

Professional Sustainability

Succession Planning for Higher Education Procurement

Cory Harms
Associate Director of Purchasing
Iowa State University



Sustainability

- Definition of Sustainability

- Merriam Webster

- capable of being sustained (to give support or relief to)
 - of, relating to, or being a method of harvesting or using a resource so that the resource is not depleted or permanently damaged

- Does this not apply to our people?

- Do we not need to sustain our knowledge base, are our people not resources?

- Isn't loss the same as depleted?

Roadmap for Today's Presentation

- Why is the topic important to us?
- Trends in the profession
- Survey data from NAEP/National Data
- Strategies for sustainability
- Conclusions

Why is the topic important to
us?



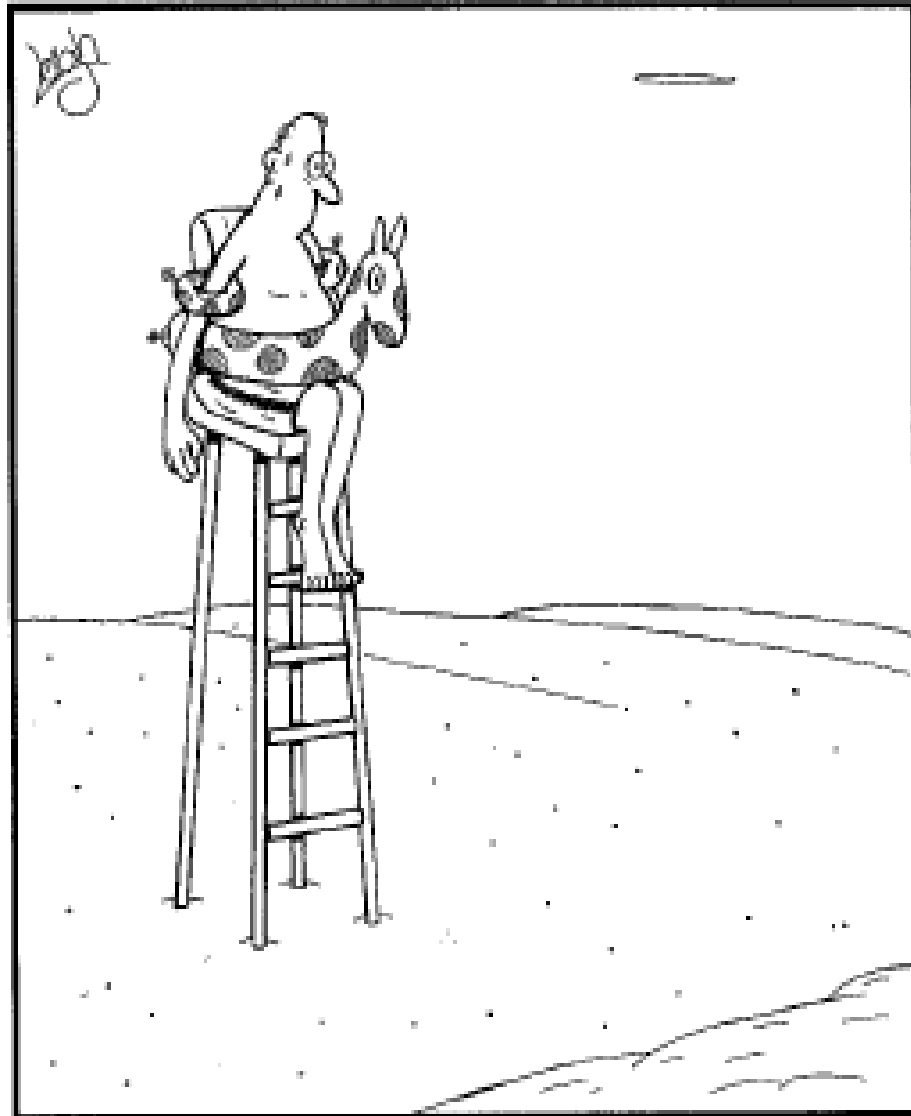
Ways in which the topic is important to us?

- Institutional importance
 - Why is this important to my University and yours
- Importance to NAEP
 - What does this mean for our organization
- Personal impact
 - What does this mean to you and me



Why the topic should be important to my institution?

- AT ISU
 - Institutional wake up call
 - Several agents of the same age (5-10 years from retirement)
 - Many agents with 15 to 20 years experience
 - No obvious educational path for purchasing professionals
 - Long learning curve for agent positions
 - Harder to recruit agents experienced in higher education



© 2007 Leigh Rubin

**One sure sign that hiring standards have
been lowered**

Why should the topic be important to NAEP?

