

# Implications of the Corporate Sustainability Due Diligence Directive: A Purchasing Skills and Competencies Analysis

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## ABSTRACT,

*Globalisation has caused lengthy supply chains, making it complex to grasp the full extent of supplier relations upstream in the supply chain. Offshoring to low-cost countries comes with ethical issues, which have increased over time. These ethical objections regarding human rights, labour rights, and environmental concerns culminated in the European Union devising the Corporate Sustainability Due Diligence Directive (CSDDD). The directive places liabilities on the affected companies for EU-law breaches by their supplier. Therefore, a change in supply chains and purchasing is needed. This research aims to answer the following question: Which purchasing competencies are required to ensure compliance with the CSDDD?*

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## Keywords

Purchasing Competencies, CSDDD, Due Diligence, Purchasing Social Responsibility, Sustainability, Ethical Business

# 1 INTRODUCTION

In 1947, the General Agreement on Tariffs and Trade (GATT) was signed to reduce international trade barriers (WTO, n.d.). The European Coal and Steel Community (ECSC) was established four years later. The treaty aimed to organise the free movement of coal and steel and to free up access to sources of production (EUR-Lex, p. 15). The signing of these agreements marked the beginning of European economies opening and moving towards free trade. The World Trade Organisation was established in 1995 and is the only global international organisation dealing with trade rules between nations (WTO, n.d.). The establishment of these institutions allowed companies to seek mutually beneficial arrangements.

Removing trade limitations allowed supply chain networks to branch out. Global sourcing is an example of a business practice made possible through establishing these institutions. Trent and Monczka (2003, p. 1) define global sourcing as “*proactively integrating and coordinating common items and materials, processes, designs, technologies, and suppliers across worldwide purchasing, engineering, and operating locations*”. Koerber and Schiele (2022, p. 5) split global sourcing into two forms: continental sourcing and transcontinental sourcing. Continental sourcing is the practice of sourcing internationally but only on the company’s home continent. Transcontinental sourcing is the practice outside the company’s home continent. Several complicating factors can arise with transcontinental sourcing, such as cultural differences, different time zones, and different legal systems (Koerber & Schiele, 2022, p. 5). In the context of the CSDDD, transcontinental sourcing is the most relevant form.

Developing countries have seen adverse impacts on human rights and working conditions because of production and employment developments (Hiba et al., 2021, p. 3). Due to the extent to which global supply chains have developed, the lead firms are so far removed from the firms where production occurs that they do not have clear oversight of their supply chain (Outhwaite & Martin-Ortega, 2016, p. 3). Therefore, their capacity to influence the business practices of lower-level firms is limited. This implies that even if some firms voluntarily pursue ethical standards and ‘green’ purchasing and supply management (PSM), the blurriness of their supply chain could restrict them from taking necessary action. Transcontinental sourcing comes with the risk of a supplier or sub-supplier not conforming to EU human rights standards and environmental concerns (European Union, 2024). Due to the absence of an internationally accepted and implemented law, firms might “self-regulate” their environmental performance levels rather than be mandated by local governments (Christmann & Taylor, 2001, p. 4). This implies a need for an internationally accepted and implemented law which forces companies to regulate using universally accepted practices and standards.

As a result, the Corporate Sustainable Due Diligence Directive (CSDDD) is proposed. The CSDDD is a proposal issued by the European Commission. The directive aims to foster sustainable

and responsible corporate behaviour and to anchor human rights and environmental considerations in companies’ operations and corporate governance (European Commission, 2022). The directive affects all EU companies with over 1000 employees and over 450 million euros in turnover. They face new legal liabilities if their supplier does not comply with EU laws and regulations (European Commission, 2022). The directive expands the possibility of firm liability and, therefore, a company’s risk management due diligence (Flores, 2023). Hence, the procurement professional will have to consider the risk of non-compliance in his selection process and perform adequate monitoring practices to ensure that the selected and current suppliers will not cause the company to be liable. In this thesis, the emphasis will be on what competencies will be required to deal with this enlargement of the effort required in the role of the procurement professional.

## 1.1 Research question

Implementing the directive might cause a shift in what competencies are crucial to ensure excellent PSM. This research aims to determine which purchasing competencies are most important in ensuring compliance with the CSDDD. Due to the nature of the directive, the need for compliance goes beyond just the lead firm.

The aim of the research indicates the direction of the research question. The research question is: Which purchasing competencies are required to ensure compliance with the CSDDD?

Following this approach, the research question is supported by the following sub-question: How disciplinary are the skills needed? In other words, what skills are needed, and to which disciplines do they belong?

## 1.2 Academic and practical relevance

Although increasing research has been done on supply chain management and sustainability in businesses, this research addresses the CSDDD directly. It aims to provide less abstract, actionable recommendations than the existing papers.

