

“Soft Skills” in Purchasing& Supply Management: Crucial Current and Future Skill Sets for the Profession of the Purchaser

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ABSTRACT,

The fast changing environment is not only changing the landscape in the industries, but has also an effect on the skills of the individual. Nowadays, the business environment has changed and new jobs emerged. With these new jobs, new skills emerge and they have not received much attention yet. The aim of this research is thus to explore the so-called “Soft Skills”, namely which skill sets are currently important for Purchasing and Supply Management (PSM) and which ones will tend to get important in the future for PSM. An extensive literature review was performed in order to grasp the terminology and significance of Soft Skills. Further, Interviews with experts from the respective fields were conducted to seek for the Soft Skills that are relevant now and in the future. The interviews revealed that the most important skills in the literature overlap with the most important skills in the procurement departments. The results revealed that communication skills, leadership skills and negotiation skills are the most prevailing skills identified currently, in the future and in the literature. Besides, the analysis showed that these three skills are in interdependence which means PSM professionals should be able to perform the skills altogether in order to be effective. The second most prevailing skills are adaptability/flexibility, teamwork skills and problem-solving skills. All in all, this research is contributing to the existing literature and can be used for future research with regard to Soft Skills in Purchasing & Supply Management.

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Keywords

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1. INTRODUCTION

Purchasing and Supply Management (PSM) in companies is growing in importance (Miscioscia, 2020). Not only is the function of procurement the one of buying as cheap as possible and to save costs for the company, but it has been developed into an integrated and strategic function within the firm (Schütz, Kässer, Blome, & Foerstl, 2020). One of the reasons is that companies are becoming increasingly competitive and consequently a good purchasing department is necessary because when the purchasing department is effective, efficient and quick in their operations, then the corporation will be supplied with the qualitative commodities/materials faster and cheaper as well, which means eventually that the corporation can produce the products earlier, with a better quality and to a better price (Taghipour, Hoang, & Cao, 2020), which leads ultimately the corporation into a strong competitive advantage. For this reason, purchasing as the inbound function has a major influence on the competitiveness of the firm (Reck & Long, 1988).

Furthermore, environmental factors as the increasing globalization, Industry 4.0, corporate social responsibility (CSR), advanced technology and internet-based solutions are the sources of new challenges and changes that will have an impact on the role of the purchasing function (Dobroszek, 2020; Fawcett & Scully, 1995; Gottge, Menzel, & Forslund, 2020). Purchasing needs to adapt to these changes, by means of preparing future purchasing professional in terms of knowledge, skills and competencies (Zheng, Knight, Harland, Humby, & James, 2007). The shift towards technology and automation requires the “new” purchaser to be well acquainted with the necessary *technical skills* and the appropriate know-how in order to fully exploit the benefits of technology and ultimately to contribute to the function of purchasing and to the firm (Karttunen, 2018).

Having emphasized the importance of the arising technical skills for purchasers, there are skill sets that are fundamental and hence contribute to the purchasing function as well by complementing the technical skills. *Interpersonal skills* are skills that have been identified by Tassabehji and Moorhouse (2008) together with *Technical Skills* and three other major skills, namely *Internal Enterprise Skills*, *External Enterprise Skills* and *Strategic Business Skills*. These skills form the ground line for purchasing, they are essential for the profession of purchasing.

From the aforementioned five main categories of skill sets by Tassabehji and Moorhouse (2008), *interpersonal skills* are the ones that can be categorized to the field of Soft Skills (Laker & Powell, 2011; Matteson, Anderson, & Boyden, 2016), despite of the fact that interpersonal skills only *belong* to Soft Skills, they form one aspect of Soft Skills but the both terms Soft Skills and interpersonal skills cannot be used synonymously or interchangeably since Soft Skills involve more dimensions which will be demonstrated later in this paper (Lahope, Worang, & Gunawan, 2020; Schulz, 2008). Schulz (2008) defines “Soft Skills” as personal qualities, interpersonal skills and additional

skills/knowledge. Based on this definition, it becomes clear again that interpersonal skills are only one subcategory of Soft Skills.

Despite of the fact that Soft Skills are not measurable and objective, its importance is frequently noted (Agrawal & Thite, 2003; Azim et al., 2010; Carvalho & Rabechini Junior, 2015; Fan, Wei, & Zhang, 2017; Matteson et al., 2016; Schulz, 2008; Sisson & Adams, 2013). Cimatti (2016) underlines the importance of Soft Skills by pointing out its strategic relevance within the enterprise because they contribute to the quality of the organization, in terms of products, service, and even workers’ life. Moreover, by possessing the Soft Skills, employees can be accountable for the competitiveness and success of the whole organization (Cimatti, 2016). For this reason, the research aims to fill this knowledge gap, namely in how far Soft Skills affect Purchasing & Supply Management.

Consequently, this research addresses to what extent the “Soft Skills”, meaning that the certain skills, will play a role and how important they really are currently and in the future in the profession of Purchasing & Supply Management. The aim will be to examine which traits stand out the most, so which are perceived among professionals the most important and why this is the case. The goal of this study should make professionals and scientists aware that there are other skill sets involved which have an impact on PSM. Future purchasers should be offered appropriate training and teaching in these areas of Soft Skills in order to truly being able to master their job and to complement their “Hard Skills”.

