

TALENT MANAGEMENT STRATEGIES FOR PUBLIC PROCUREMENT PROFESSIONALS IN GLOBAL ORGANIZATIONS

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ABSTRACT. The purpose of this paper is to examine the talent management strategies used for public procurement of professionals in global organizations. Components of talent management is discussed including talent acquisition, strategic workforce planning, competitive total rewards, professional development, performance management, and succession planning. This paper will also survey how the global labor supply is affected by shifting demographics and how these shifts will influence the ability of multinational enterprises (MNEs) to recruit for talent in the emerging global markets. The current shift in demographics plays a critical role in the ability to find procurement talent; therefore, increasing the need to attract, develop, and retain appropriate talent. Department of Defense (DOD) procurement credentialing is used as a case study to gather "sustainability" data that can be applied across all organizations both public and private. This study used a systematic review of current literature to gather information that identifies strategies organizations can use to develop the skills of procurement professionals. Key findings are that it is imperative to the survival of any business to understand how talent management strategies influence the ability to attract and sustain qualified personnel procurement professionals.

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INTRODUCTION

The purpose of this paper is to examine the factors related to the successful management of public procurement talent in global organizations. This paper will then identify talent management strategies and best practices that pertain to the management of procurement professionals in emerging global markets. Factors that affect talent management, such as demographics and employment challenges are discussed. The components of talent management programs such as talent acquisition, professional development, performance management, retention, and succession planning are also discussed. Finally, the paper concludes with a summary of the key themes of the strategies that organizations can utilize to manage global talent.

TALENT MANAGEMENT AND EMPLOYEE DEVELOPMENT

Talent management includes the identification and development of all talent, especially high potential talent for future assignments, positions, or projects. An integrated talent management approach includes workforce planning, talent acquisition, professional development, performance management, retention strategies, and succession planning (Fitz-enz and Davison, 2002). It is important to global organizations because it assists the organization with the development of its employees. "Supply chain is the central nervous system of a global corporation, and the more companies globalize, the more they are going to need people who can really understand all the different sides of the business" (Reese, 2007, p. 3). By developing their employees, organizations can produce optimal results. According to the Institute for Corporate Productivity (i4cp), in a report called Critical Human Capital Issues of 2011, the top issues identified by organizations as "most critical" included: coping with change, knowledge retention, talent management/coaching, leadership development, performance management, innovation/creativity, engagement, succession planning, measuring human capital and managing a global workforce

(14cp. 2011. p. 1). "Companies around the world have made talent management a top priority, and therefore, such activities are marked by a relatively high degree of sophistication" (Stahl et al 2007, p.32).

According to Reinecke, Spiller, and Ungerman (2007), the McKinsey global survey of purchasing executives at more than 200 companies found that organizations that utilized "best practices in talent management with purchasing [procurement] employees differ from ordinary companies along three talent dimensions. The dimensions include capabilities of the purchasing units themselves, talent dimension involved the way purchasers view their roles and the aspirations they associate with those roles and high performers were more likely than the other companies to involve purchasing executives more broadly in business planning" (p. 8).

TALENT ACQUISITION AND WORKFORCE PLANNING

Organizations with qualified and skilled talent will be able to outperform those organizations that do not have qualified talent (Pfeffer, 2005). According to Matt Rivera (2011), director of customer solutions for Yoh, a global workforce solution firm, talent acquisition is the ongoing cycle of processes related to attracting, sourcing, recruiting, and hiring (or placing) employees within an organization. Global managers have to ensure that employees have expertise to address the changes in their employment environments as needed to complete their assignments. "Companies that fail to respond to this change and do not succeed in redefining their employee value proposition will fail to attract, retain, or develop effective talent" (Ernst and Young, 2010, p. 17). This includes elements of employment branding, outreach, networking, and relationship building with potential candidate communities to continually build and enhance the talent pool for an organization. Global human resources professionals will have to do more than just attract talent; they will need to develop a pool of qualified labor to meet the demands (SHRM Forecast, 2006, p. 49).

