

African PEP finance pioneer reaps rewards of investment in excellence

FSD Africa is a non-profit finance market development organisation with a culture of excellence in everything it does. Ambitious to understand exactly what this looks like for procurement, the team turned to CIPS. Our Procurement Excellence Programme has enabled the function to become a valued internal advisor, strategic partner and innovator as well as an exemplar of best value for money to its funder, the UK Foreign, Commonwealth & Development Office.



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The PEP process was amazing and enlightening and I would encourage any organisation to go through it! It allows you to pause and reflect and to be supported by your CIPS Assessor in a way that gives you confidence in what you can deliver. It pushed us to want to be better than we thought possible.”

Carolyne Motari
Officer, Procurement, FSD Africa



Stepping up

Established in 2012, FSD Africa strengthens financial markets across 31 African countries to bring about growth and opportunity. Its ambition to be a leading light in terms of efficiency and impact within the economic development sector has influenced the performance aspirations of the procurement function.

Confident in the effectiveness of its processes and systems, the procurement team of three nevertheless knew it had more to give. It resolved to learn where to focus its efforts to get even better, how to earn a bigger role in the organisation and what it would take to overcome supplier selection issues inherent in its unusually niche market.

The team chose CIPS Procurement Excellence Programme (PEP) to help answer these critical questions, convinced that its combination of global benchmarking, structured and detailed approach and expert and supportive guidance would enable the step-change in performance and innovative practices it was seeking.



Breaking through

The evidence gathering and performance evaluation of the PEP process proved highly fruitful for the procurement team, with the CIPS Assessor's steadfast, hands-on help and expert insights cited as a big part of its success. In turn, the CIPS Assessor says the standout thing for her was how positively and quickly the team responded to feedback and enhanced how they work.

Among the early findings was leadership so strong it translated into an empowered procurement team motivated to improve. Other performance highlights revealed by the process ranged from a well-connected set of preventative control processes throughout the project lifecycle to the beginnings of a new way of working with suppliers to deliver ESG and sustainability targets.

Three learnings from the PEP evaluation opened the team's eyes to opportunities to deliver the performance breakthrough it sought. The first was to enrich the existing procurement strategy by aligning it with the organisation's strategic objectives. The second to strengthen risk management by broadening the risk register to include supplier risks. And the third to segment suppliers more appropriately and develop truly collaborative relationships extending beyond the tender process.

The benefits for FSD Africa

FSD Africa says benefits of the Procurement Excellence Programme process and award include:

- A community of practice and network to enhance the function's role in the organisation
- Global recognition for procurement excellence, transparency and value for money
- Continue to use procurement as a strategic lever in its mandate within the 5 dimensions and beyond, both in the daily tasks and strategic ones
- Empowered team with the confidence and knowledge to continue improving and innovating
- Expanded and more influential advisory role within the organisation
- Greater awareness of opportunities to upgrade performance standards and processes
- Enhanced communication about procurement policies and plans across the organisation
- Strengthened team working through a better understanding of team dynamics and roles
- Enriched benchmarking strategy encompassing strategic thinking and operational direction



Staying agile

As one of only a handful of organisations in Africa to achieve the PEP Award, FSD Africa has enhanced its reputation among partners and donors for providing value for money, transparency and effective procurement. Internally, the procurement function has proved its worth as a core value enabler and trusted voice.

According to the team, the overarching benefit of the PEP process is that it acts as a springboard for new perspectives and fresh ideas. Alongside the improvements introduced to close gaps during the process itself, others have been made since.

Procurement's benchmarking strategy has, for example, been expanded to include strategic thinking, operational direction and support activity for the first time. The team has also been spurred to explore the innovative use of AI Supplier Relationship Management and Risk Management in a vendor portal in a way that will make the function more agile and better able to handle growth.

Conscious of having to keep up with changing times and with an organisation whose strategy will continue to evolve, the procurement team has developed a growth mindset to evolve as the organisation evolves over the coming years. The PEP process has helped us to visualise what the function's role would look like in the context of a far larger team with a larger remit. The team now have their sights set on working towards achieving the Silver PEP Award in two years' time.



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There's a realisation that procurement is not a separate unit and you have to think more broadly. We are now extremely intentional about creating awareness of what we can offer, learning from suppliers before the bid process and having a seat at the table when any project is discussed with suppliers”

Carolyne Motari

Officer, Procurement, FSD Africa



100

100 people with 3 people in the procurement function

500

An average of 500 suppliers from over 20 countries

£14m

An average of £14 million annual procurement spend

90%

90% of procurement spend is on advisory services

“

FSD Africa operates in a niche sector with few peers to benchmark against so the PEP, and its use of CIPS global standards and networks, was particularly valuable in providing both an external perspective on whether it has everything in place and an external evaluation of how well it is taking care of the money it has been given by donors”

Jane McAuliffe
CIPS Assessor

The CIPS Procurement Excellence Programme is an independent and comprehensive assessment of your procurement team function designed and delivered by world-class, leading experts.

- Globally recognised award
- Demonstrates how well your procurement function is performing against an internationally recognised standard
- Helps your organisation build a function fit and ready for future challenges



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