As a result, based on this objective, the following research questions arise:

Research Question: Which Soft Skills are currently and in the future considered to be relevant for PSM?

Sub Question 1: Which Soft Skills are less important, which are more important?

Sub Question 2: Are there additional Soft Skills relevant for PSM?

2. LITERATURE REVIEW

2.1 Increasing importance of skill research and task diversity in PSM triggered by fast-paced and changing environment

The skills set of the purchaser needs to adapt to various changes, for example when the discussion is about the required technical skills due to digitalisation and automation, especially in the context of Industry 4.0 (Torn, Pulles, & Schiele, 2018). Except for the technical skills, there are other skills that seem to be underestimated or undiscovered but are required for PSM as well, namely interpersonal skills, internal enterprise skills, external enterprise skills, and strategic business skills (Tassabehji & Moorhouse, 2008). Therefore, the research for

skills in general is necessary in order to identify the true aspects of the purchasing profession and adequately prepare future purchasers for this challenge.

Studying skills and especially so-called Soft Skills is an important topic within the field of Purchasing and Supply Management. According to Feisel, Hartmann, and Giunipero (2011), the task of PSM professionals is not only to reduce cost, but also to manage more strategic relations with suppliers in order to mediate supply risk and promote innovation sourcing from the supply base. Referring to Caniato, Luzzini, and Ronchi (2014), innovation is less adopted in firms and that it is growing in importance, which shows that leveraging innovation generally is very important. This importance is confirmed by Schiele (2010) in his article where the discussion is about early supplier integration in New Product Development (NPD) in which the purchasing functions hold a so-called “dual role” with innovation being managed, but also cost and integration responsibility maintained. With other words, innovation has the potential to be triggered in collaboration with suppliers by means of active meetings with the supplier to work towards NPD (Schiele, 2010). Innovation belongs also to the main typologies of competitive priorities, namely cost, quality, time, and flexibility (Caniato et al., 2014). These are formed by corporate strategy, but they are related to the purchasing strategy as well which means these priorities are also priorities of the purchasing function because the business is only successful when corporate strategy and purchasing strategy are in line (Caniato et al., 2014; Watts, Kim, & Hahn, 1995). Also, Caniato et al. (2014) discuss in their article purchasing KPIs and they have identified flexibility, innovation, and sustainability as important features for the future.

Thus, purchasing professionals have to encounter a diverse and manifold task spectrum for which specific skills are required in order to fulfil the job requirement(s). For this reason, skill research in PSM becomes crucial as the profession is changing due to the dynamics of the external environment and the introduction of new technologies. Feisel et al. (2011) give globalisation, increasing customer requirements, and the pressure to reduce costs while maintaining the long-term relationships with suppliers, as changing factors in the business environment.

After having emphasized the importance of skills in general, and before entering the main topic of Soft Skills, the next section will address the “non-technical” and human aspects of PSM in order to understand the parallelism of the human dimension in PSM and in Soft Skills. Afterwards, Soft Skills will be analysed closely to see the connection with the human characteristics of PSM.

2.2 PSM: A human centric profession

Although the literature by Sedita and Apa (2015) deals with public procurement and particularly public procurement projects, the insights of their work are applicable to the suggestion of PSM as being a human centric profession. Sedita and Apa (2015, p. 1559) emphasize the concept of “partnering” during projects, which is explained by the authors as the “ability as the capacity of the organizations to have a key-role within a contractors’ network.” Partnering is defined by three main components: *breadth*, *reach*, and *brokerage*. In particular, the first two components are important, namely breadth and reach, because they have an impact on the success of the organization (Sedita & Apa, 2015). “Breadth” refers to the number of relationships of the organization and “reach” the ability to reach to other contacts of a network which is why for the sake of this analysis, they are important because they are related to the human aspects of PSM. According to Sedita and Apa (2015), establishing as many

contacts as possible is the key to corporate success by winning public procurement projects. Additionally, Villena, Revilla, and Choi (2011) highlight the fact that establishing several contacts within an organization and across different functions, the flow of information will increase, in terms of volume and diversity. Furthermore, Gann and Salter (2000) highlight that performance and competitiveness are achieved by the functioning of the entire social network, which again shows how important the interplay between individuals is and how important it is to engage in social relationships with other human beings. Thus, besides possessing the necessary technical and “hard skills” in Purchasing & Supply Management, it is of utmost significance to be able to deal appropriately with the counterpart in order to achieve good overall organizational performance and competitiveness and consequently good PSM performance because the purchasing function contributes to the overall competitiveness and strategic direction of the enterprise (Cousins, Lawson, & Squire, 2006).

Overall, Sedita and Apa (2015, p. 1560) conclude that with higher breadth the long-term relationships in the network will enhance and that established inter-organizational relationships between network actors will lead to “opportunities for learning, reduced supervisory costs, and a reduced risk of project failure.” Clearly, the benefits of relationships within an organization become visible here and these benefits are surely applicable to PSM.

The essence of inter-organizational relationships can be complemented with the insights of Holma (2012) where the discussion is about “inter-organizational socialization processes”. Holma (2012) is researching and emphasizing in her article the interpersonal interactions.