- Declining or static membership
 - budgetary
 - Elimination/outsourcing of purchasing function
 - Competition with other organizations (NIGP, ISM, NACUBO)
- Aging membership
- Not sure if we are in tune with our younger members
- Limited promotion of our profession



Why should the topic be important to me (and hopefully you)?

- Personal Impact
 - Advancement in our profession
 - Legacy of our tenure
 - Ability to have a life
 - Career path for our people
 - Knowledge transfer (seamless transition)



Trends in the Profession





Trends in the Profession

- More decentralized purchasing
 - delegated authority
 - purchasing cards
 - direct payments
- Lower staffing levels
 - less clerical help
 - fewer agents
- Lower budgets

Trends in the Profession

- Faster timeframes
 - from departments to Purchasing
 - from Purchasing to vendors (orders, quotes)
- Movement to more web based systems
 - vendor applications
 - bids, bid tabs, bid results
 - marketplaces
 - purchase orders
- Hiring Freezes
- Others?

Survey Data From NAEP and National Data



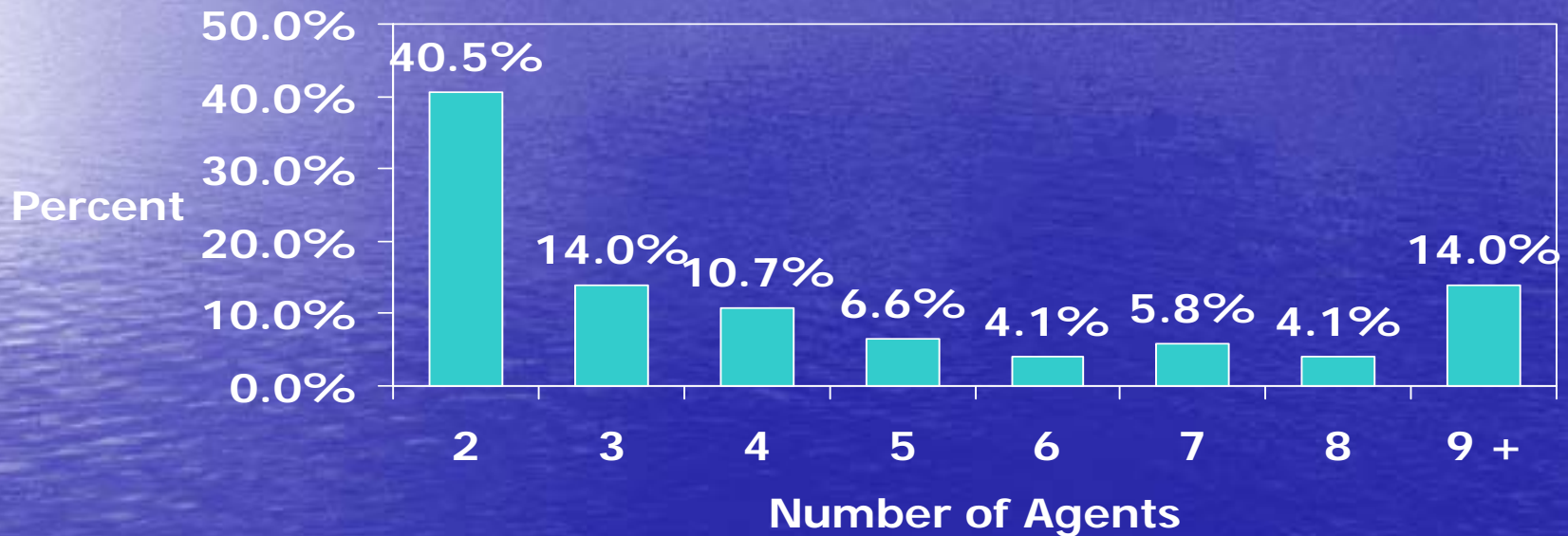
Survey Data

- Survey sent to the NAEP national listserv and the MINK regional listserv in March 2006.
 - Surveys received from 121 Universities
 - Survey asked for data about number of agents, agent experience and additional data on the departments youngest agent



