

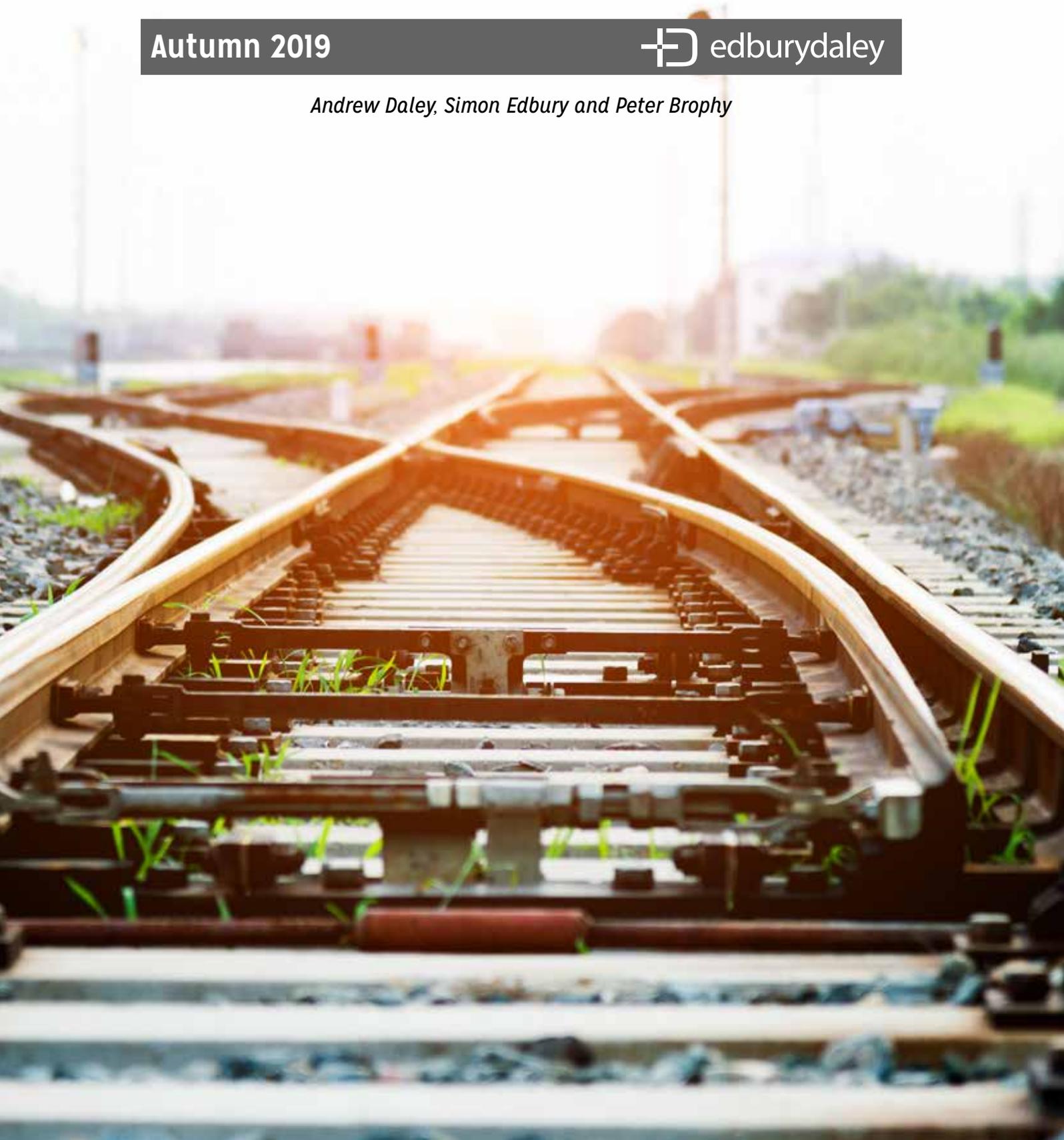
Procurement & Spend Management

Insider

Autumn 2019

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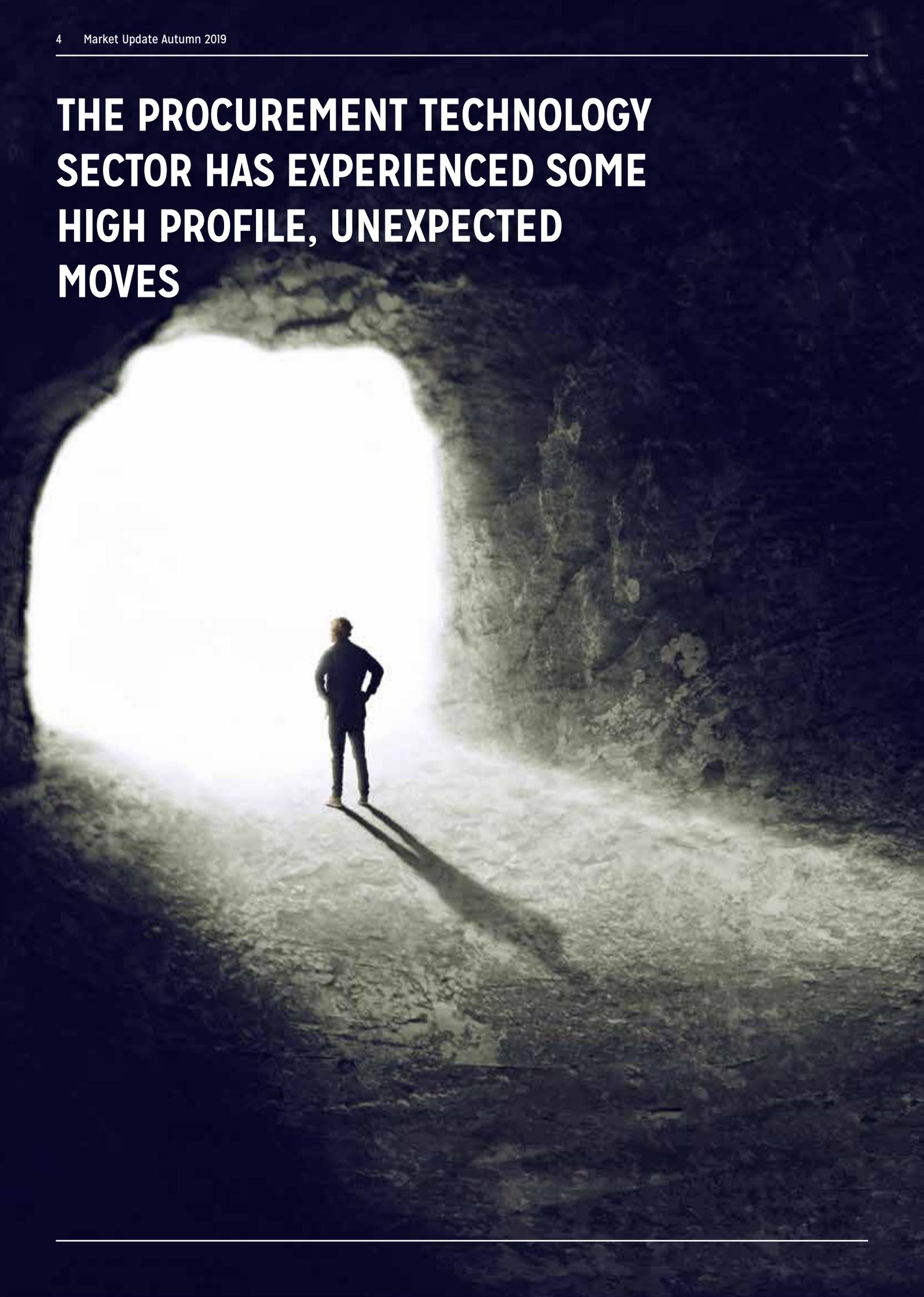




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THE PROCUREMENT TECHNOLOGY SECTOR HAS EXPERIENCED SOME HIGH PROFILE, UNEXPECTED MOVES



“THE SENIOR END OF THE PROCUREMENT JOB MARKET WAS RELATIVELY ACTIVE EARLIER THIS YEAR ”

INTRODUCTION

The procurement technology sector has experienced some high profile, unexpected moves and there have been several senior departures from one key player in the sector. There's also news from the European market along with an update on recent results of the software vendors, and the latest mergers and acquisitions.

The senior end of the procurement job market was relatively active earlier this year and in this report we examine if this trend has continued into the second half of the year, where the opportunities have been and give senior professionals valuable insight into the demand for their skills.

We analyse the latest job market data from KPMG and both leading recruitment professional bodies APSCo and REC to assess what's happening in the UK's professional job market. We also look at how the trends compare to what we see in the procurement and spend management professions to keep you up to date with what your career development options look like.