The term “interaction” is very meaningful within PSM and it is very well researched because it is a very powerful aspect within interrelations between individuals and thus for the topic of PSM being a human centric profession. For instance, Taylor and Plambeck (2007) discuss the influence of “repeated interaction” on procurement and investment where due to repeated interaction between supplier and buyer, informal agreements can be arranged and as a result the supplier will be able to build more capacity. The better the relationship of buyer and supplier, the more capacity the supplier is willing to set for the buyer (Taylor & Plambeck, 2007).

In addition to that, in the article of Maku, Collins, and Beruvides (2005) “human interaction” is an important notion where the authors underline the importance of human interactions within the supply chain and that in the future these interactions might be crucial to adopt and develop by SCM organizations. Due to the fact that Purchasing & Supply Management constitutes the inbound of the supply chain and is thus an integrated part of the Supply Chain Management (Leenders, Nollet, & Ellram, 1994), the suggestions made by the authors Maku et al. (2005) can be directly used to solve issues concerning PSM.

Holma (2012) analyses interactions and relationships both from a strategic level and operations level, within corporate travel purchasing by looking at the social dimension and social bonds, the so-called “social capital” and the associated *social capital theory*, which was defined by the authors Nahapiet and Ghoshal (1998) and became very popular over time as several authors have used the social capital theory in their scientific papers. The social capital theory contains the structural, relational, and cognitive dimensions (Nahapiet & Ghoshal, 1998).

The “structural” dimension represents the overall ties of interactions and connections between individuals in a specific social structure, while the “relational” dimension represents the result of these established relationships, meaning that certain attitudes and characteristics of the relationships have evolved, for

example trust between people. The author mentions the term “resources” that have manifested in those relationships. The “cognitive” dimension represents the “means to an end” because it refers to the means like language, codes, and common understandings of basic situations in order to make exchange and relationships between individuals possible (Coleman, 1988; Holma, 2012; Nahapiet & Ghoshal, 1998; Tsai & Ghoshal, 1998). The cognitive dimension serves as a foundation and is important because it retrieves its principles on the groundwork of cognitive psychology.

The theory of Nahapiet and Ghoshal (1998) is used by Holma (2012) to explain how social capital develops in business triads in the service purchasing and supply context. Business triads are triple relationships instead of the conventional dual relationships, like the supplier-buyer relationship. Holma (2012) stresses the importance of triads and that they are more often present, for example it can be the case that there is a buyer with two competing suppliers or that there will be two buyers and one supplier. For this reason, it is crucial to focus on these triads as they represent dynamic interactions and relationships. Holma (2012) points out that “trust” is a key aspect of social capital and a motivating factor for interaction. It represents also one of the three dimensions of the social capital theory, namely the “relational dimension”. Bennett and Gabriel (2001) emphasize trust as being the primary determinant for the buyer-seller relationship, the commitment to the supplier and the willingness to invest in the relationship. Moreover, they state that trusting relationships influence organizational buying behaviour and they have the ability to solve problems and conflicts. Furthermore, the findings by Taylor and Plambeck (2007) can complement the ideas by Bennett and Gabriel (2001) by introducing the concept of the *relational contract* where the supplier enables the buyer the so called *soft orders*; flexible timed orders set by the two parties on grounds of their well-established relationship and mutual trust (Taylor & Plambeck, 2007). The strong relationship and trust between supplier and buyer is the reason for making the informal agreement (“relational contract”) possible, because there is no supervision of tasks but rather cooperation and collaboration.

Consequently, the term “trust” is omnipresent in the PSM /SCM literature when analysing interpersonal relationships and interactions as they are the manifestation of well-established relationships between buyer and supplier. Trust is important for effective collaboration and successful implementation of business actions and opportunities and they illustrate the basic idea for humane relationships, hence for the field of Purchasing & Supply Management terms like trust, but also other previously explained theories/concepts/definitions contribute to the human factor of PSM. Maku et al. (2005) already mentioned the *soft side* in supply chains, which the authors use as a synonym for the human factor and which can ultimately lead to competitive advantage for SCM practices, according to their analysis (Ciappei, 2015).

2.3 Differences between Soft Skills and Hard Skills

Referring to the views of Cimatti (2016) and Dixon, Belnap, Albrecht, and Lee (2010), Soft Skills are complementary to Hard Skills and they include all the skills that are not directly connected to a specific task, they are rather “supporting” skills for the technical skills, the so called Hard Skills. To give an illustration, a hard skill would be to regulate a certain machine at a factory while the soft skill would be to collaborate with colleagues from work, meaning having the specific relationships with them and coordinate with them as a team, for instance (Cimatti, 2016). Clearly, there is a separation of those two skill

sets, as diverse scientific articles point out (Burns, 1997; Laker & Powell, 2011; Pieterse & Van Eekelen, 2016; Wickle & Fagin, 2015). Laker and Powell (2011) place emphasis on the distinction between Soft Skills and Hard Skills during trainings for the future job and they claim that understanding that there is a difference between Soft Skills and Hard Skills is crucial when offering training. Furthermore, training employers should be aware of the fact that there is a difference between Soft Skills and Hard Skills in order to be able to effectively transfer the knowledge, as often the lacking awareness of the distinction between these two type of skills leads to the circumstance of giving Soft Skills-training or Hard Skills-training without knowing which is what (Laker & Powell, 2011). For businesses and especially large corporations, this aspect becomes significant because HRM is responsible for training and development of skills and they should be aware of the separation between these two different skill sets, in order to be effective and ultimately lead to the success of the company (Golden & Ramanujam, 1985). Also, Babić and Slavković (2011) point out that HRM takes a special role in developing the novel skills for their employees when interacting with customers, caused by the shift from the production sector to the service sector. In addition to that, the authors see a relationship between the rise of the service sector and the development of Soft Skills, as in the service sector interpersonal relations are common (Babić & Slavković, 2011). Besides, Sopa et al. (2020) conclude in their research that both Soft Skills and Hard Skills contribute to the organizational success and that employee involvement is essential to foster Soft Skills and Hard Skills.