Survey Data

Number of Agents in Purchasing Departments

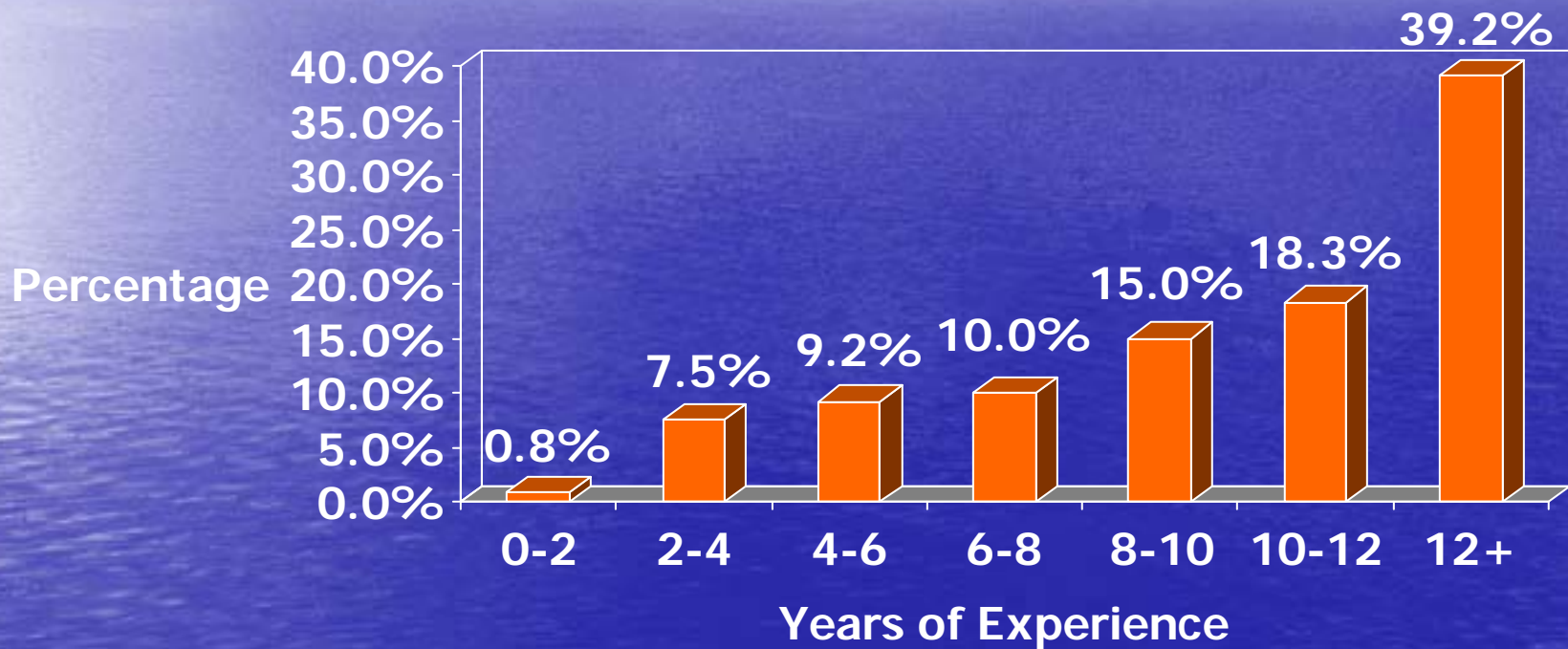


- Average number of agents in survey = 4.3
