As old practices are challenged and new thinking embraced following the impacts of the pandemic, the search for talented professionals who can manage risk and resilience in their supply chains will surely intensify. Long and well-trodden global supply chains that were efficient even if complex, have been shaken to their core. But though many businesses closed their doors as a result of the pandemic, there were also success stories about capable professionals able to navigate through the ebbs and flows of disruption, and to find new opportunities for their organisations.

Boards and CEOs are sitting up and taking notice of these talented individuals. The report clearly shows that professionals with the right experience and capabilities will be sought out and rewarded, leading to varied and interesting careers for decades to come. It happened to me, and I can only confirm the great careers that are possible in our profession. As we emerge into a new post-pandemic landscape, the demands on procurement teams won’t fade away, and professionals must continue to hone their skills, add to their knowledge and increase their capability to create the resilient supply chains of the future.

So what are these skills? The report once again highlights the need for soft skills. Technical skills and procurement qualifications remain important for individuals and their career progression. However, it is the soft skills of leadership and stakeholder management that deliver on business goals. This as a theme has been consistent over recent years and will likely remain core in the next few years too. For example, businesses with strong relationships and supportive approaches for suppliers in difficulties were the ‘customer of choice’ when the tables were turned, and when the customer relied on the availability of essential supplies to sustain their organisation.

I firmly believe that an increased focus on ethical procurement is imperative. Great strides have been made to raise awareness around ethics in supply chains, but greater recognition of procurement’s impact on local communities, or the elimination of slavery in supply chains, would address unpalatable situations that continue to exist. A simple re-focus on issues of real value to society today.

And it is straightforward. Professionals have a range of tools at their disposal to drive good procurement for societal good without the need to dispense with cost efficiencies or quality. The better use of data, for instance, or enhancing networks so supply chains are more diverse and innovative. However, it does take time and commitment to professional development to always live these principles, and it was good to see that those professionals with MCIPS were rewarded once again for their efforts and for raising the standard of professionalisation.

I hope that those of you reading this who are MCIPS will reflect on your journey, and on all of the dedication you have already shown in your learning and development. However, I’d like to urge you to continue to take that development a little further each year and gain Chartered status if you haven’t already done so. Gain your CPD points to demonstrate relevant skills and current knowledge, so conquering the disruptions of the past can be a learning journey towards more resilience in supply chains of the future.

The report is a fascinating read. I am sure you will gain some valuable insights to use for planning your own career or supporting the careers of individuals in your team. What is strongly evident is that the procurement and supply profession has gained even more credibility and respect as the world wakes up to how essential resilient supply chains are. Let us work together to strengthen them even further, addressing ethical and sustainability considerations, and continuing professional development.

Malcolm Harrison
Group CEO
Chartered Institute of Procurement & Supply
The events of the past year have been momentous – altering the entire fabric of our professional and personal lives. Whether any of the changes we have witnessed are here to stay remains to be seen, but one thing the pandemic has done is to highlight the strategic significance of the procurement and supply chain functions, and the role they play in keeping vital services moving. Though the strain placed on global supply chains has been enormous, with disruption to manufacturing, freedom of movement and border control all posing significant challenges, procurement teams around the world have reacted with lightning-fast agility to help organisations mitigate the impact of the crisis.

Despite the widespread disruption, salary increases in procurement are still evident this year, a third of professionals received a pay increase, a further indication of the value placed on the function by organisations. Gradual acclimatisation to the changes effected by the pandemic and growing confidence in new approaches to problem solving are inspiring confidence and recovery in the market, leading to a positive hiring outlook for organisations, and in turn, inspiration to move roles by professionals.

Whilst it’s hard to determine if the changes since the onset of the pandemic have altered our way of working irreversibly, it seems likely that attitudes towards flexible working have seen a permanent shift. While flexible working was already a prominent trend in procurement prior to the pandemic, COVID-19 has confirmed teams’ continuing ability to innovate, strategise and navigate challenges together, even when working in different locations - and our findings show the importance professionals place on flexible working strategies. As the wider market continues on its journey of growth and recovery, remote working will be an important element of any employer’s candidate attraction strategy, so it should be offered wherever possible.

As the procurement function continues to evolve, organisations will not only need to re-examine its role, but how it operates and where its strategic focus needs honing. For example: at what points data is harnessed, where supplier relationships can be strengthened and how innovation can be driven in category management. These are just a few of the trends we can expect to see transform the procurement function in 2021. We hope you find the insights covered in this report useful, both as you formulate your future talent management strategies, and plan for your own career development.

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

Scott Dance
Director, Hays Procurement & Supply Chain

hays.co.uk/procurement
The pandemic highlighted the risks that exist in the supply chains of all organisations. That said, our report shows that procurement professionals have been at the forefront of the response to the pandemic. This has increased the profile of procurement professionals within their organisations.

The CIPS/Hays 2021 Salary Guide clearly shows that in the MENA region the demand for procurement professionals continues to be very strong. Within the profession there continues to be significant growth in salaries, with an average annual increase of 7.9% indicating the strong demand for procurement professionals in challenging economic times. We continue to see an increase in the professional recognition of MCIPS amongst employers, with 66% of those surveyed requesting MCIPS when recruiting. Professionals themselves are achieving an average salary premium of 82% compared to non-MCIPS colleagues which is a huge gap between those that have chosen the professionalisation route and others without the power of CIPS driving their careers.

