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Citation for published version (APA):

Kiratli, N. (2017). 5 myths purchasers should know about creativity in purchasing. *DEAL!*, 1-4.

Document status and date:

Published: 04/04/2017

Please check the document version of this publication:

- A submitted manuscript is the version of the article upon submission and before peer-review. There can be important differences between the submitted version and the official published version of record. People interested in the research are advised to contact the author for the final version of the publication, or visit the DOI to the publisher's website.
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5 myths purchasers should know about creativity in purchasing

Creativity appears to be a powerful ally in an increasingly complex and fast-changing business environment. In the recent Future of Jobs Report released by the World Economic Forum, creativity has risen in the top 10 of skills needed in 2020 versus 2015 from number 10 to number 3 – only surpassed by critical thinking and complex problem-solving.

text: **Nadine Kiratli**

Creativity as the precursor to all innovation is slowly but surely appearing to purchasing professionals as well. Looking for ways to upgrade their profile as a strategic business partner, buyers must broaden and complement their skill set. This is also reflected in the recent Deal!-NEVI Nationale Inkoopenquête among 569 purchasing professionals. Creativity was mentioned as one of five personal competence development goals alongside change management, leadership, communication and negotiation. And still, it appears

that buyers are reluctant to unlock their creative potential. Why? There are many misconceptions and simply false beliefs of what creativity actually is. Myths about creativity stand in the way of the acceptance and encouragement of creativity in the purchasing domain. If creativity is to be developed and recognized as a strategic competence of the next-generation purchasing professional, buyers must know and bust the following five myths:

Myth 1 Creativity is the prerogative of the lone, eccentric genius

Creativity is often perceived and glorified as the prerogative of designers, musicians, painters or famous scientists – individuals with an innate affinity for envisioning and creating the novel. Think of the Karl Lagerfelds, Bob Dylans, Pablo Picasso's or Albert Einsteins of this world. This myth reflects our tendency to attribute great breakthrough inventions and masterpieces of creative work to sole individuals and their inimitable ingenuity. What we often forget, is that most of these grandmasters had some kind of support and social network to feed their creativity. In an attempt to demystify creativity and make it accessible to professions outside of arts and

other creative industries, recent discussions revolve around the properties of creativity. Teresa Amabile's definition has been widely adopted to describe creativity in the business context. This Harvard professor has studied creativity in organizations for over 30 years and defines the phenomenon as 'the development of novel and useful ideas or solutions that are ready to be put into practice in a given domain'. According to this definition, the development of disruptive effective sourcing strategies or innovative ideas for commercialization with suppliers are acts of creativity.

A further step towards the de-mystification of creativity is the realization that, contrary to possible common perceptions, creativity is not the ability to create ideas out of nothing. Instead it requires the meaningful, novel recombination and application of existing, relevant knowledge to capitalize on an opportunity or solve an underlying problem. As individuals don't usually have all relevant knowledge, creative problem solving and solution finding often involve the collaboration of individuals within collectives. A pilot survey conducted among 120 purchasing →

“Puchasers are often reluctant to become more creative in their daily jobs”



professionals of the NEVI network confirms the relevance of creativity in teams. Asked for their personal definition of creativity in the purchasing context, the participants acknowledge the collective nature of creativity: ‘Creativity is development of novel and meaningful business solutions together with purchasing colleagues and internal stakeholders as well as with employees from the suppliers.’ With most procurement-related work carried out by teams, the ability to think out of the box with other relevant stakeholders is essential for next-generation procurement professionals. Creativity is all about teams!

Myth 2 Creativity cannot be learned – you are born creative

Another misconception is that creativity is a genetic predisposition individuals are born with; individuals are simply born with the gene carrying the trait for creative ability – or not. It’s true that some people are more creative than others by birth, but that’s only part of the story. What weighs heavier and will determine the surfacing of the creative trait, are the circumstances under which an individual is brought up and educated, their level of knowledge or expertise as well as the work environment an individual is exposed to.

