

# Procurement Recruitment

## Market Update, June 2019



At half way through the year, we have seen the Procurement Recruitment market remain strong on the Permanent side but has fared less well in the Interim sector. This is what Beaumont Select have seen in the first 6 months of 2019.

### **PERMANENT MARKET**

Somewhat surprisingly, we have seen the UK Permanent Procurement Recruitment market remain buoyant through the first 6 months of 2019. Despite Brexit fears, most of our corporate Clients would appear to be progressing with their permanent recruitment plans in a cautious, 'business as usual' manner, with the proviso that Senior Management Teams need to be sure their hires 'tick all the boxes', i.e. they must possess the right category knowledge, soft skills, commitment and organisational fit. In the last month or so, we have seen a suggestion of a slowdown on permanent hirers.

### ***"Doers" not "Strategists"***

We have seen the highest demand for lower to mid-range procurement specialists. Our clients are looking for 'true hands on' procurement skills, from Senior Buyer (circa £45K) to Category Lead levels (circa £90k), Somewhat surprisingly we have seen a decrease in demand for higher level procurement 'strategist' candidates (circa £95k and above).

As ever, the most sought-after Category is IT, particularly in the application development area. We have also seen reasonable demand in: HR Services and Professional Services. Procurement Professionals with specific and comprehensive IT category expertise are most likely to secure the highest salaries.

### ***Expediency in a competitive market***

In this highly competitive market, where our clients need to involve all stakeholders in the recruitment process; timelines can sometimes be quite long; and we have seen occasions where great candidates have been lost. The more comprehensive the interview process the more likely a best fit candidate will be secured, but clients need to be mindful that candidates need to be kept fully informed and updated throughout the recruitment and on-boarding process; to ensure candidate buy-in and a successful hire.

### ***Who's Struggling?***

As ever, companies that are paying below market rate in 'out of the way' locations are finding it challenging to secure the talent they need. We have seen some organisations, spending many months seeking very specific skill sets, being hampered by budget restrictions and 'unfavorable' location. As category skill requirements get more specific and harder to source, clients need to appreciate that they will not secure the talent they need unless they offer brand value, development potential and packages that truly attract the best candidates.

## ***Salaries on the Up... for a few!***

We have seen a nominal increase in salaries. If you possess specific, hard to find Category expertise that is in high demand, you will secure a good rate. However, overall, permanent salaries rates have remained largely static since the beginning of the year, and we would suggest that the uncertain economic environment will continue to suppress any significant salary increases.

## ***In Europe***

Our International team has been busy in Europe. Despite Brexit fears and UK Automotive sector shrinkage, we have seen a very buoyant EU market in the manufacturing/automotive sectors. We have seen high demand for Direct specialists, from Graduate to Category Lead levels. The majority of EU manufacturing clients we work with, are willing to offer competitive packages and re-location assistance to secure the right people and are happy to look at candidates from all across Europe.

## **INTERIM MARKET**

We have seen several talented long-term Interim Procurement Specialists, leave the interim market because of IR35 legislation. Market rates have remained static and we have seen a fall in demand for senior level; roles at £800+ per day are few and far between. Good Interims are staying put and accepting extensions in what has become a static market and market rates are not dissimilar to what they were 5 years ago; we don't see this changing any time soon. As ever, for very specific, hard to find category expertise, clients will be more flexible on the maximum day rate, so true 'hit the ground running' specialists will always find an Interim role.

## **SUMMARY**

Beaumont has seen a surprisingly buoyant first half of 2019 on the Permanent side. On Interim it has largely been business as usual, but IR35 pressures and economic factors are showing a slowdown in the Interim market. Brexit uncertainty continues to cause caution and worry amongst our clients, suppressing procurement recruitment activity, whether they are recruiting on a Permanent or Interim basis.

*Oliver Lewsley.*

Recruitment Director

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