With the implementation of the CSDDD on the horizon, it is of the utmost importance for affected businesses to assess their current capabilities to comply. In addition, smaller companies might be looking to prevent an extension of the directive, which could affect them. They might, therefore, be looking at how to do so and adjust accordingly.

It is, therefore, that this paper is of significant practical relevance and aims to assist businesses in their pursuit of competitiveness from a purchasing perspective.

# 2 THEORETICAL BACKGROUND

## 2.1 Due Diligence

To better understand the directive, it is crucial to determine what due diligence entails. Smit et al. (2020, p. 266) define due diligence as a “*do no harm*” requirement. It combines “*actual or potential harm and the company’s steps in relation to those*”. An essential aspect of due diligence is that it is internal and includes

external factors and stakeholder consultation (Smit et al., 2020, p. 267). The CSDDD is characterised by this broader approach, which places legal liability on the larger companies. The approach taken by the directive means that economies of scale do not apply to the due diligence requirements; larger companies need to use more resources for due diligence than smaller companies (Smit et al., 2020, p. 267).

## 2.2 ‘Green PSM’

The following section discusses effective methods for realising Green PSM and going beyond just complying to gain a competitive advantage because of ‘greening’ the supply chain. Over the years, corporate sustainability and the role of purchasing have been researched extensively.

Bowen et al. (2001, p. 170) found that “Businesses will act on the supposed opportunities of green supply if it is broadly in their interest to do so – whether for short-term profit or sales performance or longer-term risk management or environmental capability development”. This means a business would only change its operations if desirable for them and would therefore not change its operations because it is desirable for others.

Supply chain managers experience structural constraints that prevent them from actively searching for more environmentally friendly alternatives (Preuss, 2005). Lack of awareness and attention to environmental concerns, lack of technological capabilities of suppliers, and relative powerlessness because of their relative powerlessness due to their positions as middle managers are among the constraints, and regulatory pressure is the main reason for choosing more responsible alternatives.

It is argued that greening the supply chain leads to better company results due to the supplier integration needed to realise a green supply chain. If a company wants to ‘green’ its supply chain, its suppliers must too Rao and Holt (2005). They also found that it is beneficial for companies to green their supply chain because by doing so, they reduce their waste and optimise the usage of their resources. Optimising resource usage and waste reduction leads to compliance with environmental expectations and better company results because of the forthcoming lower costs.

Birasnav et al. (2022) found that there are four types of benefits for a company when practising green PSM. First of the four are the functional benefits, which are better operational performance as a result of green PSM. Second are the environmental benefits, meaning an enhanced environmental performance of the company. Third are the organizational benefits, which include organizational learning and knowledge sharing. Lastly, there are the stakeholder benefits. An example of this is better supplier performance when the buying firm upholds green PSM standards.

The literature points to building supplier relations, helping and integrating suppliers to become green, and using a resource-based view as the most important when opting to practice socially responsible procurement.

## 2.3 Purchasing social responsibility

Purchasing social responsibility (PSR) “*has the characteristics of CSR, but is divergent because of the purchasing manager’s*

*distinct interaction with a broad set of stakeholders, including buyers, suppliers, contractors, the community, and internal employees in most of the other functional areas of the company”* (Carter & Jennings, 2004, p. 2). The organisational culture shaped by the top management can significantly impact PSR. A culture where ethics and leading by example are paramount significantly fosters PSR (Carter & Jennings, 2004, p. 24). Practising PSR results in better buyer-supplier relations in an upstream supply chain (Carter & Jennings, 2002). Practising PSR does not directly result in better supplier performance. However, it indirectly leads to better supplier performance due to organisational learning because firms that practice PSR typically have an organisational culture that fosters creativity and decision-making (Carter, 2005, p. 10). Better supplier performance means lower costs. Lower costs are paramount in businesses and, therefore, a powerful motivator.

Leire and Mont (2010, p. 11) used the term socially responsible purchasing (SRP) in their research, and they found that many organisations in their research made use of internal policies when selecting and monitoring suppliers to ensure SRP, but not all of them engaged in compliance management and assurance practices.

Ogunyemi et al. (2024) found that there are four endogenous-level and five exogenous-level influences that determine what SRP is. The four endogenous-level influences are due process purchasing, avoidance of harm, health and safety, and sourcing responsibly (Ogunyemi et al., 2024, p. 7). Especially, the influence of due process purchasing is relevant to the current situation regarding the CSDDD. Due process purchasing entails “ensuring due diligence and complying with relevant standards” (Ogunyemi et al., 2024, p. 7).

The literature on PSR shows that it has evolved from a business practice towards more of a requirement for procurement professionals, of which the CSDDD is an example.

## 2.4 Purchasing skills & competencies

Lastly, a literature review is performed on the characteristics and competencies of a purchaser to influence the likelihood of a business complying with its environmental and social expectations. As mentioned above, building supplier relations and enabling supplier integration are effective in realising that. This raises the question: what characteristics and competencies significantly influence the degree to which a purchaser can improve the buyer-supplier relationship?