PROFESSIONAL DEVELOPMENT AS A TOOL TO ATTRACT PUBLIC PROCUREMENT TALENT

Professional development is preparing the workforce with the training, knowledge, and tools that allow employees to perform at their optimal level. According to a study conducted by the Procurement Leaders Network and Capgemini, “12% of the respondents said an inadequately trained workforce was a barrier in doing business in the U.S. This percentage rate was 9.9 in the UK, 6.2 in China and 4.8 in India” (p. 1). Global workers are not satisfied with the level of training opportunities that are afforded them. European respondents were the least satisfied with the level of training to enhance skills offered with 55% not believing it was adequate; 43% of respondents in the Asian market and 37% in North America agreed. Based on this data, organizations that will need qualified procurement personnel should be strategically aligning their organizational strategies to include professional development programs for the workforce (Rothwell, 2010).

Performance management as a tool to develop procurement talent

Performance management involves the planning, performing and reviewing of employee goals and their progress toward goal attainment Latham and Locke, (1991) and London, Mone and Scott (2004). Managers who provide guidance and direction for the employees to achieve their performance goals lead this process. The ability to give on-going feedback is critical to the development of employees. Performance is most often tied to compensation and rewards; therefore, it is imperative that managers are trained in how to provide feedback to employees and organizations on the need for professional development opportunities. There have been many research studies on performance management such as Bernardin & Buckley (1981) norms for performance, Woehr (1994) behaviors as standards, DeNisi & Peter (1996) accurately recalling positive performance, London Mone, & Scott, (2004) psychological effects, Latham & Saar (1979) goal setting, and Locke and Lantham (1991)

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setting performance goals. The process of performance management is useful in identifying high potential employees and can be used to aid in succession planning.

Succession planning – is your organization ready to compete in the future?

Succession planning is traditionally a strategic change effort designed to prepare people for promotion within an organization by emphasizing internal talent development” (p.2). In the future, organizational leaders who are seriously committed to succession planning will shift from single- minded attention to the strategic level to include a focus on the tactical (Rothwell, 2010, p. 5). Succession planning involves preparing and developing current employees for senior leadership roles within the organization. According to Heidrick & Struggles and Stanford University’s Survey (2010) on CEO Succession Planning, over 50% of Canadian and US companies have not begun a succession process for the head of their organizations. The research on 140 CEOs and directors at large and mid-cap companies found that 39% of the respondents have no viable internal candidates, only 50% have any written documentation detailing skills required for the next CEO, only 19% have well-established benchmarks to measure internal candidate skills and only 50% of companies provide on-boarding or transition support for newly named CEOs. Additionally, boards spend only 2 hours a year, on average, discussing CEO succession planning (Heidrick & Struggles, 2010).

If organizations are not spending time on succession plans for their CEO’s, they probably are not taking the time for succession planning for other key positions. Richard Mowday (2006) suggests that during a time of high turnover, organizations need to create strategies to adapt to problems caused by turnover. Succession planning operates under the premise that a successful candidate will be an internal candidate (Citrin & Ogden, 2010) and (Rothwell, 2010). Organizations that have successful succession often utilize a best practice of devoting time and energy into leadership development for succession planning. The exception is when an organization is in crisis (Citrin & Ogden, 2010), where external candidates often perform better in a leadership position.

Components of effective succession programs have set clear performance goals Latham & Saar (1979) goal setting, Locke & Latham (1991), Reinecke, Spiller & Ungerman, (2007), and “encourage sourcing cultures for procurement professionals that are aligned with the organizations strategic plan (Rothwell, 2010). The future of succession planning may well include a move from meeting promotion needs to meeting knowledge transfer needs; an increased reliance on retirees; a transition from the strategic to the tactical; and a greater integration of succession planning with career development. (p. 5).

Retention strategies

Retention is defined as the desire for an employee to stay with an organization (Mowday, 2002 and Dressler, 1999). Richard Mowday (2006) suggests that during a time of high turnover, organizations need to create strategies to adapt to problems caused by turnover. When organizations are able to identify the reasons employees choose to stay or leave, they can create strategies to increase employee commitments thus reducing turnover and sustaining their talent. “Certain antecedents, when present, can represent job motivation and lead to longer organizational tenure, thus enhancing institutional sustainability” (Gaylor, 2004, p.2). Merely attracting the hard-earned skills from the developing countries does not solve the problem in the end. “The real solution [to increased retention] lies in developing an adequate pool of skilled labor worldwide to meet the development needs of the global economy” (World Economic Forum, p.49).