Concerning Soft Skills, Hendarman and Tjakraatmadja (2012, p. 37) define Soft Skills as “personal attributes that enhance an individual's interactions and his/her job performance.” Additionally, Soft Skills are “interpersonal and broadly applicable” (Hendarman & Tjakraatmadja, 2012, p. 37). In general, Soft Skills are according to Fan et al. (2017) intangible and are also called the “people skills” and the most distinct feature of a Soft Skills is that it has been subject of change for thousands of years, in other words they are not really stable over time; they change by time or new skills will be introduced, due to the changing circumstances (Cimatti, 2016).

On the other hand, Hard Skills, or as Hunt (2007) calls the specific technical abilities, are reflected in the profession of the individual, which means that Hard Skills “allow Man to be what he is: an engineer, a physicist, a philosopher” (Cimatti, 2016; Grisi, 2014, p. 99). To be more specific, Hard Skills are according to Hendarman and Tjakraatmadja (2012, p. 37) the “person's skills set and ability to perform a certain type of task or activity.” S. W. Williams (2001) adds that Hard Skills along with the Soft Skills change over time because of the fact that technology changes as well. Hard Skills include not only the technical aspect, but according to Dixon et al. (2010) also the administrative procedures that can be quantified and measured. According to this definition, Soft Skills then include the “qualitative” and “unmeasurable” aspects which becomes clear through the definition of the Soft Skills by Cimatti (2016) where the *Intrapsychic* and *Interpersonal* aspects play a major role. Correspondingly, taking into account the various views and definitions, Soft Skills display the psychological dimension as well (Ahmed, Capretz, Bouktif, & Campbell, 2015).

Another important distinction between Soft Skills and Hard Skills is that Hard Skills are obtained through formal training and education while Soft Skills are *developed* through personal experience and reflection (Dixon et al., 2010). The crucial point here is that Soft Skills require more time and (personal) investment and also personal development (Shakir, 2009), as Soft Skills *develop* over time meaning that the skills cannot be

learned as fast as Hard Skills for which the time frame to have access to those skills, is clearly shorter.

Regarding the terminology of “Soft Skills” and “Hard Skills” and the reason why those skills are called “soft” or “hard”, is not quite clear. An initial idea is offered by Matteson et al. (2016) by which there is the attempt to explain more about the origin of the words “soft” and “hard”. Matteson et al. (2016) illustrate an interesting comparison, by which the terms of “soft” and “hard” are attributed to gender, respectively the term “soft” for the female gender and “hard” to the male gender, due to the fact that “hard” is associated with masculinity and “soft” to femininity. This association happens unconsciously and innately. The plausible explanation for this assumption is given by Matteson et al. (2016) where the main characteristics of Soft Skills, namely interpersonal communication and emotional intelligence, are related to the female gender because these two qualities are apparently performed better by women than by men. Furthermore, the authors add that, on the contrary, Hard Skills are the “masculine” traits performed in technology and management (Matteson et al., 2016).

The next section will go in depth to the Soft Skills and its characteristics in order to grasp the concept and topic of Soft Skills.

2.4 Defining the specific characteristics of Soft Skills

Soft Skills is a topic that is thoroughly been researched by Cimatti (2016) in her scientific article where she defines and develops Soft Skills in the context of organizations and enterprises.

First of all, the term “Soft Skill” is a very broad concept and there is no universal definition for it. According to Cimatti (2016), there are various aspects and these should be considered first before starting to define. There are several meanings when it comes to Soft Skills, also called “transversal competences”. The basic definition of Soft Skills is made through the distinction of *Self-oriented/Intrapsychic* and *Other oriented/Interpersonal Skills* (Cimatti, 2016). The first relates to the individual’s knowledge and thinking skills and can also be called “personal skills”, the second to the relationship with others and can be called “social skills”. Table 1 provides an overview of all Soft Skills definitions collected from the various authors in the literature.

Soft Skills	Category	Source
Social Aptitudes, Language and Communication Skills , <i>Teamwork</i> , Personality Characteristics, Friendliness	Social Skills/ Interpersonal Skills & Social Identity	(Ciappei, 2015; Cimatti, 2016)(Ciappei, 2015; Cimatti, 2016)
Temperance, Justice, Prudence, Courage	Moral Virtues	(Ciappei, 2015; Cimatti, 2016)
Self-awareness, Managing-Self, Communication , Empathy	Social Identity	(Cimatti, 2016)
Community skills, Analytical Skills, Management, <i>Leadership Skills</i> , Enterprising Skills	Social Skills/ Interpersonal Skills	(Chaudhry, Khoo, Wu, & Chang, 2008a).
Communication , Listening, <i>Negotiation</i> , Networking, <i>Problem Solving</i> , <i>Decision Making</i> , <i>Assertiveness</i>	Social Skills/ Interpersonal Skills	(Cimatti, 2016, p. 99; Engelberg, 2015)

Table 1: Soft Skills in Literature

Table 1 shows the various Soft Skills identified by the authors. The different skills are divided basically in three main categories, namely *Social Skills/Interpersonal Skills*, *Social Identity*, and *Moral Virtues*.

