



Competence monitor Procurement private market 2021

Di-Mens

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The Research

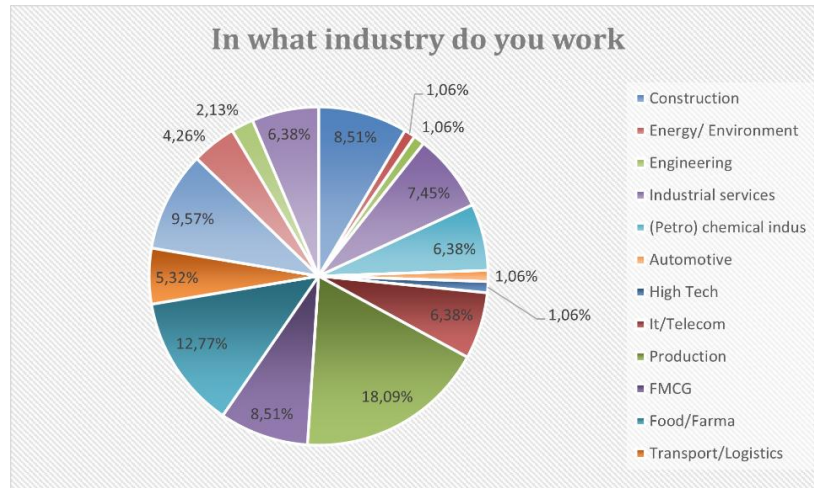
For years Procurement management in the Netherlands indicates the “right” competences of procurement professionals as a main condition for development. What are those competences and what developments do we register? After contributing to a market consultation regarding this theme in 2013 and 2017, Di-Mens has conducted this year a research among over 1000 directors/managers Procurement in the private area in the Netherlands. The question was: “What are today’s most important competences for a procurement professional at an “operational/tactical” level and at a “strategic” level.

Besides some qualification questions the respondents has indicated the 4-8 most important competences from a list of 44 both at “operational/tactical” level and “strategic” level. The answers were 100% anonymous and the survey has been conducted among Dutch-speaking and English-speaking directors/managers procurement. The research delivers a “Top-40 competences Procurement 2021”. This list has been divided in a “Top-40 competences Procurement Strategic 2021” and a “Top-40 competences Procurement Operational/Tactical 2021”.

Ultimately 124 respondents have participated, indicating a response of over 12%. Whenever applicable due to the number of respondents we expand on the results at “Strategic” level per sector, spend category and spend volume in case the results show substantial differences. We restrict ourselves to the “strategic” level because especially the development of “Strategic” Procurement is considered as a major theme.

We think that this benchmark will support the director/manager procurement in developing the behaviour and position of Procurement as a base of further development.

Respondents



This graph shows how the respondents are divided over the various sectors. Because not all sectors have generated enough results, we link the survey results to clustered sectors and mention differences in case of substantial deviations.

We've defined the following clusters of sectors:

Cluster 1 **Project-based Industrial**; Construction, Engineering, Industrial Services;

Cluster 2 **Capital intensive Services**; Energy/Environment, (Petro)chemical, It/telecom, (Passenger)transport/logistics, Healthcare;