THE PUBLIC PROCUREMENT PROFESSIONAL COMPETENCIES

Accordingly, the National Institute of Governmental Purchasing (NIGP), (1989) defines public purchasing as “the function of responsibility for the acquisition of equipment, materials, supplies, and services” (p. 64) and (McCue and Gianakis, 2001). Procurement

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professionals struggle with being viewed as a vital part of organizations. Procurement is often viewed as a transactional part of organizations that operates in a silo. Before the 1980s, the function was called purchasing and not procurement. According to Peter Kraljic (1983) “companies cannot allow the purchasing function to be managed in isolation” (115). Regardless of the title, procurement involves the purchase of goods or services and negotiation for the possible price. Procurement professionals are in high demand because of their competencies that assist global organizations in the negotiation for and purchasing of goods and services. Today, United States procurement professionals are certified with several years of experience (DOD, Defense acquisition workforce improvement strategy, 2010). To meet the supply of procurement professionals companies must upgrade their skills and experience (Kraljic, 119, p. 116). More importantly, the procurement process includes an internal and external integration of functions that are in line with the organization's strategic business plan.

According to the United States, DOD, defense acquisition workforce improvement strategy (April 2010), procurement professionals should be proficient in all aspects of the procurement process. Chart 1 detail the competencies that are needed in order to be proficient as procurement professional.

Chart 1 Public Procurement Professional Competencies (DOD)

Public Procurement Professional Competencies (DOD)
<ul style="list-style-type: none"> • Defining the step in the acquisition process • Translating complex contract language • Recognizing potential conflicts of interest • A thorough knowledge of Federal Acquisition Regulations (FAR) • Negotiating complex contracts • Adhere to ethics, compliance and enforcement • A certification that requires 80 hours of continuous learning every two years (DOD) • Understand full and open competition, standards of service, best value and trade off selection
Sources: Department of Defense (DOD) Defense acquisition workforce improvement strategy.

“The defense acquisition workforce civilian/military in the business career field support 102 major acquisition programs with an estimated value of \$1.6 trillion” (Defense acquisition workforce improvement strategy, (p. A2-3). These competencies are needed for procurement professionals to be successful. According to Reinecke, Spiller, and Ungerman (2007) the importance of “focusing on the skills of purchasers and encouraging collaboration between purchasing and other functions often find that the benefits include not only lower costs but also higher-quality products, greater innovation, and more value” (p. 9).

Top drivers of talent – what is important to talent?

Towers Watson conducted a survey of employers and employees to ask them to rank the top drivers they believe attract talent to organizations. The chart below details the ranking of these factors. The results of the survey show that there is no agreement between what the employers believe are the top drivers and what the employees believe are the top drivers of talent. The employers ranked challenging work and career development as top drivers and the employees ranked job security and base pay as the top drivers.

**Chart 2 Attraction drivers for top performing employees-
Where is the top talent?**

Top of Talent Drivers	Employers	Employees
1	Challenging Work	Job Security
2	Career Opportunities	Dev. Base Pay
3	Org. Mission, Vision, Value	Career Dev. Opportunities
4	Base Pay	Promotion Opportunity
5	Org. Financial	Health Care Benefits

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Source: Towers Watson 2011 Talent Management and Rewards Survey

The Economist Intelligence Unit (2011) ranked countries using a quantitative model to determine a talent index for each country that represents each country's attractability for new talent. The higher the score the more positive was the climate for attracting talent. Here is a list of the top ten highest-ranking countries; however, when the researchers looked at projected data just four years into the future, the list changes slightly.

Chart 3 Most Promising Countries for Talent Acquisition

2011 Rank	Country	Projected 2015 Rank	Country
1	United States	1	United States
2	Denmark	2	Denmark
3	Norway	3	Finland
4	Singapore	4	Sweden
5	Australia	5	Norway
6	Sweden	6	Singapore
7	Hong Kong	7	Australia
8	Switzerland	8	Canada
9	Holland	9	Switzerland
10	Israel	10	Hong Kong

Source: The Economist Intelligence Unit (2011)

Chart 3 portrays Canada rising to the ranks of the top ten by 2015, driven mainly by education and flexible immigration policies that offset low birth rates. Azerbaijan will take an economic hit as the oil industry contracts there, while economic problems in Greece and political and economic instability in Venezuela have a profound impact on that country's performance (The Economist, 2011). Overall, The Global Talent Index incorporates the data analysis of sixty countries, measuring global talent in 2011, and anticipating future realities in 2015. The report ranks 60 countries around the world against seven factors, in today's economy, as well as projections to 2015. The countries' demographics, the quality of compulsory

education and University education, the quality of labor force, the talent environment, the country's openness to trade and employment and the proclivity to attract talent are taken into consideration in these rankings (Heidrick and Struggles (2011).

