Revolutionizing eSourcing Adoption

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eSourcing has been around for well over a decade, and is among the most powerful procurement solutions when compared to other enterprise applications. Despite many successful implementations, there are far too many examples of eSourcing initiatives that took too long, didn't meet expectations, or fizzled after the initial push. This dilemma motivated a white paper "Revolutionizing eSourcing Adoption" (free download; registration required) which examines this challenge in detail and offers some fresh solutions.

To address this challenge, it's important to understand why eSourcing adoption is so elusive. Some possible explanations include:

- eSourcing requires behavior changes across the organization
- eSourcing introduces greater rigor into the sourcing process
- eSourcing challenges incumbent suppliers
- eSourcing creates "buyer transparency" the buyer's exposure to much greater scrutiny

Is there a possible solution? I recently came across a book and training course that teaches a change management methodology called *Influencer*, and was impressed that it wasn't just the same old change management approach. *Influencer* offers some unique aspects that make it superior to traditional efforts:

- 1. **Emphasizes that organizations are comprised of individuals, and that individuals' behavior must change.** Individuals and organizations require *tailored* actions to affect change. In addition, typical change efforts focus solely on the ultimate goal eSourcing adoption rather than the behavioral changes that lead to adoption. These ineffective approaches rely heavily on verbal persuasion aimed at getting commitment. But *Influencer* teaches that commitment is only the first step.
- 2. **Focuses on vital (high-leverage) behaviors that lead to rapid and lasting change.** *Influencer* zeros in on behaviors that really count. A vital behavior might be an inexperienced user consulting with an eSourcing expert before beginning his/her first event. That one act could stack the deck for success.
- 3. **Identifies crucial moments where individuals decide to change, or not.** A crucial moment is the point where the right behavior, if enacted, leads to the desired result. Resistance from an internal stakeholder or a key supplier might be a crucial moment. You need to anticipate and strategize to combat this resistance.
- 4. Seeks examples of unexpected successful behavior change and analyzes the reasons for success. Perhaps one division or location has demonstrated success. What are they doing that can be applied elsewhere?

5. Applies strategies that broadly target Six Sources of InfluenceTM which focus on personal, social and structural motivation and ability. Most change efforts address only one or two influences sources and often assume that motivation is the culprit or focus on training when ability isn't the real issue. Research demonstrates that combining multiple sources of influence increases success tenfold.

Methodical diagnosis of vital behaviors and application of multiple influence strategies make all the difference. Here are some examples of specific influence strategies:

Personal Ability – eSourcing training is necessary, but typically insufficient. Engaging an internal or external coach (who is readily available at crucial moments) can help to fill the gap.

Social Motivation – Seek support from your organization's opinion leaders because the rest of the population won't adopt eSourcing without them. Remember, you don't get to decide whether to engage opinion leaders. By definition, they will always be engaged either for or against you.

Structural Motivation – Rewarding outcomes (versus behaviors) can be risky as they can hide inappropriate actions. For example, a goal of 10 RFxs completed via eSourcing by October 1 may sacrifice quality for quantity. 10 RFxs reviewed with the eSourcing coach by October 1 would be more useful. Also, watch for divisive incentives. You don't want to foster unhealthy competition with negative consequences, like discouraging best practice sharing.

As you consider implementing eSourcing, or perhaps revitalizing your existing eSourcing effort, consider how you can make long-term adoption inevitable:

- 1. **Apply Influencer**. Identify vital behaviors and then combine multiple influence sources.
- 2. **Engage an experienced service partner.** The right partner brings expertise and experience across multiple customers and industries. They can model best practices and stack the deck for success.
- 3. **Select an enabling eSourcing solution.** Make doing what's right easiest. Choose a solution that is intuitive and easy for buyers, internal stakeholders and suppliers to use.

Barbara Ardell is Vice President at Paladin Associates, Inc. She brings a unique perspective to the eSourcing adoption challenge with her intersecting skills in strategic sourcing, change management, training and eSourcing. She brings over 20 years experience as a strategic sourcing professional having spent the early part of her career with Procter & Gamble's world-class purchasing organization. She later owned and ran a training and consulting firm which focused on both hard and soft skills including: Interpersonal Communications, Leadership, Teamwork, Diversity and Total Quality Management. In 2002, Barbara joined eSourcing pioneer, Procuri (since acquired by Ariba, now SAP), where she trained and coached clients through the eSourcing implementation process. In recent years, Ms. Ardell has provided "voice of the customer" perspective to eSourcing solution companies striving to improve user experience and adoption.