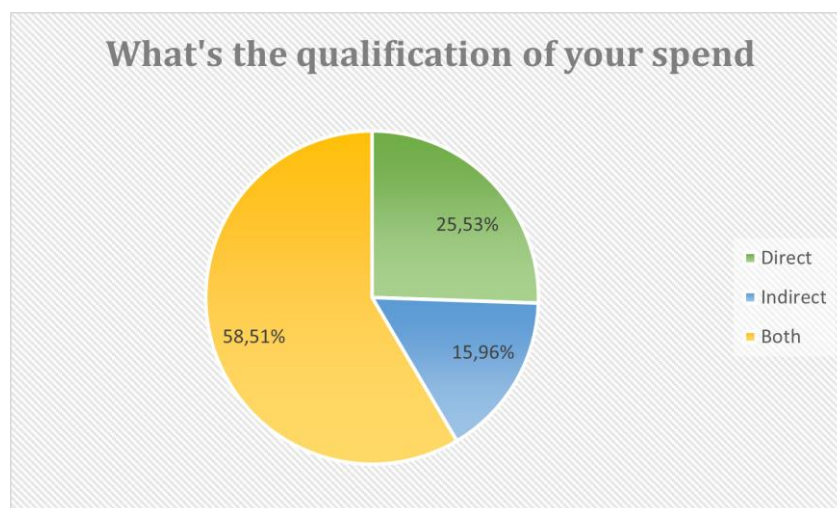
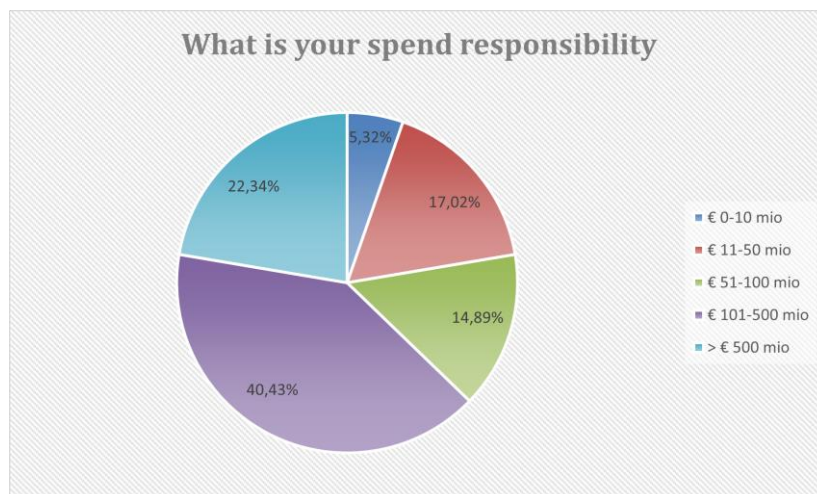
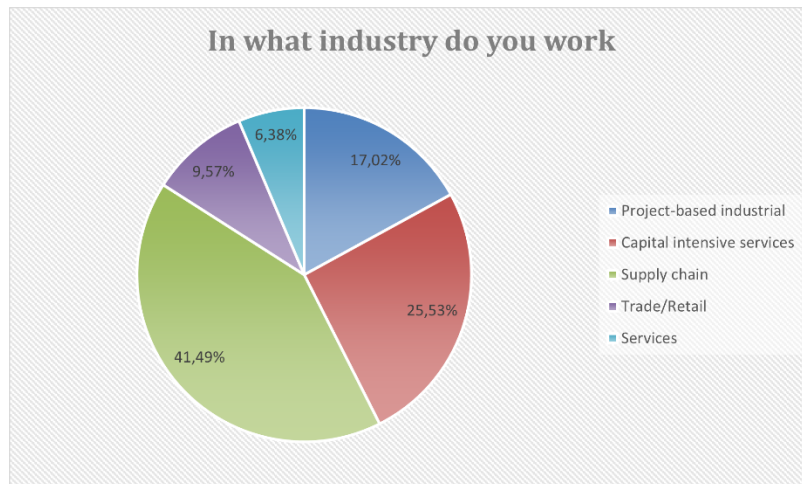
Cluster 3 **Supply chain**; Automotive, High tech, Production, FMCG, Food/Farma

Cluster 4 **Trade**; Trade/Retail

Cluster 5 **Services** ; Corporate services, Financial services

The criterion, to what extent procurement affects the delivered goods and services of the organization, determines to what cluster a sector belongs. This has been distracted from the spend allocation divided over the various spend categories per sector. The more direct a spend category can be linked to the products and services delivered to the end user, the bigger the seeming impact on the results of the organization.

Clustering the sectors leads to the following allocation of respondents:

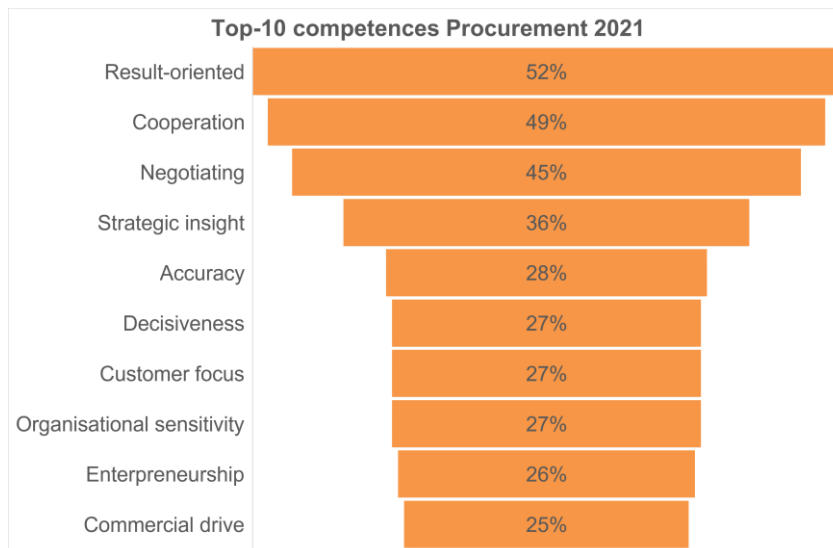


Results

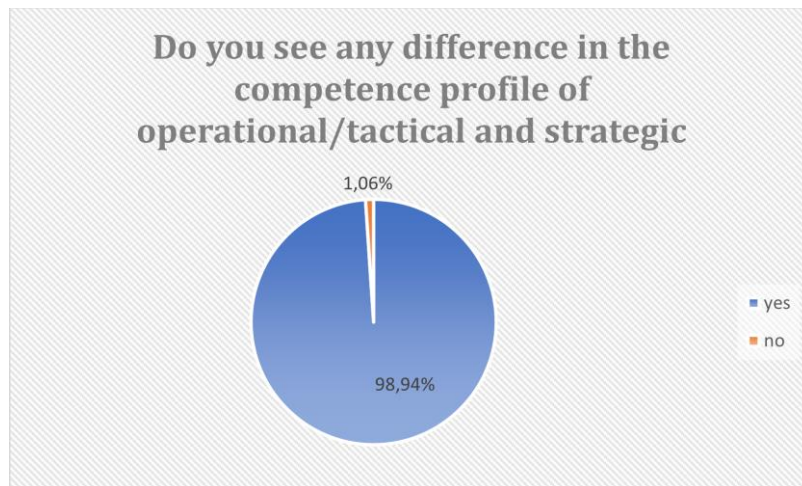


The management considers knowledge of the market as the most important criterion to hire a procurement professional, closely followed by the knowledge of the procurement process. Knowledge of the product is seen as least important. This ratio applies more or less to all segments. The exceptions are “Trade” and “Services” where the knowledge of the market scores substantial higher. Compared to the results of 2017 knowledge of the procurement process and knowledge of the product have been reshuffled. There seems to be a revival of the experience as a procurement professional. The inflow of professionals from other disciplines might have become less appropriate.

Here you find the answer at the question “What are those competences?” Below the top-10 competences procurement 2021.

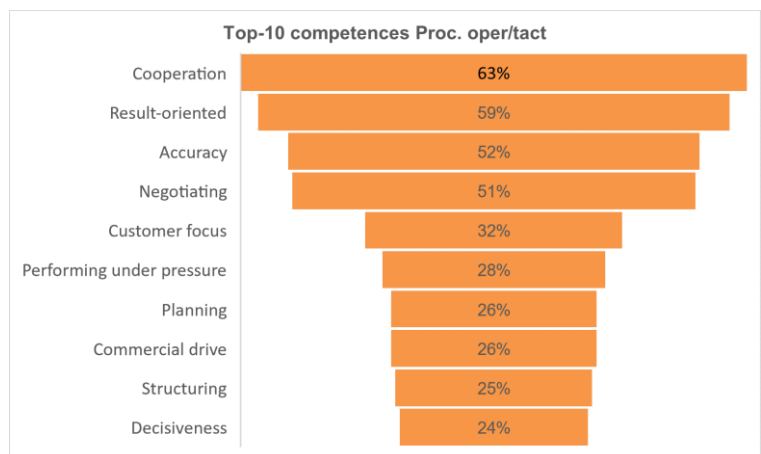
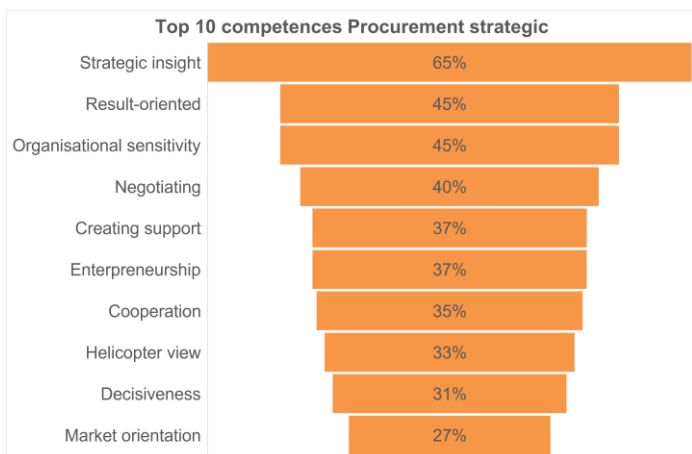


This concerns the total results of “strategic” and “operational/tactical” competences. The top-3 is the same top-3 as in 2017. These competences seems to be in firm control. We’ll see that operational competences have gained the upper hand compared to conceptual competences. The competences “Market orientation” and “Analyzing and forming opinions” have lost their top-10 positions. Those have been replaced by the competences “Accuracy” and “Decisiveness”. The fall of “Analyzing and forming opinions” from place 4 to place 22 is striking.



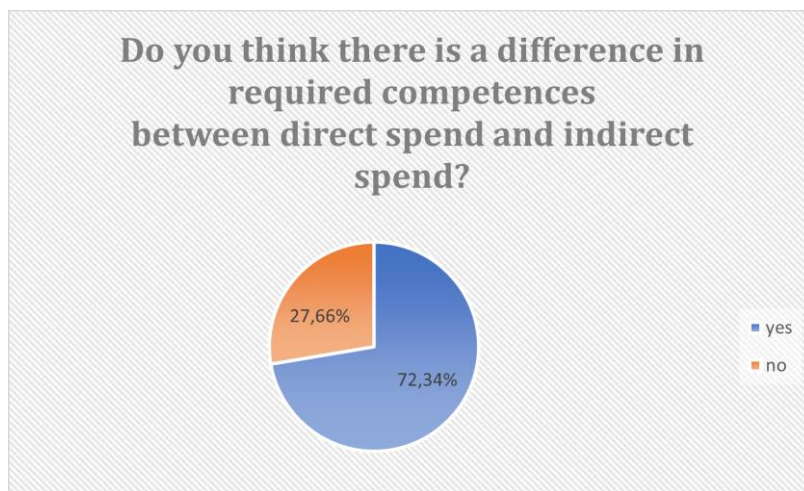
The procurement management unanimous sees a difference between the competence profiles at a “operational/tactical” level and a “strategic” level. This was the case in 2017 but today even stronger pronounced.