Shift in global demographics

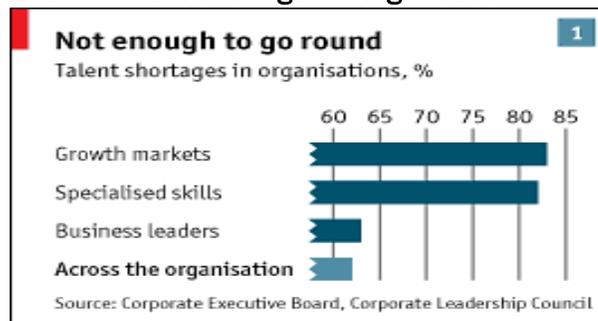
The current shift in demographics plays a critical role in the ability to find talent. Global organizations' ability to recruit for procurement professionals is likely to change as the result of the shift in demographics. The effect of shifting demographics will place a significant role on the availability of qualified personnel. According to the Ernst and Young's foresight report (2010), "an estimated 31% of employers worldwide find it difficult to fill positions because of talent shortages in their markets" (p.1). In the coming years, the numbers of baby boomers in the United States, China, India, and Japan who are eligible to retire will dramatically change the demographics of the workforce. For example, "despite projected growth in the global population from 6.9 billion in 2010 to 7.6 billion in 2020, the working-age population is expected to decline in many countries. "Japan already has more people exiting the workforce than there are workers prepared to enter it" (p.11).

GLOBAL SHORTAGE OF TALENT

According to Bhatnagar, (2007), the trends for talent and the talent wars that ensued as a result of a shortage of qualified talent has put retention in the forefront of issues faced by global organizations. The forecast from Manpower, Inc. is that within the next 10 years there could be half a billion people working outside their own country; often simply for better pay (Horsburgh, 2011). It is imperative to the survival of any business to understand the impact available qualified personnel have on the business. Some countries' talent is not experienced in managing in a global environment. For example, in some developing countries, multinationals import talent to maintain sufficient managerial expertise. According to Robert

Gandossy of the talent and organization consulting practice at Hewitt Associates, “because of the demographics of China's Cultural Revolution, the People's Republic has few seasoned executives older than 40 - which explains why Colgate-Palmolive has about 20,000 employees in China but almost no Chinese general managers. To build a successful operation on the fast-growing mainland, Colgate has been forced to bring in world-class expats” (Pfeffer, 2005, p.1).

Countries will need to adapt to the entrance of younger, less experienced workers and, in some countries, women entering the workforce that will require a shift in their global mindset (Gupta and Govindarajan, 2002). The increase of women and younger workers in the workforce is a trend that will converge in the market in the next ten years. Kapoor (n.d.) argues that according to one estimate the “United States will need to add 26 million workers to its talent pool by 2030 to sustain the average economic growth of the two past decades (1988-2008) while Western Europe will need to add 46 million employees” (World Economic Forum, 2010, p. 2). According to Economist Intelligence Unit (2006), the areas that will experience the greatest increase in job growth from 2005-2020 are: Asia, China, India, Latin America, the United States, and Europe; however, annual average employment growth is projected to slow from 1.4% in 2006-2010 to 0.8% in 2010-2020, giving an annual average growth rate of 1% in 2006-2020 (p.16). This will be problematic for countries whose cultures do not currently include women in their decision-making processes. “It is critical for global organizations to realize that this syndrome of skills and expertise shortages is a worldwide phenomenon” (World Economic Forum, 2010, p.2).

Chart 4 Talent Shortages in Organizations**Availability of qualified public procurement talent**

The effect of shifting demographics will place a significant role on the availability of qualified human resources personnel who are able to assist organizations with global human resources management. According to Ernst and Young's foresight report (2010), "Once the economy recovers, the trend will be for an increase in the demand for labor. The need for qualified personnel was predicted by some countries, and they are making plans to counteract the decrease of qualified personnel by developing government initiatives to attract industry. According to Laudicina (2010), "the fallout from the financial crisis has resulted in a new set of challenges for the global business [sic] with a slower growth outlook and limited credit" (p.6). The social dynamic of shifting demographics will affect global human resources professionals' ability to compete for talent and their capability to attract and retain new talent. While the overall population of the world has grown, the number of workers who are eligible for retirement has increased as well. Some individuals have delayed their retirement due to the current financial situation.