We've had a great response to our recent research where we asked leaders to tell us about their biggest challenges with their existing teams and the problems they face when hiring. With over 450 responses, the analysis provides very interesting insights into the real issues that businesses are facing.

THE SOFTWARE VENDORS ALMOST ALWAYS FAVOUR HIRING PEOPLE FROM COMPETITORS IN THE SECTOR WHO UNDERSTAND HOW TO ARTICULATE THE VALUE PROPOSITION



“THE LAST FEW MONTHS HAVE SEEN SOME SIGNIFICANT MOVES IN THE UK SPEND MANAGEMENT MARKET”

THE PROCUREMENT SOLUTIONS MARKET - MOVERS & SHAKERS

The last few months have seen some significant moves in the UK spend management market, particularly in sales leadership. It's been all change at Basware where Country Manager Louis Fernandes left the business in the summer whilst Stephen Cleminson, their UK Alliances Director, also moved on, joining Ivalua in a similar role covering the UK and Nordics.

In early October news emerged that Basware had appointed Justin Sadler-Smith, previously of IBM Emptoris and most recently UK Sales Director at SAP Ariba, as their new Country Manager. SAP moved swiftly to cover Justin with the internal appointment of Fieldglass UK Sales Director Stephan Beeusaert to cover both Ariba and Fieldglass, which is consistent with their plan to integrate the two businesses alongside Concur into the “Intelligent Spend Group” as announced at Ariba Live in Barcelona back in June.