It would be remiss of me not to draw attention to the continuing gender pay gap in the profession. The gender gap reported this year is 37%, and whilst there has been progress from 64% over the last 12 months, the profession must now start to examine this in greater depth; to understand why the gap exists and what can be done to eradicate it.

The pandemic has accelerated the digital agenda and the trends that were emerging in previous reports, which saw the digitalisation of operational/repetitive procurement tasks.

There is a continued focus on soft skills, with communication, relationship management, and negotiation skills being the most valued skills at all levels of the profession. The development of soft skills will be an increasingly important component of the future procurement professionals' catalogue of competencies.

The pandemic has introduced significant changes in ways of working. This will create significant challenges for the profession post COVID-19. New ways of working, however they are defined, will have a significant impact on attracting and retaining talent. This report shows that attracting the right quantity and quality of talent continues to be a challenge for the profession in the MENA region.
About This Report

The CIPS/Hays Procurement Salary Guide and Insights 2021 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

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. In each section there are links to useful information and resources that further support the points discussed.

The findings in this report are based on research conducted in January - February 2021 via an online survey among professionals currently working in procurement. This year 6,512 professionals completed the survey. The research was conducted and results were analysed by the market research agency Verve.

The data in all graphs is based on 2021 respondents only. It’s important to note that whilst some significant differences year on year have been highlighted, the sample profiles each year differ based on who answers the survey. Statistics throughout this report have been rounded to the nearest decimal point. Data has been reported on where base sizes are larger than 50. For base sizes of 20-50, caution has been applied. 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

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

#### Professional

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

#### Managerial

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

#### Operational

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

#### Tactical

- Purchasing Assistant, Assistant Buyer, Administrative Assistant, Stock Controller, Contracts Administrator, Inventory Planner, Assistant Contracts Officer.
Many professions and sectors have seen significant change over the last year as operations were diverted in new and different directions to survive. With a varying impact to supply chains in different countries, and different rules and restrictions in place across the region, the pandemic has highlighted the need for agile and adaptable supply chains for all.

As supply lines were cut and suppliers failed to deliver, leading to goods shortages in some instances, the procurement and supply profession became much more visible to the wider public, increasing the awareness and appreciation of the role. With a varying impact to supply chains in different countries, and different rules and restrictions in place across the region, the pandemic has highlighted the need for agile and adaptable supply chains for all.

Despite the challenges – with many supply chains stretched to capacity and beyond – 79% believe that procurement is now more valued within their organisation than it was last year. Procurement activities are also now more likely to be valued and understood by senior managers, as the strategic importance of securing the strongest suppliers increased, taking into account the difficulties of supply chains from both Asia and Europe across the past year.

Encouragingly, this is reflected in our salary data. We’ve seen a 7.9% average salary increase for procurement professionals in MENA this year, boosted by an average bonus of 8.5% for those who received one. These factors contribute to this year’s strong job satisfaction figures: 75% of procurement professionals are now either equally satisfied or more satisfied in their roles than 12 months ago. Moreover, for 81% working in procurement and supply was a conscious decision.

Soft skills remain on the agenda for hiring managers: the ability to lead, communicate effectively and manage suppliers and stakeholders is as important as ever. As the profession grows in confidence and prominence, it will become increasingly important for leaders to focus on these soft skills. These are important training areas for procurement departments to invest in to ensure they are well-equipped to deal with future risks, building more resilience into supply chains.

Looking ahead to the future, focusing on soft skills and nurturing talent within, will be crucial to maintaining the strongest talent in the profession.

Sam Achampong
General Manager, CIPS MENA
How Procurement Is Viewed

77% believe that Directors and Heads of other departments in their organisation understand what procurement specialists can offer (across all sectors)

In a year like no other, procurement has been thrust into the limelight by the COVID-19 pandemic. Procurement professionals have had to adapt to significant and sudden changes to supply chains, playing an instrumental role in ‘keeping the country moving’.

Perceptions of procurement and supply management remain consistently positive, with 78% of respondents believing that the profession is valued within their organisation. There have been improvements in the last year, with 79% believing that there has been a positive change. Encouragingly, there is increasing recognition from senior audiences, with more Directors and Heads of other departments understanding what procurement specialists can offer. This suggests that the pandemic has emphasised the strategic benefits of a strong procurement function.

CIPS TIPS

Guidance: Communication and Soft Skills
Guidance: Stakeholder Management
Guidance: Procurement Leaders
Article: Three lessons for CPOs Using Behavioural Science

HOW PROCUREMENT IS VIEWED

79% Perception of procurement has improved in the last 12 months

79% Procurement is engaged from the start of a project

78% Procurement is very much valued within my organisation

77% Directors and Heads of other departments in my organisation understand what procurement specialists can offer

73% Staff in other departments in my organisation understand what procurement specialists can offer

The pandemic has raised the profile of the procurement profession significantly as organisations seek mitigation strategies for supply chain challenges and revenue constraints. This has been particularly pronounced in the MENA region due to its position as a trading hub and an emerging centre of innovation.