Social Skills/Interpersonal Skills is a term that is also considered in the article of Matteson et al. (2016, p. 72) and Laker and Powell (2011). Moreover, Laker and Powell (2011) mention *Intrapersonal skills* as the ability to manage oneself, while *Interpersonal skills* involve the interactions with others. Additionally, *Interpersonal Skills* represent one of the five major skill sets that are crucial for Purchasing & Supply Management (Tassabehji & Moorhouse, 2008).

Furthermore, *Social Identity* is an important category of Soft Skills (Cimatti, 2016). In addition to that, the author emphasizes that the qualities in this category are crucial in order to be successful as a manager or any kind of profession.

One separate Soft Skill that is not reflected in Table 1, is one of the most significant and according to the author the most recognized by experts, namely *Emotional Intelligence*. Emotional Intelligence can be defined by the “ability to perceive and express emotions, to understand and positively use them, and to effectively manage emotions in ourselves and others” (Cimatti, 2016, p. 102). Cimatti (2016) adds that Emotional Intelligence is central to performance.

To sum up, the skills in Table 1 are the most basic and important ones. As a matter of fact, there are a lot more skills and traits. Matteson et al. (2016) collect in their paper various Soft Skills from different sources and authors and it turns out that the list is huge.

After having determined the specific characteristics of Soft Skills and outlined the differences between Soft Skills and Hard Skills, the following section is focussing on the six main Soft Skills retrieved from the literature and Table 1 of Section 2.4.

2.5 A list of major Soft Skills

The following section introduces the six most prevailing Soft Skills identified in the literature, starting with the most important ones. The literature is mainly based on Supply Chain Management (SCM) from which the insights are applied to Purchasing and Supply Management. Many of the knowledge and ideas are also directly related to PSM. According to Dobroszek (2020), “SCM is often associated with purchasing management, logistics management, buyer-supplier relationship management.” The particular Soft Skills are chosen based on the importance within PSM, on the frequency of discussion and on the relevance for the future. Further, Table 1 already identified general Soft Skills, from which the bold and italic written Soft Skills are discussed in this section. Generally, the following six Soft Skills are selected because they appear to be important in the diverse literature concerning SCM/PSM which will also be outlined in this section by the different authors. The researcher used the combination of Table 1, plus the readings in the various articles as in each of the following paragraphs different authors have their standpoint towards the specific skill. At the end of each paragraph, the reasoning of why this Soft Skill could be relevant for PSM will be given.

2.5.1 Communication Skills

From all the stated Soft Skills in the literature, communication skill is the Soft Skill that prevails the most because it is highlighted in almost every article when dealing with Soft Skills or generic skills in the field of PSM /SCM. According to Giunipero and Percy (2000) with their article named “World-Class Purchasing Skills: An Empirical Investigation”, the research outlines the most important and relevant set of skills required by purchasing and supply management professionals. In this research, which was conducted by asking 136 purchasing professionals, “interpersonal communication” was rated as the number one in the top ten list. Interestingly, the most crucial skill according to this research is obviously a Soft Skill, which is why “communication skill” will be considered as the most important Soft Skill within this research. Larson and Kulchitsky (2000) underline the importance of communication being critical for buyer-supplier relationships. Hereby, the authors conclude that not only new communication technology should be cherished, but also conventional face-to-face communication. Bak, Jordan, and Midgley (2019, p. 1070) categorize communication under “behavioural skills” and they conclude that communication skills belong to the most important skills, especially regarding the fast changing and competitive environment. Furthermore, communication skills “were seen as imperative by the interviewees”, which reflects the significance of communication skills as it was rated by professionals as highly important. Dobroszek (2020) views communication as necessary for SCM and describes communication as the “ability to talk to employees of all positions and partners from different companies.” This can be done via phone, fax, face-to-face, mail, e-mail, Internet, and electronic data interchange (Larson & Kulchitsky, 2000).

Briscoe, Dainty, and Millett (2001) categorize communication skills in writing /reading skills and supplier communications. The latter is particularly important for the development of communication skills, because according to Briscoe et al. (2001) effective communication will lead to better price, quality, and timing of supplies which is fundamental in PSM. Additionally, communication skills were identified as highly important skills for the future because technology is arising and facilitates and enhances communication due to better communication technology which will also lead eventually to better Team Work (Briscoe et al., 2001). Larson and Kulchitsky (2000) also state that communication will be important in the future for PSM

professionals, particularly communication media and the appropriate know-how of it.

2.5.2 Negotiation Skills

Negotiation skills are also Soft Skills that emerged as highly important for PSM (Bak et al., 2019, p. 1073). Furthermore, negotiation is a “key activity both internally and externally to an organisation and relates to the effectiveness of personal communication and expertise in interpersonal relations.” Ashcroft (2004) claims that commercial negotiations are the key elements of successful business. Moreover, organizations invest a huge amount of money in negotiation training for their employees due to the fact that it is growing in importance (Movius, 2008).