- 64% have four or less (including the director)



Survey Data

Average Years of Agent Experience



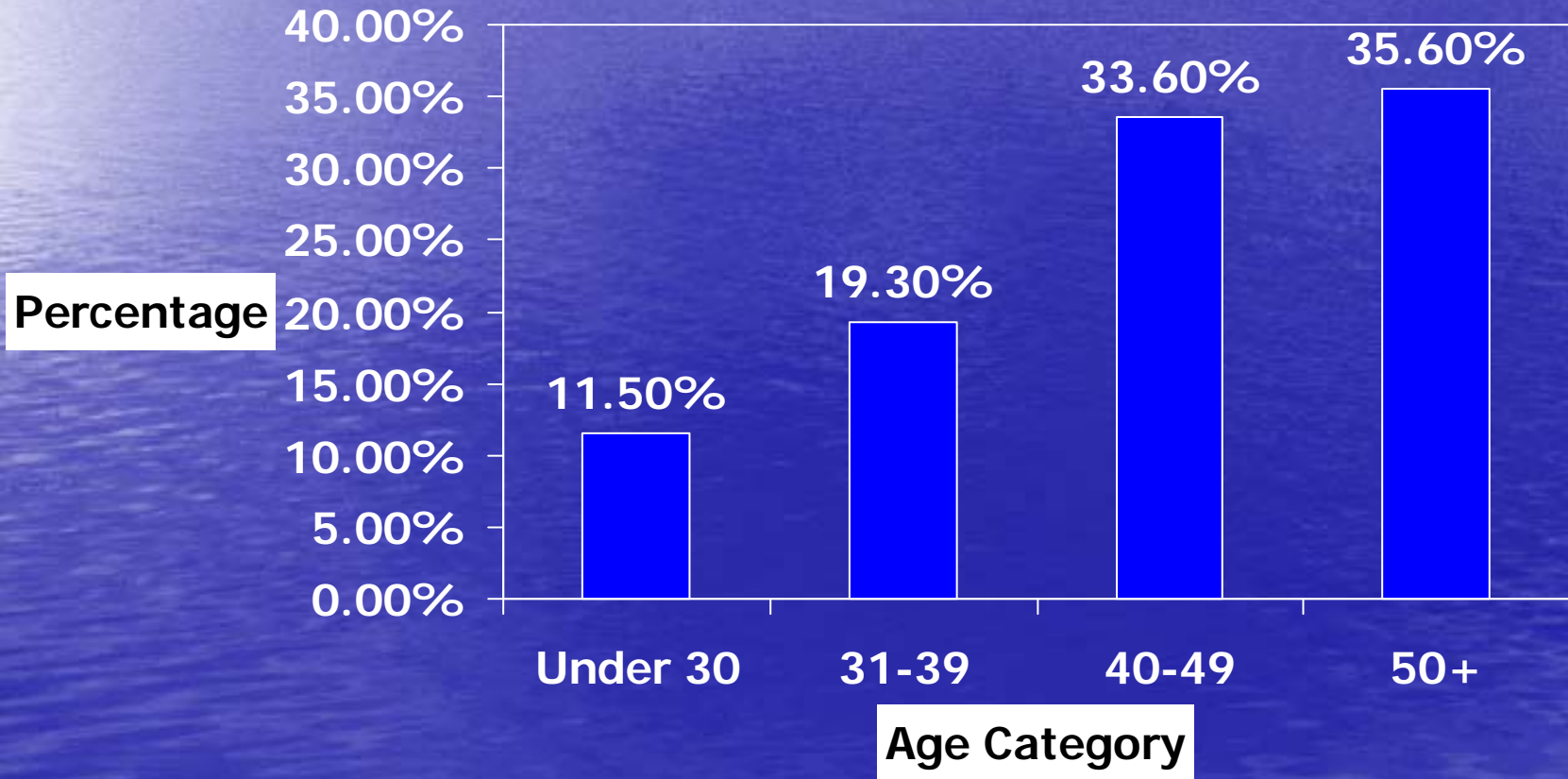
72% of Agents average 8 years or more experience