Giunipero and Percy (2000) found that a world-class purchaser has a certain skill set. The world-class purchaser is a strategic thinker, excellent in supply-based research, excellent in structuring supplier relationships, able to plan using technology, and excellent in supplier cost targeting. When it comes to building well-structured supplier relationships, soft skills are required, whereas the other four skills rely more on hard skills.

Regarding the definition of the term “competencies”, Delamare-Le Deist and Winterton (2005) defined competencies as being split into four groups: Cognitive-oriented, social-oriented, functional-oriented, and meta-oriented.

Tassabehji and Moorhouse (2008) researched the current state of the role and what skills must be developed to deal with the changes their role was to face. They found an increasing belief among procurement professionals that their role had shifted and is shifting towards a more strategic part of the business. However, there are occasions in which the business does not recognize the strategic importance of the procurement role and, therefore, limits the effectiveness of the procurement professionals. They found numerous procurement skills to be crucial and divided them into five groups: Technical, Interpersonal, Internal enterprise, External enterprise, and Strategic business skills (Tassabehji & Moorhouse, 2008, p. 5). The study found that *“today’s procurement professional must be a dynamic relationship manager creating and developing cross-functional strategies and must possess internal selling, change management, supplier relationship and partnership management skills”* (Tassabehji & Moorhouse, 2008, p. 11).

Another research that aims to find currently required procurement competencies and future required procurement competencies is Bals et al. (2019). This research follows the approach used by Tassabehji and Moorhouse (2008). They found 17 competencies that have not yet been identified. The most prominent newly identified were skills like digitalisation, innovation, and sustainability.

Schulze and Bals (2020) further researched the required skills and competencies necessary for the pursuit of sustainable purchasing and supply management. They used the typology of Delamare-Le Deist and Winterton (2005) and they found that competencies of all four clusters were necessary, but slightly more competencies were part of either the cognitive-oriented or social-oriented cluster. Competencies in these clusters are communication, thoughtfulness towards others, working in cross-functional teams, critical thinking, and system thinking competence.

Stek and Schiele (2021) identified 15 factors that are necessary and sufficient for successful purchasing and supply chain management. The most significant factors were networking, supplier relation management, and leadership and personnel. Most significant within the networking factor is a purchaser’s ability to empathise with another person and his/her social manners. These are soft skills. The most significant factor in supplier relation management is a purchaser’s ability to cooperate. The leadership and personnel factor also contains some soft skill-based processes, like leading, managing, and training personnel.

This research will use the typology of (Tassabehji & Moorhouse, 2008) to present its findings.

### 3 METHODOLOGY

#### 3.1 Research method

To determine which purchasing skills and competencies best influence a firm’s capability to comply with the CSDDD and maintain competitiveness, this research uses interviews with experts in the field and desk research. This research follows a qualitative approach (Babbie, 2010). The interviews are semi-structured, meaning that they are based around, but not limited

to, several open-ended key questions. The nature of a semi-structured interview allows for the interviewee to expand on certain answers and allows for context when receiving an answer. This approach also facilitates follow-up questions if necessary. In Appendix C, the interview guide is shown. This guide is used as a guideline for the interviews. The questions in it are examples of questions linked to the relevant subjects.

#### 3.2 Sampling

The research uses nine interviews conducted with experts in the field. The interviewees are selected based on at least one of the three following criteria, determining what makes an ‘expert in the field’:

1.	The interviewee is or was employed as a purchaser and/or supply chain manager at a company affected by the directive.
2.	The interviewee is an academically proven researcher on a subject relevant to the research.
3.	The interviewee is involved in the creation or implementation of the CSDDD.

**Figure 1. Participant selection criteria**

Filtering is done using these criteria, and nine interviewees are selected and interviewed. The interviews were between 30 and 45 minutes long, and the semi-structured approach facilitated extensive answers. However, the pre-determined duration is concise enough to avoid losing track of the desired interview direction. All interview participants are listed below, along with their job titles and organisations.

Participant number	Job title	Sector	Criterion matched
P1	Purchaser	Funeral Insurance	1
P2	Head of Corporate Centre Procurement	Public transport	1
P3	Lead Sustainable Purchasing	Public transport	1
P4	Category Management Specialist	Telecom	1
P5	Senior Sourcing Manager	Aviation	1
P6	Procurement Director	Funeral Insurance	1
P7	Specialist Human Rights	Automotive, Industry, Aerospace	1
P8	Head of IT Procurement	IT services and Consultancy	1

P9	Sustainable Sourcing Manager	Isolation	1
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**Figure 2. Summary of participant job title, organisation and sector.**

### 3.3 Data collection

Participants receive a consent form in which the data collection and legal and ethical issues are resolved. Upon signing this form, the interview will be scheduled. Before starting the interviews, an interview guide was made. This guide highlights the objectives of the interview and the key questions that are based on. The guide consists of follow-up questions, which were not included in every interview as the interview guide served as a tool rather than a prescription. This was done to facilitate flexibility in the interviews when required. The interview guide served as a tool rather than as a prescription to facilitate flexibility when required.

