

PROCUREMENT

The procurement skills that actually matter now

For most of its history, procurement's job was to say no, but the world has decided it needs something more useful than that

Markets. |

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Somewhere in the evolution of the modern corporation, somebody decided that the people who spent the money should not be the same people who controlled how it was spent.

Left unchecked, departments buy what they want, from whoever they like, at whatever price they can get.

So, a gatekeeper was installed, a procurement function whose job was to sit between the organisation and its suppliers, run a competitive process, pick the lowest price, and ensure nothing improper happened. For decades, that was enough. Then ships got stuck, pandemics arrived, and trade wars returned.

Organisations that had reduced procurement to a gate discovered, at considerable cost, that a gate is not a strategy.

Born of a crisis

The Chartered Institute of Procurement and Supply (CIPS) was itself born of disruption.

When US passed the Smoot-Hawley Act in 1930, emergency tariff legislation that throttled global trade, a group of British purchasing officers concluded that improvising in a crisis was no way to run a profession.

Nearly a century later, Sam Achampong, CIPS's regional director for the Middle East, Africa, and Asia-Pacific, stood at Uganda's first-ever Chief Procurement Officer dinner last Thursday and made the same argument.

"Forget about the process," he said. "It's all about value."

Those words carry particular weight, given that, according to Levi Kabagambe Bategaka, chairman of the Institute of Procurement Professionals of Uganda, 60 to 65 percent of Uganda's budget flows through procurement.

At that scale, the difference between a profession that adds value and one that merely follows a process is fiscal, and, given that every act of public corruption attaches itself somewhere to that spending.

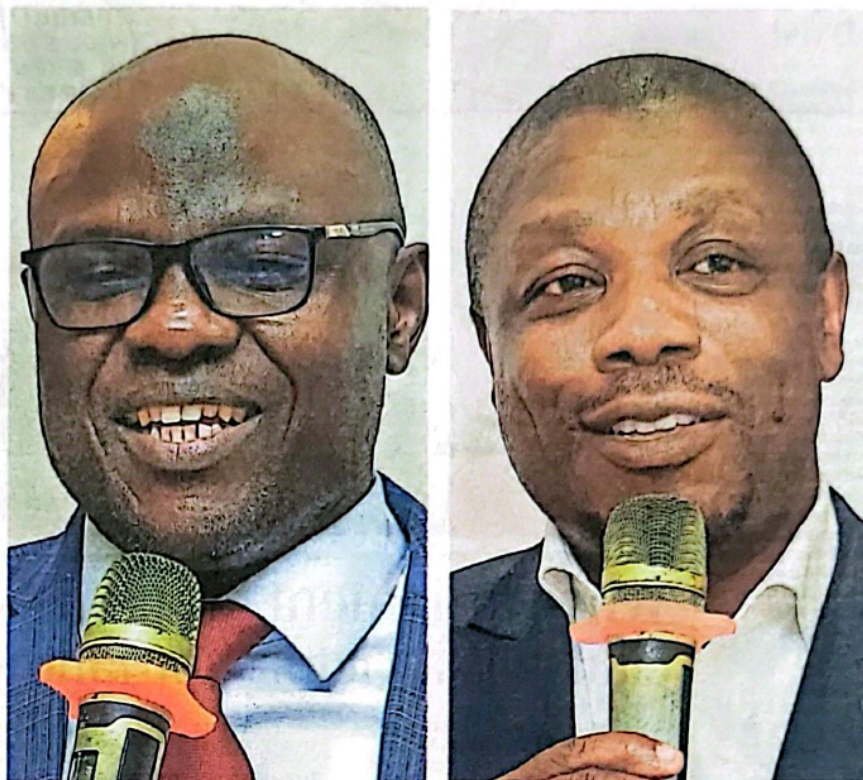
Cost of gate-keeping

Most people's mental model of procurement is: someone needs something, procurement runs a tender, the lowest price wins, and goods arrive. Job done.

The problem is that this optimises for the wrong thing. Consider a printer. It arrives cheaply and is recorded as a procurement win. Within a year, it has consumed more in toner than a better model would have cost outright.