Negotiation skills deserve closer attention because they are the “new” Soft Skills that have emerged (Bak et al., 2019). In addition to that, Briscoe et al. (2001, p. 251) found out that negotiation skills become significant in the future. In their research, they ranked negotiation as number four when it comes to relevance for the future. In spite of the future assessment, negotiation is also currently determined as the fourth place when it comes to the top ten of purchasing skills (Giunipero & Percy, 2000). For this reason, negotiation skills will be the second most important Soft Skills in this research because of its appearance within PSM and its relevance for the future.

2.5.3 Leadership Skills

Leadership skills are Soft Skills that also belong to the major skill sets. Ariratana, Sirisookslip, and Ngang (2015) collected in their research all the attributes belonging to leadership skills. These are communication and presentation, leadership competency, team work, analytical thinking and creative problem solving, professional and morality, learning, usage of information technology, and development of interpersonal relationship (Ariratana et al., 2015, p. 333). Thus, it seems obvious that leaders are faced with a lot of tasks and competences, among others also with the Soft Skills like communication, team work, problem solving, and interpersonal relationship. Especially interpersonal relationship is important because it scored the highest in the research by Ariratana et al. (2015). Besides, leaders should be able to have appropriate communication skills and the ability to form interpersonal relationships. Therefore, leadership skill as a Soft Skill includes at the same time Soft Skills from other areas which makes leadership skill so important because the Soft Skills are overlapping.

In the article of Bak et al. (2019, p. 1065) leadership skills belong to the category of “management skills” and the importance of leadership was identified by previous research already “as a key skill for an effective supply chain”. In addition, the research concluded that leadership skills are a “vital area which requires further development”. The findings of Briscoe et al. (2001) also rated leadership skills as high and there is the emphasis on leadership being important because good leaders like senior managers hold responsibility for new tasks and challenges. Also, leaders should offer appropriate training to their employees in order to resolve problems and lead the company to organisational success. Within PSM, leadership skills are thus becoming important for the purchasing managers, the ones with experience and responsibility for the purchasing department. Consequently, leadership skills are further analysed in this research.

2.5.4 Teamwork Skills

Because of the fact that teamwork skills and leadership skills are interconnected and are used interchangeably, teamwork skills will also be further analysed in this research. In Kiratli, Rozemeijer, Hilken, de Ruyter, and de Jong (2016) within the team there is a team leader who needs the required leadership

skills, for example. In Briscoe et al. (2001) teamwork includes leadership skills, as well.

Team-working skills are Soft Skills that are “essential for the successful integration of intermediaries along the supply chain, with consideration to both local and global partners” (Bak et al., 2019, p. 1065). Dobroszek (2020) emphasizes the importance of teamwork for SCM professionals and uses the term “team player”. Moreover, teamwork skills are the skills that will become important in the future. Briscoe et al. (2001) make an important point by claiming that teamwork skills lead to lean production and hence the cooperation along the supply chain is crucial, particularly with the suppliers. Their findings also showed that teamwork skills achieved a high rating. In the paper of Kiratli et al. (2016) teamwork skills are reflected in the sourcing teams; teams that are formed to develop effective sourcing strategies for companies during procurements. This is the reason why teamwork skills are crucial in PSM, namely to implement these skills in sourcing and outsourcing. Besides, as sourcing is increasing within companies, it will be assumed here that teamwork skills also become important in the future.

2.5.5 Problem-Solving Skills

Problem solving Soft Skills are needed in unexpected and unpredicted situations where formality falls away and practicality is asked. This kind of knowledge is very specific and is essential particularly in supply organisations (Briscoe et al., 2001). The major characteristics of problem solving skills is that the skills are crucial in fast-paced, competitive, and innovative industries (Bak et al., 2019). Additionally, the purchasing manager is faced with diverse complex decisions and activities for which the “old ways of doing things” is not applicable anymore; new approaches and way of thinking is thus required in order to stimulate creativity (A. J. Williams, Lacy, & Smith, 1992).

Problem solving skills are Soft Skills that also belong to the top ten purchasing skills for professionals (Giunipero & Pearcy, 2000). In Bak et al. (2019), problem solving skills fall under decision-making skills and they belong according to the authors to the most important skills. Also, from all the sub-skills falling under the spectrum of decision-making skills, problem solving skills is the one with highest emphasis and they are “imperative” within the supply chain (Bak et al., 2019). Murphy and Poist (1991) categorize problem solving within the management skills and they are ranked the fifth place out of thirty-two skill sets, which underlines again the importance of problem solving skills. As a consequence of this, problem solving skills is considered to be a significant Soft skill for Purchasing and Supply Management and is therefore subject of analysis. Furthermore, due to the fast changing business environment in terms of increased innovation and competition, the ability to solve problems is not only the key skill of today, but will be most likely relevant for the future as industries adopt more and more technology and innovation which in return will have an effect on PSM.

2.5.6 Initiative

Initiative is often mentioned conjoined with the term “creativity” in the literature (Bak et al., 2019; Dobroszek, 2020).