### 3.4 Data reduction and analysis

The interviews are recorded, transcribed, and analysed. These transcripts are the base for the review. The review consists of grouping all given answers and highlighting relevant pieces of the transcript. To realise this, ATLAS.TI is used. The transcripts were analysed using an inductive approach, using code to cluster the competencies mentioned in the same five clusters named by Tassabehji and Moorhouse (2008).

## 4 RESULTS

Here, the obtained findings from the interviews are discussed. The interviews and forthcoming findings, with purchasers working at an affected company, academic experts, and CSDDD experts, are described in this chapter. As the participants remain anonymous, they will be referred to their number, as displayed in Figure 2. Contingent factors

### 4.1.1 Company culture

Four interview participants stated that company culture is influential in whether a purchaser is able or willing to pursue sustainable opportunities (P1, P4, P7, P7, P9). A company culture in which the communication barriers are low and the importance of the procurement role is recognised was named as preferable (P4, P7). In some companies, the compensation the purchaser receives for his work is solely based on the price aspect of their work and not on the sustainable and ethical aspects (P7). A culture of cooperation, both internal and external, is believed to be best for enabling a purchaser to pursue goals other than purely financial goals (P1, P3, P4, P5, P6, P7, P8). Internal cooperation was expected to become increasingly important by several participants (P4, P5, P6, P7, P9). A culture of pursuing ethical business practices for the preservation of company reputation was also identified as a culture in which efforts for sustainable purchasing are most enabled (P7).

### 4.1.2 Regulations

Due to the international nature of the directive, some affected companies face different regulations than others, or some

affected companies face different regulations within their group (P2, P4, P7). Participants referred to national laws as a core influence in their policies and practices (P1, P2, P3, P4, P7) and asked how much the CSDDD will be adopted in their respective countries (P1, P2). All interviewed participants stated that their companies use internal regulations like codes of conduct and minimum standards to limit the risks taken in the procurement process.

### 4.1.3 Cost constraints

“The management board wants everything for nothing” (P2) is a quote that indicates the constraints purchasers face when it comes to expressing their ideas and initiatives for moving the procurement process towards a more sustainable direction. This sentiment is shared by other participants (P1, P4).

## 4.2 Required competencies

Participants were asked what competencies are most important for excelling as a purchaser in general and what competencies are becoming increasingly important concerning the introduction of the CSDDD. The findings will be presented in the same format used by Tassabehji and Moorhouse (2008) and can be found in Appendix D. They divided the skills into five clusters: Technical, Interpersonal, Internal enterprise, External enterprise, and Strategic business skills. The participants pointed to Interpersonal, External enterprise, and Internal enterprise skills as most important when dealing with the implications of the CSDDD.

However, the technical aspects of the role of the purchaser are still required. Upon selecting a supplier, the purchasers do a thorough financial check of the targeted company (P1, P2, P3). Contract management to negotiate audit rights (P1, P2, P3, P4, P5, P6, P7, P8, P9) and cascades to ensure the company’s supplier holds the same standard as the company when it comes to their supplier selection and monitoring (P1, P7). Market research is one of the core competencies mentioned by all participants in this study. Along with checking the financial state of the target company and contract management, market research and market knowledge are named as core competencies for a procurement professional. Ensuring competitiveness in the supply base was named by three participants (P2, P3, P5, P9). Ensuring competitiveness after the implementation of the CSDDD can become hard if some previously acceptable suppliers become unacceptable due to the risk of them not complying.

Communication skills were unanimously named as the most important by all participants. Communication skills, both internal with departments within the same company and external with suppliers or targeted companies, are of the utmost importance. The participants differed in their companies’ cultures, but they all stated that clear interdepartmental communication is key to ensuring a smooth process. When it comes to CSDDD and the subsequent risk of liability, this clear communication is necessary, especially between the legal department, the CSR department, and the purchasing department (P4, P6, P8). Some companies have devised cross-functional teams to deal with similar issues (P7, P9). Communicating with every stakeholder and making sure that every stakeholder is up to date with relevant

information is becoming more important. The statement “I am talking to different people from different departments all day long” (P1) describes the current activities of a purchaser when dealing with this new risk of non-compliance.