Below you see how the different profiles have been defined. “Strategic” and “operational/tactical” next to eachother.



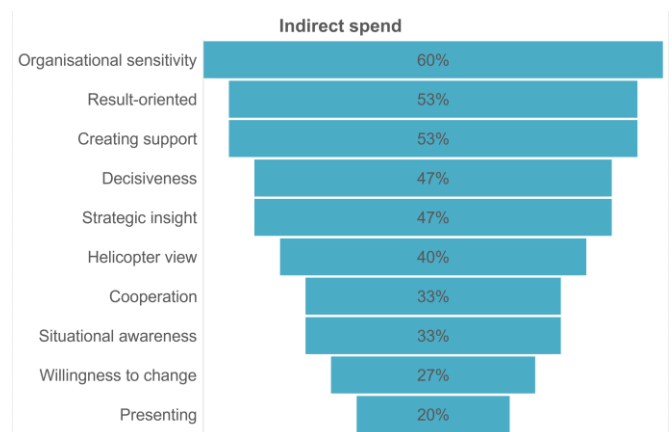
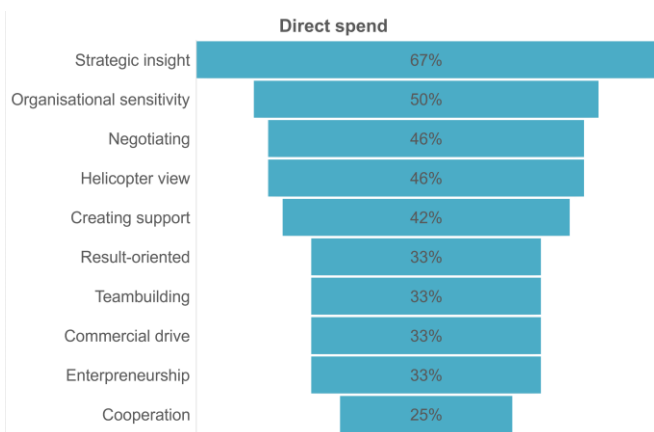
Outside the general top-3 procurement competences, only the competence “Decisiveness” shows up at both lists. It isn’t strange that 7 out of 10 competences of the “operational/tactical” profile is from the category “Operational strengths”. At the “strategic” profile the “Conceptual strength” competence “Strategic insight” is dominating the list. The other 2 “Conceptual strength” competences are “Helicopter view” and “Market orientation”. We’ll see that at the complete top-40 list of the “strategic” profile “Operational strength” and “Interpersonal strength” competences scores more points than “Personal strength” and “Conceptual strengths” competences.

Because the development of “Strategic” Procurement is considered as a major theme we focus on differences in competence profiles at “strategic” level considering the various segments of the survey.



