



EMOTIONAL INTELLIGENCE IN THE PROCUREMENT SECTOR



“We’ve always been aware of the importance of soft skills and the huge impact Emotional Intelligence can have in communication and negotiation. Indeed, CIPS as an organisation has invested hugely in this area internally. It’s clear we now need to help members get greater access to these skills and we’re excited to work with JCA Global to help all our members with this. The subject of Emotional Intelligence and soft skills development will be at the centre of many of our upcoming presentations; it’s clearly a critically important influence in the development of best practice.”

DAVID NOBLE, GROUP CEO, CIPS





Overview

This paper looks into the levels of Emotional Intelligence present within the Procurement Sector, the importance of Emotional Intelligence (EI) to work in this profession successfully, and modernising thinking around soft skills within this area.

JCA Global partnered with CIPS to carry out a global survey of its members; of which 260 senior procurement professionals from across the globe responded. This supported us in the exploration of current perceptions within the sector around EI, both in terms of insight and capability, alongside the requirements of training needed to address this challenge. The findings of our research make interesting reading, demonstrating a clear indication that procurement professionals see the value of EI in their roles but don't feel it is being used effectively by their colleagues and leaders.

CIPS themselves are pioneers for development of EI in the procurement profession and value the understanding of individuals to hold an awareness of the need to develop EI within themselves, their teams and the profession and be capable of applying this to everyday tasks such as negotiation and communication.

If you would like to know more about Emotional Intelligence as a concept, and in particular how you can better understand your own EI, we encourage you to visit the CIPS Knowledge Partner page at www.cips.org/en-gb/knowledge/knowledge-partnerships where you can take our Emotional Intelligence Profile (EIP) Snapshot.

The EIP Snapshot is a short report designed to give you a quick reference as to your strengths and development areas in Emotional Intelligence. It includes a summary of your strengths as well as tips on how you can build on them. It will also highlight your development areas and ways in which you can improve your Emotional Intelligence.

Emotional Intelligence, soft skills and the Procurement Sector

At source, communication and soft skills are based on a common foundation of Emotional Intelligence – namely ‘a person’s capacity to make intelligent use of their emotions to be both personally and interpersonally effective’ (Maddocks, 2014). Therefore, to solve the most pressing challenges which face procurement, as told by those within the sector, the starting point is to understand the current state of play around EI in procurement.

More recently there has been a perceptible shift in thinking in the sector, attributing far greater value to the ‘soft skills’ aspects of procurement, namely Relationship Management – both with internal stakeholders as well as with external suppliers (Hayes, 2016). The emphasis on increased collaboration and partnership with suppliers, beyond a more traditional and purely cost-driven approach, has shifted the lens onto the soft skills required to be able to develop and nurture more connected relationships in procurement. This is where Emotional Intelligence comes into its own; providing the profession with the developable skills needed to excel in interpersonal facets of everyday life, such as; client management, negotiation, influencing and communication to name a few.

The CIPS Annual Salary Survey for 2016 noted that communication and soft skills were featured at the top of the most sought after skills category, with negotiation and influencing skills connected with supplier relationship management also featuring in the top six. This links with JCA’s theory of EI: combining skills, attitudes and habits to increase effectiveness, productivity and behaviours in the workplace (see Appendix 1). This suggests the greatest opportunities which exist in the profession, both in current employment and in potential future employment, will be unlocked by those procurement professionals able to clearly demonstrate the greatest capability in interpersonal and relationship building skills.

From the individuals who completed our survey 98.5% believed there was an importance in the use of soft skills within the Procurement Sector (Figure 1). However, when looking into the sample as a whole, it became apparent that only 22% of workers within this profession have recently had soft skills development and 88% do not see any application of EI within their organisation (Figure 3). Here we notice a great disparity between what is needed to modernise, improve and promote the sector with what is actually happening (or not happening) within the profession. There is a recognition of the importance of EI but the ability to utilise this throughout the profession appears minimal.

The Procurement Sector has traditionally valued negotiation skills and the ability to drive a hard bargain as one of the core competencies which make up a successful procurement professional. Whilst this isn’t to say that Emotional Intelligence has never been seen as a valued commodity by some in the sector, it appears that the narrower view of the purpose of procurement prevailed as a trend within the industry. Factors such as increased globalisation in supply chains, a focus on corporate responsibility in terms of ethical sourcing and the ever present pressure to drive innovation in products and services have increased the burden on procurement professionals to promote and develop increasingly complex, multi-faceted relationships with suppliers. This demonstrates how EI is an important concept to pursue in terms of sector-wide development.



