INSIDE THIS REPORT
- BENCHMARK SALARIES
- BENEFITS MOST DESIRED
- VALUE OF MCIPS
- CHALLENGES FOR PROCUREMENT
- SKILLS IN DEMAND
- ATTRACTING TALENT
As the latest insights are revealed about the profession, there have been some successes, but we must strive to become even better

As you’ve picked up this year’s copy of the CIPS/Hays Salary Survey and report, you’ve already demonstrated your commitment to discovering the value placed not only on your skills in procurement and supply chain management, but that of your teams and peers. I would say there are some core insights here and a great deal of progress has been made in our profession as everyone strives to meet the challenges in the 21st century. Though the data was collected before the COVID-19 coronavirus pandemic, the results are still absorbing, especially now as supply chain disruptions wreak havoc and professionals are tested to probably the greatest extent in their careers.

Even without the pandemic, supply chain managers have had a lot to contend with over the past year. The see saw of will we/ won’t we leave the EU, and the US and China locking horns affecting global trade, gave financial markets the jitters and were just the tip of the iceberg of trials we all faced. But as one threat recedes into the background, others are always waiting in the wings to take their place as recent experience has shown us. Ongoing concerns around how trade negotiations with the EU and the rest of the world will pan out, as well as the human and economic cost of the COVID-19 coronavirus are the new normal. These challenges mean supply chain managers are always on their toes; always on the lookout for the next threat and how to mitigate against it and always learning about how to improve their supply chains and their own skills.

Perhaps that’s why the top skill required by businesses from procurement and supply chain professionals in the private sector especially, was risk management. Risk encompasses many things – continuation of supply is just one, the most basic requirement, but we know that supply chain managers are now responsible for a whole lot more. Sustainability issues, protection from corporate reputational risk, eliminating slaves from a business’s supply chains, all have to be the highest examples of not just risk management but strong ethical procurement. As professionals we must show greater will, greater transparency, and what I call ethics-plus, to elevate the profession still further.

With this backdrop and with the findings of the report, it’s obvious that this profession remains in high demand. When I started in procurement, there were two goals – continuity of supply and value across the supply chain. Now procurement and supply chain professionals must protect corporate reputation, create an environment for best investment opportunities, increase innovation, grow the business and beat off competition, implement digitalisation and the maintenance of sustainable supply chains. That sounds like a lot, and the necessary range of skills both technical and soft skills that are required create the professionals of choice eagerly sought by businesses large and small, and develops our professionals into potentially, the CEOs of the future.

This year’s report found that 67% of professionals said procurement was valued at their organisation. Though a positive statistic, I would like it to be higher. Having the right people in the right roles is crucial to the success of every business and we must be more vocal about the benefits of procurement and what as professionals we can do to support business goals.

On a personal career level, procurement and supply chain managers also excel. With an average pay rise of 6.9%, the rewards are there for driven individuals. With 55% more for MCIPS professionals, this means that talent is also being recognised. Therefore, I would urge all our professionals to keep striving and keep training and maintain their up-to-date knowledge to become Chartered professionals and prove those rewards are well-deserved. By demonstrating their relevance not only to their peers, the businesses they work for, and even the profession itself, the impact from highly-skilled professionals will be felt far and wide. Potentially, and collectively, we can make a difference to economies and even the public good; by being the best professionals, with the strongest ethics and bringing transparency and excellence to supply chains.

Malcolm Harrison
Group CEO
Chartered Institute of Procurement & Supply

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Group CEO
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Hiring for the Future

We are pleased to partner with CIPS for a sixth year to continue to provide insight into the key trends and issues impacting the procurement and supply chain profession.

The events of the opening few months of 2020 have been unprecedented leaving many professionals and organisations to adapt to a new way of working and to rapidly changing situations. One thing the COVID-19 crisis has allowed procurement and supply chain teams to demonstrate is just how invaluable their role is in keeping vital services across the world afloat, including healthcare, social care and food supply chains to name just a few. As we enter into the new era of work, this importance will continue to develop.