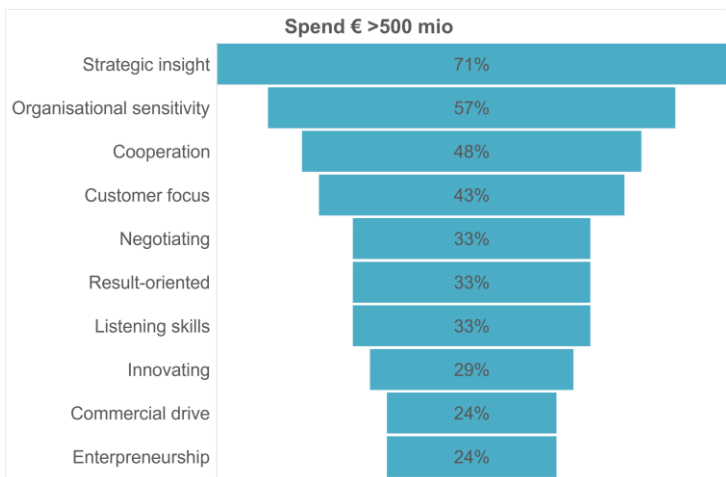
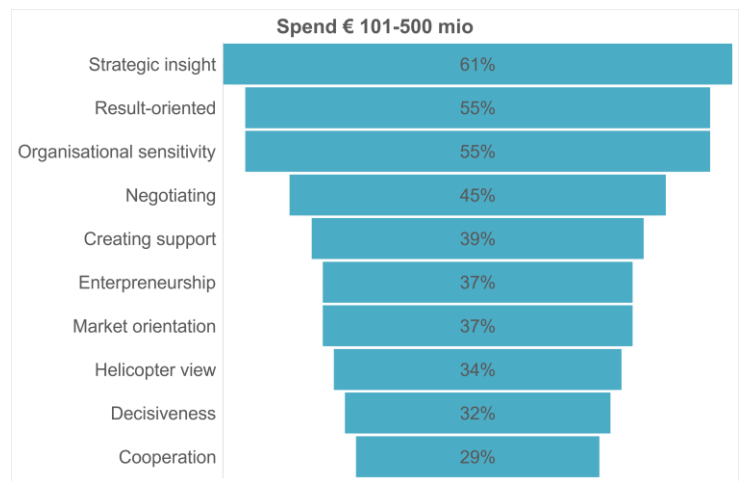
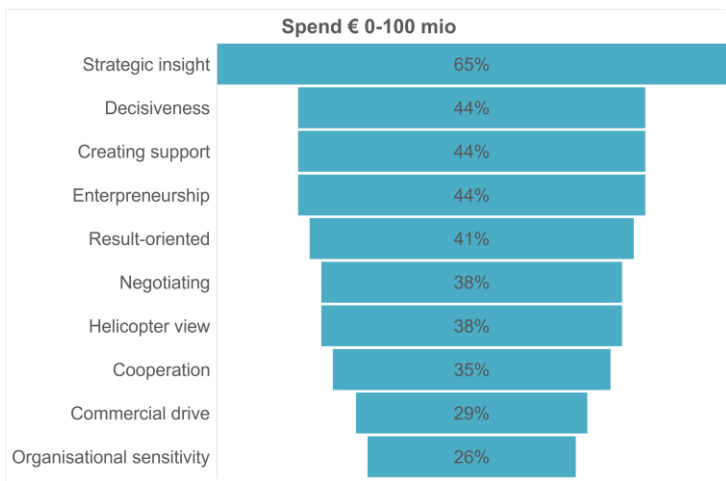
Almost three-quarter of the respondents sees a difference in the desired profile of professionals active in direct procurement and indirect procurement.

Below the differences:



We see that 6 competences out of both top-10 lists match, however each with a different weight. “Negotiating”, “Teambuilding”, “Commercial drive” and “Entrepreneurship” are showing up at the direct profile and not at the indirect profile. The other way around we see the competences “Presenting”, “Willingness to change”, “Situational awareness” and “Decisiveness”. May be we can conclude that in case of direct procurement business related competences are appealed to and in case of indirect procurement, these are stakeholdermanagement related competences.

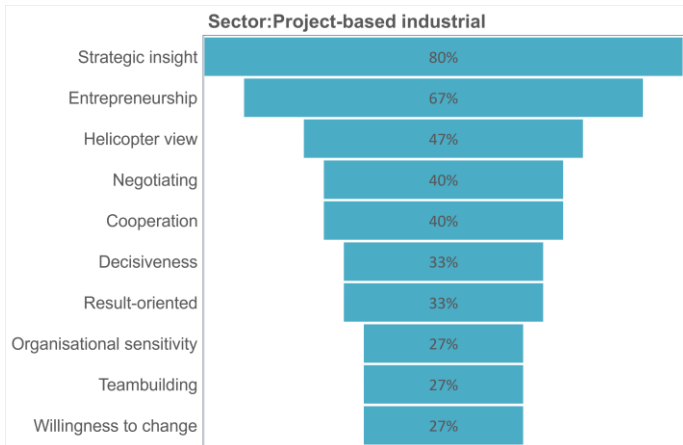
To what extend affects the height of the spend the desired competence profile?



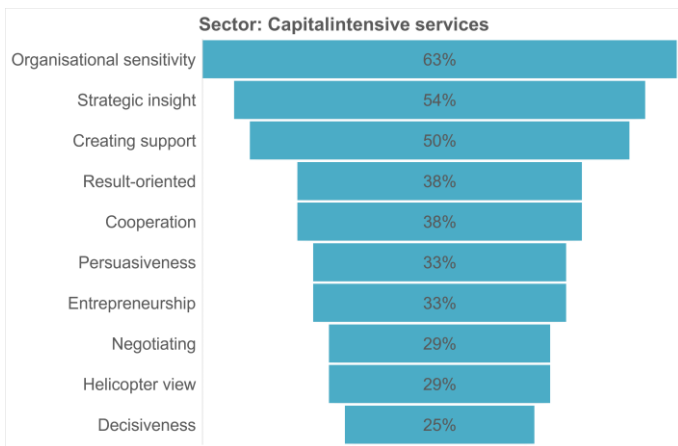
We see that 6 competences out of all spend volumes match. Here too each with a different weight.

At a spend level of € 101-500 mio the competence “Market orientation” has been mentioned exclusively in the top-10 and at a spend level of €> 500 mio this is the case for the competences “Innovating” and “Listening skills”.