Outside of the UK, Basware has also lost two respected senior leaders in their overseas businesses with US General Manager Eric Wilson joining GEP in July and Senior VP Ilari Nurmi leaving their European team, and the sector in general, when he joined DevOps business Eficode in August as CEO.

The other big news in the UK is that Ivalua recruited former Tradeshift Sales Director Ian Thompson to lead the growth of their business across the UK and Nordics. They've also added Stephen Carter, formerly of Basware.

Jaggaer made a key appointment to lead their eInvoicing compliance capability across Europe when they hired Ken Clarke from Open Text. They now appear to have fully integrated their acquisition of BravoSolutions (first announced in November 2017) into the business judging by their recent activity in Europe.

Simon Thompson, a respected member of the sales team at Ivalua and previously Proactis, has joined SAP Ariba in another move which, as those previously mentioned demonstrate, the software vendors almost always favour hiring people from competitors in the sector who understand how to articulate the value proposition to procurement and finance leaders. More on that later as we look at the key areas of demand in the market.

On the corporate front, Coupa's impressive growth continued as they announced record quarterly revenues of \$95.1 million, up 54% year-over-year.

Rob Bernshteyn, chairman and chief executive officer at Coupa told investors: “These results demonstrate our continued momentum in delivering measurable and repeatable value to our customers. By extending our leadership standing in Business Spend Management (BSM), we feel well positioned on our path to \$1 billion in revenue.”

However, Ivalua can claim to be the fastest growing privately held company in the market following its move to “unicorn” status (defined as start-ups reaching \$1 billion in valuation) after it attracted \$60m in funding from a new PE investor in May.

The majority shareholding still sits with the management and founder/CEO David Khuat-Duy, who was quoted at the time of the investment as follows: “This additional capital will allow us to deliver ever more value to our customers and secure future growth.” He also said the investment will fuel product innovation, global business growth and, possibly, strategic acquisitions.

Back to Jaggaer. In mid October the always excellent [Spend Matters](#) reported the appointment of a new CEO as follows: “Jaggaer today announced that it has a new CEO, effective immediately, and that it created the new position of chief operations officer. Jim Bureau becomes the CEO after being Jaggaer's executive vice president. The new COO for the North Carolina-based spend management software provider will be Vic Chynoweth, the current CFO, Jaggaer said.

Bureau will succeed Robert Bonavito as chief executive. Bonavito will be available as an adviser to the board, Chairman Euan Menzies said in a press release. Menzies said Bureau was vital to Jaggaer's sales and marketing efforts, as well as “formulating a company culture that supports our current and future goals.”

“During the next several months, Jim, Vic and I will be working together with the rest of the leadership to team, to redefine our vision and strategy to capitalize on the exciting opportunities ahead,” Menzies said.

Elsewhere AI-based finance solution provider AppZen, now a regular presence at Procurement (and Shared Services) events like eWorld and SAP Ariba Live, announced \$50 million of PE funding from investors who were “impressed by their ability to analyze 100% of spend and its use of artificial intelligence.” We expect to see more of them in the UK market in 2020.

OVERALL HIRING ACTIVITY IN THE SECTOR HAS REMAINED STRONG ACROSS EUROPE



“SALES, PRESALES AND IMPLEMENTATION ARE STILL THE KEY AREAS OF DEMAND”

SPEND MANAGEMENT

Overall hiring activity in the sector has remained strong across Europe throughout the year. We've seen evidence of increased head count in organisations of all sizes ranging from incremental growth at giants like SAP Ariba to significant increases at growing forces like Ivalua. There have also been some gradual increases at the smaller organisations like Wax Digital and best of breed solutions such as Risk Methods.

With companies often favouring hiring people with experience in the procurement technology sector, there is also a lot of activity driven by the benefits of strengthening your own business and weakening a competitor and then the subsequent replacement activity.

All this adds up to a very active market which bucks the trends outlined below about the wider professional job markets.

Geographically, the relatively mature markets like UK, Germany, France and Netherlands see the most competition for sector experienced people, but there are clear signs of growth in the Nordics and Southern Europe, particularly Italy.

Sales, presales and implementation are still the key areas of demand in the sector with genuine skills shortages evident in all three areas. Several organisations have ongoing needs for proven professionals in this area which is driving salaries up and putting more emphasis on fundamental talent attraction strategies.

Certain companies are consistently successful in hiring from the competition, others continually find it difficult and from our perspective it's often easy to understand what companies are doing right or wrong.

It's encouraging to see certain organisations thinking more creatively and hiring people from outside the sector and providing the necessary training and development to upskill them into valuable assets to the business. More of this will be required to fuel the overall growth of the sector in coming years and companies that don't have a clear strategy to hire the people they need will find human resources becoming an increasing constraint on growth as there are already clear signs of this in the market.