Knowing the needs of your supplier and putting yourself next to the supplier as opposed to against him is crucial in building with your supplier and, therefore, beneficial in the case where an existing supplier does not currently comply. P6 named this competence as ‘empathy’, the purchasers’ ability to not only know the current state and aspirations of the supplier but also to understand their thoughts and considerations. Regarding CSDDD, it is feasible that a supplier struggles to adapt their operations to comply. In a situation like that, the competency of having and expressing empathy is needed to ensure that the supplier in question knows he is understood and that the company is on his side.

The ability to think creatively and outside of the box was stated to be the competence of an excellent purchaser by two participants (P1, P4, P8). However, the emergence of new and more extensive regulations has limited the purchaser's ability to realise a mutually beneficial solution creatively (P4). Three participants mentioned the need for a purchaser to stand their ground (P6, P7, P8). The ability to convince or sell a message to other departments within or “get internal buy-in” was named as important (P7, P8). A competent purchaser ‘is not a pushover’ (P7, P8). He or she is determined to strive for excellent procurement and will not be ‘boxed in’ by demands made by other departments in the company. The competent purchaser expresses their concerns clearly. Extending on not being a “pushover”, P8 argued that having the ability to have uncomfortable conversations in times of conflict is key to excelling as a procurement professional. P8 also argued the importance of cross-cultural awareness, the ability of the procurement professional to know about and understand the customs and cultural preferences of their colleagues or partners in different countries. If not done properly, communication and collaboration are hindered due to clashing cultural ideas concerning business and communication methods.

Negotiation skills are unavoidable when talking about the competence of a purchaser. All participants identified this set of competencies as the most important. It is feasible that after the implementation of the CSDDD, the pool of acceptable suppliers shrinks to a degree where the complying suppliers hold more power in the negotiation. In such instances, some participants stray from the balanced approach and will look for other solutions and are much more willing to make concessions when needed (P1, P2).

Some of the participants work for companies that use tenders (P1, P3, P5, P6). In that situation, there is little to no room for negotiation in case an offer comes up which does not comply. However, at companies where tenders are not used as much, there is room for a supplier who is not compliant yet to be selected (P2, P4, P8). In that case, the competent purchaser is also heavily interested and involved in the operations of that supplier. They are showing authentic interest. Authenticity, showing true interest in the operations of a supplier and treating them with manners and respect are stated as crucial by P5. Integrity, or as

stated by P2, ‘Being fair to our suppliers’, goes beyond offering a fair price; it also entails the way you approach and treat them (P2). Being fair to your supplier also entails being fair in your expectations of them.

### 4.3 Solutions

Some of the participants indicated that their respective companies have already established or are establishing departments and teams to work on the implications of the implementation of the CSDDD (P4, P7). These teams are responsible for establishing a CSDDD-related framework to serve as guidance for their employees on how to deal with the arising challenges that come from the directive.

Other companies opt to use a third party, which assesses suppliers and gives them an overall score (P4, P5, P8). This score is influenced by measures of stability, strategic importance, and sustainability, amongst other topics. This third party is responsible for only the supplier selection process and market research.

The most common way companies try to ‘solve’ the oncoming problem of dealing with the CSDDD is to educate their purchasers by providing training (P4, P6, P7). These trainings are given by experts on CSR, sustainability, and legal experts. Companies provide these training sessions to train their purchasers to become more competent.

## 5 DISCUSSION

The sub-question must be answered first to get an answer to the research question.

*How disciplinary are the skills needed?*

The research found the needed skills to be multidisciplinary, ranging from ‘soft skills’ like communication and conflict management to ‘hard skills’ like contract management and market research. More extensively, the research found that the need for ‘soft skills’ is emphasised following the implementation of the CSDDD. This does not mean that the importance of the ‘hard skills’ has reduced.

The research aimed to answer the following research question:

*Which purchasing competencies are required to ensure compliance with the CSDDD?*

Purchasing professionals deem themselves capable enough to deal with the upcoming implications following the implementation of the CSDDD. Some believe it to be only a best-efforts obligation, whereas others believe that regulations like this will cause a shift in what is required to be a competent procurement professional.

After an analysis of the results, several findings came to light.

There is a general agreement amongst the participants that there is an increased need for cooperation on both the internal and external sides of the company. On the internal side, procurement professionals will have to cooperate with the legal department, the CSR department, and the risk management department. Externally, procurement professionals see an increase in the

importance of working together with a supplier to realise certain goals. In this case, the goal is to comply with the CSDDD.

This increased importance of cooperation comes with an increased need for clear and concise communication. Again, there is a need for clear and concise communication on both internal and external levels. On the internal level, the various departments involved, as well as the management board, must make sure that everyone involved is up to date. The procurement professional needs to properly express the importance of their role and their concerns regarding current or potential business practices that could result in non-compliance. Externally, the procurement professionals must make sure that the supplier knows what is expected and what can be expected from the company. Beyond just the awareness of what to do, the participants say that being aware of cultural differences is also of increased importance. Being aware of these differences might eliminate or mitigate potential conflicting cultural clashes.