Initiative represents like problem solving a Soft Skill that is particularly relevant for innovative industries where new solutions are demanded. Initiative is part of the “behavioural skills” and is considered to be important because by possessing this skill, creative thinking will be enhanced and innovation stimulated (Bak et al., 2019). Initiative is assumed to be important for the future as well because industries are changing and there is always dynamics like competition or factors like

technology and innovation that have an influence on companies which means that companies, and ultimately the purchasing department, must adapt to these changes.

3. METHODOLOGY

Due to the nature of the qualitative and explorative analysis, an in-depth and critical literature review was performed in order to discover the information and new knowledge. The literature review gave valuable insights and information in order to prepare for the upcoming interviews and ultimately to answer the research questions of this research. Key words during this search were: “Soft Skills Supply Management”, “Soft Skills Supply Chain Management”, “Soft Skills Procurement”, “Soft Skills Purchasing & Supply Management”, “Human aspect in Purchasing”, “Purchasing function tasks”, “Difference Soft Skills and Hard Skills”. The main journals used were Journal of -Purchasing & Supply Management, -Supply Chain Management, -Human Resource Management, and -Operations & Production Management. The primary source of the findings was Google Scholar. Additionally, in some cases external sources helped to retrieve literature which was very useful.

The analysis made use of a qualitative methodology approach where an exploratory research technique was used (Turner III, 2010). *Semi-structured Expert Interviews* were conducted for this approach in order to seek the necessary answers (Horton, Macve, & Struyven, 2004). Besides, interviews, unlike surveys or questionnaires as a form of data collection, are enabling to seek detailed and accurate information about a certain topic which is a suitable method for exploring the topic of Soft Skills since deeper insights are required (Turner III, 2010).

The experts came from different fields and backgrounds and even different functions. Although all three experts were involved in procurement, only two were direct purchasers with the typical purchasing tasks. The other expert has a primary position of a software developer and was engaged secondary in procurement, together with his team. The former two experts and purchasers differentiate as well since one is a junior buyer and one a manager. All in all, the diversity of functions and the variety of tasks within the interviewees is ensuring a broader view on Soft Skills, different perspectives can be integrated and Soft Skills can be better generalized. Table 2 presents a detailed information for each interviewee of this study.

Given the semi-structure, interview questions were prepared beforehand in the form of an interview guide, entailing the specific questions to the experts. The questions focus both on literature and research questions, for instance the six major Soft Skills highlighted in the literature are reflected in the question where interviewees are asked to rank these skills so that a potential congruence can be observed. In spite of this, the whole structure of the interview guide is based on the research questions of this research, they serve as the foundation. The interview guide is shown in Appendix A.

Because of the fact that several companies were interviewed; we deal with a multiple case study. Due to the difficult situation of the corona virus, the interviews were conducted via video-conference or skype call. The conferences were voice-recorded so that answers could be elaborated afterwards, especially because of the semi-structure the interview questions contained open-ended questions which makes memorizing difficult.

Table 2: Demographic Information to Interviewees A-C

Information	Interviewee A	Interviewee B	Interviewee C
Date	14 th July 2020	15 th July 2020	16 th July 2020
Function	Product Owner	Junior Buyer	Product Manager & Supply Chain Manager
Company	Plenty Systems AG	Bauhaus	visunext International GmbH & Co. KG
Industry	E-Commerce/IT	DIY/ home improvement	E-Commerce
Size	~250 employees	35.000 employees (Europe), 17.000 employees (Germany)	>120 employees
Location	Kassel, Germany	Mannheim, Germany	Emsdetten, Germany
Language of Interview	English	English	English
Duration of Interview	41:00 Min.	58:00 Min.	42:21 min

4. RESULTS

4.1 Interview with Product Owner of Company A

Company A is engaged in the e-commerce/IT industry and Interviewee A works as a product owner in software development which is an important position with a high level of responsibilities and tasks.

Interviewee A works for one of the 10 product teams; each of these teams is responsible for one area of the software and Interviewee A is accountable for one of the teams, so he takes a leadership position, as well. Besides, the task of Interviewee A is particularly to make sure that the software works properly with the plug-in. The responsibilities are manifold, but overall the most important is to ensure that the team he is leading, is delivering the most value to the company and to the customers. For this reason, he is coordinating between important stakeholders, namely by communicating to customers and reporting to upper management, extracting information of the diverse sources and also deciding on what projects to work on.

Company A is not working with suppliers in a “traditional sense”, as Interviewee A quotes, namely purchasing directly materials or commodities, but they rather *purchase their services* which means on the one hand, that they are not planning conventional meetings with suppliers on the “round table”, yet on the other hand, purchasing is done in the team and collaboratively since every member of the product team needs to be aware and involved in the decisions of what tools and services are particularly needed for the development of the software.

Consequently, the task of Interviewee A is also the one of purchasing management. The suppliers Company A is seeking solutions from, are based in Germany and Ireland.

4.2 Interview with Junior Purchaser of Company B

Company B is operating in the DIY/ home improvement sector and Interviewee B is a junior purchaser in the department for construction components for windows, doors, chairs etc., basically everything that is made out of timber. The company belongs to one of Europe’s largest retail companies; they operate in 19 different European countries, most of them within the retail stores of Company B. The most important market is Germany, with a total of 155 stores. Concerning procurement, the different purchasing departments in Europe work independently from each other. The main suppliers are located in Germany, Eastern Europe, China and South East Asia.