SMALLER PLAYERS

The market remains strong at all levels and a number of the niche players seem to be doing good business.

Many assume the niche products are more aligned to SME scale business market, but whilst many smaller organisations do look for alternatives to ERP scale systems, we find many of the niche players have quite an impressive client list within the FTSE250.

Our conversations suggest that many major corporates seem to have a somewhat disjointed or fragmented approach to their systems, often trying to manage legacy systems with limited investment budgets available especially on a plc wide basis. We have seen a number of examples where clients are using one s2p/p2p system for directs, another for services, legacy systems in some areas and a variety of niche products in certain business areas or functional lines. It seems one size does not fit all. It shows also that the market is still open to the SME or specialised vendor.

THE GROWTH IN THE MARKET IS OUTPACING THE GROWTH IN THE TALENT POOL



“SKILLS SHORTAGES ARE GENUINELY CONSTRAINING GROWTH ”

CONSULTING

The situation we described in the procurement technology vendor market is largely mirrored in the consultancies who live off the associated implementation and transformation projects. The simple explanation remains that the growth in the market is outpacing the growth in the talent pool, with a shortage of investment in training and development a key factor in that equation.

The consultancies also typically need proven, experienced performers to be credible on these projects, which limits their ability to use people who are developing. So we see the same people clocking up the experience on multiple Coupa and Ariba projects rather than significant growth in the overall talent pool.

However, there is anecdotal evidence that the consultancies recognise that training and development is the long term solution. Speaking to several respected consulting leaders on the subject, we have established the following.

Skills shortages are genuinely constraining growth because they are limiting the number of projects consultants can deliver at any given time. Several of the major consultancies are now looking to address this problem by seeking talent internally that they can train on the market leading solutions. It's a longer term play but in our opinion it's the right one.

There has been a reduction in the number of moves between the major consultancies because most potential moves are driven largely by salary considerations and are therefore particularly vulnerable to counter offers at resignation stage. This is one area where the consulting market differs from the solution vendor market with counter offers usually less successful.

So this backs up what we've been saying to our consulting clients for a while now, and that is "we can't carry on just relying on hiring from your direct competitors, it's very time consuming, all about the money, prone to counter offers and therefore has a lower conversion rate making it a poor return on your investment. There needs to be a long term plan to develop and retain your own nucleus of talent but be agile enough to cherry pick top talent when it becomes available."

One area that may provide a stimulus to the supply of experienced implementation and transformation talent is the interim market. Typically this has been a very expensive way to hire specialist expertise making consultancies reluctant to use the "associate model" except in extreme circumstances. But the introduction of IR35 legislation into the private sector in 2020 could have a dramatic effect on the contractor market as we explain below.

When we look at the mid-tier consultancies, many have focused more recently on hiring at consultant or associate level rather than senior individuals. At this level it's easier to recruit from industry, however competition for recent graduates with two or three years' experience remains high and moving these people between consultancies means entering a price war. Where they are interested in hiring senior individuals, the challenge remains to find the right balance of technical content and consulting skills.

The general view is that this trend hasn't changed this year, but recruitment is taking longer and in certain areas (IT procurement related consulting particularly) the challenge is finding good affordable people given that many have historically been seduced by lucrative contracting day rates.

TYPICALLY, THE INTERIMS IN THIS NICHE ARE SNAPPED UP QUICKLY BECAUSE THE RELEVANT PERMANENT TALENT POOL IS STILL SO IMMATURE.



***“THERE HAVE BEEN NOTICEABLY FEWER
OF THESE MOVES SINCE OUR LAST REPORT ”***

PROCUREMENT LEADERSHIP & IN HOUSE PROCUREMENT TECHNOLOGY

PROCUREMENT LEADERSHIP

Leadership roles by their nature are of course fewer in number than positions further down the organisational structure. Many such roles never reach the open market as they are often filled through promotions or internal moves from other functions. Alternatively CEOs and CFOs use personal professional networks to hire people they know and trust.

There have been noticeably fewer of these moves since our last report in April and furthermore the open visible market at senior level has certainly slowed down since the early part of the year. We know of a number of senior people who have been looking for some time and are frustrated by this.

Additionally organisations are increasingly adopting much more rigorous assessment processes for senior hires ostensibly to reduce the risk of hiring a poor performer. So as well as a series of meet and greets the candidates are being subjected to a battery of aptitude tests, ‘strengths’ or ‘personal styles’ profiling and even assessments of ‘creativity or problem solving’. Anecdotally we have seen candidates lose interest, withdraw or be offered other positions. Many struggle with the time commitment as they just cannot take the time out.

IN HOUSE PROCUREMENT TECHNOLOGY

This has remained a reasonably strong area of activity compared to the wider procurement market, with a number of major implementations of new systems at both ERP and specialised product level. We have also seen a number of global roll-outs where specialised skills, for example in implementation, training and program leads with extensive change management skills, have been needed.

On a number of occasions clients have come to us urgently looking for those with specialist product expertise and consequently they have struggled to recruit (certainly within budget) due to the shortage of these specialised skills and their availability in the market. Typically, the interims in this niche are snapped up quickly because the relevant permanent talent pool is still so immature.