In our ‘new normal’ world it’s been shown that hiring and onboarding procurement professionals can continue in a virtual way, so with skills shortages still being widespread, those employers who are carrying on with their recruitment plans to fill skills gaps now will be in the best position as we transition to the other side of the pandemic. In terms of the skills in demand, change management has entered the list of top skills needed for a professional to perform their job well for the first time this year. As has been made apparent in the first few months of 2020, change is inevitable, so being adaptable to change will likely become even more sought-after within procurement. Professionals should therefore develop in this area to succeed in the new world of work.

Working from home is one aspect of working life that has become decidedly more widespread as a result of the COVID-19 pandemic. Our guide shows that being able to work from home is an important factor to professionals, so employers should use this opportunity to see how they can maintain remote working capabilities going forward.

The salary increases we are seeing in a number of roles within the profession is an indicator of the high value that continues to be placed on talented professionals, and we would expect this trend to continue in the next year as the procurement and supply professions continue to play an important role during the COVID-19 crisis and beyond. We hope you find the insights covered in this report useful in your workforce planning, or as a guide for your own career development.

Scott Dance  
Director, Hays Procurement & Supply Chain

This report is published as the South African economy recovers from the impact of the coronavirus pandemic. The pandemic highlighted the risks that exist in the supply chains of all organisations. Managing that risk has, arguably, never been more important, while the complexity of the task faced by procurement professionals has never been greater.

With this emerging context, the CIPS/Hays Procurement Salary Guide and Insights 2020 report clearly shows that in South Africa demand for procurement professionals continues to be very strong. Within the profession there continues to be a substantial salary premium (55%) for MCIPS professionals as opposed to non-MCIPS professionals.

Unfortunately, the gender pay gap divide continues to be an issue. This disparity in male and female earnings been discussed in previous reports and is one that the profession must now start to examine in greater depth; with a view to understanding why the gap exists and what can be done to eradicate it.

Digitalisation increasingly allows more operational and repetitive procurement tasks to be completed with greater speed and accuracy. This has increased the focus of procurement professionals on strategic and risk management activities. The combination of the environment in which procurement professionals are working and evolving technologies is impacting the skills that procurement professionals are being asked to exhibit. There is much greater focus on the soft skills of communication, relationship management, influencing and stakeholder management. The development of these soft skills will be an increasingly important component of the future procurement professionals’ catalogue of competences. As a result, the need for training and development will be critical to equip procurement professionals with these ‘future facing’ competences. This report clearly illustrates that procurement professionals are aware of the need for ‘professional development’. This is most obviously articulated when employers are recruiting, with 67% of employers expressing a preference for MCIPS qualified or working towards MCIPS when hiring new employees.

At the start of this decade the challenge for procurement professionals is clear, a rapidly changing business and technological environment requires new capabilities and competencies to be added to the procurement professional’s arsenal. The development of these capabilities combined with new ways and patterns of working will be key drivers of the profession in the next ten years.

Dr. John Glen  
CIPS Economist  
Visiting Fellow of Cranfield University
ABOUT THIS REPORT

The CIPS/Hays Procurement Salary Guide and Insights 2020 allows procurement professionals and employers to:

- Evaluate the perceptions of procurement
- Benchmark salaries and bonuses for different roles
- Highlight career aspirations
- Gain insights on how to attract, retain and develop talent

The data was collected prior to the COVID-19 outbreak, however, we hope the information contained in this guide still provides useful insights when hiring or taking the next step in your career during this extremely busy time for procurement professionals. We will continue to monitor the impact of COVID-19 in next year’s 2021 report.

THE REPORT IS DIVIDED INTO SECTIONS:

1. Procurement – Perceptions, challenges, skills and opportunities
2. Salaries, bonuses and benefits
3. Talent management

CONCLUSION

Within each section we have set out the statistical findings of our survey alongside conclusions drawn by the experts involved in putting together the report, plus links to useful information and resources that further support the points discussed.