In 2021 and 2022 the MENA region will host two of the largest global events; Dubai EXPO 2020 (delayed due to the pandemic) and the FIFA World Cup 2022 in Qatar. The importance of procurement and supply chain in delivering these projects in the midst of a global pandemic is a case study on its own, and has provided those involved a platform to showcase the profession as a key strategic contributor to economic growth in the region.

Sam Achampong
General Manager, CIPS MENA
COVID-19 has had a significant impact on the procurement profession. As is the case for many professions, we've had to change and adapt to new circumstances and ways of working, which offers both challenges and opportunities to bring in positive changes. Whilst many have successfully implemented new practices, some sectors were impacted by the pandemic more than others. As a result, many procurement professionals believe that budget restraints will be a key short-term challenge, as well as managing costs while maintaining quality. Continuing to show the value of procurement to those outside the profession will be key to full recovery from the pandemic.

Being adaptable enough to deal with constant disruption and react effectively to change will be key to tackling this challenge. Dealing with constant disruptions and adapting sourcing strategies will be important to effectively manage risk. Collaborating to find innovative ways of working to build resilience in their supply chain will also be critical.

### Key Challenges

41% stated budget constraints as the top challenge in the next 12 months

#### TOP FIVE MAIN CHALLENGES FOR PROCUREMENT IN NEXT 12 MONTHS

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Budget Restraints</td>
<td>41%</td>
</tr>
<tr>
<td>Managing Costs While Maintaining Quality</td>
<td>40%</td>
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<tr>
<td>Recovery from the COVID-19 Pandemic</td>
<td>37%</td>
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<tr>
<td>Managing Risk in the Supply Chain</td>
<td>36%</td>
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<tr>
<td>Internal Changes</td>
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**CIPS TIPS**

- **Guidance:** *Mitigating Supply Chain Risk*
- **Tool:** *CIPS Risk and Resilience Assessment Tool*
- **Podcast:** *Best Approach to Risk Mitigation*
- **Podcast:** *Financial Analysis to Identify Risk*
- **Tool:** *CIPS Risk Tools*

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This year, senior audiences have shown an increased understanding of what procurement specialists can offer an organisation. This increase demonstrates the visibility of procurement during the pandemic: minimising damage to the economy, mitigating risk to supply chains, and providing crucial support that has enabled organisations to maintain business continuity. Looking ahead, the trends that we have seen emerging in procurement this year will be crucial to implementing enduring business practices that are both responsible and sustainable.

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Scott Dance, Director

*Hays Procurement & Supply Chain*
Importance of Key Skills

Top three skills in 2021 (at all levels)

1. Negotiation 62%
2. Supplier Relationship Management 49%
3. Communication 40%

As demands on procurement professionals have continued to evolve, so have the associated skills needed to succeed in the role. As with last year, soft skills continue to dominate the top five skills in demand across all sectors, with negotiation and supplier relationship management (SRM) being particularly crucial. At a time when procurement specialists are relied upon more than ever, continuing to manage supplier relationships through effective communication and strong influencing skills are critical to ensure cost-effective and strategically sound procurement solutions.

Communication also features heavily as an important skill. As many have transitioned to a remote working environment, we’ve needed to adapt our communication styles to ensure that communications with colleagues, stakeholders and suppliers remain clear and effective. Arguably, strong communication skills result in better performance across all soft skills; good communicators are better able to lead, influence, and manage stakeholders and suppliers. This suggests that a focus on training individuals in this vital skill is likely to be a significant boost to any procurement team.

 Whilst strong soft skills and the ability to engage and influence stakeholders in a collaborative way are becoming essential for professionals, they should be underpinned by credible technical skills, with negotiation a key technical skill being required in the profession. With budgets likely to tighten over the coming months, negotiating the best rates and ensuring the best suppliers are sourced will be essential, to provide organisations with the best chance of successfully navigating the pandemic.

CIPS TIPS

Podcast: Strategic Negotiations
Podcast: Increase your Game in Negotiations
Tool: CIPS Global Standard
Guidance: Communication and Soft Skills
Guidance: Supplier Relationship Management
Guidance: Procurement Leaders
Guidance: Contract Management

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<th>Key</th>
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<th>Technical skills</th>
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<td>Supplier Evaluation and Appraisal</td>
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* Low base
Dubai was due to host EXPO in 2020 bringing 192 countries together in the largest EXPO to date. It is the first time such an event is hosted in the Middle East, Africa and South East Asia. Across 182 days, Dubai will host the world, aiming to increase awareness about the challenges faced by humanity on a global scale. With preparations well underway, it became apparent by March 2020 that the EXPO launch in October 2020 would need to be delayed. From the early stages of the COVID-19 pandemic, there were significant disruptions to supplies from China and Europe, as well as major difficulties in hiring the best talent across a range of industries, including Artists, Events Management, Technology and Hospitality. As a result, the Bureau International des Expositions, the organising body of Expos around the world, decided to delay the launch until 2021.

Anis Tabka, SVP Procurement and Contracts, found himself in a unique position:

Once the decision had been made to delay the EXPO opening date to October 2021, we had to immediately start reviewing our contractual commitments and reduce our financial exposure in light of the postponement and the ongoing global pandemic. Once the new vision and a new strategy were developed and approved by Executive Management, we had to start the whole procurement process again.

This presents us with an ideal case study to learn from as procurement professionals: how to adapt complex supply chains and thrive in a crisis.