A major challenge on some global projects has been to find the specialised local resource needed. In some instances clients have had to consider sending people with the specialist knowledge needed as the local teams either do not have the capacity or the skills to do so. This has been a challenge, particularly in specific sectors such as Oil & Gas and in regions such as South America and Sub-Saharan Africa.

The recruitment challenge is therefore both to source the right people but also to find those who are prepared to be away from home for extended periods. Clients need to make a compelling case in terms of rates and flexibility to successfully recruit in these situations.

NEW PLACEMENTS INTO PERMANENT JOBS BY RECRUITMENT AGENCIES FELL FOR THE 7TH MONTH IN A ROW



CHANCE

“WE ALSO HAVE DIRECT EXPERIENCE OF EU CITIZENS NOT BEING PREPARED TO TAKE THE RISK OF A MOVE TO THE UK

FACTORS AFFECTING JOB MARKET TRENDS IN THE UK & WHAT’S COMING

BREXIT - LOOKING PAST THE HEADLINES & POLITICAL CHAOS TO SEE WHAT’S REALLY HAPPENING IN PROFESSIONAL MARKETS

In the last report we highlighted that the number of new EU and non-EU nationals entering the Job Market had significantly declined and that in certain sectors employers were reporting significant difficulties filling some specialist roles. Worryingly a 30% fall in applicants had been seen. HR Practitioners in our network felt the labour market would significantly tighten and that counter offers could increase due to the pressure to retain critical skills.

These trends have continued and are reflected both in our observations and the overall labour market data.

It is a flat market but whether this is due to Brexit uncertainty or the broader global economic trends such as US trade tariffs, slower growth in the Chinese economy or problems in the Eurozone area is unclear. But altogether it is an uncertain picture and this is making organisations think twice about hiring or replacing staff.

Some sectors such as spend management or areas within technology certainly buck the trend but overall the picture is not optimistic in the short term.

SO WHAT HAVE WE SEEN AT EDBURY DALEY?

We have observed a cooling down of the market over the summer and early autumn both in the contractor / interim markets but also at more senior levels where there were very few senior moves in the UK over this period. Those senior roles that did exist have been taking a while and we are aware of experienced procurement leaders in the market currently who are still to secure a new role or assignment and are somewhat frustrated by this slow rate of progress.

The summer was quieter overall than in 2018 and many of the roles at all levels were taking a significant period of time to come to a conclusion. Many organisations were still hiring but often moving quite slowly through the interview and assessment processes. There have been a number of counter offers and perhaps unusually we’ve observed a number of people returning back to a previous employer or roles just not being re-hired if someone leaves. We have heard of a number of organisations not replacing permanent headcount and of some assignments just being cancelled even at

a late stage as the decision is to leave the post vacant.

We certainly see that candidates are continuing to remain cautious even though they may investigate opportunities. Unfortunately, we also have direct experience of EU citizens not being prepared to take the risk of a move to the UK just now. Even recently a UK move was seen as an opportunity to advance your career but we have seen a distinct cooling down of interest, negativity even in some cases.

DOES THIS REFLECT THE BIGGER PICTURE?

We have reviewed a number of research studies and broadly the findings are that the market has slowed down. Normally we expect a quiet summer with a bounce back in September but this has not happened.

The latest IHS Markit / CIPS PMI® data for the UK service sector indicated a contraction in services overall and the biggest cut in employment in over nine years. It reported that companies were the least optimistic of future growth since the referendum. Worryingly it also indicated a significant fall in confidence and some evidence uncertainty had led to businesses postponing hiring for now. It also highlights some evidence that companies are not replacing leavers, reflecting our summary.

To confirm this further, the latest data from the Office for National Statistics (ONS) showed that total job vacancies across the UK declined by -2.4% on an annual basis to 820,000 in the three months to July 2019.

Finally, in terms of the UK market overall the latest data we have seen in the KPMG and REC report on Jobs for September highlights the continuation of these trends. New placements into permanent jobs by recruitment agencies fell for the 7th month in a row.

Temporary placements were up from August but only slightly and the demand for staff is the weakest since 2012 overall. Ominously September saw a further sharp fall in total candidate supply and as a further challenge to employers there was a significant spike in starting salaries perhaps directly reflecting the shortage of candidates mentioned.

Clearly the labour market is becoming increasingly challenging.

THE PACE OF GROWTH IS THE SLOWEST SINCE 2013



“THE MARKET REMAINS SPIKEY AND MOST OF OUR CONVERSATIONS SUGGEST THAT IT WILL CONTINUE THIS WAY FOR SOME TIME YET”

THE INTERIM MARKET

Demand in the wider procurement market has remained solid rather than spectacular in the contractor market this year, something which is reflected in the data for the UK temporary employment market. Data published by KPMG and the REC on October 8th told us that with particularly weak growth in the permanent jobs market, the temporary market has been critical in “helping employers manage the ongoing uncertainty” but the pace of growth is the slowest since 2013.