Purchasers often use the myth of the creative breed as an excuse to justify their own reluctance to become more creative in their daily jobs. The profession is traditionally male-dominated, conservative, and number-driven. “What is there to be creative in negotiating a discount from my supplier anyways ... it’s all about hard facts and fol-

lowing strict tender procedures”, or “I was trained and educated to save costs and get low prices for my company ... not to be creative”, are some of the comments you might hear from purchasing colleagues around you. Maybe you revert to similar statements yourself sometimes? A completely different picture emerges when looking at the results of the last Deal!-NEVI Nationale Inkoopenquête: according to the respondents, creativity ranks second in the top 5 core strengths of purchasing professionals – even before purchasing-specific knowledge. So what’s going on?

One explanation for these contrasting views of creativity among purchasers can be found in a general shift in perception of the role of the purchasing function. It’s widely acknowledged that being a strategic business partner means so much more than using one’s purchasing-specific knowledge and expertise to negotiate a discount. Confronted with only marginally increasing operating budgets and diminishing cost-cutting potential, buyers must think more creatively to keep offering valuable solutions to cut costs. More and more buyers understand that they must develop a richer, more varied set of skills to engage more fully with internal stakeholders. In this context, creative thinking as part of a team is a strategic key competence for buyers. In order to get a better idea of the skill set needed for creative work in sourcing teams, we surveyed 52 sourcing teams across four global companies in various industries. Nearly 300 respondents evaluated their team’s overall task expertise (competencies, technical, factual knowledge) and creative capabili-

“Ability to think out of the box is essential for next-generation professionals”

ties (visualizing thoughts, reworking ideas, coming up with original ideas) as well as the team atmosphere. Results show that both, creative capabilities as well as task expertise are needed to set an optimal team climate in which ideas can flow and be exchanged! Next-generation purchasing professionals are encouraged to become more ambidextrous: they should train and use both the left and right side of their brain – associated with logic and creative thinking!

Myth 3 Creativity needs same-minded, creative experts

Many companies erroneously rely on a technical expert or even a team of experts to generate a stream of creative ideas. Harder problems call for even more knowledgeable experts, is the line of thinking of those falling for the expert myth. Putting an expert to work, however, also bears the risk of pursuing old, beaten paths. Even experts are not protected from falling back into old patterns of behavior, employing well-established, time-proven solutions. ‘Never change a winning team’-approaches to sourcing, however, can become lethal to the competitive advantage of a company when the winning team →



starts losing because of changing rules, better competitors or inertia. Team researchers suggest that particularly tough problems often require the perspective of an outsider or someone not limited by previous knowledge or routines. The problem of falling back to old patterns is especially pronounced in the purchasing context. With sourcing decisions becoming more complex and intertwined with overall business strategy, buyers are increasingly asked to solve problems that are clearly sourcing-related but carry business-wide implications. In search for a remedy, many companies have begun to staff their sourcing teams cross-functionally. As sourcing decisions pervade and affect the entire organization, the purpose of these teams is to pool relevant and specific functional knowledge from all over the organizations for devising well-informed and competitive sourcing strategies. With diverse functional representation, team members collectively develop a broader, more holistic view of the sourcing situation. In turn, they can seek synergies across business units and draw on diverse knowledge bases to craft strategies that reduce costs, mitigate risk and increase value.

In search for empirical support backing up the hypothesized positive effect of diversity, we also assessed the structural setup of the 52 surveyed sourcing teams in terms of cross-functional staffing. About one third of the surveyed teams was exclusively staffed with purchasing managers, in one third of the teams buyers worked with colleagues from other functions, and yet in another third, three or more functions collaborated.

Non-purchasing team members were typically from Marketing, R&D, Operations, Finance and Accounting. Our results confirm that sourcing teams benefit from cross-functional team staffing! When more diverse

tions and ideas. It's up to the team to communicate ideas clearly, market them convincingly to internal stakeholders and find the right customers and context for their application! Besides fostering a creative team clima-

“Contrary to common perceptions people might have, creativity is not the ability to create ideas out of nothing”

functions are represented, more knowledge can be accumulated and pooled where it is needed to solve complex sourcing problems. So team members can draw from a variety of perspectives and expertise to recombine existing knowledge in new ways. Next-generation purchasing professionals should embrace diversity.