"The expansion of business opportunities in Asia, Eastern Europe, Latin America, and Africa will occur as organizations seek to find qualified talent, gain operating efficiencies, and lower costs" (p. 49). A 2009 Manpower talent shortage survey of nearly 39,000 employers across 33 countries found those with the most difficult

time filling jobs were in Romania (62%), Taiwan (56%), Peru (56%), Japan (55%), Australia (40%), Costa Rica (48%), and Poland (48%). Countries finding it least difficult to find talent included Ireland (5%), Spain (8%), UK (11%), China (15%), Czech Republic (17%), and India (20%).

The availability of public Procurement professionals is also affected by the shift in demographics. The ability to find qualified individuals that have the needed procurement competencies will require global organizations to be creative with their talent acquisition programs. Because of the lack of qualified personnel to fill positions, organizations will turn to contract personnel to fill these gaps. This is especially true for procurement positions due to the need to have knowledge and experienced personnel to navigate potentially complex global market contracts (Cappelli, 2008).

Unique employment challenges

The organizational need to understand the changing requirements in a host country, where proficiency with the country's language presents a challenge, is daunting. When you add the dimension of cultures into these requirements, the need for personnel that can navigate the host country requirements is increasingly important. When working in the global organization, managers have to understand the requirements to hire employees abroad including withholding and remitting taxes, ensuring employee files are in order according to the country's standard and that the hiring and termination practices (employee contracts, compensation, benefits and job descriptions) are in place. For example, a number of countries have to follow the 183-day rule (Lammey, Rugar, and Vincent, 2011). This is the number of days a person can work in the country under a temporary visa before having to apply for a permanent work visa. Companies operating in societies whose populations will have to construct methods to engage or re-engage the experienced base of talent face unique challenges. The lack of qualified personnel overall will present a challenge for organizations.

NEW BUSINESS AND JOBS MARKETS FOR PROCUREMENT PROFESSIONALS

The future trend for Procurement talent predictions indicates an increase in the need for qualified procurement personnel. According to a study conducted by the Procurement Leaders Network and Capgemini (2011), the need for procurement professionals is predicted to increase. This survey included 170 Chief Procurement Officers (CPO) and other procurement executives worldwide. Of this group, “85% named procurement as their core responsibility and 11% listed supply-chain management. Almost three-quarters (72%) came from companies with an annual turnover of more than €1bn (roughly 1.388 billion U.S. dollars). While over half of respondents look after a procurement volume of €1bn and 30% a volume of more than €5bn” (roughly 6.6943 billion U.S. dollars). Organizations that do not have the adequate expertise or personnel are outsourcing the work to contingent workers. In the survey 37% of the respondents stated that they would outsource some of their work to contingent workers. Other key findings from the report on worldwide procurement reveal that there was an increase in the influence of procurement in decision-making and 87% are now involved in negotiating outsourcing deals, 72% in contract management, and 71% in supplier selection. Specifically, they feel there is a need for supplier and internal collaboration - 52% see improving spend visibility as important, which reinforces the need to better collaborate with suppliers and with the wider business to achieve greater efficiency (53% of respondents placed cross-functional collaboration among their top priorities).

Other areas include the cost of personnel and outsourcing services as problematic. Cost is still a major issue with 94% of respondents viewing cost reduction as a major challenge currently, while 52% listed improved expenditure visibility and reduction of working capital (49%) as top procurement priorities. The predicted growth of outsourcing is supported by the fact that 66% of the respondents are seeking an outsourcing provider for inventory management in the future, 58% would consider using procure-to-pay,

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and 60% would consider using an outsourcing partner to leverage innovation. Capability is key when choosing outsourcing partners – 86% ranked proven capability as highest in importance in outsourcing selection criteria while 84% ranked spend category expertise as important, followed by management capability 63% and financial strength at 60% (Procurement Leaders Network and Capgemini, 2011).