Individuals who took part in the survey

FIGURE 1



Believed there was an importance in the use of soft skills within the Procurement Sector

FIGURE 2



Have recently had soft skills development at their place of work

FIGURE 3



Do not see any application of EI within their organisation

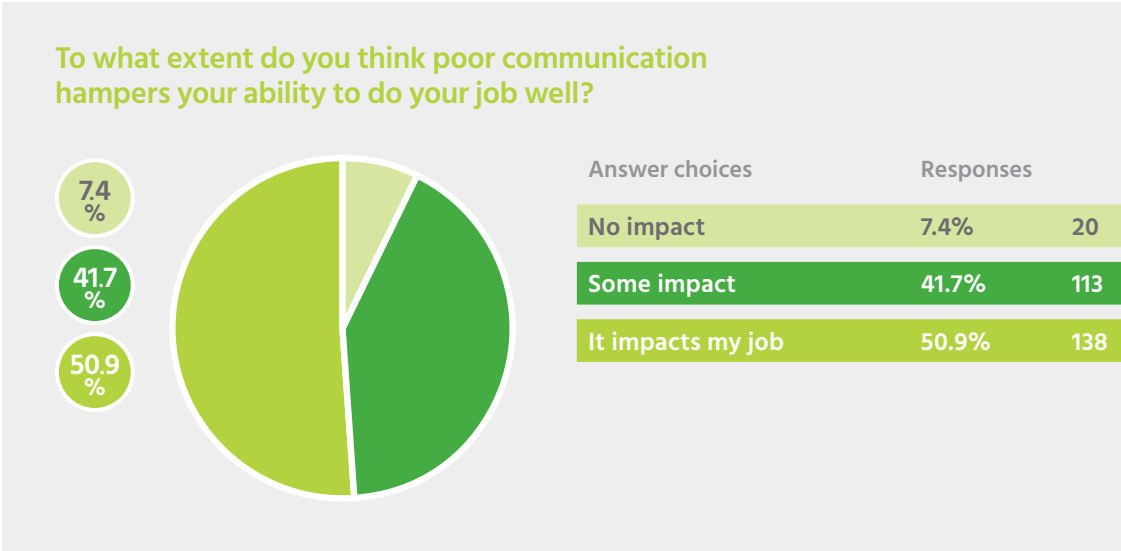


Current perceptions of EI in Procurement

We explored current perceptions around personal communication skills in those surveyed.

There was a common view across respondents that poor communication hampered their ability to do their job as well as they would like, with a majority of individuals stating that it impacts their capacity to do their job well. Almost all respondents agreed that poor communication was a barrier to success in their field. These findings provide a stark picture on the perceptions held within the sector on the impact that inadequate communication has on the profession. These statistics demonstrate the need to develop communication skills within this population in order to improve job performance and increase the ability to hold successful relationships. (Figure 4.)