Having set the new launch date for October 2021, the EXPO 2020 procurement team quickly adapted to face up to fresh challenges. The scale of their work included:

- **Sourcing new suppliers to protect against supply chain disruptions.** With no containers or shipments coming through from China or Europe, goods and service staff were re-routed around the globe, in a major logistical operation.

- **Recruiting an additional 15,000 contract staff (in addition to the existing 35,000) and keeping them safe.** Despite the obvious workforce challenges, workers from an array of different countries and industries were brought onboard and protected in a COVID-safe environment.

- **Reviewing and renewing contracts.** Employment and supply contracts for different categories ranging from Construction, IT, Events Management to F&B needed to be reviewed to ensure they were fit for the new circumstances.

- **Supporting SMEs in a time of stark financial difficulty.** EXPO 2020 had already pledged to support the SME community by allocating 20% of its spend to global SMEs. With many SMEs struggling financially as a result of the pandemic, EXPO 2020 needed to find new ways to support them and with many goods already being delivered, there was a need to provide flexibility in contracts.

Although COVID-19 presented a number of unforeseen challenges, it has also strengthened the EXPO 2020 procurement team and its practices. Through adversity, the Procurement & Contracts functions were tested to their limits, making the team stronger, and proving the value of investing in best practice. Never has the value of a business continuity plan been demonstrated so plainly! The importance of expert supplier relationship management has also been highlighted, with the team paying attention to risk mitigation and creating more stable supply chains. Finally, managing through COVID-19 has modernised the function and accelerated the process of digitisation. Operations are now fully functional remotely and automated processes implemented to ensure that staff illness or absence doesn’t disrupt the delivery plan.

Now, with COVID-secure planning in place and a clear path out of the pandemic, plans for EXPO 2020 are now back in full swing, ready to open the doors in October 2021. Whilst it has been a very turbulent year, it has been a transformational experience for the EXPO 2020 procurement team.

We’ve won 5 awards including Top Procurement Company. It was a great honour to be selected by CIPS, it demonstrates the capability of the Procurement and Contracts team in EXPO and the extra lengths we are going through to support SMEs, communities and partners as well as the strategies that we had in place.

A huge thank you to Anis Tabka, SVP Procurement and Contracts, at Dubai EXPO 2020 for taking the time to share his story with us and provide key learnings for all of us within the procurement profession.
Salaries

7.9% average procurement professional pay rise

$63,847 Average salary for all procurement and supply professionals

Despite the obvious commercial challenges of the last 12 months, employers are continuing to reward procurement professionals with bonuses and increased salaries.

The average salary for procurement professionals is $63,847, with 32% of those eligible receiving a salary increase in the last year. The average salary increase for procurement is 7.9%. It’s encouraging to see resilience from the profession in the face of adversity – a further indication of the increasing status and value of the function across sectors and industries.

AVERAGE SALARIES BY LEVEL

Advanced Professional $137,526
Professional* $83,948
Managerial $59,356
Operational $41,988
Tactical* $22,459

CIPS TIPS

Tool: Interactive Global Salary Map

SALARY BY GENDER

Male $69,241
Disparity $18,774 ↓ 37%
Female $50,467

Gender pay gap reporting is something we continue to closely monitor, and we have seen the pay gap narrow over the past year. However, there is still a lot of work that needs to be done by organisations to address this issue and to ensure women continue to join and remain in the procurement profession.

An improved gender balance offers many advantages for organisations, from greater innovation to improved productivity and more. It’s crucial that the procurement profession continues to strive for better when it comes to Equality, Diversity & Inclusion (ED&I), even though many organisations continue to face economic challenges. Making comprehensive ED&I policies a core part of their talent acquisition and retention strategy is key to organisations looking to attract more women into procurement, as is the tailoring of flexible working options.

Organisations need not only to address the pay gap, but also to increase transparency around pay grade structures: only 46% of survey respondents felt that their organisation had a transparent pay grade structure in place. Whilst this is heading in the right direction, considerable work remains to redress the balance.

Salaries for procurement staff remain highly competitive due to the relative shortage of talent, with organisations seeking highly skilled professionals to fill key roles. Initiatives such as the Saudi Vision 2030 have led organisations such as the Public Investment Fund to lead the way in pursuing procurement excellence for its practices as well as its people. In the UAE, the drive towards technology adoption has seen government entities at federal and local level aim towards not only implementing the technological solutions applicable to today’s challenges but upskilling the staff utilising these systems.

Sam Achampong
General Manager, CIPS MENA
Professional Recognition

82% average salary disparity
MCIPS v Non-MCIPS (across all levels)

66% request MCIPS (or studying towards) as a preference when recruiting

72% would give further consideration for candidates with FCIPS

Globally recognised, MCIPS demonstrates a commitment to keeping skills fresh and relevant: this mindset is very much in demand amongst employers, who are always in search of self-motivated and talented staff.

The importance of studying towards and showing commitment to qualify for MCIPS is evident again this year, with those achieving MCIPS status able to demand greater remuneration for their dedication to the profession, with a 82% average salary disparity across the region.