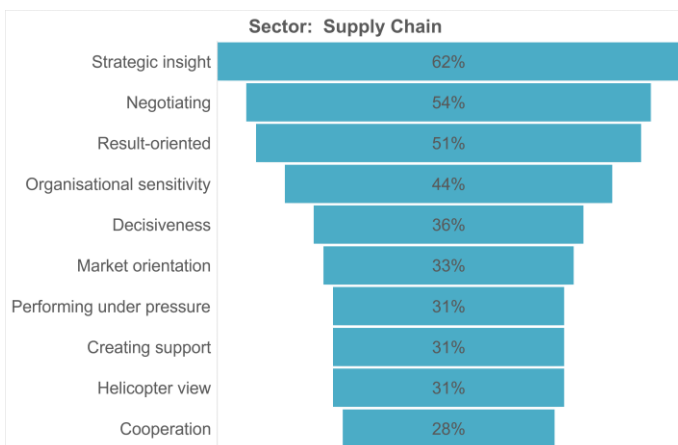
The results per sector have been clustered and show the following graphs:



- Construction
- Engineering
- Industrial services



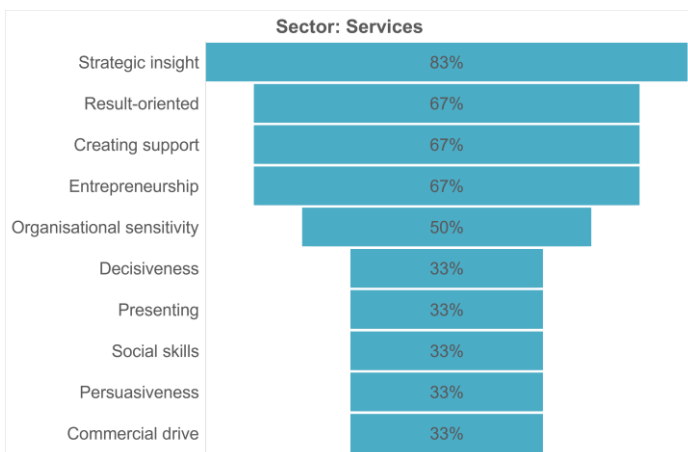
- Energy/Environment
- (Petro)chemical industry
- It/Telecom
- Transport/Logistics
- Healthcare



- Automotive
- High Tech
- Production
- FMCG
- Food/Farma



- Trade/Retail



- Corporate services
- Financial services

Only the competences “Strategic insight”, “Result-oriented” and “Organisational sensitivity” appear in all cluster top-10 lists. Unique at the cluster “Supply chain” is the competence “Negotiating” that is missing and the competences “Market orientation” and “Performing under pressure” are mentioned exclusively in the top-10 list. “Trade/retail” is the only cluster without “Decisiveness” at the list and on the contrary “Planning” is exclusively on the list. “Services” mentions “Presenting” and “Social skills” exclusively and is the only cluster where “Cooperation” is missing.

Conclusion

The top-3 competences Procurement is solid as a rock

1. Result-oriented
2. Cooperation
3. Negotiation

In 2017 we saw that competences from the competence categories “Personal strength” and Conceptual strength” had been moving up. Actually this development has stopped. Even stronger competences from the competence categories “Operational strength” and “Interpersonal strength” gain ground. May be this has to do with the present time where “operational/tactical” challenges are dominating the list of priorities and the “strategic” challenges has been put on the back burner. Nevertheless it’s now even more clear than 4 years ago that management unanimous sees a difference in competence profiles at “operational/tactical” level and at “strategic” level. Here we find the most clear watershed in the field of procurement profiles. In addition there’s better nuance in competence profiles based upon sector, spend category and spend volume. The base for Procurement as a catchall in the definition of competence profiles seems unstable.

Perhaps this is opening the way for more specific profiles which will support the development of Procurement.

Remarkable is the revival of “knowledge of the procurement process” at the expense of “knowledge of the product” at the priority list for hiring procurement professionals. This could hinder the inflow of the wanted competence profiles from other disciplines.

Basically from the perspective of competence profiles the development of “strategic” procurement seems to take a step back. Although, there’s an increasing awareness of the specific competence profiles necessary to achieve specified goals. So Procurement gets closer to the situation of “the right competences in the right place, which is an important condition for success.

Top-40 competences Procurement 2021

Result-oriented

Being focused on achieving objectives and results, persevering in the face of adversity

Cooperation

Working with others in order to effectively contribute to a common objective.

Negotiating

Coming to an agreement in situations in which people have a common objective but different interests.

Strategic insight

Setting strategic objectives for the organisation.

Accuracy

Effectively handling detailed information and being consistently attentive to details.

Decisiveness

Independently making decisions and sticking to them; having the courage to make firm decisions.

Customer focus

Identifying and actively responding to clients' wishes and needs.

Organisational sensitivity

Recognising the impact of one's own decisions or actions on other parts of the organisation.