Their “temporary billing index”, which tracks revenue made by recruiters, dropped from 53.8 in April to as low as 50.3 in the summer before returning to 52.2 in September. To give you some context, it has only been below 50 briefly in 2013 since the last recession when it dropped to the low 30s in 2009. It was well over 60 before the UK’s EU referendum.

This index covers the entire temporary market, from unskilled roles through to experienced senior leaders. When we speak to our clients and recruitment colleagues we see and hear that the wider professional interim market may be even flatter than the data suggests.

If we dig a bit deeper into procurement technology and transformation roles, our specific area of expertise, it’s worth noting that we reported a spike in demand in the first quarter of 2019 for specific experience of procurement solution implementations, but this hasn’t developed into a sustained increase in overall requirements in this area for the reasons outlined above in our commentary on the consulting sector.

So the market remains spikey and most of our conversations at the procurement technology events and conferences that we attend around the procurement professions ability and appetite to embrace its digital future suggest that it will continue this way for some time yet.

However, there is one major change about to impact on the private sector interim market that could have very interesting consequences.

THIS IS THE BIGGEST CHANGE TO THE UK INTERIM MARKET WE HAVE SEEN



“THE MORE ONEROUS TAX BURDEN WILL MAKE INTERIM WORK LESS LUCRATIVE FOR MANY CONTRACTORS.”

THE INTERIM MARKET CONT...

IR35 IN THE UK PRIVATE SECTOR

In April of next year HMRC will introduce IR35 into the private sector interim market. It's a development that is causing sleepless nights for many contract recruiters and a degree of panic amongst their bosses. In simple terms the implications are as follows:

- A significant majority of temporary assignments will fall under the IR35 legislation meaning that contract workers will effectively be treated as full time employees and will be taxed accordingly.
- The more onerous tax burden will make interim work less lucrative for many contractors.
- The cost of employing “day rate” contractors for employers on a “time and material basis” will increase significantly. For example, employing a contractor on £500 a day plus a recruiter margin of 20% currently costs £600 a day. Once the legislation comes in the true cost will be closer to £800 a day due to factors including employees NI, holiday pay and pension contributions.
- There is likely to be a lot of confusion as to what roles fall in and outside of IR35 and who is potentially liable for the additional costs when HMRC identifies non-compliance.
- Any interim professionals currently on (or about to start) contracts with end dates after 4th April 2020 are already exposed to the changes.

What will this mean for the interim market? There are several factors to consider:

- Will the increased cost of employing contractors inside IR35 reduce demand?
- If so, how long will this last? A short term shock or a long term impact.
- Will it result in lower day rates for contractors?
- Will the confusion, risk and reduced net earnings push some contractors back into the full time market?
- Will contractors change their terms or working practices to ensure they fall outside IR35? There are potentially some ways this can be done but legal opinion varies on their effectiveness.

Recent conversations tell us that many senior level contractors, that is those charging £700-£1,200 a day, seem confident that the market will suffer a short term shock whilst companies adapt to the change and then return to normal. We are not totally convinced this will be the case. This is the biggest change to the UK interim market we have seen and companies need good advice to be ready for the implications. Doing nothing is not an option for employers or recruiters.

We'll be watching the supply and demand equation closely in the coming months and will provide further analysis in the Spring 2020 edition of this report.

At Edbury Daley we are indebted to our professional body APSCO for the various seminars they have held recently and legal support they have given to us and other members, to guide us through this major change in our profession. We are now sharing this advice with our clients to ensure we limit their risk exposure as well as our own.

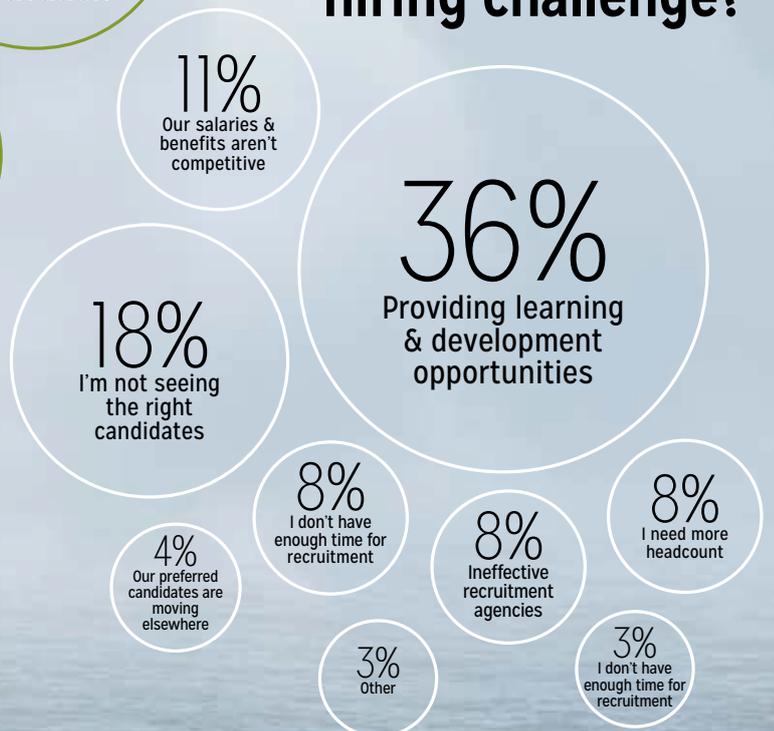
EARLIER THIS YEAR WE EMBARKED UPON SOME RESEARCH INTO “PEOPLE AND HIRING CHALLENGES.”