Besides higher salaries, MCIPS offers a more positive career outlook, with 66% of employers requesting MCIPS (or study towards MCIPS) as a preference when recruiting. This is likely to be driven by the technical knowledge gained from the qualification as well as the dedication required to pursue it - individuals motivated to invest time in further study show ambition and a thirst to succeed.

MCIPS signals that an individual has achieved an internationally recognised award, signalling to peers and employers their professional excellence and credibility. It represents the global standard for practitioners within the procurement and supply profession. Further opportunities are provided through Chartered status, which shows clear commitment to ethical practice and lifelong learning. There is no charge for eligible MCIPS to upgrade to Chartered status.

MCIPS SALARY DISPARITY

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<tr>
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</table>

82% Disparity

CIPS TIPS

Guidance: MCIPS - Your Professional Licence
Podcast: How to Own Your Career Development Plan
Podcast: How to Develop Your Personal Brand
Bonuses

8.5% average bonus as a percentage of salary

Across the region a number of factors define the bonuses received. Just over half (58%) of those surveyed were eligible for receiving a bonus; of those who were eligible, 58% received a bonus in the last 12 months. The effects of the pandemic have extended to the bonuses received, with 29% of those surveyed not receiving a bonus this year when they typically would. A further 21% received a bonus, but one that was smaller than they had expected. The effects of the pandemic are likely to be felt for some time to come yet, so early communication with employees around the effect this will have on bonuses is important to maintain employee satisfaction.

Compared to other sectors, the private sector boasts the largest proportion of procurement professionals eligible for a bonus as well as receiving a bonus that represents a higher percentage of their salary.

The benefits of MCIPS classification extend from salaries into bonuses, with a higher likelihood of eligibility for a bonus compared with their Non-MCIPS counterparts.

For the majority (67%) receiving a bonus is defined by achieving company targets, however, there is a strong preference for bonuses to be based on achieving personal targets.

58% Received a bonus among those eligible

BONUS ELIGIBILITY BY SECTOR

PRIVATE SECTOR

PUBLIC SECTOR

64% 52%*

AVERAGE BONUS AS % OF SALARY BY SECTOR

PRIVATE SECTOR

PUBLIC SECTOR

9.1% 7.4%*

PROFESSIONALS ELIGIBLE FOR A BONUS

MCIPS

NON- MCIPS

70% 55%

HOW BONUS IS DEFINED VS. PREFERRED

Company Achieving Targets

Achieving Personal Targets

Team Achieving Targets

67% 50% 61%

35% 61% 41%

Defined Defined Preferred

Defined Preferred

Defined Preferred

* Low base
**Benefits**

Support for Study/Career Development is the most common benefit desired (47%), and least likely to be received (17%).

In a year where remote working has become the norm due to COVID-19, many procurement professionals have benefitted from more flexible working practices than in the past. Whether it’s flexibility in choosing where to work or when, these relaxations have meant that employees have more freedom when juggling the different priorities in their lives, resulting in improved work-life balance. Home working is likely here to stay (to varying degrees) and so many prospective job candidates will be expecting to see this as a standard benefit when applying for a job. They’ll also be looking for other indicators of flexibility beyond home working, such as compressed hours and flexible timetables.

A different set of challenges comes with increased flexibility, particularly around maintaining a strong organisational culture and team spirit. It’s crucial that employers adapt their approach, so that all employees feel included, supported and united behind a common goal. Encouragingly, organisations are offering a more diverse range of benefits than employees may expect. As the ‘disparity gaps’ between desired and received benefits indicate below, three of the top six benefits are received by more people than would have expected (or desired) them.

### AVERAGE GAP BETWEEN BENEFITS DESIRED VS. RECEIVED

**Support for Study/Career Development**
- **47%** Desired
- **17%** Received
- **↓ 30%** Less than desired

**Flexible Working Hours**
- **34%** Desired
- **27%** Received
- **↓ 7%** Less than desired

**Life Assurance/Death in Service Benefits**
- **21%** Desired
- **27%** Received
- **↑ 6%** More than desired

**Private Medical Insurance**
- **46%** Desired
- **62%** Received
- **↑ 16%** More than desired

**Car Allowance/Company Car**
- **34%** Desired
- **23%** Received
- **↓ 11%** Less than desired

**Working from Home**
- **26%** Desired
- **29%** Received
- **↑ 3%** More than desired

### TOP THREE FLEXIBLE WORKING ARRANGEMENTS

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Arrangement</th>
</tr>
</thead>
<tbody>
<tr>
<td>61%</td>
<td>Flexi-time</td>
</tr>
<tr>
<td>57%</td>
<td>Home or Remote Working</td>
</tr>
<tr>
<td>24%</td>
<td>Informal Flexible Working</td>
</tr>
</tbody>
</table>

**CIPS TIPS**

Podcast: How to Attract and Retain the Best Talent
Benefits Employees Prioritise as a Result of COVID-19

33% believe their work-life balance has improved as a result of COVID-19

It’s hard to imagine that the pandemic has had any positive effects over the past year, but with a huge move towards remote working and more flexibility within the workplace, for many people, work-life balance has improved. The working landscape has changed with 30% wanting to continue working remotely over the next 12 months, and an appetite for hybrid working arrangements also in evidence. Still, 37% would like to return to the office full-time. Providing support for team members to work from home and setting up hybrid working models will be crucial to maintaining job satisfaction and staff loyalty. It’s clear that there isn’t a ‘one size fits all’ approach, so providing flexibility in how team members choose to work will be crucial for both attracting and retaining candidates.