Entrepreneurship

Identifying and/or creating new possibilities within new or existing frameworks.

Commercial drive

Demonstrating the will and the strength to generate business.

Creating support

Imagining other people's concerns and involving them in changes.

Market orientation

Demonstrate being well informed about developments in the market.

Performing under pressure

Maintaining an effective performance under pressure, or when faced with setbacks or disappointment.

Structuring

Applying, implementing and maintaining structure in day-to-day business.

Helicopter view

Maintaining an overview of the situation, and taking some distance in order to create an overview.

Planning

Systematically organising activities and setting time frames, setting priorities.

Social skills

Being able to successfully establish contact with others.

Persuasiveness

Presenting ideas and opinions with arguments and eloquence in order to reach an agreement.

Integrity

Complying with generally accepted standards in activities related to the position.

Initiative

Identifying opportunities and taking action.

Flexibility

Being able to change one's own behaviour or approach in order to achieve a certain objective.

Analysing and forming opinions

Being focused on examining matters in a systematic way.

52%	Listening skills	12%
	Being able to gather important information through verbal communication, obtaining clarification by asking questions.	
49%	Devotion to quality	12%
	Demanding a high quality of provided products and services, and acting accordingly.	
45%	Creativity	11%
	Providing original solutions to problems. Coming up with new work methods and alternative angles.	
36%	Innovating	11%
	Identifying opportunities to implement changes and improvements.	
28%	Teambuilding	11%
	Encouraging cooperation within the team in order to achieve common objectives.	
27%	Willingness to change	10%
	Dealing with changes, the ability to relate to the common interest and the willingness to act accordingly.	
27%	Service-oriented	10%
	Being focused on supporting others in achieving their objectives.	
27%	Stress resistance	8%
	Being able to handle stress.	
26%	Dutifulness	8%
	Demonstrating commitment to agreements.	
25%	Drive	8%
	Drive, passion.	
24%	Situational awareness	8%
	Demonstrate being well informed about developments in one's environment and effectively using this information for one's own organisation.	
22%	Adaptability	8%
	Purposefully adapting actions to different individuals.	
21%	Presenting	7%
	Presenting one's own point of view in such a way that the information is conveyed effectively.	
18%	Assertiveness	7%
	Effectively standing up for oneself.	
18%	Motivating	6%
	Stimulating employees to display desirable behaviour or perform the desired activities.	
18%	Delegating	5%
	Delegating work in an understandable, structured and verifiable manner.	
17%	Personal development	4%
	Being aware of one's own strengths and weaknesses: consciously working on personal development.	
16%	Directing	4%
	Directing others, taking charge.	
15%	Vitality	3%
	Lively and enthusiastic demeanour.	
15%	Sensitivity	3%
	Recognising and responding to other people's motives and feelings.	
15%	Analysing people's motivations	3%
	Finding out other people's perspectives.	
13%	Providing feedback	2%
	Giving scope to employees by sharing one's views on their performance.	

Top-40 competences Procurement 2021

Strategic insight

Setting strategic objectives for the organisation.

Result-oriented

Being focused on achieving objectives and results, persevering in the face of adversity

Organisational sensitivity

Recognising the impact of one's own decisions or actions on other parts of the organisation.

Negotiating

Coming to an agreement in situations in which people have a common objective but different interests.

Creating support

Imagining other people's concerns and involving them in changes.

Entrepreneurship

Identifying and/or creating new possibilities within new or existing frameworks.

Cooperation

Working with others in order to effectively contribute to a common objective.

Helicopter view

Maintaining an overview of the situation, and taking some distance in order to create an overview.

Decisiveness

Independently making decisions and sticking to them; having the courage to make firm decisions.

Market orientation

Demonstrate being well informed about developments in the market.

Commercial drive

Demonstrating the will and the strength to generate business.

Customer focus

Identifying and actively responding to clients' wishes and needs.

Persuasiveness

Presenting ideas and opinions with arguments and eloquence in order to reach an agreement.

Teambuilding

Encouraging cooperation within the team in order to achieve common objectives.

Performing under pressure

Maintaining an effective performance under pressure, or when faced with setbacks or disappointment.

Willingness to change

Dealing with changes, the ability to relate to the common interest and the willingness to act accordingly.

Presenting

Presenting one's own point of view in such a way that the information is conveyed effectively.

Social skills

Being able to successfully establish contact with others.

Initiative

Identifying opportunities and taking action.

Analysing and forming opinions

Being focused on examining matters in a systematic way.

Creativity

Providing original solutions to problems. Coming up with new work methods and alternative angles.

Innovating

Identifying opportunities to implement changes and improvements.