The findings in this report are based on research conducted in September 2019 via an online survey among professionals currently working in procurement. This year over 5135 professionals globally completed the survey. The results were analysed by the Professional Associations Research Network (PARN).

The data in all graphs is based on 2020 respondents only and is not a comparison on 2019 data. However, we have highlighted significant year on year changes.

Statistics throughout this report have been rounded to the nearest decimal point.

Throughout this report different levels of professional seniority have been summarised into five levels of competency. These are described in the chart below along with some examples of job roles that fall into each group.

COMPETENCY LEVEL

Advanced Professional

Professional

Managerial

Operational

Tactical

TYPICAL JOB ROLES

Head of Procurement, Procurement Director, Commercial Director, Chief Procurement Officer, Supply Chain Director, Head of Sourcing.

Procurement Manager, Purchasing Manager, Senior Category Manager, Supply Chain Manager, Strategic Procurement Manager, Operations Manager, Commercial Manager, Head of Logistics.

Senior Buyer, Category Manager, Contracts Manager, Contracts Officer, Logistics Manager, Supply Chain Executive.

Buyer, Procurement Specialist, Supply Chain Analyst, Procurement Executive, Procurement Officer, Supply Chain Planner, Logistics Analyst.

Purchasing Assistant, Assistant Buyer, Administrative Assistant, Stock Controller, Contracts Administrator, Inventory Planner, Assistant Contracts Officer.

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The procurement and supply chain profession has evolved at an alarming pace and is a more demanding and rewarding career than it has ever been.

Today’s professionals are seen not as buyers, but as enablers, business partners and strategic leaders who understand business needs are core to the success of their organisation, and who are aligned with the social responsibility and ethics agenda.

The social, political and economic environment in which organisations are operating is increasing more complex, which has been compounded by the COVID-19 global pandemic. On top of this, the digital evolution is placing greater demands on procurement and supply chain management. Business leaders are progressively turning to procurement for solutions to reduce risks and find new opportunities. In fact, risk mitigation – whether security of supply, reputational risk caused by ethical and environmental issues, or ensuring the sustainability of sources of critical products and services – is fast becoming the prime focus of modern procurement.

At the heart of this are value, ethics and sustainability, and they should run through everything that procurement does. Procurement and supply chain professionals need to strategically position themselves as champions for change, promoting the highest standards of ethical practice for their organisations and supply chains. Modern slavery is a perfect example of where professionals, by ensuring more transparent supply chains, can step in and not only help to safeguard the reputation and longevity of their organisations, but also make a difference to people’s lives.

Procurement is growing ever-more important, valued, interesting and rewarding as a career. And so, it is perhaps no surprise that we are seeing an influx of new talent into the profession. In fact, 66% of our respondents – a much higher proportion than expected – stated that they had made a conscious decision to work in procurement and that’s a different scenario from years gone by when professionals ‘fell’ into procurement. It is a particularly exciting career choice for young professionals who are attracted by: the potential to hit the ground running from day one, the prospect of managing large budgets, and opportunities to choose and manage supplier contracts that can make a real difference to people’s lives, and society and economies as a whole.

It has also become easier to move from other professions into procurement roles, as organisations continue to place a stronger emphasis on recruiting for soft skills. Technical skills and qualifications are an important foundation to procurement roles, but they can be learned and so abilities such as communication, influencing and internal stakeholder management have become more highly sought after. As procurement and supply chain managers develop their skills, we are also seeing more individuals move into more generalist roles such as becoming CEOs.

In the fourth Industrial Age with its core focus on digital initiatives, we are starting to see more automation of procurement processes, which will continue to evolve: 71% of our respondents see technology replacing some or all of their tactical sourcing decisions in the future. This is not a negative as 94% of our respondents see technology as an enabler to create opportunities for procurement. Automation helps to reduce or even remove human error, and means that soft skills will become even more critical and that procurement professionals will be freed from repetitive, time-intensive tasks and able to focus on more business-critical activities such as strategic decision making.