USING A VARIETY OF CHANNELS TO REACH ACROSS OUR PROCUREMENT AND SUPPLY CHAIN NETWORK, WE ASKED PEOPLE TO ANSWER TWO QUESTIONS WITH MULTIPLE CHOICE ANSWERS AS FOLLOWS:

What is your biggest people challenge?



What is your biggest hiring challenge?



“IT’S CLEAR THAT MANY BELIEVE THAT THEY NEED MORE CAPACITY IN THEIR ORGANISATIONS.”

PEOPLE & HIRING CHALLENGES RESEARCH

CONCLUSIONS

With “insufficient head count to fulfil our objectives” a clear winner for the first question with over 45%, it’s clear that resources are constrained for many organisations. Do people feel this way because of onerous workloads? Or does this point to some of the issues we addressed earlier in the commentary on procurement and other professional job markets as companies react to economic and political uncertainty?

There is a lot of anecdotal evidence to suggest that companies have been more careful about head count increases dating back to the last recession in 2008-2010. We must also consider the growth in influence of the procurement profession in many organisations resulting in increased demand for their services from business stakeholders.

There are clearly a number of potential factors in play here, but it’s clear that many believe that they need more capacity in their organisations.

When we first started the research, staff motivation was the leading challenge cited by respondents and whilst it dropped down as the number of contributors went up, there were some interesting contributions in the comments section on this subject. People talk about poor leadership, daunting workloads and the pressures of modern life all contributing in this area.

Other notable results include that roughly one in six respondents faced difficulties hiring new staff. We actually thought that figure would be higher but it still reflects the challenges faced by companies, particularly when you consider that many didn’t have the head count for hiring to be a major concern to them.

Finally, only 6% listed “providing training and development opportunities” as a problem. We aren’t interpreting this as companies excelling in this area, quite the opposite in fact. We think all the data and supporting evidence suggests that this just isn’t high up the leadership agenda in many organisations. See our section on The Digital Skills gap below for more thoughts on this subject.

When we asked about “your biggest hiring challenge” poor recruitment processes was the dominant choice with 36% with “I’m not seeing the right candidates” in second with 18%.

This is certainly consistent with what we observe in the market. Time is the number one enemy of a successful recruitment process yet we consistently see organisations taking far too long to complete the process, losing momentum and high demand candidates in the process.

Another major problem is a misalignment of expectations. Hiring managers thinking they can find a certain skill set or combination of qualities and experience that is either unrealistic or unaffordable given their budget. This particular point is backed up by the belief of 18% telling us “I’m not seeing the right candidates.”

Who is to blame for this? Only a small part of the audience, 3%, blamed the internal recruitment team or HR compared to 8% who cited ineffective recruitment agencies. We plan to research these areas further in a new study to provide more insight but what we can say is that there are solutions to these problems, one of which is tapping into the expertise and market knowledge of recruiters who truly understand the talent pool you are seeking to recruit from.

One of the problems they can help address is a problem that 11% of the audience selected - “our salaries and benefits aren’t competitive”. Recruiters should be able to help you have realistic expectations of what experience you can hire for your budget and/ or help you evidence why you need to flex your budget for business critical hires by providing evidence on what the market is paying for certain skill sets.

THE CONSISTENT PROBLEM WE OBSERVE AND REGULARLY COMMENTATE ON IS THE LACK OF INVESTMENT IN TRAINING AND DEVELOPMENT



“THE FEW COMPANIES THAT TRULY IMPRESS ON THIS SUBJECT HAVE A CLEAR STRATEGY”

THE DIGITAL SKILLS GAP

Regular readers of this report will know that we are passionate about the development of the profession and in particular the opportunities presented by technology for the evolution of procurement.

We are dedicated to working with clients that embrace the vision of the professions leading voices about the move from tactical to strategic, from a savings dominated agenda to a much wider value proposition.

The consistent problem we observe and regularly commentate on is the lack of investment in training and development coupled with some very limited thinking and lack of creativity in talent attraction. Only 6% of respondents in our survey cited training and development opportunities as a problem for their organisations and this suggests it's just not high enough up the agenda. Furthermore 36% of our audience selected “we have poor recruitment processes” in the question about hiring challenges, making it comfortably the most common problem.

Our attendance at a number of industry events this year has emphasised our concerns about the digital skills gap and the limited evidence of clear, definable strategies to tackle the problem.