Change to Work-Life Balance Due to COVID-19, by Sector

Private Sector
- 32% Improved
- 37% Same
- 31% Worsened

Public Sector
- 32% Improved
- 39% Same
- 29% Worsened

Work Environment Preference Post COVID-19, by Sector

Private Sector
- Fully Remotely: 3%
- Majority Remotely: 25%
- Half and Half: 32%
- Majority in the Office: 18%
- Fully in the Office: 21%

Public Sector
- Fully Remotely: 7%
- Majority Remotely: 26%
- Half and Half: 34%
- Majority in the Office: 21%
- Fully in the Office: 12%

Scott Dance, Director
Hays Procurement & Supply Chain

Flexible working is not a new concept for procurement and has been a prevalent trend within the function for some time prior to the pandemic. However, the past year has taken this to new extremes, and procurement professionals have successfully executed projects and undertaken a number of responsibilities entirely remotely. The question now will be how to adapt this remote working model into more of a flexible ‘hybrid’ one as the world begins to transition, and for many professionals an increased focus on skills development, including agility and adaptability, will be key.
In a year where we’ve seen huge changes in the workplace, there is still a struggle to find the right talent. Crucially, employers need to recognise changing mindsets around the role of work and reflect these changing priorities in their hiring practices. Employees are looking beyond salaries and financial benefits to ethical and sustainable practices and initiatives that will support their wellbeing and help them maintain a healthy work-life balance.

The key challenge facing hiring managers is the difficulty in finding applicants with the right skills – in particular, technical skills and evidence of formal procurement training. This year, we’ve seen a rise in the number of employers struggling to find candidates with formal procurement training. Achieving or studying towards MCIPS has a key role in the profession – it sets candidates apart from other applicants and tackles the need for professionals with strong technical skills.

With 28% expecting to increase the number in their procurement team in the next 12 months, it’s important that companies reflect a positive, inclusive and understanding image that aligns with candidates’ expectations, in order to attract the best talent.

Although a lack of technical skills is one of the key challenges facing hiring managers, soft skills top the list of ‘skills in demand’ again this year. Whilst soft skills are important across all levels – particularly communication and supplier relationship management – they are particularly crucial at more senior levels. Soft skills help to strengthen and nurture relationships within organisations, elevating the procurement function. They are arguably more important when remote working is the norm – when teams are unable to meet in person, leaders must have the soft skills needed to support their teams and communicate effectively with stakeholders in the wider organisation.

### CHALLENGES IN RECRUITING THE RIGHT TALENT

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of Technical Skills/Evidence of Formal Procurement Training</td>
<td>64%</td>
</tr>
<tr>
<td>Lack of Sector Skills and Experience</td>
<td>56%</td>
</tr>
<tr>
<td>Budget Restraints</td>
<td>36%</td>
</tr>
<tr>
<td>Candidate Salary Expectations</td>
<td>36%</td>
</tr>
<tr>
<td>Lack of Soft Skills</td>
<td>36%</td>
</tr>
<tr>
<td>Internal Processes/HR</td>
<td>31%</td>
</tr>
<tr>
<td>Location</td>
<td>15%</td>
</tr>
<tr>
<td>Competition from Other Employers</td>
<td>13%</td>
</tr>
<tr>
<td>Organisational Fit</td>
<td>11%</td>
</tr>
</tbody>
</table>

---

**TOP FIVE SKILLS IN DEMAND**

<table>
<thead>
<tr>
<th>Skill</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negotiation</td>
<td>57%</td>
</tr>
<tr>
<td>Communication</td>
<td>44%</td>
</tr>
<tr>
<td>Sourcing</td>
<td>41%</td>
</tr>
<tr>
<td>Supplier Relationship Management</td>
<td>31%</td>
</tr>
<tr>
<td>Contract Management</td>
<td>29%</td>
</tr>
</tbody>
</table>

While technical skills are very important for a professional to be able to do their job well, these skills are usually easier to teach than soft skills such as good communication and stakeholder management. Focus on hiring for potential – when recruiting, keep on the lookout for professionals who demonstrate strong soft skills and try to show flexibility with those who do not necessarily have all the technical skills you would ideally like. In your existing team, consider what training options your organisation can provide to help professionals to continue developing their soft skillset.

Scott Dance, Director
Hays Procurement & Supply Chain

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47% of employers have struggled to find the right talent in the last 12 months

**Talent Management**
 Despite the turbulent circumstances, there is still an openness to moving roles among procurement professionals, with over half expecting to move to a new employer in the next year. With many having had the opportunity to carefully evaluate their current situation, as new job opportunities start to be advertised, professionals will open their eyes to new possibilities if their current role isn’t meeting their needs.

One of the prime motivations for seeking a new role is career advancement. Of the procurement professionals we surveyed, 89% are motivated to advance their career by seeking a more senior procurement role in the next two years. This highlights the need to offer a supportive environment with clear progression paths to ensure the best talent is retained within organisations; if it’s unclear how they would be promoted internally, they are likely to be drawn to external opportunities.

When looking for a new role, candidates will research the company and look to understand what the company offers, its reputation, diversity and inclusion policies and training and investment opportunities.