These results are similar to those found by Heidrick and Struggles (2011). Overall, The Global Talent Index incorporates the data analysis of sixty countries, measuring global talent in 2011, and anticipating future realities in 2015. The report ranks 60 countries around the world against seven factors in today's economy, as well as projections to 2015. Figure 1 depicts the countries with the most promise in green, followed by red, yellow, and teal in order of global talent availability and chart 4 depicts the top seven countries.

Figure 1 Global Index Organizational Perspective

Source: Heidrick and Struggles 2011

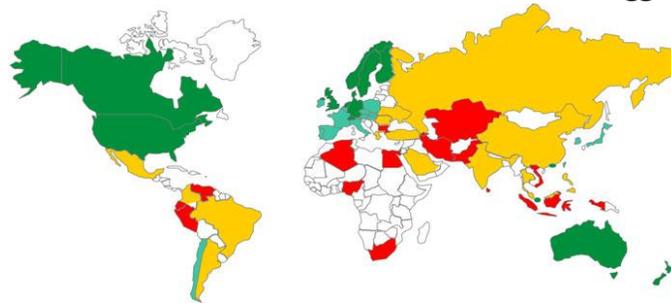


Chart 5 Ranking of the top 7 countries with the most promising employment opportunities.

2011 Rank	Country
1	United States- Green
2	Denmark- Green
3	Finland-Green
4	Sweden-Green
5	Norway-Green
6	Singapore -Red
7	Australia -Green

Source: Heidrick and
Struggles 2011

TALENT REPLACEMENT COST

Why organizations need to employees to stay

The need to sustain talent is also critical to attracting talent. Because of the lack of qualified personnel to fill positions, organizations will turn to contract personnel to fill these gaps. This can add to the cost of replacing key talent (Reese, 2011). The replacement cost for hiring employees also supports the need to retain employees. "When an employee leaves an organization, the replacement cost and the loss of institutional knowledge can be draining on the finances of an organization" (Cascio, 1991; Dalton, Krackhardt, & Porter, 1981; Dreher, 1982; and Sager, Griffeth, & Horn, 1998). Deloitte's September 2009 Special Report, "Managing Talent in A Turbulent Economy", revealed the following statistics. The survey indicated that 49% of employees surveyed were either searching for a new job or plan to search for a new job after the recession ends. In fact, 30% are already actively seeking new employers. This figure could rise as more employees venture into the job market once the recession ends. Twenty-two (22%) of surveyed Generation X employees have been actively job-hunting over the past year. Among surveyed Generation X members, only 37% plan to stay with their current employer, while 44% of surveyed Generation Y

members expect to remain in their current job (Willmott, 2010). According to Reinecke, Spiller and Ungerman (2007) creating a high-performing procurement organization starts with managing people, not processes. Companies that begin by focusing on the skills of purchasers and by encouraging collaboration between purchasing and other functions often find that the benefits include not only lower costs but also higher-quality products, greater innovation, and more value from M&A. Reaping such benefits will be increasingly important as the pressures of globalization intensify (9). Individuals that are considered to be top talent desire to work in organizations that are able to retain talent and the cost to replace personnel depletes the organization's funds to replace and retrain personnel. By understanding the impact that talent shortages will have on global organizations, they can prepare in advance of the shortage by developing current personnel through talent management programs.

TALENT MANAGEMENT BEST PRACTICES

Certification Programs as a Tool for the Attraction and Retention of Talent

A tool used to meet the critical need for talent is for public organizations to provide professional development and certification opportunities for employees. To address the challenge of rising number of contracts coupled with the competition among federal agencies for a "limited universe of experienced acquisition talent," DOE has developed initiatives to better leverage existing acquisition resources by creating efficiencies with technology, and by reengineering and standardizing internal processes by certifying personnel. "Certification is the procedure through which a military service or DoD Component determines that an employee meets the education, training, and experience standards required for a career level in any acquisition, technology, and logistics career field" (Bashista, 2009, p.2). *In addition the Defense Acquisition Workforce Improvement Act (DAWIA) is required the DOD to establish a process through which persons in the acquisition workforce would be recognized as having achieved professional status.* (Bashista, 2009, p.3). Chart 6 illustrates DOD programs

developed to assist in talent management by providing credentialing of employees.