Average Experience: 9.4 years



Survey Data

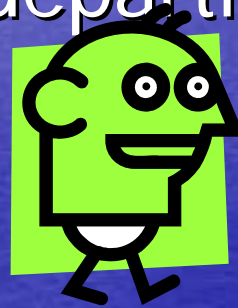
Age Distribution of Agents in Departments



Survey Data

- Make-up of average department

- Agent under 30 0.2
- Agent 31-40 0.6
- Agent 41-50 1.3
- Agent 50+ 1.8



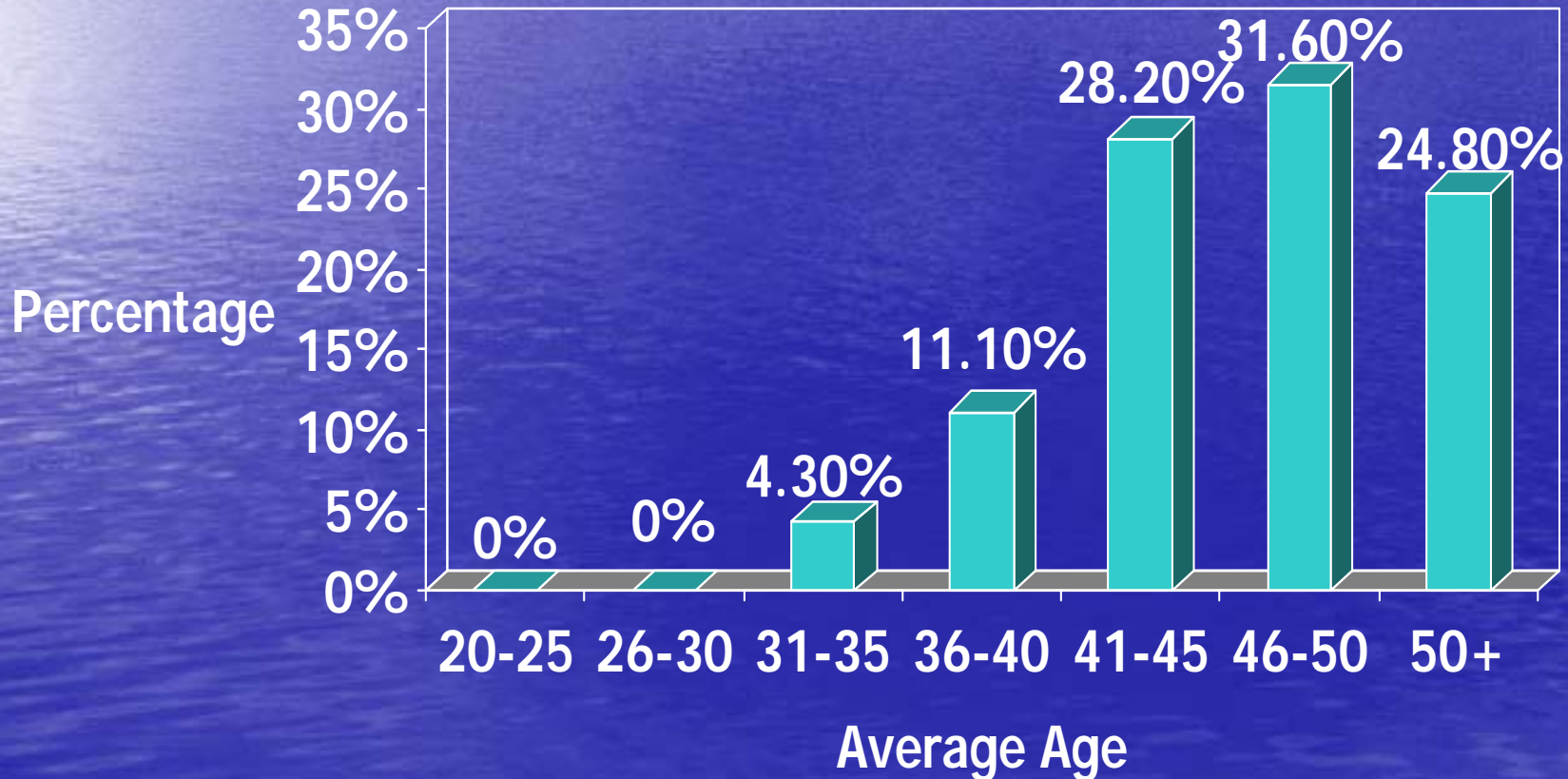
or





Survey Data

Age Ranges of Purchasing Agents in NAEP



Survey Data

- Youngest Agent

- Average age is 39 years
- 60% had attended a regional meeting
- 34% had attended a national meeting
- 12% had presented at a regional meeting
- 7% had presented at a national meeting



Survey Data

- Youngest Agent - involvement
 - 19% were members of a regional committee
 - 13% were members of a national committee
 - 48% were members of a campus committee
 - 39% had attended an NAEP institute
 - 19% were working on a degree

Survey Data

- Statistics on small departments (4 or fewer agents)
 - Only 6% offer internships
 - Average age of youngest agent (43)
 - Average years of experience (9.4 years)
 - More than likely one agent 50+

