



## **Mitigating Risk with Innovation**

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This conference season, I've had the pleasure of talking and networking with many procurement professionals. One word is at the top of everyone's mind: risk.

Today's procurement organizations are thinking more and more about risk. What areas have inherent risk? To what degree? How do we mitigate it? A lot of attention is focused on controlling external risk, especially ones associated with upstream suppliers. Most companies have also implemented procedures to mitigate internal risk--security, compliance, and so on. But I believe one of the most under-analyzed risks in supply chain, one that could be the biggest threat going unaddressed today, is the risk of groupthink in procurement teams.

Speaking from my own professional experience, I believe teams that make the most impact are created through diverse backgrounds and thought

processes. Every person has unique strengths and weaknesses that balance out through intentional collaboration with others, collaboration with others that might not all think the same way. For example, a popular thinking model today is the Herrmann Brain Dominance Instrument (HBDI), a system developed by William Herrmann that breaks down people's thinking preferences into four main quadrants: blue (analytical/logical), green (practical/organizational), yellow (experimental/creative) and red (relational/social). As a certified HBDI practitioner, I have all my team members at ConnXus take this assessment. My organization finds a lot of value in measuring thinking profiles for collaboration, and my hope is that each team member is more aware of his or her strengths and weaknesses.

"Whole brain" thinking (in this case, covering all quadrants of HBDI thinking preferences) is important in procurement teams. Teams that don't have their bases covered with the right type of people miss out on opportunities to be innovative and drive procurement to the next level. Procurement teams traditionally reflect the logical and analytical sides of business. As we look towards the evolution of our procurement solutions, whether it's engaging suppliers, building RFPs, or evaluating vendor risk, we become limited by groupthink ideas. We have to consciously seek out the creative and empathetic problem-solvers who naturally prefer to think a different way.

For us to push ground-breaking change in procurement, we need "whole brain" thinking to drive innovation in our project teams. Diverse thinking requires having the right people--the different people--at the table. Are you getting the most out of every idea and process? Are you thinking from all points of view? I believe it's important to be reflective, to assess the way your own thinking style and preferences impact the way you work with others. And I believe it's also important to assess the people that are working in your project teams and see if your teams represent whole brain thinking. If not, I encourage your procurement organization to think about areas that might be lacking, and to fill those gaps with the right talent. As a part of your workflow and engagement, innovation requires having a fundamental shift in thinking.