FIGURE 4

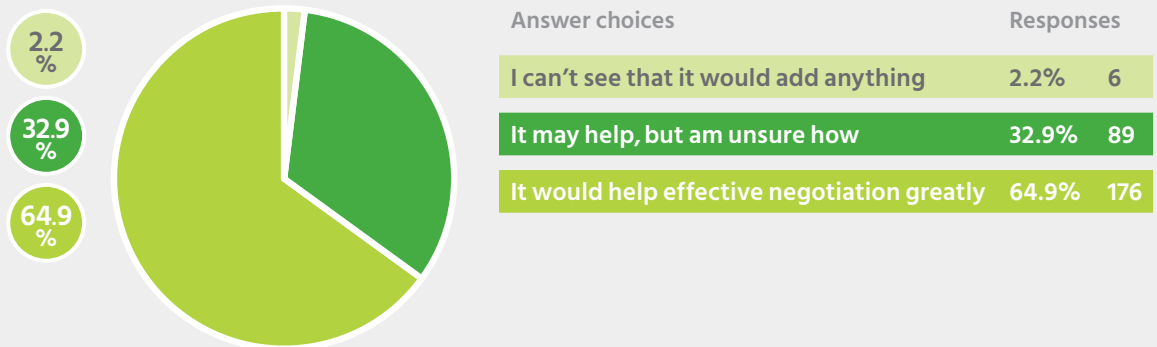


With reference to the benefits that EI could bring to their organisation, the majority (97.8%) felt understanding EI would help effective negotiation, however on the back of this only 22% of respondents believed their organisations had adopted internal training to cover this recently, and almost two thirds or respondents felt their knowledge of EI was basic to none. The understanding of the need to develop EI is clearly present but a noted lack of knowledge around the area, more specifically knowledge on how to develop these skills, appears to be holding back the profession. (Figure 5.)



FIGURE 5

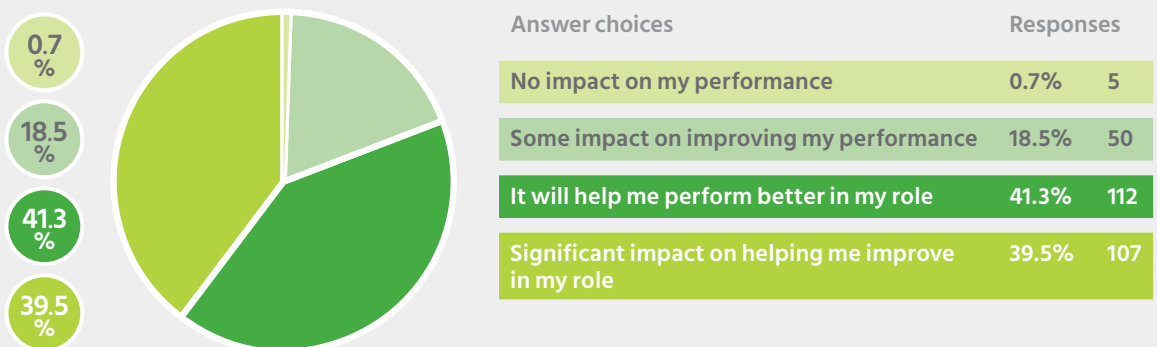
To what extent do you think EI amongst the workforce/leaders would help in effective negotiation?



Turning our attention therefore to the issue of soft skills training, we found that the vast majority of respondents believe that working on and developing their soft skills (e.g. Emotional Intelligence) would help improve their performance at work. The challenge however, is that almost half of the respondents surveyed have 'never had any soft skills training' and a further third said they had but it was 'some time ago.' Given the trends that the research is suggesting, it is clear to see a correlation between the apparent shortfall in these core competencies, and the lack of training received by procurement professionals in soft skills. (Figure 6.)

FIGURE 6

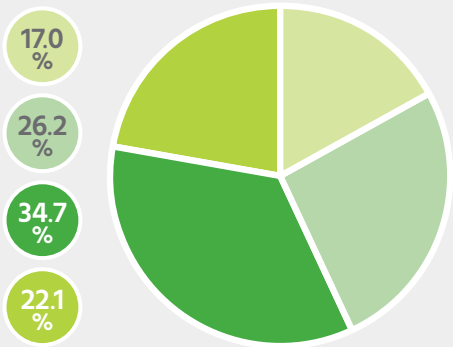
How much do you think 'soft skills' development has or will help you improve your performance in the work place?



Of those who have received soft skills training in the past, three out of four rated the training as being effective or better, with a third of the individuals describing it as 'very effective' to the extent that what they had learned had become part of their everyday working practice. Significantly, almost all of those surveyed agreed that development of their soft skills would improve their performance in the workplace, with 80% of respondents stating it would help them perform better, and a further two in five stating the impact on their performance would be significant. (Figure 7.)

FIGURE 7

Development of soft skills in the workplace



Answer choices	Responses	
I have never received any 'soft skills' development	17.0%	46
Never	26.2%	71
Yes, some time ago	34.7%	94
Yes, recently	22.1%	60

80%

Stated that it would help them perform better

2 in 5

Stated that the impact on their performance would be significant





Conclusion

The correlation between the growing talent gap in the sector, and the perceived lack of skills to deliver on core strategic objectives, indicates a clear development need within the Procurement Sector for boosting interpersonal skills and capability.