Myth 4 Once we have a creative idea, the work is done

Embracing diversity and simultaneous emergence of both the left and the right side of the brain thinking in sourcing teams are only the first steps towards more creative sourcing solutions. The second and arguably more crucial step is getting the idea accepted and promoted for implementation by top management. A trap for many individuals and teams is the belief that once they have developed and agreed on a new idea or solution, their work is done. However, top management will certainly not beat a path to their door regularly to inquire about latest solu-

te within which ideas can thrive, be exchanged and built upon, purchasing professionals must always critically evaluate solutions. In a business context, creative ideas must be assessed not only with respect to novelty, but more importantly with regards to relevance, feasibility and specificity. Novelty can be determined by clarifying how really ‘out of the ordinary’, unconventional, original and radically new compared to industry norms a solution is.

A solution is relevant when it is applicable to the stated problem, and relevant and effective for solving the problem at hand. Feasibility is important to assess as the solution must be easy to implement, not violate known constraints, and be acceptable given known constraints. The last stress test concerns the solution's specificity: is the solution worked out in detail? Are clear action points provided? Is the solution presented in a communicative, understandable manner? Continuous assessment of creative ideas and solutions along →

these four dimensions will enable next-generation purchasing professionals to generate as well as select the most promising ones for implementation.

Myth 5 External incentives or pressure will increase people's creativity

Another common myth argues that bigger incentives or some form of pressure will increase motivation and hence increase creative performance. Incentives can help, but often they do more harm than good, as people learn to game the system. Team leaders often provide the source of such pressure and incentives: they typically have the power and discretion to influence and steer team members to perform according to expectations.

to which the team leader invites members' active involvement in the decision-making. Curious to establish first empirical evidence for the role leaders play in creative sourcing strategy formation, we also asked members of the 52 surveyed sourcing teams to rate how facilitative their team leader was. Did the leader show interest in the concerns of team members? Did the leader empower them? Our results paint an interesting picture, worth a careful inspection. The good news is that facilitative leaders have the ability to set a creative climate in their sourcing teams. At the same time, however, team members seem to cut back on using their own creative capabilities for fostering a creative climate themselves. In other words, team members have learned to game the system in which a

"Busting the myths will help to turn rumor about creativity being a powerful ally into a fact"

Leader behavior has been identified as pertinent for sourcing team success. Collective, creative strategy formulation is a relatively unstructured, complex task with unclear outcomes. In such situations, leaders must show consideration for team member concerns and involve them in decision-making processes in order to stimulate creative, cognitive processes. With relevant knowledge for solving contemporary sourcing challenges often coming from outside the purchasing function, leaders need to be able to develop a shared vision among diverse team members. Thereby striking a careful balance between commanding and demanding.

In the context of team creativity, facilitative leader behavior has been shown to fuel the emergence of creative team climates and is defined along two dimensions: consideration and participation. Consideration is the degree to which a team leader demonstrates concern and interest for the well-being of team members. Participation is the degree

facilitative leader does the work of setting a creative climate. This suggests that team leaders should be trained and sensitized with respect to the influence of their behavior on the overall team climate. Regular training, assessment and peer assessment could help to better steer and time their influence on teams. More precisely, they should be more active in teams that are not so creative, and stay more passive in highly creative teams. Next-generation purchasing leaders should carefully time and dose their influence in sourcing teams.

Busting these myths will help to turn rumor about creativity being a powerful ally into a fact: creativity is here to stay! ○

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NEVI, the Dutch Association for Purchasing Management, was founded in 1956. Since then, NEVI has grown to become one of the world's leading Purchasing Management organizations. NEVI is a member of IFPSM (International Federation of Purchasing and Supply Management) and chair of the European division. With over 6500 members, working in the private and public field, NEVI is the principal authority for matters concerning Purchasing in the Netherlands. NEVI Publiek is a NEVI platform particularly for public procurement professionals to meet, exchange experiences and knowledge and take part in various activities. NEVI members receive Deal!, a monthly magazine for procurement professionals, and discounts on professional education, seminars and conferences. NEVI members can attend membership activities for free, have access to the online NEVI database with over 1200 documents and a list of all NEVI members.



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