Chart 6 Domestic Public Procurement Talent Management Credentialing Programs

Program and Attendees	Characteristics of Program
<p>Defense Acquisition University The Defense Acquisition University is the one institution where every member of the Defense Acquisition Workforce throughout all career stages.</p>	<p>The university provides a full range of basic, intermediate, and advanced certification training, assignment-specific training, applied research, and continuous learning opportunities.</p>
<p>Air Force Professional Development program Through a DoD-wide certification process, the Air Force determines that an individual meets the mandatory education, training, and work experience requirements established for their specific acquisition job.</p>	<p>The Acquisition Professional Development Program (APDP) promotes the development and sustainment of a professional acquisition workforce in the Air Force. An integrated talent management approach includes an acquisition professional certification program, leadership training and career field technical training, developmental education programs, and professional military education.</p>
<p>Department of Energy Acquisition Career Management Program All acquisition workforce members must be certified to their appropriate level in their respective career field. New hires, i.e., those from the private sector or those joining the acquisition workforce, who enter the DOE acquisition workforce as a GS-5. New hires at the GS-9 through GS-12 level must meet the statutory education and experience requirements, and the regulatory training requirements to be certified to at least Level I.</p>	<p>The requirements for certification build on each other. Employees must meet the requirements for each previous level to be certified at the next level. Similarly, a new hire at the GS-13 and above level must meet the requirements for certification to Level II and has 18 months to obtain the training required for certification to Level III. The experience requirements are met through performance of acquisition duties for the period required for that specific acquisition level.</p>

Sources: DFA University, Air Force Professional Development Program, DOE Career Mgmt. Handbook, 2012

Best Practice in International Training Programs

Similarly, to the United States credentialing programs, Spain, Netherlands and the United Kingdom developed innovative public private partnerships (PPP) to train public professionals on government best practices through talent management programs to acquire new knowledge. In 2008, the PPP unit was developed to establish national PPP training programs to build the expertise of government officials. The rationale for this approach is that it is thought that a national training program should include practical ‘on-the-job’ training. This approach included understanding international standards, perpetually pursuing new knowledge of PPPs and trained by country specific PPP educators, developing good governance best practices through case studies, and engaging in on-site project learning, national training programs increase their chances of success.

In addition, the training includes setting and then following international standards, pursuing new knowledge of PPPs and being trained by country specific PPP educators, developing good governance best practices through case studies, and engaging in on-site project learning, national training programs increase their chances of success” (United Nations, Economic Committee, 2008, p.40). Partnerships such as these can assist government in training personnel on international standards, transparency and ethics.

Chart 7 Illustrates International Public Private Partnerships Procurement (PPP) Talent Management-Training

Country Program	Characteristics
Spain: SEOPAN, the association of major Spanish contractors and concessionaire groups are eligible.	The university provides a full range of basic, intermediate, and advanced certification training, assignment-specific training, applied research, and continuous learning opportunities.
Netherlands: Within the Ministry of Transport, a number of large PPP projects have been brought under the supervision of a single management entity and a PPP Knowledge Pool was established on 1 September 2006. The purpose of this Knowledge Pool is to consolidate, develop and spread financial, economic, legal and contractual	The Knowledge Pool is dedicated internally to facilitate the key positions in the different PPP projects. The rationale is to build expertise based on delivering a few successful pilot projects, which reflect the Ministry's new orientation in PPPs towards reliable and predictable access of

<p>knowledge and expertise in the area of PPPs within the Ministry.</p>	<p>transport services.</p>
<p>United Kingdom: Partnership UK runs one or two times a year a PPP Foundation Course specifically for public sector PPP task force officials involved with the development and management of PPP programs.</p>	<p>The European PPP Expertise Centre (EPEC) is a platform to exchange experience about PPPs and to help develop PPP policies where Member States or responsible public authorities at regional level require such support.</p>

Source: (Guidebook on Promoting Good Governance in Public-Private Partnerships, page 40.)

DISCUSSION

Factors that influence talent management of procurement professionals

A supply chain framework developed by Peter Cappelli (2008) posits four foundations to acquire and retain supply chain talent. The four foundations are: “make or buy talent to manage risk, adapt to the uncertainty in the demand for talent, improve the return on investment in talent (ROI), and balance the employee and employer interest” (p.1). The first base of the foundation is to hire talent through contingent organizations with development programs and partnerships to develop talent; for example, by hiring from contingent organizations the risk of selecting personnel that does not have the necessary skills to mitigate risk in ethics, compliance, and enforcement is decreased. The second base is to understand the demographics and demand for talent. By understanding, the availability of talent in the locations for which the organization will operate is necessary so that there is an adequate supply of talent to

run global operations. The third base of the foundations is improving the return on investment. This includes investing in professional development to enhance skills of talent. The fourth base is to have employee support programs (Grant, Dutton, & Rosso, 2008) that assist with work life balance while balancing the strategic needs of the organization (Cappelli, 2008).

