



Always look on the Brightside

from the Procurement Talent Bulletin

Is there any good news amongst the economic gloom? We think so. Although this crisis isn't going away in a hurry, we've identified some positive trends in procurement for both clients and procurement professionals.

The last quarter of 2008 saw strong recent growth in the interim procurement market flatten. This put pressure on interims, contractors and specialists to lower rates from the highs of early 2008. Despite this, we believe the outlook for procurement people remains positive in 2009.

Some client projects remain on hold and certain sectors and many larger clients remain in limbo due to a complete lock-down on hiring. However, the need for procurement skills can only increase as organisations begin to understand and work with the new economic landscape.

What's the good news?

A small reduction in the demand for contractors in the last quarter combined with the general worsening economy meant that rates fell on average by 10.4%. The fact that clients in certain sectors, particularly financial services, laid off interims pre-Christmas and the aggressive contractor rate reduction by retailers, did not help. However, rates soared in early 2008, so this fall needs to be kept in perspective.

The positive story for procurement professionals is that demand for quality remains high - especially in sectors such as property, IT and telecoms.

Despite the worsening economic outlook, clients' requirements to deliver on projects remain. More importantly, there is an urgent focus on procurement savings in the short-term, driving demand for delivery focussed rather than strategy focussed resource.

The good news for clients is that professional interims are being more pragmatic: dropping rates so they're not left sitting on the bench for 2009. The harsher climate means an end to over-inflated rates and a lack of continuity. And it means that quality and experience are now available at a much lower cost.

This top-down momentum is now pushing into the mid-sector, providing clients with an increased choice at contract manager, category manager and



project management levels. We find ourselves in the welcome position of supporting clients with a greater selection of quality interim candidates at reduced rates.

Outlook for Q1 2009


Is there any light in the tunnel? Short term, we see clients assessing the projects and resources required to deliver some very tough procurement targets for 2009. We forecast a re-prioritisation of savings delivery projects - with process and strategy projects more likely to be cancelled or put permanently on hold. Good existing resources will be re-focussed, but CPOs will supplement their capability with quality interim resource rather than fresh permanent hires.


Over the medium-term, we expect to see an increasing trend towards the use of interim resource at the expense of permanent recruitment. For both candidates and clients the focus will turn very much towards quality.

Quality resources with track records of delivery will be in demand.

About ADR People



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ADR People provides clients with dedicated and specialised resourcing services focused on quality procurement people. With 23 year's experience working with over 350 clients in 50 countries, ADR are the specialists in procurement.

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