The picture our report paints of the value placed on strong procurement and supply management is largely positive but there are still some challenges. In the main, these centre on internal issues such as not being seen as a business partner and not being engaged and able to input ideas from the start of a project. In reality, gaining competitive advantage through appropriate sourcing, efficiencies and effective risk management are real value-adding activities, and so business leaders are increasingly seeking procurement professionals who are able to deliver these outcomes and enhance their business.

Hemant Harriell
General Manager, CIPS South Africa

As the value of procurement continues to grow, it is up to professionals to ensure they are upskilling not only in technical skills, but also in soft skills such as communication, stakeholder management and strategic thinking. Professionals must be developing these skills no matter what their seniority in order to truly drive value within their organisation.

Scott Dance
Director, Hays Procurement & Supply Chain

CIPS Tips

Report: Digitalisation in Procurement
Guidance: Soft Skills
Guidance: Stakeholder Management
Procurement has evolved to a large extent over the last two decades to become more central to the success of organisations. Today’s professionals have a wider remit, require broader skills and experiences, and are becoming ever-more sought after as challenges increase in number and complexity. This has never been more true than during the COVID-19 outbreak, where procurement professionals have played a key role in helping to keep frontline services, from healthcare through to supermarkets, supplied with the assets they need to support the country. There is no doubt that procurement and supply chain professionals are making a real difference for customers, colleagues, society and other stakeholders.

This year’s perception of procurement and supply management is lower than the previous year by 10%, where only 67% of respondents agreed that the profession is valued within their organisation. This highlights that there is still work that can be done to further improve the understanding of other staff, including senior stakeholders, about the value that procurement specialists can offer. Developing strong internal stakeholder management and communication skills is essential. Focus on understanding the pressure points of each of your internal stakeholders and use this knowledge to communicate how procurement can help to alleviate these challenges.

Scott Dance
Director, Hays Procurement & Supply Chain

HOW PROCUREMENT IS VIEWED

<table>
<thead>
<tr>
<th>Perception of procurement has improved in the last 12 months</th>
<th>68%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement is very much valued within my organisation</td>
<td>67%</td>
</tr>
<tr>
<td>Directors and Heads of other departments in my organisation understand what procurement specialists can offer</td>
<td>62%</td>
</tr>
<tr>
<td>Procurement is engaged from the start of a project</td>
<td>51%</td>
</tr>
<tr>
<td>Staff in other departments in my organisation understand what procurement specialists can offer</td>
<td>48%</td>
</tr>
</tbody>
</table>

It is encouraging to see that most respondents continue to agree that the procurement profession is valued within their organisation. However, there is still work that can be done to further improve the understanding of other staff, including senior stakeholders, about the value that procurement specialists can offer. Developing strong internal stakeholder management and communication skills is essential. Focus on understanding the pressure points of each of your internal stakeholders and use this knowledge to communicate how procurement can help to alleviate these challenges.

CIPS Tips

- Podcast: Behavioural Procurement
- Guide: How to become an effective storyteller
- Guidance: Change Management
- Podcast: Procurement must lead rather than being led
- Tools: Soft Skills and Communication Tools
- Tools: Stakeholder Identification and Management Tools
KEY CHALLENGES

STATED BEING SEEN AS A STRATEGIC PARTNER TO THE BUSINESS

Excluding the impacts of COVID-19 on organisations, our findings show that once again, internal challenges dominate the findings of the report, reinforcing the importance of securing strategic and operational buy-in and engagement with stakeholders as a priority for professionals. Procurement must be championed as a strategic enabler at the very highest levels of an organisation and be fully appraised of strategic objectives to deliver against the senior leadership’s expectations, demonstrating real value.

In organisations where procurement is seen as a strategic function, the profession is likely to be engaged at the earliest stages of identifying business goals, such as supply chain sustainability, cost savings and digitalisation. Many organisations are coming to realise that to play a part in achieving these corporate goals, procurement must be involved at the beginning.