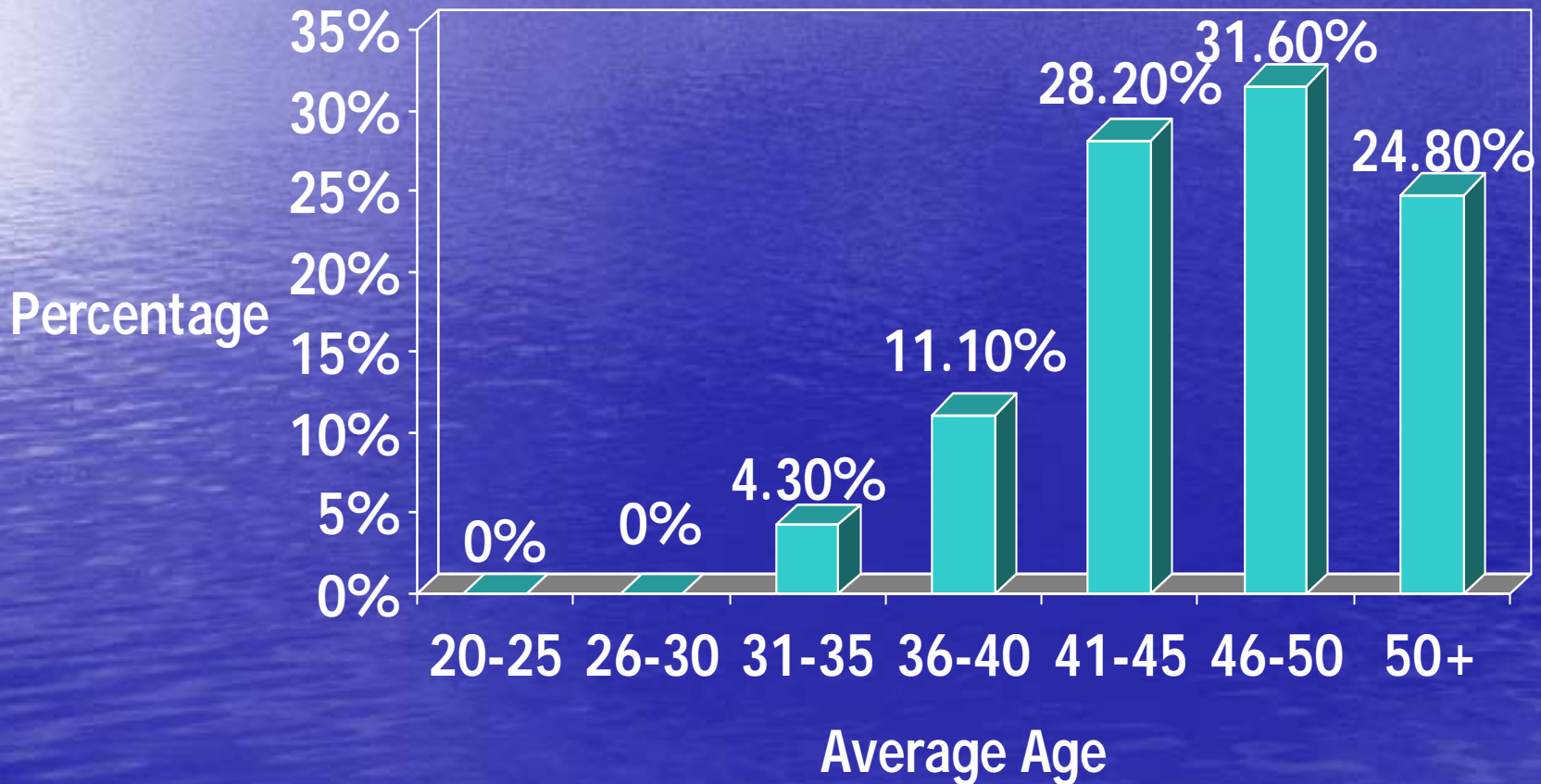
Survey Data

- Statistics on large departments (5 or more agents)
 - Almost 1 in 4 offer internships (24%)
 - Average age of youngest agent (35)
 - Average years of experience (9.8 years)
 - More than three agents 50+ (ave. 3.3)