We have gathered significant evidence from dedicated procurement conferences, shared services events and the plethora of online resources available from consultancies and analysts to consider what drives the demand for procurement technology tools. Our conclusion is that it's clear that one of the reasons why the demand for solutions driven by automation, data, AI and other new technologies isn't as high as it should be is that companies simply do not have the skills to extract the true value from the investment.

Andrew Daley chaired a workshop at the recent eWorld event which discussed the future of the procurement skill set. He asked for a show of hands from the delegates on the question “who has had any specific training on digital procurement from their employers in the past 12 months?” Less than 5% of the audience had their hands up! It's part of a worrying trend.

However, there are examples that buck this trend. The few companies that truly impress on this subject have a clear strategy and this is what they are doing:

- They have a vision for the future of their procurement department and the value it will add.
- They understand how the demands on their procurement professionals will change and the skills they will require to be successful.
- They are embarking on training and development plans to upskill their existing people.
- They have a clear talent attraction strategy to bring in specialist skills where required.
- They know their people will be in demand but by being at the forefront of the profession they will command greater loyalty.

So they are working intelligently and with effort to close the digital skills gap.

These are the companies that we work with, so if you share this vision or want help to start this journey please get in touch using the contact details at the end of this report.

We help identify outstanding talent with rare skill sets for companies that are embracing the future of procurement and the technology that enables it.



edburydaley

Edbury Daley places outstanding professionals in to a wide range of businesses in the key areas of Procurement, Supply Chain, Consultancy and Spend Management Technology.

Our people, our knowledge and our networks are outstanding and we are constantly challenging our clients and ourselves to recruit more effectively. We know our market and we are passionate about sharing that knowledge.

Our reputation is founded on providing consistency, professionalism and honesty in every single assignment, regardless of size. Our procurement recruitment knowledge is unrivalled and we will continue to set industry standards. Edbury Daley is the recruitment company that others aspire to.

More info at www.edburydaley.com

ABOUT THE AUTHORS



ANDREW DALEY

Andrew is one of two founding Directors and the leader of the procurement and spend management practices for Edbury Daley, a niche recruitment consultancy formed in 2005. His core strength is mid to senior level appointments in the procurement technology sector. He works internationally across a range of disciplines including sales and marketing, solution implementation, value engineering, customer success, consulting, business development and senior leadership.

He has over 20 years' experience of recruiting in the procurement world. In 2010 he began to develop a specialist SRM practice and has since had increasing success in the growing Procurement Services sector which includes spend management solutions provider

and management consultancies specialising in procurement led transformation programmes, including the deployment of spend management and data analytics tools.

He regularly publishes commentary on the employment market conditions for the procurement profession including the highly regarded Insider procurement market update, research studies and other articles on issues affecting the profession.

Andrew's career in Executive Recruitment started when he joined The PSD Group in 1995. In 1998 he was asked to take responsibility for launching the new Purchasing & Supply Chain division and has specialised in procurement ever since. He can list some of the leading professionals in

the sector amongst his regular customers and is particularly well networked across the procurement technology solutions field. He left PSD to launch a new Purchasing & Supply division for Ajilon in 2002 as Head of Practice and left in December 2004 to start the Edbury Daley business with co-Director Simon Edbury.

Andrew was educated at William Hulme Grammar School in Manchester before graduating from the University of Sheffield with an honours degree in Economics in 1993. Outside of work his time is dedicated to his family and reducing his golf handicap.

**SIMON EDBURY**

A graduate of London University, Simon has been in the recruitment industry since 1996 when he joined PSD. After six years, he joined Ajilon Executive to start a new executive recruitment team in the North West. Here he broadened his industry contacts and knowledge by working with a greater variety of clients on senior recruitment projects.

After great success within corporate recruiters, January 2005 saw Simon and Andrew establish Edbury Daley which has provided a specialist and dedicated senior level recruitment service to an ever increasing client list.

Simon is renowned for his professional, reliable and direct

approach to both clients and candidates. His no nonsense style combined with deep industry knowledge has earned him an outstanding reputation.

Outside of work he enjoys family life, playing golf and following the NFL.

**PETER BROPHY**

Peter is Associate Director at Edbury Daley and specialises in procurement and spend management following five years leading recruitment at procurement outsourcer Proxima.

He has more than 18 years' recruitment experience spanning a number of sectors including aerospace, engineering, manufacturing, professional services, lifesciences, medical devices and corporate functions such as HR, finance and procurement. As a result, he has

an extensive network of contacts across a range of functions and sectors.

He began his recruitment career in 1996 at MRI / Humana, a niche executive search specialist. In 2000 he moved in-house to head-hunt a new management team for Manpower, and then led a complete transformation of the recruitment process at Rolls-Royce plc, working closely with procurement to restructure the recruitment supply chain. He then joined BDO Stoy Hayward

to head up its resourcing team, before moving to Proxima in 2009.

Peter is a Fellow of the Chartered Institute of Personnel and Development and has a master's degree in Human Resource Management, as well as a degree in Geography.

Outside of work he has two sons, is a long suffering Newcastle United supporter and is a keen walker.



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Produced in the United Kingdom
OCTOBER 2019
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