Managing risk in the supply chain is also identified as a key challenge and is even more important to master in the challenging environment brought about by the COVID-19 outbreak. Every procurement professional must ensure that they are fully informed of exactly what is happening throughout their supply chains in order to minimise operational and reputational risk, and keep up to date with developments. Furthermore, procurement professionals need to strategically position themselves as champions and leaders for change, promoting the highest standards of ethical practice for their organisations and supply chains rather than playing catch up as change occurs.

TOP SIX CHALLENGES

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Being seen as a strategic partner to the business</td>
<td>47%</td>
</tr>
<tr>
<td>Managing risk in supply chain</td>
<td>42%</td>
</tr>
<tr>
<td>Being recognised within the organisation for savings made</td>
<td>37%</td>
</tr>
<tr>
<td>Budget restraints</td>
<td>37%</td>
</tr>
<tr>
<td>Managing costs while maintaining quality</td>
<td>36%</td>
</tr>
<tr>
<td>Attracting staff with the right skills</td>
<td>34%</td>
</tr>
</tbody>
</table>

CIPS Tips

- Tool: CIPS Risk Toolkit
- Tool: CIPS Risk and Resilience Assessment Model
- Guidance: Risk Analysis and Management
- Webinar: How can AI support risk management?
Soft skills are in demand at every level of the procurement profession, but are most pronounced at senior levels.

It is those skills like negotiation and communication, influencing and stakeholder management that help to elevate the value of procurement within a business and which are essential to building relationships. Technical expertise is obviously an essential requirement, however employers need to consider a shift in recruitment strategies to ensure that soft skills are factored in too.
The digital revolution is placing more complex demands on procurement and supply chain management. It is therefore logical that procurement professionals view technology as a critical enabler of opportunities for the future.
The perception of procurement in the region needs to be enhanced to be seen as a more strategic activity and a critical part of achieving organisational objectives. As we have highlighted earlier in this report, this means the demands on today’s procurement professionals are more complex and have increased in number. This brings both opportunities and challenges for procurement and supply chain managers if they are plugged into the latest thinking, and while technical skills are well understood, the skills for today’s successful procurement professionals have much in common with those of a business leader.

Soft skills continue to grow in importance at every level globally this year, and are seen as very important by procurement professionals for doing their jobs well.

This year, communication and supplier relationship management were identified within the top five skills in demand at all levels except Advanced Professional, while leadership was also of importance for senior professionals. These skills are all critical to achieving cost-effective strategically sound procurement solutions and raising the profile of the profession within their organisations. Trained professionals know this includes creating a business case, securing buy-in from internal stakeholders, pre-empting challenges and sourcing the right suppliers.

Of course, technical skills are still valued and so we continue to see emphasis on negotiation and contract management. This year, change management skills are increasing in importance. Traditionally, dealing with change was tasked to a tactical function but more and more, organisations appreciate the limitations of this approach which may stem from lack of skill and experience, lack of time to implement change or not enough information available for the programme. Business leaders therefore see change management as a distinct and strategic skill which requires departmental and senior level buy-in, the right support and the right systems in place. However, as well as requiring technical knowledge, effective change managers must also possess all the soft skills listed here and so this cannot be seen as standalone expertise.

**CIPS Tips**

- Webinar: Influencing the C-Suite
- Top 10 tips for influencing internal stakeholders
- Tool: CIPS Global Standard
- Podcast: Procurement must enhance their soft skills to increase their influence
- Podcast: Procurement must lead instead of being led
The average pay rise for procurement professionals this year is 6.9%, painting a very positive picture for procurement; of a profession that is highly regarded and remunerated. Only 40% of our respondents stated that there was a transparent pay grade in their organisation and, as expected, those at more advanced levels of seniority earn higher salaries. Remuneration is highest in the Private Sector, as are the highest pay rises at 7%. However, the highest incidence of those receiving a pay rise was in the Public Sector at 86%, perhaps a sign that this sector is seeking to win talent from the Private Sector.

Our report highlights a significant gender pay gap of 38% and so it is clear that organisations in South Africa have much work to do in order to face up to and proactively address this issue. For men and women alike, salary is the most important issue when considering moving to a new employer and so in order to retain talented women in the profession gender pay equality must be addressed.

