SYSTEMS

COST MANAGEMENT

The Organisation

Telstra is Australia's leading telecommunications and information services company, employing one of the region's largest procurement teams.   Telstra has recently embarked on a strategic plan to transform to a customer-centric business, and deliver greater return for its shareholders.

The Challenge

Procurement is set to play a critical role in the delivery of the productivity targets set by Telstra's strategic plan. To achieve this, Telstra is committed to building a world class procurement team which is agile and equipped to take advantage of an increasingly dynamic external market.

This requires Telstra to have an understanding of current procurement capability and where learning opportunities exist. The Faculty were engaged to assist Telstra in developing a framework that would enable Telstra to assess and enhance the capability of identified roles within procurement. Specifically, this involved the following initiatives:

• Development of a competency model and associated skills matrix
• Development of position descriptions linked to the competencies
• Assessment of current capability and skill improvement opportunities
• Mapping of procurement training programs against Telstra competencies

Our Approach

Recognised as the region's leading advisor on procurement capability, The Faculty developed a phased approach, and continuous feedback loop to refine and enhance the Procurement People Development Program. The Faculty's approach comprised the following four stages:

Phase One: Development of a skills matrix and review of position descriptions – Working with Procurement leads, HR and other internal stakeholders, The Faculty mapped those competencies required to deliver on Telstra's vision, and updated position descriptions as appropriate.

Phase Two: Identify and tailor online assessment tool – Understanding that positive user experience and systems integration was critical to success, The Faculty worked with a third -party provider to tailor an online assessment tool which delivered suitable functionality with the potential for future enhancement.

Phase Three: Conduct pilot – To test and validate the assessment tool, a pilot program was introduced to a small group of stakeholders.   From this pilot, user experience enhancements, functionality tweaks and updates to the communications strategy were made.

Phase Four: Refine and launch full deployment of PPD Program – Incorporating feedback and updates from the pilot, the skills assessment was subsequently rolled out to 174 participants, requiring 300+ manager assessments.

As with all Faculty consulting projects, to drive and embed this change, The Faculty partnered in regular project management meetings with key stakeholders, developing clear and consistent messaging, and participated in an activation event, sponsored by the Senior Leadership Team, to launch the Procurement People Development Program.

Results

This project has helped Telstra to identify and map superior procurement capability, offering unprecedented visibility of individuals' the overall team's capability. This project also provided Telstra with a map of the competencies and position descriptions they required.

In terms of engagement, the online skills assessment – although not mandatory – delivered 100 per cent take-up, meaning all 174 targeted participants completed the assessment. Over 300 manager assessments were also submitted.

This remarkable response rate can be attributed to the simplicity of the tool itself, and the success of the partnership with the Telstra Capability Team.

Telstra also reports that the seamless functioning of the assessment tool and positive user response rate has allowed them to take the tool in-house and embed as part of their people capability assessment and development model.