However, because they will have to comply first in 2027, many do not have any policies or frameworks in place to deal with that. Some are designing one and planning to design one. Others rely on third parties to do that for them. These third parties use a ranking system which the company can use to select a suitable supplier. In this case, the company does not assess on its own.

This divide in responsibility can also be seen at a personal level. Some of the participants believe that this level of risk management is not part of the job. Others believe that it is and that it will become increasingly important. Efforts for collectively acknowledged certifications for a supplier to obtain, to show that they are compliant, is an example of a proposed idea to smoothen the supplier selection process.

The emphasis on clear and low-barrier communication with stakeholders has emerged in several of the interviews conducted. It implies that an organisation, whether a company or not, would benefit from removing as many barriers to communication as possible. There are numerous ways an organisation can achieve this. This research found that the dominant culture within the organisation is most important when it comes to breaking down communication barriers and facilitating smooth interdepartmental communication.

This research has added to existing research on purchasing competencies and skills by using the context of the expansion of the risk management part of the procurement role due to the introduction of the CSDDD. Its results can be used as inputs in future research or can be tested in future research.

### 5.1 Theoretical implications

Part of this research's findings are also found in the research used for the theoretical background section of this paper. The skills and competencies mentioned are not new or newly defined and have been researched before (Bals et al., 2019; Giunipero & Percy, 2000; Stek & Schiele, 2021; Tassabehji & Moorhouse, 2008). The findings show an increased importance of soft skills, particularly in communication and empathy. This has been found in previous research discussed in the theoretical background section (Stek & Schiele, 2021). The findings of this research serve as an expectation based on an analysis of current competencies, sentiments, and expectations for the future. This

research has found many of the same competencies as Tassabehji and Moorhouse (2008). However, the context of this research is different. The extra dimension of risk management and strategic importance of the procurement role is because the CSDDD was not present in 2008. It can be argued that the competencies they identified are now of more strategic importance to the company. They found that procurement professionals struggled with getting internal recognition for the importance of their role, which has also been dubbed as 'getting internal buy-in' by the participants. Stek and Schiele (2021, p. 2) named this competence as 'sellership'. This research has found that many of the participants worked in companies where the strategic importance of procurement is appreciated sufficiently. In such a company culture, it is easier for procurement professionals to get internal buy-in and take a stand when they feel like their work or opinions are not appreciated properly.

This research found two competencies not named in Tassabehji and Moorhouse (2008). They are integrity and authenticity. It can be argued that these are personality traits rather than competencies and might not be as easy to learn as other competencies. However, following the framework developed by Delamare-Delamare-Le Deist and Winterton (2005), integrity and authenticity can be placed in the social-oriented competency category. "*Social competence describes the willingness and ability to experience and shape relationships, to identify and understand benefits and tensions, and to interact with others in a rational and conscientious way, including the development of social responsibility and solidarity*" (Delamare-Le Deist & Winterton, 2005, p. 12).

Research	Similarities	Differences
Giunipero and Percy (2000)	Interpersonal communication is marked as the most important	My research is centred around the objective of complying with the CSDDD, whereas the other is not
Tassabehji and Moorhouse (2008)	Communication and people management are crucial	In my research, the strategic importance of procurement is recognised
Bals et al. (2019)	Increased importance of a holistic approach	My research is not as extensive. Many technical skills not named
Stek and Schiele (2021)	Supplier relation management is crucial in achieving sustainability goals	My research does not consider multiple PSM objectives but only compliance with the CSDDD

Figure 3. Comparison of results of this research with previous research

### 5.2 Practical implications

This research can be used by companies or individual procurement professionals to get a sense of what the procurement professionals think about their current capability to deal with the CSDDD. It also stimulates them to think about how to improve

on the mentioned core competencies, in this case, communication, in addition to market research, technical analysis, contract management, and negotiation. It indicates where to improve and better deal with the extended workload of the procurement department because of the CSDDD implementation.

## **6 LIMITATIONS AND FUTURE RESEARCH RECOMMENDATIONS**

The research has several limitations. The sample size is quite small, which can make the findings unrepresentative. The research collected data utilising interviews. The questions asked were designed by one researcher, who was also responsible for conducting the interviews and writing the paper. Therefore, the research is prone to assumption bias. In future research, this could be mitigated by including more researchers from different institutions.

Time constraints and the difficulties experienced in finding willing and suitable participants hindered the researcher from extending the sample size and conducting more extensive interviews to get more relevant information. The research also can be deemed unrepresentative of the procurement sector in its entirety because the participants are not all employed in different sectors and countries. The research provides a general overview of the competencies required but does not go into too much detail concerning situational factors. The fact that the CSDDD has not yet been implemented means that there is no data yet on the effects of the implementation of the CSDDD, making all findings in this research purely theoretical. The research also focuses on the competencies required to ensure competitiveness whilst complying, meaning that the competencies not identified as most important in this context could be important in other scenarios.