The same logic applies to vehicle fleets. Executives resist leasing because the monthly figure looks expensive, but when depreciation, maintenance, and downtime are factored in, the calculus of ten reverses.

"Knowing which assets suit leasing and which suit ownership is precisely the judgment that separates a skilled procurement officer from someone who merely processes requisitions," says Kabagambe, who notes: "Anyone can follow a process. Only a professional can tell you



Levi Kabagambe Bategaka (left) and Sam Achampong champion procurement transformation, urging professionals to prioritise value, strategy, integrity, and innovation. PHOTO/COURTESY

what that process is actually costing."

This is what the profession calls total cost of ownership, not what something costs to buy, but what it costs to own, run, and replace. It is the foundation of every skill that actually matters in procurement today.

The value that was always there

The clearest illustration comes from 1970s Japan. US consultants sent to find out why Japanese car manufacturers were outperforming Detroit expected to find superior technology.

What they found was that the Japanese treated their suppliers as partners, sharing information and co-investing in outcomes that benefited both sides.

A supplier who trusts you extends credit, prioritises your orders, and flags problems before they become crises.

"The best supplier relationships are the ones where a supplier delivers on trust before the purchase order has cleared," says Kabagambe. Apple, given as an example, absorbed this lesson completely.

It enters long-term agreements, some-

Key data

74%

Surveys conducted two years ago already showed 74 percent of procurement officers are using AI.

times 15 years, with key suppliers, asking them to conduct research and development for specific components in exchange for guaranteed volumes.

The savings, replicated across every major part, are why Apple spends just 5 percent of revenue on research and development while rivals spend three times that.

"Tim Cook ran Apple's supply chain before he ran Apple, and became chief executive not despite his procurement background, but because of it," says Achampong.

The machine arrives

Into this story walks artificial intelligence, which is automating transactional and quietly asking what the humans are still there for.

Purchase order processing, spend clas-

sification, contract summarisation: all faster and cheaper when handled algorithmically. Achampong notes that surveys conducted two years ago already showed 74 percent of procurement officers are using AI. But machines cannot negotiate, cannot read a room when a supplier is about to walk away, or cannot build a relationship where trust substitutes paperwork. Thus, Kabagambe notes that three skills, negotiation, supplier relationship management, and cost analysis, cannot be replaced.

"A machine can retrieve a price," he says, but "it cannot interrogate one."

Every industrial revolution has followed the same script: machines take the mechanical work, humans take the work requiring judgment.

The question is not whether AI will automate the process. It has already. The question is whether the profession is building the judgment to replace what it loses.

The costs nobody counted

There is a category of value the gatekeeper model never accounted for, now arriving on the balance sheet uninvited.

Supply chain emissions, which are the carbon produced by a company's suppliers, not its own operations, are on average 26 times higher than a company's direct footprint, according to figures with the World Economic Forum.

As of January 2026, the EU's Carbon Border Adjustment Mechanism has given this a price: companies importing certain goods now pay a levy tied to the carbon intensity of their suppliers, meaning environmental responsibility is a cost.

Corruption works by the same hidden logic, adding 25 percent to the cost of doing business in developing countries through inflated prices and inferior goods, according to procurement professionals.

Integrity, Kabagambe argues, is not separable from skill. It is a component of it.

The gatekeeper who became indispensable

Public procurement operates under rules, rightly so, because transparency with public money is not optional. But the rules are rarely the binding constraint. Understanding them well enough to work within them intelligently is. A procurement officer who solicits three quotations from the same poorly vetted vendors and awards on price is technically compliant and practically failing the institution.

A framework agreement established at the start of the year, competitive, transparent, within the law, turns a three-month cycle into a phone call. The most counter-intuitive proof of transformation is an example Achampong encountered at Meta seven years ago.

"The company's procurement department was entirely voluntary. No budget holder was required to use it. Most of them went anyway, because they had learned that not going meant leaving value on the table. The gate had been replaced by expertise that people chose freely," he says. That is the distance the profession is being asked to travel.

Precise judgment

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