TALENT MANAGEMENT FOR PROCUREMENT PROFESSIONALS MODEL

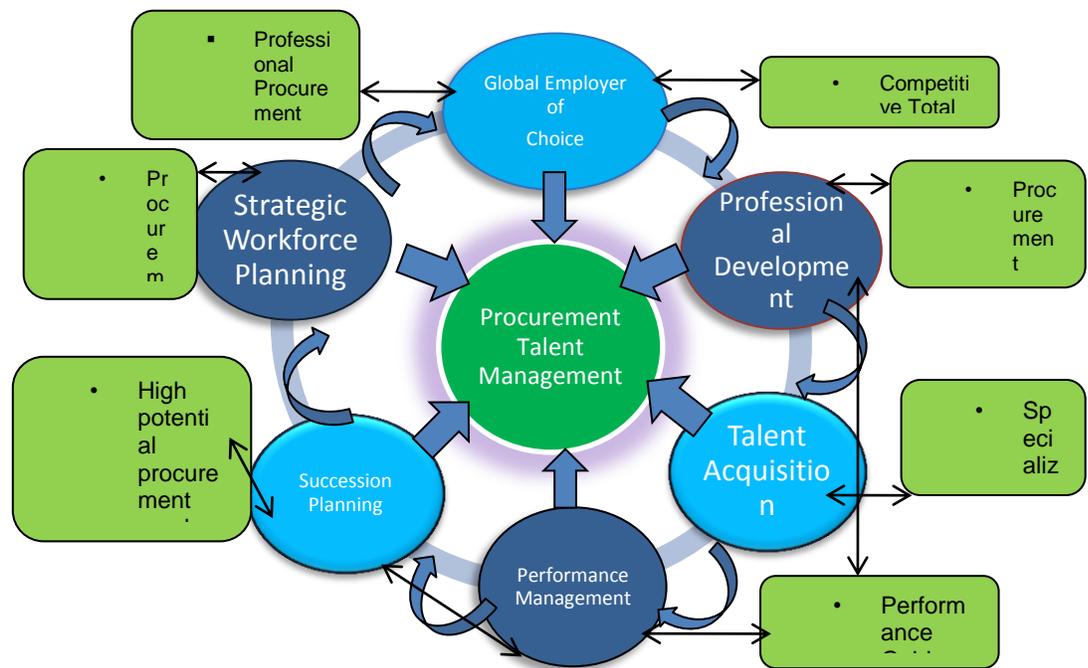
Diagram 1 below depicts a talent management model for attracting and retaining talented procurement personnel. The six circles represent the components of talent management: being a global employer of choice, strategic workforce planning, talent acquisition, professional development, performance management, and succession planning. Activities or programs that enhance these components and feed into the other areas of talent management represent each circle. For example, in order to be a global employer of choice, organizations have to develop their employee support programs or utilize best practices to be attractive to top talent. When integrated into a comprehensive talent management program, the components of talent management and the programs that are part of talent management enhance an organization's ability to attract and retain procurement talent.

CONCLUSION

Global organizations that recognize the need for talent management strategies are better able to attract and retain procurement talent in their organizations. When talent management is part of the overall strategic plan, global organizations enhance their ability to attract and retain procurement talent. An integrated approach to talent management includes talent acquisition, workforce planning, professional development, performance management, retention strategies, and succession planning. Because of the shortage of qualified procurement professionals, global organizations will need to find innovative ways to attract and retain procurement talent. The research and best practices on talent management show that organizations that increase their

employees' perception of the organization also increased their reputation as "employers of choice". Employers of choice utilize best practices and a strategic approach to talent management that enables employees to work at optimal levels. By understanding the impact of procurement talent shortages, global organizations can prepare in advance of the shortage by developing current employees through effective talent management models and programs.

Diagram 1 Procurement Talent Management Model



Source: Denise Bailey Clark

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