Procurement professionals looking for a new role want to ensure they are moving to a secure role which will contribute to their longer-term career development: salary, career progression opportunities and ethical practices rank highly as important factors when considering a new job.

Lack of opportunities is a key reason not to pursue a more senior role or look to switch jobs, as many companies over the past year paused hiring operations to cope with the challenges driven by the pandemic. Whilst three in ten say that enjoying their job is a good enough reason to stay with their current employer, this means that for the majority, job satisfaction alone isn’t a strong enough motivator to stay. Rather, a combination of compelling factors is likely to be necessary for retaining the best talent.

**Top five reasons to stay with current employer**

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of Opportunity</td>
<td>32%</td>
</tr>
<tr>
<td>I enjoy the job I have now</td>
<td>27%</td>
</tr>
<tr>
<td>Training and Development Needed to step up to a new role</td>
<td>27%</td>
</tr>
<tr>
<td>Currently have job security and don’t want to risk that</td>
<td>23%</td>
</tr>
<tr>
<td>Want to retain work-life balance I have now</td>
<td>18%</td>
</tr>
</tbody>
</table>

**Top ten most important factors when considering a new job**

<table>
<thead>
<tr>
<th>Factor</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>81%</td>
</tr>
<tr>
<td>Company is well known for ethical practices/sustainable practices/ethical sourcing</td>
<td>81%</td>
</tr>
<tr>
<td>Career progression opportunities</td>
<td>80%</td>
</tr>
<tr>
<td>Reassurance about job security</td>
<td>78%</td>
</tr>
<tr>
<td>Procurement is highly valued within the company</td>
<td>77%</td>
</tr>
<tr>
<td>Company is committed to equality, diversity and inclusion</td>
<td>76%</td>
</tr>
<tr>
<td>Company reputation</td>
<td>76%</td>
</tr>
<tr>
<td>Company is committed to staff training and development</td>
<td>74%</td>
</tr>
<tr>
<td>Management team</td>
<td>74%</td>
</tr>
<tr>
<td>The content of the work</td>
<td>73%</td>
</tr>
</tbody>
</table>
Equality, Diversity & Inclusion (ED&I) in the Workplace

93% agree that a diverse and inclusive workplace is more open and trusting, helping to improve staff retention

One of the many things that the pandemic and shift to increased remote working has highlighted for procurement is the varied needs and requirements of employees. To operate effectively, organisations need to ensure that their workforce truly represents the communities they operate in and serve. When those from diverse backgrounds work together to create a service we all rely on, the outcome is much more likely to benefit everyone. It’s clear that procurement professionals celebrate the many benefits that ED&I brings to the internal talent pool, organisational culture and company reputation. It signals that the organisation is open, forward-thinking and actively puts people at the heart of its business model – the sort of business that talented individuals are proud to work for, regardless of gender, ethnicity or sexual orientation. This shows how important it is to pursue an ED&I strategy, not just for its own merits, but to attract and retain talented staff.

40% ensure interview panels are diverse

Whilst about two in five firms we surveyed were conscious to ensure interview panels are diverse and unbiased language is used to describe vacancies, organisation and culture, it is clear that there is still some way to go in terms of setting concrete and transparent targets to improve performance. Only a minority of firms have set diversity targets for the recruitment agencies they engage with, or ensured that imagery and branding in recruitment material reflects a diverse workforce. There is certainly appetite for leadership and guidance on how to embed ED&I best practice within organisations.

REASONS TO ENGAGE IN DIVERSE AND INCLUSIVE HIRING PRACTICES BREAKDOWN

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>A More Open and Trusting Place to Work Helping to Improve Staff Retention</td>
<td>93%</td>
</tr>
<tr>
<td>A More Attractive Place to Work for Prospective Candidates Which Increases Access to Skills from a Wider Talent Pool</td>
<td>92%</td>
</tr>
<tr>
<td>Improved Productivity in My Team</td>
<td>92%</td>
</tr>
<tr>
<td>Greater Creativity and Innovation in My Team</td>
<td>91%</td>
</tr>
<tr>
<td>Helps Employees to Reach Their Full Potential</td>
<td>91%</td>
</tr>
</tbody>
</table>

MEASURES TAKEN TO ENSURE DIVERSE AND INCLUSIVE HIRING PRACTICES

<table>
<thead>
<tr>
<th>Measure</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensured Interview Panels are Diverse</td>
<td>40%</td>
</tr>
<tr>
<td>Used Unbiased Language to Describe our Vacancies, Organisation and Culture</td>
<td>36%</td>
</tr>
<tr>
<td>Provided Training for Hiring Managers to Reduce Unconscious Bias when Hiring</td>
<td>30%</td>
</tr>
<tr>
<td>Implemented Diversity Recruitment Targets</td>
<td>27%</td>
</tr>
<tr>
<td>Set Diversity Targets for the Recruitment Agencies They Engage With</td>
<td>24%</td>
</tr>
<tr>
<td>Ensured that Imagery and Branding in Recruitment Material Reflects a Diverse Workforce</td>
<td>20%</td>
</tr>
<tr>
<td>None</td>
<td>21%</td>
</tr>
</tbody>
</table>
Amidst the ongoing uncertainty, a demand for procurement talent remains, and there are still significant skills shortages in many areas. Whilst learnt technical skills remain crucial, the unique challenges of the pandemic have shifted the spotlight heavily to soft skills this year. Supplier relationship management and communication have emerged as critical to maintaining proactive relationships with key stakeholders and thus building strategically sound procurement solutions.