The first recommendation for future research is to follow up on research like this after the directive's implementation. Researchers could interview similar participants again and test if the expectations outlined in this research became a reality or not.

The second recommendation for future research is to study the expected implications of the CSDDD, like this research, but to provide a framework for a purchaser to position themselves and their competencies, given the context of the challenge that presented itself. A much larger sample size, as well as more extensive interviewing, by sending out a survey, could be a way to reach more procurement professionals and demand less of their valuable time. This more extensive future research would do well to include situational factors to determine not only what competencies are most important but also when those competencies are most important.

The third recommendation for future research is to test the frameworks and policies that the companies have developed. Research like that would identify the best practices and could serve as a starting point for similar frameworks.

The final recommendation for future research is to have equal representation of all sectors affected by the directive to get a more extensive view of what competencies are needed more in

certain sectors and why they are needed. This would combine the situational factors with a larger sample size, widening the scope of the research.

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## 9 APPENDIX A

	Ⓜ	Naam	Duur	Begin	Einde	Voorgangers	Resource Namen	22 a V Z Z M D
1	📅	Research Proposal Ap...	1 dag?	26-4-24 8:00	26-4-24 17:00			
2	📅	Data Collection	20 dagen?	26-4-24 8:00	23-5-24 17:00			
3	📅	Data Analysis & Review	20 dagen?	30-4-24 8:00	27-5-24 17:00			
4	📅	Results	20 dagen?	6-5-24 8:00	31-5-24 17:00			
5	📅	Discussion	19 dagen?	22-5-24 8:00	17-6-24 17:00			
6	📅	Green Light Decision	1 dag?	17-6-24 8:00	17-6-24 17:00			
7	📅	Final Grade	6 dagen?	17-6-24 8:00	24-6-24 17:00			
8	📅	Update Introduction	6 dagen?	27-4-24 8:00	6-5-24 17:00			
9	📅	Update Literature	15 dagen?	6-5-24 8:00	24-5-24 17:00			
10	📅	Update Methodology	6 dagen?	3-5-24 8:00	10-5-24 17:00			