However, although salary will always be an important aspect for employers to get right to attract professionals to a role, it should not be viewed in isolation. Not every organisation will be able to compete for talent through pay, and therefore the entire package on offer to professionals, from benefits and flexible working options through to the variety of the role, must also be considered and promoted to prospective job candidates.

Employers should benchmark their salaries to ensure they are as competitive as possible to attract talent. Further to this is the consideration of what else your organisation can offer to a prospective employee. For example, can your employees work from home? Are you able to offer support for training such as through CIPS? Is the job very varied? Promoting this information to prospective candidates alongside salary can help your organisation to stand out from the competition.

Scott Dance
Director, Hays Procurement & Supply Chain

*CIPS Tips*
Tool: Interactive global salary map
PROFESSIONAL RECOGNITION

We continue to see a growing global appreciation and understanding of the value of MCIPS and FCIPS as procurement grows its strategic influence. The designations are clearly highly respected and valued as a mark of professionalism and performance.

MCIPS denotes that an individual has achieved an internationally recognised award which represents the global standard within the profession for a procurement professional. It signals to peers and employers professional excellence based on ability, achievement and ethics. Combined with ambition and commitment, MCIPS professionals command a premium in terms of salary and benefits and eligibility to receive a bonus.

It is also important to point out the continuing higher earning power, both in terms of salaries and bonuses, of MCIPS and FCIPS professionals compared to their non-MCIPS colleagues. This internationally acknowledged professional recognition of skill and competency provides reassurance and demonstrates candidates’ commitment to their professional proficiency. MCIPS and FCIPS professionals have shown dedication to their career with ongoing learning and operating with integrity through ethical practice, which is reflected in their remuneration.

67% of employers would request MCIPS (or studying towards) as a preference from candidates. 71% would give further consideration for candidates with FCIPS.

SOUTH AFRICA AVERAGE SALARY DISPARITY ACROSS ALL LEVELS

<table>
<thead>
<tr>
<th></th>
<th>MCIPS v non-MCIPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ZAR 987,857</td>
<td>MCIPS</td>
</tr>
<tr>
<td>ZAR 636,292</td>
<td>Non-MCIPS</td>
</tr>
</tbody>
</table>

MCIPS SALARY DISPARITY

67% of employers would request MCIPS (or studying towards) as a preference from candidates. 71% would give further consideration for candidates with FCIPS.

67% 71%

BONUS ELIGIBILITY FOR PROFESSIONALS

<table>
<thead>
<tr>
<th></th>
<th>MCIPS</th>
<th>Non-MCIPS</th>
</tr>
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<tbody>
<tr>
<td>77%</td>
<td>77%</td>
<td>59%</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>FCIPS</th>
<th>Non-FCIPS</th>
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</thead>
<tbody>
<tr>
<td>71%</td>
<td>71%</td>
<td>59%</td>
</tr>
</tbody>
</table>

 Globally, recognised, MCIPS demonstrates professional relevance and credibility – and increases demand from employers.

The power of MCIPS

MCIPS brings professional credibility and increases demand from employers. Join today* and start to benefit from MCIPS’ professional recognition.

cips.org/salary-guide-south-africa

*cips.org/joinonline
Most commonly, bonuses in Sub-Saharan Africa are based on achieving company targets (37%), however the majority of respondents stated that they would prefer their bonuses to be based on either a mixed set of criteria (35%) or on achieving personal targets (28%).

Exactly 44% across the region were eligible to receive a bonus and of those eligible 13% did not receive a bonus. The Private Sector boasts by far the largest proportion of procurement professionals eligible for and receiving a bonus. This is as we would expect due to private companies on the whole offering higher salaries of which bonuses are usually a percentage. Those with MCIPS and FCIPS designations were also more likely to be eligible for and to receive a bonus.