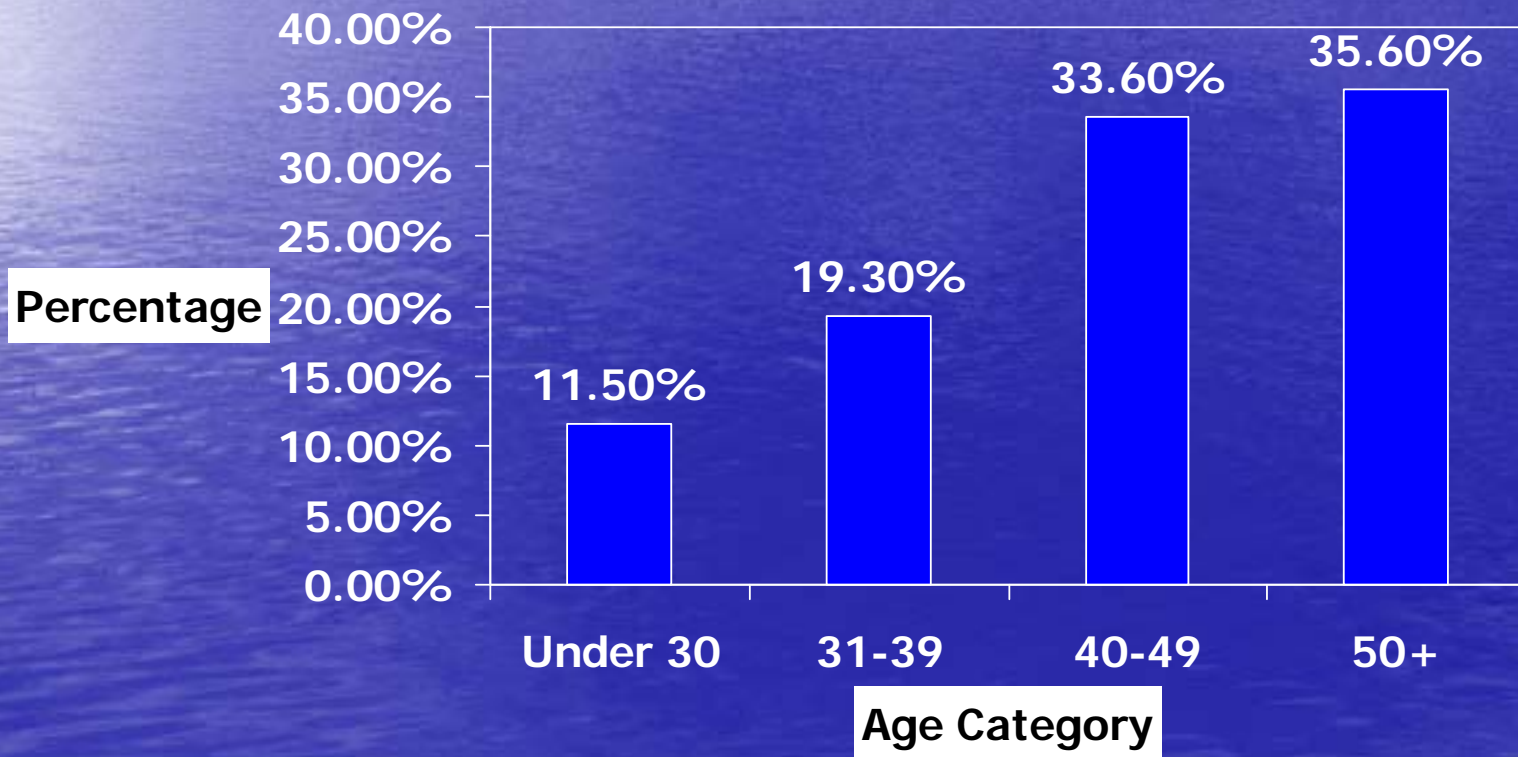
Last Look

Age Ranges of Purchasing Agents in NAEP



Last Look

Age Distribution of Agents in Departments



National Data/Trends



National Data/Trends- Age

- Average age of the U.S. population = 35.3 years
- Median age of the U.S. workforce = 40.6 years
 - NAEP appears to be 8 years older (around 48)
- Societies around the world project that they will have fewer workers to support a growing population



National Data/Trends - Recruitment

- 85% of HR Executives cite an inability to recruit and retain younger workers as the single greatest challenge they face now
- Most organizations take from 1 to 3 months to fill a position
- Most organizations (70%) believe competition with the private sector for employees is increasing

Strategies for Sustainability



Why Plan for Sustainability?



Why Plan for Sustainability?



- Potential consequences of not planning
 - Disbanding of purchasing department
 - Downsizing of purchasing
 - Outsourcing of department
 - Minimizing role of Purchasing in University
- Why does this have an effect?
 - As knowledge base leaves, asset value of department decreases
 - Go-to people are not around, takes time for new agents to build rapport and trust on campus
 - Someone (you) have to pick up the slack

Strategies for Sustainability

- Strategies to develop sustainability
 - Develop career paths
 - Actively recruit younger workers
 - Retain younger workforce
 - Retain current workers
 - Professional engagement
 - Knowledge Management



Develop Career Paths

- Create progressive positions
 - Add entry level agent positions/purchasing support positions
 - Create range of agents
- Rewrite/restructure job descriptions
- Support continuous education
- Professional involvement