## 10 APPENDIX B

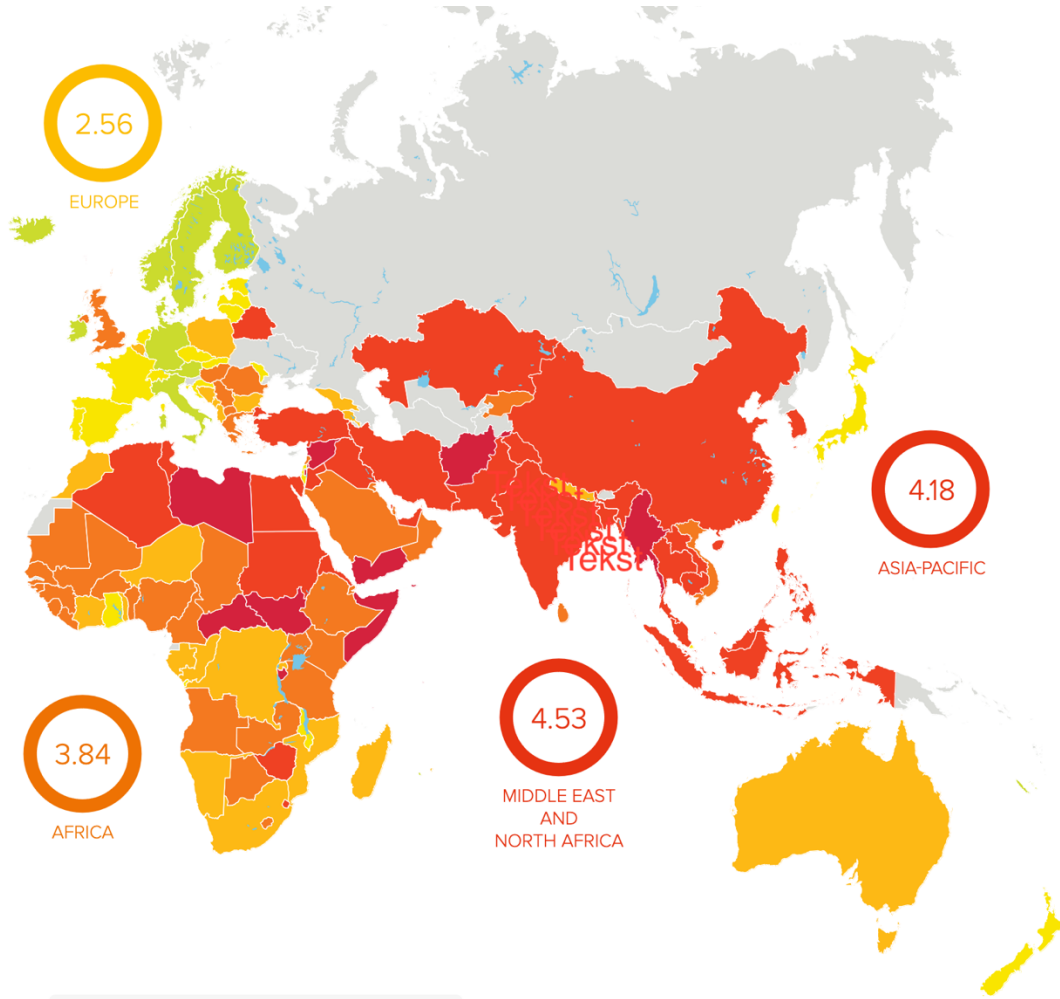


Figure 1. The violations of worker's rights ratings per country (International Trade Union Confederation, 2023, p. 15)

## 11 APPENDIX C

	Time indication	Objectives	Key Questions
Introduction	1-3 minutes	<ul style="list-style-type: none"> <li>Introduce yourself to the participant</li> <li>Introduce the participant to the research</li> <li>Explain the aim and specific topics of the research</li> </ul>	N/A
Sustainable and 'green' supply chain management.	5-10 minutes	<ul style="list-style-type: none"> <li>Discuss current state of 'green' supply chains and their profitability compared to 'non-green' supply chains</li> <li>Discuss current practices used to ensure 'green' supply chains</li> </ul>	<ul style="list-style-type: none"> <li>Are current "green" supply chains green enough?</li> <li>Is it beneficial for firms to go green? Why?</li> <li>How do you ensure green supply chain?</li> <li>How do you envision the future of green supply?</li> </ul>

Risk management in purchasing	5-10 minutes	<ul style="list-style-type: none"> <li>• Discuss the impact of the new firm liabilities on purchasing factors</li> <li>• Discuss current measures in purchasing regarding the topic</li> <li>• Discuss current connection between purchasing and risk management</li> <li>• Discuss how disciplinary the new emphasis on risk management in purchasing is</li> </ul>	<ul style="list-style-type: none"> <li>• How do you currently deal with possible liabilities from a purchasing fault?</li> <li>• How do you currently mitigate/eliminate these liabilities?</li> <li>• How do you envision the future considering the new liabilities?</li> <li>• How disciplinary is risk management? To what extent it is a part of PSM? To what extent should it be a part of PSM? To what extent would it be a part of PSM considering CSDDD?</li> </ul>
Purchasing skills	2-5 minutes	<ul style="list-style-type: none"> <li>• Discuss which purchasing skills are most crucial and what makes a competent purchaser</li> <li>• Discuss which purchasing skills the participant values</li> </ul>	<ul style="list-style-type: none"> <li>• What makes a competent purchaser?</li> <li>• What competencies are most important and why?</li> <li>• What type of purchaser is best able to realise 'green' supply chain management?</li> <li>• What competencies are most important to do so?</li> </ul>
Current state of purchasing competencies	5-10 minutes	<ul style="list-style-type: none"> <li>• Discuss current competency</li> <li>• Discuss whether participants think that they and their colleagues are prepared for the directive or not</li> </ul>	<ul style="list-style-type: none"> <li>• To what extent do you feel like you and your colleagues are ready for the consequences?</li> <li>• How likely is it for companies in the scope but also just outside of the scope to be able to adapt to the directive and its possible extensions?</li> </ul>
Expectations following the implementation of CSDDD	5-10 minutes	<ul style="list-style-type: none"> <li>• Discuss CSDDD implications directly affecting participant (if relevant)</li> <li>• Discuss the participant future expectations regarding the implications</li> </ul>	<ul style="list-style-type: none"> <li>• How do you see CSDDD impacting your job?</li> <li>• How do you imagine the expectations and the education of a competent</li> </ul>

			<p>purchaser would look like after implementation?</p> <ul style="list-style-type: none"> <li>• What are your future expectations regarding greening supply chains and forthcoming competence?</li> </ul>
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Figure 2. The interview guide

## 12 APPENDIX D

Technical	Interpersonal	Internal enterprise	External enterprise	Strategic business skills
Checking target company's financials	Internal communication	Sell message internally, convincing internal stakeholders	Operating in cross-functional teams	Demonstrate the importance of procurement by consistently adding value
Contract management	External communication	Managing internal stakeholders	Building and maintaining supplier relations	Manage strategic partners
Market research	Empathy	Awareness of company culture		Risk management
Ensuring competitiveness in supply base	Authenticity			
Strategic sourcing	Integrity			
Negotiation	Recognising own strengths			
	Conflict management			
	Cross-cultural awareness			

Figure 3. The findings of all interviews are presented in a table using the approach used by Tassabehji and Moorhouse (2008)