We continue to see procurement professionals with the MCIPS designations being more likely to be eligible for and to receive a bonus, as well as receiving larger bonuses than their non-MCIPS counterparts. The differences they make on organisational and professional levels are huge and therefore they can command the highest levels of remuneration.

#### BONUS ELIGIBILITY BY SECTOR

<table>
<thead>
<tr>
<th>KEY</th>
<th>Private Sector</th>
<th>Public Sector</th>
<th>Charity/Not for Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Received a bonus</td>
<td>62%</td>
<td>59%</td>
<td>14%</td>
</tr>
<tr>
<td>Average bonus as % of salary by sector</td>
<td>12.4%</td>
<td>9.6%</td>
<td>10.0%</td>
</tr>
</tbody>
</table>

The findings of our survey provide a detailed insight into the benefits employers offer compared to the benefits employees want to receive. In a world where talented individuals are highly selective about their career decisions and where so much information is available about organisations, those looking to recruit must work hard to attract and retain talent. The information in this section will be crucial for employers with the foresight to tailor their offer to reflect real needs and ambitions at every stage of their employees’ career journeys.

This year there is a disparity in South Africa between the benefits that employees desire and those offered by their employers.

### BENEFITS

#### SUPPORT FOR STUDY/CAREER DEVELOPMENT

- **Most common received benefit**

#### Podcast: Find out more about flexible benefits packages

- **49%** Flextime
- **30%** Work from home
- **11%** Informal flexible working (at line manager’s discretion)
- **8%** Job-sharing
- **4%** Compressed hours

The findings of our survey provide a detailed insight into the benefits employers offer compared to the benefits employees want to receive. In a world where talented individuals are highly selective about their career decisions and where so much information is available about organisations, those looking to recruit must work hard to attract and retain talent. The information in this section will be crucial for employers with the foresight to tailor their offer to reflect real needs and ambitions at every stage of their employees’ career journeys.

This year there is a disparity in South Africa between the benefits that employees desire and those offered by their employers.

Private medical insurance and support for study/career development were the only ones among the top five received and top ten desired benefits. However, a number of benefits were more commonly desired than available such as company car allowance, working from home, flexible working and child school fees. Given that the COVID-19 pandemic has forced many organisations to set up remote working for their teams, going forward they should consider how to incorporate the positive benefits of home working in their offering to employees. For example, working from home means professionals spend less time and money on commuting to work, and more time they can dedicate to their personal lives. This is highly valued by employees, and will no doubt be sought when looking for a new role in the future.
TALENT MANAGEMENT

With 43% of employers stating they are struggling to find talent, organisations must consider their entire offer, not just in terms of remuneration, to ensure they can recruit the best talent. Candidates will be looking at everything from location, transport links, salary, training and benefits, to ethical integrity and environmental reputation. The organisations that make these part of the total offer, clearly communicate them at every stage of the recruitment process, and that are willing to ‘flex’ benefits throughout individual careers, will be the ones who become employers of choice in an increasingly competitive talent market.

Talent management is all about matching the needs of employers with employees and vice versa, and since we began this report we have highlighted a mismatch between the two, with organisations often not fully understanding what professionals are looking for in a new role. Prospective employees are now much more selective and, thanks to social media, have a wealth of information about employers at their fingertips. Successful employers will therefore pay close attention to their offer and company and team image, and make sure positive messaging around this is promoted online and in social media.

CHALLENGES IN RECRUITING THE RIGHT TALENT

- Budget restraints: 51%
- Lack of sector skills and experience: 42%
- Lack of technical skills/evidence of formal Procurement training: 40%
- Candidate salary expectations: 33%
- Lack of soft skills: 29%
- Internal processes/HR: 27%
- Organisational fit: 16%

TOP FIVE MOST IMPORTANT FACTORS WHEN CONSIDERING A NEW JOB

- Company is well known for ethical practices: 86%
- Career progression opportunities: 84%
- Reassurance about job security: 83%
- Procurement is highly valued within the company: 82%
- Company reputation: 79%

CIPS Tips for Employers

- Podcast: How to retain the best talent in your team
- Infographic: Top tips on attracting and retaining talent – Kimberley Campbell (FCIPS)
- Infographic: Top tips on attracting and retaining talent – Chris Emberton (MCIPS)

CIPS Tips for Candidates

- Podcast: What to consider when looking at a new employer...not just salary!
- Podcast: How to plan for the next step up in your career
- Training: Find out about CIPS World Class Training

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However, we should also remember that ‘people do business with people’. Whilst the digital enablers discussed in this report will all play their part in improving the effectiveness and efficiency of organisations, and of procurement and supply chain functions, the need for effective social and emotional skills is paramount.