Strategic

65%	Structuring	12%
	Applying, implementing and maintaining structure in day-to-day business.	
45%	Listening skills	12%
	Being able to gather important information through verbal communication, obtaining clarification by asking questions.	
45%	Situational awareness	12%
	Demonstrate being well informed about developments in one's environment and effectively using this information for one's own organisation.	
40%	Motivating	11%
	Stimulating employees to display desirable behaviour or perform the desired activities.	
37%	Delegating	10%
	Delegating work in an understandable, structured and verifiable manner.	
37%	Planning	10%
	Systematically organising activities and setting time frames, setting priorities.	
35%	Flexibility	10%
	Being able to change one's own behaviour or approach in order to achieve a certain objective.	
33%	Devotion to quality	6%
	Demanding a high quality of provided products and services, and acting accordingly.	
31%	Adaptability	6%
	Purposefully adapting actions to different individuals.	
27%	Integrity	6%
	Complying with generally accepted standards in activities related to the position.	
25%	Accuracy	5%
	Effectively handling detailed information and being consistently attentive to details.	
23%	Directing	5%
	Directing others, taking charge.	
23%	Analysing people's motivations	5%
	Finding out other people's perspectives.	
17%	Assertiveness	5%
	Effectively standing up for oneself.	
14%	Stress resistance	5%
	Being able to handle stress.	
14%	Sensitivity	4%
	Recognising and responding to other people's motives and feelings.	
13%	Drive	3%
	Drive, passion.	
13%	Vitality	3%
	Lively and enthusiastic demeanour.	
13%	Service-oriented	2%
	Being focused on supporting others in achieving their objectives.	
13%	Personal development	2%
	Being aware of one's own strengths and weaknesses: consciously working on personal development.	
13%	Dutifulness	1%
	Demonstrating commitment to agreements.	
13%	Providing feedback	1%
	Giving scope to employees by sharing one's views on their performance.	

Top-40 competences Procurement 2021

Operational/tactical

Cooperation Working with others in order to effectively contribute to a common objective.	63%	Creating support Imagining other people's concerns and involving them in changes.	11%
Result-oriented Being focused on achieving objectives and results, persevering in the face of adversity	59%	Stress resistance Being able to handle stress.	11%
Accuracy Effectively handling detailed information and being consistently attentive to details.	52%	Organisational sensitivity Recognising the impact of one's own decisions or actions on other parts of the organisation.	10%
Negotiating Coming to an agreement in situations in which people have a common objective but different interests.	51%	Persuasiveness Presenting ideas and opinions with arguments and eloquence in order to reach an agreement.	10%
Customer focus Identifying and actively responding to clients' wishes and needs.	32%	Creativity Providing original solutions to problems. Coming up with new work methods and alternative angles.	10%
Performing under pressure Maintaining an effective performance under pressure, or when faced with setbacks or disappointment.	28%	Innovating Identifying opportunities to implement changes and improvements.	10%
Planning Systematically organising activities and setting time frames, setting priorities.	26%	Adaptability Purposefully adapting actions to different individuals.	9%
Commercial drive Demonstrating the will and the strength to generate business.	26%	Assertiveness Effectively standing up for oneself.	9%
Structuring Applying, implementing and maintaining structure in day-to-day business.	25%	Strategic insight Setting strategic objectives for the organisation.	8%
Decisiveness Independently making decisions and sticking to them; having the courage to make firm decisions.	24%	Willingness to change Dealing with changes, the ability to relate to the common interest and the willingness to act accordingly.	6%
Integrity Complying with generally accepted standards in activities related to the position.	24%	Personal development Being aware of one's own strengths and weaknesses: consciously working on personal development.	6%
Social skills Being able to successfully establish contact with others.	22%	Teambuilding Encouraging cooperation within the team in order to achieve common objectives.	4%
Flexibility Being able to change one's own behaviour or approach in order to achieve a certain objective.	19%	Vitality Lively and enthusiastic demeanour.	3%
Devotion to quality Demanding a high quality of provided products and services, and acting accordingly.	18%	Helicopter view Maintaining an overview of the situation, and taking some distance in order to create an overview.	3%
Service-oriented Being focused on supporting others in achieving their objectives.	18%	Situational awareness Demonstrate being well informed about developments in one's environment and effectively using this information for one's own organisation.	3%
Initiative Identifying opportunities and taking action.	17%	Directing Directing others, taking charge.	2%
Entrepreneurship Identifying and/or creating new possibilities within new or existing frameworks.	16%	Providing feedback Giving scope to employees by sharing one's views on their performance.	2%
Market orientation Demonstrate being well informed about developments in the market.	16%	Sensitivity Recognising and responding to other people's motives and feelings.	2%
Dutifulness Demonstrating commitment to agreements.	14%	Delegating Delegating work in an understandable, structured and verifiable manner.	1%
Analysing and forming opinions Being focused on examining matters in a systematic way.	14%	Presenting Presenting one's own point of view in such a way that the information is conveyed effectively.	1%
Listening skills Being able to gather important information through verbal communication, obtaining clarification by asking questions.	13%	Motivating Stimulating employees to display desirable behaviour or perform the desired activities.	1%
Drive Drive, passion.	12%	Analysing people's motivations Finding out other people's perspectives.	0%