

1st of September 2009

## *Career management: Is Purchasing the third way?*

### *A Buy.O Group survey*

It is a fact that all businesses mostly rely on the quality and the talent of their human resources to keep on growing and performing. In a world where competition is already fierce for markets, innovation, technological edge, we can observe the competition is rapidly extending to the search and the retention of talents who will answer all companies needs and tomorrow's challenges. This is even more relevant in crisis time...

This search of resources and talents impacts all functions but it holds a particular significance for Purchasing. In the last two decades, this function has indeed deeply transformed: growing level of professionalism, diversifications of missions and increased contribution and performance to the business strategy. Building on this dynamic, the function needs talents to take a new maturity step and move to yet another level.

In this context, **Buy.O Group**, consulting company dedicated to business performance improvement through external resources (customers, partners and suppliers), chose to launch the **first survey focused on the Purchasing function attractivity, from its visibility to its contribution and recognition. Students but also business professionals have been equally invited to take part.**

*"As a privileged partner of companies we are assisting through their development, it seemed natural that Buy.O initiated this survey which puts under the spotlight major elements of the Purchasing function. We are convinced that the survey results will draw attention from numerous economical actors: Management of Human Resources and Purchasing, which will find in the survey the signals of a performing and attractive function to work for, professionals from other functions which are considering themselves actors of the Purchasing performance and rate the function as a priority for businesses, and finally students, which are more and more interested in the perspectives offered by a Purchasing career" states Marc Debets, Buy.O Group CEO and Institut Esprit Service BtoB Commission President.*

### *Survey's objective*

The survey rests on a questionnaire about the Purchasing function visibility within the company, its contribution to the global strategy and finally its appeal.

This questionnaire lightens up the professionals and students vision on the Purchasing function. It also allows getting deeper into some aspect of the Purchasing job.

## *Main learnings and conclusions of the survey*

- *Career management: is Purchasing the third preferred way?*

Purchasing is today competing with functions such as Marketing and Finance, appealing resources coming either from other company departments or from a student population.

**29% of non-purchasing professionals state they are ready to work in the Purchasing function in the middle-term.**

Respondents chose in the first place a potential mobility towards Marketing/Communication (35%), the Purchasing function ranking second (29%) before Audit/Finance/Controlling (20%).

**After the Audit/Finance and Marketing/Communication functions, Purchasing is the third-ranked function attracting students in priority.** Today, they are, indeed, 17% to privilege an orientation towards the Purchasing function before Human Resources (11,8%), R&D (9,6%) and sales functions (8,1%).

These numbers reveal the existence of a real human potential within businesses and future professionals. This potential is largely exceeding the needs in resources of the function.

- *Purchasing is today perceived as a priority in the business and a contributor to its performance*

**Whatever the profile of respondents, professionals or students, all consider Purchasing as a priority.**

60% of professionals believe indeed that Purchasing is a business priority. Outside the Purchasing function, other departments give a significant importance to Purchasing. These are led by the Sales function (75%) closely followed by Production (71%).

However students are the ones who recognize mostly the importance of Purchasing with an average of 83%.

**88% of respondents believe that the Purchasing function contributes rather highly or highly to business global performance.**

Other interesting fact : 62,6% of professionals outside the Purchasing function consider themselves actors of their company Purchasing performance.

The current crisis atmosphere and focus on costs management are not alone explaining Purchasing unanimous recognition evidenced through the survey. Indeed in the last twenty years, Purchasing organisations have worked on making their purchasing practices more and more professional in the public and the private sectors and this work paid-off. Purchasing is also increasingly visible within business and engineering schools either through some learning modules or some presentations...

- *Buyer : an attractive work which is evolving !*

The Purchasing function appeal is obvious among the students as well as the professionals. The vision of the buyer work is more and more precise.

Today, a buyer must not only master technical competences, but also demonstrate soft skills which are equally as important.

**98% of respondents quote relationship management and communication as essential competences for buyers**, even if market knowledge and negotiation know-how are also quoted as qualities required for the job.

**The transversal aspect of the job is the point which draws the most interest from respondents** (with an average of 94,7% students and professionals together). They value the buyer's central role which offers at the same time the opportunity to work with other functions internally and manage the supplier relationships. Other interesting fact: Market analysis and innovation management are among the most attractive missions for the respondents.

## Methodology

The questionnaire administration has been organised via an internet platform, between the 3<sup>rd</sup> March 2009 and the 20<sup>th</sup> April 2009. The questionnaire has been mainly distributed through international social (*Viadeo, LinkedIn*, schools and universities, etc.) and professional networks (*Business Review: La Lettre des Achats*, etc.)

The breakdown of the 1 239 respondents is as follows:

- **709 respondents originating from Purchasing** (professionals and students together)
- **530 respondents coming from non-purchasing** (professionals and students together)

So :

- **513 Students**, 17% from them training currently in Purchasing.
- **726 Professionals**, 105 of them are not from the Purchasing Function.



## About Buy.O Group

International consulting company, Buy.O Group dedicates itself to improving companies business performance.

Our mission is to help public and private organizations to generate added value through external resources: customers, suppliers and strategic partners.

Buy.O Group draws on 3 areas of expertise: Supplier and Purchasing Performance, Customer Capital Development as well as Strategic Partnership Creation, to support its clients in implementing new strategies, managing change and supporting operational projects.

Our clients either belong to international groups, SME's or public sector organizations.

Buy.O's missions cover a large diversity of business sectors and are conducted worldwide.

[www.buyo-group.com](http://www.buyo-group.com)

## About the survey

**To receive the synthesis of the survey or for any further detail, please contact:**

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