Actively Recruit Younger Workforce

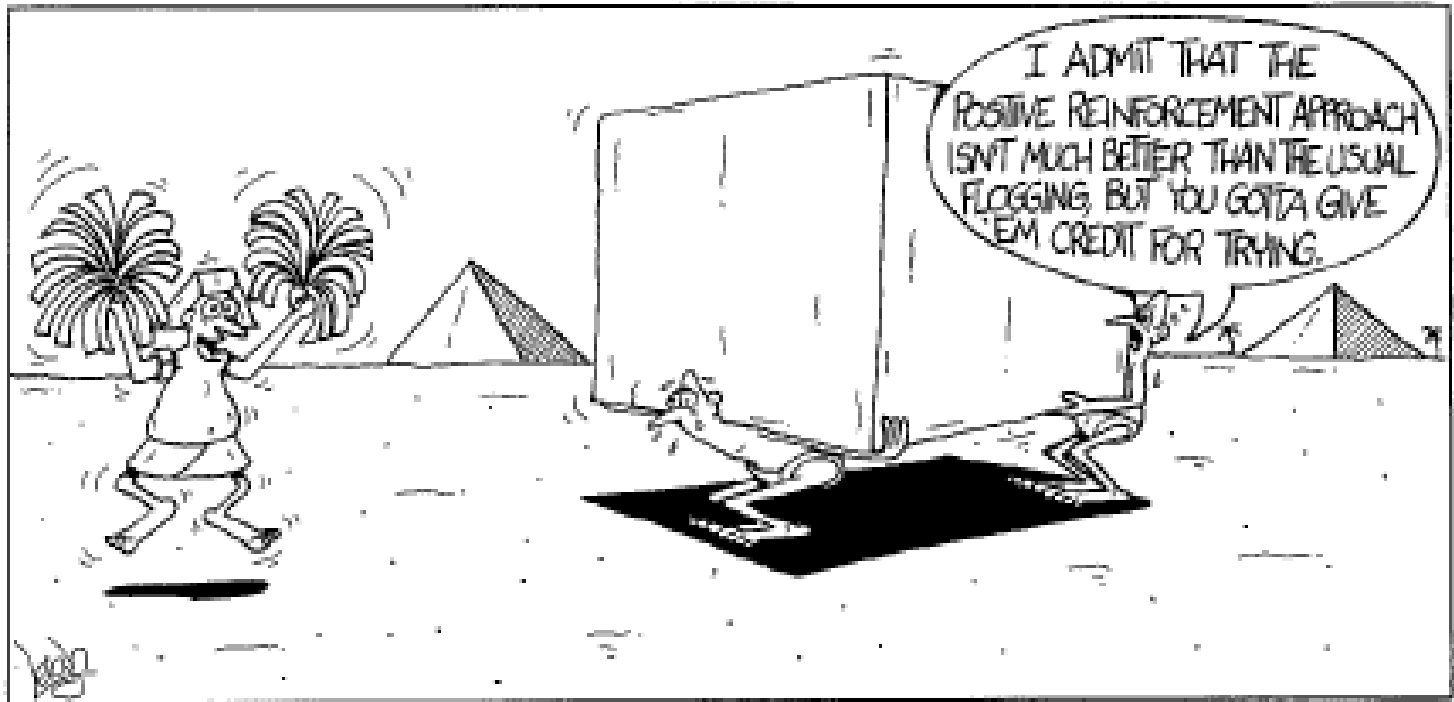


- Create internships
- Create a General Interest in the Profession
 - Volunteer for classroom lectures
 - Work with Business Colleges to create purchasing classes/curriculum
 - Involve students on purchasing committees
 - Get involved with professional groups (NAEP, local COC, ISM, young professionals)
- Build into jobs what they value
 - Flexible, Collaborative Working Environments
 - Opportunities for continued education
 - Challenging and meaningful work (not repetitive)
 - Social Interaction
 - Work/life balance

Retain Younger Workforce

- Understand what they want
 - Value their time (work isn't their life)
 - time off is more important than more pay
 - Train them for their next job
 - Accept individuality
 - More feedback – weekly if not daily
 - Access to management and information
 - Responsibility
- Create mentoring opportunities
 - develop challenging assignments
 - identify peoples strengths and weaknesses
 - involve newer staff
- Earn their loyalty
- Promote Certainty
- Give them the short term vision

Retain Current Workers



© 2007 Leigh Rubin

RUBES® by Leigh Rubin

AUGUST

Retain Current Workers

- Make sure opportunities exist at all levels
- PRIDE Process
 - Provide a Positive Working Environment
 - Recognize, reward and reinforce the right behavior
 - Involve and Engage – have them be part of the succession process
 - Develop Skills and Potential
 - Career development
 - 40% of people will leave for another job with same benefits for career development
 - Evaluate, Measure, React
 - Employee satisfaction surveys
 - Exit interviews
 - Orientation and hiring process changes

Professional Engagement

- Encourage staff to get involved (presentations, committees, etc.)
- Encourage continuing education
- Recognize achievement (certification, graduation, etc.)
- Provide other learning opportunities
 - Webinars, Seminars,

Knowledge Management

- Documentation of Policies and Procedures
 - Contracts, doc filing/purging, coi reporting,
- Cross-training
- Centralized repository of records
- Job Shadowing/Mentoring
- Standardization of documents

Where To Go From Here?

- Employees
 - Request opportunities
 - Let people know you want to be involved
 - Look at scholarships, professional grants
 - Challenge yourself
 - Set goals
 - Pursue education
 - Push out of your comfort zone
 - Attend functions/Respond to Listserv/Speak up
 - Take up the torch

Where To Go From Here?

- Management
 - Provide opportunities/career paths
 - Attract, recruit and retain younger workers
 - Retain current workers
 - Involve the campus (Business College, graduate programs)
 - Push people to excel
 - Recognize effort and accomplishment
 - Lead by example

Conclusions

- Our organization and profession is graying like the rest of the world
- Threats exist to our future if we don't plan
- Purchasing must actively
 - Develop career paths
 - Recruit younger workers
 - Create a general interest in the profession
 - Engage our employees professionally
- Managers and employees must get involved

Thank You



Questions?

- Please?



Sources

- http://www.doleta.gov/Seniors/other_docs/AgingBoomers.pdf#search='average%20age%20of%20the%20workforce%20in%20U.S.'
- <http://www.census.gov/>
- The Impact of the Aging Workforce on Public Sector Organizations and Mission, Glenn Davidson, Stan LePeak & Elizabeth Newman, February 2007
- How to Attract, Keep and motivate Today's Workforce, Gregory Smith, Foodservice.com
- Businesses Work to Attract, Keep Younger Workers, Katie Arcieri, WTOPnews.com
- How to make the young not so restless, Jessica Sabbath, VirginiaBusiness.com
- Managing Generation X: What motivates younger workers, The Communicator, March/April 2001
- Younger workers jealously guard time, larryhendrick.com, September 25, 2006
- Survey finds younger workers want more feedback, access to managers, CCH HR Management, November 21, 2006
- Retaining Younger Workers in the Workplace, FastCompany.com, December 19, 2007