That’s no eureka moment or rocket science, I hear you say. And I concur. It has been talked about for 20+ years. However, being emotionally intelligent is now a prerequisite rather than a differentiator. Effectively influencing and managing internal and external stakeholders is just part of the day job. Simply having appropriate and up to date technical skills, qualifications and experience is not sufficient to be successful as a procurement and supply chain professional. We also need appropriate and up to date soft skills – without sacrificing any commercial acumen organisations expect from us.

This combination of skills, knowledge and experience will enable us to engender a mentality of customer centrivity, of value creation, of service provider, of strategic contributor. Speak the language of business – not just procurement and/or supply chain. Be authentic, credible and trustworthy. Be effective practitioners delivering on our commitments. Collaborate. Be ethical with a strong moral compass. Be ambassadors for our organisations, sectors and profession.

The future is anything but dull for procurement and supply chain, and the opportunity to make a difference continues to motivate and inspire. For any in the profession unable or unwilling to continually develop appropriate soft skills and be change agents in an increasingly digital world, now is the time to consider a career change. Seriously.

Employer recognition

It has been pleasing to read that organisations continue to value and reward those in the profession through greater-than-average increase in remuneration and benefits – with a couple of minor exceptions.

Progress continues to close the gender pay gap, although clearly more work is required.

Professional qualifications like MCIPS/FCIPS also continue to be recognised through higher salaries. However, I would like to see employer recognition for Chartered status; those in the profession advocating their commitment to ethics and continued professional development.

Attracting and retaining talent

The talent attraction and retention conundrum continues with no obvious resolution in sight, despite improvements in flexible benefits packages. It is an increasing challenge for organisations grappling with ever-broadening expectations; from career change or ‘not-ready-to-retire’ Baby Boomers, to Gen Z with a whole different expectation of the employee value proposition. Oh, and then there’s the race to nurture and attract Gen Alpha into the profession. What will their expectations be? Whilst digital literacy shouldn’t be a challenge social and emotional interaction could be?

It was encouraging to read that progress is being made in procurement and supply chain becoming a career of choice – or at least a conscious job move.

In summary

We have much to celebrate and be proud of in the profession. Share and learn from each other through proactive participation in our rich and diverse professional networks and communities.

Don’t rely solely on what mother nature provided for our soft skills or academic and professional qualifications for our technical skills. Be self-aware and accountable for continuing personal development, whether formal training courses, job moves, new projects, new qualifications, mentoring, coaching etc.

Maintain a strong moral compass and promote ethics and sustainability within our areas of responsibility and beyond.

Marc Hutchinson (FCIPS Chartered)  CIPS Chair of Congress  Global Procurement Director, Baker Hughes FPS
About CIPS, the Chartered Institute of Procurement & Supply

The professional body
CIPS, a not-for-profit organisation that exists for the public good, is the voice of the profession, promoting and developing high standards of skill, ability and integrity among procurement and supply chain professionals.

Quality guaranteed
Our qualifications are recognised by OFQUAL in England and regulators in various countries, demonstrating that they meet specific quality standards.

The Global Standard
CIPS Global Standard in Procurement and Supply, which is freely available, sets the benchmark for what good looks like in the profession.

A commercial organisation
CIPS helps governments, development agencies, and businesses around the world to excel in procurement and supply, supporting them to improve and deliver results and raise standards.

Global Standard freely available
Global membership of 70,000
...in over 150 countries