The message from the survey is clear. It would appear that the majority of those working within the sector recognise the challenge facing procurement as being centred around a perception of inadequate people skills to effectively deliver on procurement strategy; acknowledging that their own interpersonal and people skills would benefit from development. When this is considered in the context of the reported lack of training in soft skills, there is a strong case that the profession needs to do more to support its people with training and coaching on the skills and the insight to rise to the challenges facing the sector.

As indicated, there is considerable appetite to learn amongst procurement professionals, and an acknowledgement that Emotional Intelligence would significantly help them perform better in their role. It is with this backdrop that JCA Global is delighted to be working in partnership with CIPS to explore and understand how best to support its members in understanding how to learn more about these critical skills for the profession.

References

Maddocks, J. (2014). **Emotional Intelligence @ Work – How to make change stick**. Spa House Publishing: Cheltenham.

Hays, (2016). **Procurement Salary Guide and Insights 2016**. www.hays.co.uk/cips-salary-guide

For more information on the development of EI in the Procurement Sector, and more specifically what you can do to develop your own EI please do visit us at the **CIPS Knowledge Partner** page:

www.cips.org/en-gb/knowledge/knowledge-partnerships

We are looking forward to working with you soon!

Appendix 1

What is Emotional Intelligence?

Emotional Intelligence is a combination of skills, attitudes and habits that distinguish superior performance from 'run-of-the-mill', both in life as a whole and at work. The different parts of EI are brought together and organised by the EI framework shown below. This consists of two streams:

Personal Intelligence

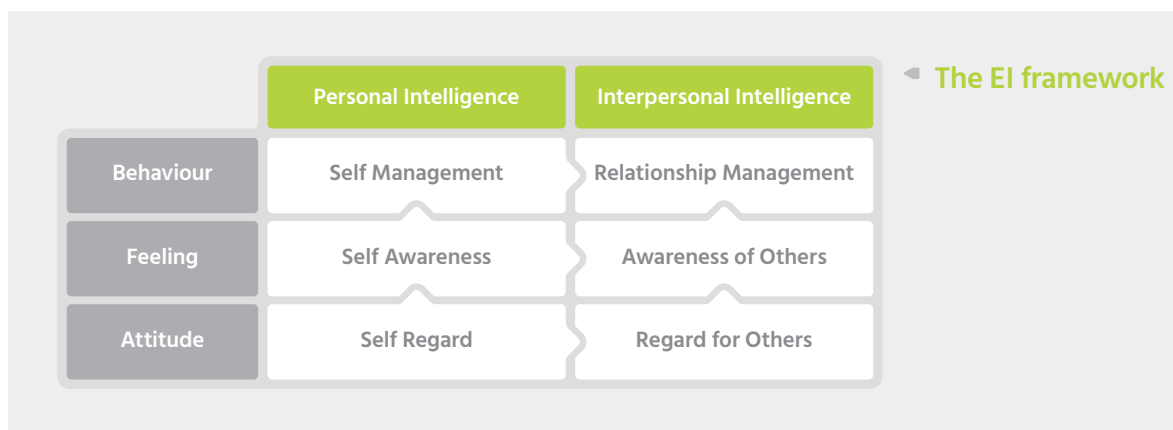
The individual being intelligent in picking up what is going on inside themselves (**Self Awareness**) and acting on these feelings and notions (**Self Management**). This includes aspects such as: self-motivation, dealing with challenges and setbacks, being confident in decisions and actions and adapting to new situations.

Interpersonal Intelligence

The individual being intelligent in picking up what is going on for other people and between people (**Awareness of Others**) and doing what they need to do to manage this (**Relationship Management**). This includes aspects such as: building trusting relationships, leading and managing others, helping motivate others, team working, coaching people and managing confrontation.

There are three levels to the EI framework; at the deepest level Emotional Intelligence is influenced by the individual's **Attitude**, in particular their attitude towards themselves (**Self Regard**) and their attitude towards other people (**Regard for Others**). This in turn influences **Feeling** (**Self Awareness** and **Awareness of Others**), which manifests in their **Behaviour** (**Self Management** and **Relationship Management**).

The relationship between the six parts of Emotional Intelligence is shown in the EI framework below:



For a comprehensive description of EI and its development refer to **Emotional Intelligence @ Work** (Maddocks 2014).



“Emotional Intelligence is how somebody manages their personality to be both personally and interpersonally effective.”

— JCA Global

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