With procurement professionals having demonstrated their integral role in keeping organisations moving and turning supply chain disruption and complexity into significant change, the strategic value they add is now increasingly being recognised by senior leaders. As we’ve seen, the proportion of Directors and Heads of other departments who understand what procurement specialists can offer increased significantly on last year.

With the value of procurement now more widely recognised than ever, hiring plans are expected to remain strong. Activity levels – in the private sector in particular – are making a strong recovery, and consequently it will be vital for employers to formulate a competitive candidate attraction strategy that reflects employees’ changed priorities as we emerge into a more flexible, ‘hybrid’ working world. Organisations must take steps to identify where their skills shortages lie and tailor their hiring strategy accordingly if they are to successfully navigate the ongoing challenges of the months ahead.

Though there has been some caution with regards to employee movement this year, professionals are still showing an openness to moving for the right opportunity. Salary remains the most important factor to those looking for a new role, with job security following closely behind – a reflection of the wider economic disruption that has resulted from the pandemic. Other factors that emerged as important include the content of the work and career progression opportunities, which employers looking to hire should take care to showcase as part of their employee value proposition.

It is also clear that the pandemic has perhaps effected a fundamental shift in priorities for professionals in terms of benefits. With flexible working likely a trend that’s here to stay, organisations must consider how they can harness the potential of these new working practices not just to attract potential candidates, but also protect the wellbeing of their existing workforce. Providing increased flexibility around working practices not only opens up roles to a more diverse group of applicants, but can also help organisations create a more inclusive culture where employees feel supported, seen and heard.

Carefully re-evaluating employee priorities in the face of continuously changing circumstances will help employers both attract and retain talent in the coming months. This will be crucial if organisations are not only to navigate the operational challenges of the months ahead, but build resilience for the future.

Scott Dance
Director, Hays Procurement & Supply Chain

There can be no doubt that this year has been a turbulent one, but procurement has shown itself to be both resilient and adaptable as a function, helping organisations mitigate disruption to supply chains, maintain business continuity and most importantly, support the communities they serve.
Reacting to constant change, adapting sourcing strategies to manage risk effectively, and establishing dynamic ways of working to build resilience are just a few trends that I have noted during my first year as Chair of the CIPS Global Board of Trustees.

The value of procurement and supply management to all kinds of businesses and organisations has never been clearer than during the pandemic, as supply lines have been cut and diverted and new operations created by some. Only the strongest has survived with skilled procurement and supply managers steering Boards and CEOs through the worst of the impacts.

The challenges businesses have faced has caused them to focus hard on seeking out the right talent for their organisation while developing, retaining and growing individuals who have a collaborative mindset and strong business acumen to engage suppliers and retain surety of supply. The need for technical procurement skills remains essential but the development and leverage of soft skills is also very important to unlocking collaborative opportunities and creating even better results. There were many good examples last year where competitors shared logistics opportunities and supermarkets paid suppliers early so that supply remained strong and constant – all led by creative supply chain managers with the right combination of skills and knowledge.

This year’s survey continues to demonstrate the value of formalising and enhancing these skills, supported by professional qualifications. It is also evident that MCIPS remains the gold standard for employers across a global competitive marketplace when looking for individuals who will make a positive impact on their business and demonstrate a level of achievement and skill for the modern world.

**Skills in Demand**

As we reflect on the lessons of the pandemic and look to the future, what now for procurement and supply professionals in 2021 and beyond? I would say continue to develop professionally through CPD programmes whilst paying particular focus on soft skills. Effective communication in an ever more digitalised world is increasingly important, particularly when working with suppliers and negotiating or managing teams remotely. In addition to continued professional development, I would urge all procurement and supply professionals to remain committed to ethical procurement strategies and, in particular, help raise awareness of modern slavery in supply chains. Whether looking through a personal or organisational lens, this is what strong, sustainable procurement practices will be founded on right now.

**Next-generation Talent**

A strong commitment to equality, diversity, and inclusion is something I am very passionate about and incredibly important to the development of strong, resilient supply chains. We all need to be as inclusive as possible and listen to the full range of different voices, views and ideas and capture the very best in innovative thinking. Driving transparency in supply chains and working to close the gender pay gap, which remains painfully evident, should be key focus areas in our drive to become fit for the present and the future.

**Summary**

We have so much to be proud of in our profession. I have witnessed the achievements of many unsung heroes over the last year working in the food sector, in retail, in healthcare, and more. I hope this spirit of striving to tackle challenges head-on, and building resilience in business continues, where continued professional development remains at the forefront of employers’ and individual’s minds, as the engine to achieve all this. We must all be self-aware, accountable and take action to drive positive change to ensure we are ready for future disruptions when they emerge, as I am sure they will.

**Conclusion**

It has been such a turbulent year for the world’s supply chains; with disruptions and lockdowns near and far, procurement and supply chain managers have had to step up to the plate.

**Paul Thorogood MBE**  
Chair of CIPS Global Board of Trustees