

Exchanges with Interest

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CATEGORY- Best people development initiative

WINNER- HSBC

International secondments helped HSBC to set up purchasing teams around the world and develop its future leaders, as Paul Snell, News Editor, Supply Management reports.

For many purchasers Brazil, Bermuda and Mexico are merely holiday destinations. But for buyers at HSBC, they are three of the locations on offer to enhance their skills and develop purchasing around the world.

The HSBC Group Purchasing International Resourcing programme sends buyers to purchasing departments overseas. It was launched in 2002 under chief procurement officer David Pritchard.

Pritchard, who himself had just returned from two years as the head of purchasing in Brazil, saw a secondment programme as a way of increasing professionalism and investing in procurement.

So far 21 purchasers have been or are on secondment in locations as varied as Hong Kong, Canada and Saudi Arabia. The bank estimates that around 4 per cent of its purchasers are on a secondment at any time.

The project gives purchasers the opportunity to develop their procurement skills, swap best practice with buyers in other countries, spread HSBC's corporate ethos, and give those employees who have been identified as having "high potential" a chance to broaden their international business skills.

According to Pritchard, the time spent overseas depends on the purpose of the secondment. "If you are there to set up a function then two years would be a minimum," he said. "But a shorter time might be more appropriate if you work at a more junior level, or you are there to transfer a specific skill or share experience."

In the first phase of the programme, UK buyers were sent overseas to establish a common purchasing model, recruit good local buyers and train them in best practice purchasing. By the end of 2003, HSBC had established purchasing departments in Hong Kong, the US and Mexico.

In phase two, training events for buyers were introduced in the UK and abroad. It also involved nominating managers in each host country, to run the programme and help secondees deliver their objectives.

The third phase, which began in 2004, introduced a multilateral exchange programme, where seven buyers on three- or four-month placements have exchanged best practice and cultural experiences. The secondees now have savings targets.

"I had some envious comments when I was offered the opportunity to spend six months in Bermuda," says Nick Kennedy, UK purchasing manager. "I now have a much better appreciation of the distinct challenges for each country and can see that best practice is not the monopoly of any one country or organisation."

The judges praised HSBC for a "sustained programme, developing year on year". In the future, Pritchard says: "There is going to be more opportunity for people at a junior level to get involved, people with potential. Because they are the leaders of the future."