Nevertheless, negotiations for the European countries are mostly arranged from Germany because Germany is a so called “pool country” since they have the most contracts and negotiations.

Interviewee B has mainly two different fields of tasks: the first field relates to the task of purchasing which includes trade negotiations with suppliers, looking for new suppliers, optimizing existing product range, finding new products and developing these products with suppliers, hence supplier development. The second field is characteristic for the retail, namely that the purchasing department also takes care of marketing and product promotion, meaning that all promotional matters are managed. The core tasks are the optimization of the product range, the delivery and transport into the store and the designing of shelves. The special aspect for Company B is that all these tasks are collaboratively managed together with the suppliers by information and skills exchange, in order to secure that products land adequately on the shelves.

The purchasing department of Company B has a quite remarkable amount of tasks and responsibilities as they are also involved in the ordering process of the 155 stores in Germany, meaning that they have the power to decide for each of the retail stores how much to order and place on the shelves. Regarding responsibilities, Interviewee B is therefore responsible for ordering and negotiating. Concerning negotiations, Interviewee B is not dealing with a very wide product range because Interviewee B is still a junior buyer, compared to the senior buyers who are dealing clearly with more products.

4.3 Interview with Supply Chain Manager of Company C

Company C is operating in the e-commerce industry and Interviewee C is working as a product manager for digital signage and supply chain manager inside the procurement department. The corporation has a yearly turnover of 77 million Euro and is leading manufacturer and wholesaler for Europe in the segment of home cinema and presentation equipment. The suppliers of the company are from Germany, diverse countries in Europe and Asia. The majority of the suppliers come from Asia which counts 15 suppliers. In Germany, the company counts 4 suppliers and in Europe around 7 suppliers.

Interviewee C is responsible for digital signage in the case of product management which also includes national procurement of large components, for example cables and mounting equipment.

Interviewee C’s main tasks are procurement, negotiations and pricing. The product category Interviewee C is responsible for concerns mainly electronic commodities, for instance video projectors and video projector screens. Further, Interviewee C is

responsible for the whole supply chain of the company, in particular for the steady supply coming from Asia. The commodities Interviewee C is dealing with, have a turnover worth 2 Million € and the other components have a turnover of nearly 70 million Euro per year. He needs to ensure the best prices in the online shop which is the main selling channel of Company C. Also, he gives special product trainings to the employees in the sales department.

4.4 Analysing Interviews based on Research Questions

The following section analyses the interviews with regard to the research questions posed before. The interviewees and experts in their respective fields were asked to elaborate on the specific questions of the interview guide posed by the researcher and interviewer.

4.4.1 Which Soft Skills are currently considered to be relevant for PSM?

For Company A, *decision-making skills* is currently a preeminent Soft Skill. Interviewee A states that the challenge is how decisions should be made, either individually or collaboratively. He highlights the fact that knowing when to decide and how to decide is crucial, in order to tackle certain situations and /or problems. Further, if decisions should be made “democratic” or “undemocratic”, is also according to him an important aspect as he quotes. Also, the need to understand people and the content of the issue is a prerequisite for deciding. Moreover, prioritizing in decision-making is according to the interviewee important, for example when there is the decision between focusing on profit-making or the stability of the firm. Interviewee A highlights that decision making skills are not skills that can be easily taught; they are gained through years of experience.

Another Soft Skill according to the interviewee is *information-gathering skills*. Being informed about formal and informal components is critical. Secondly, the quality and quantity of information plays role and the assimilation of information depends on the interpersonal relationships with other teams and people.

Adaptability/flexibility is also a relevant Soft Skill for Company A and Company B and it describes the ability to adapt to the situation. For Company A, adaptability skills are required due to the non-routine processes within the firm. Adaptability is mainly achieved through the empowerment of employees in the company. “Empowerment” is cited by Interviewee A and it describes the delegation of responsibilities to subordinates of the company and making them actively participating in the decision-making process by providing them the necessary tools and means. For Company A, this is the distinctive characteristic that differentiates them from other IT firms. For Company B, adaptability skills become relevant because Interviewee B is switching departments occasionally and he must be able to adapt to the new situation because he will be confronted with a new manager, a new team, and a new product.

In addition, *negotiation skills* are also a relevant skill set mentioned by all interviewees.

As Interviewee A cites, “human emotions, feelings, gestures and body language” are important during these processes and that these distinct characteristics cannot be taught easily. This view is supported by Company C where Interviewee C is pointing out the bargaining power position of the purchaser and the certain tactics and tricks involved, for example should the buyer always try to set negotiations either via phone or personally in order to detect clearly certain “weaknesses” of the supplier and use it against him. Via e-mail this would not be possible because the

purchaser is not able to “sense” the counterpart and he cannot interpret gesture and facial expression.

The fact that negotiation skills are important, shows in particular Company B. In Company B, negotiation skills are especially performed by the experienced senior purchasers where the main negotiations with the strategic suppliers are taking place. According to Interviewee B, senior purchasers demonstrate an outstanding and superior level of skills during negotiations. Moreover, Interviewee B points out that these kind of skills are difficult to learn and cannot be, as quoted, “studied in a book”, neither can they be taught so fast. The key is to have a good “leader”, someone to look up to and learn from his experiences. The leader, in this case the negotiator and senior purchaser, is supposed to possess thus certain *leadership skills* which serves as another Soft Skill. Interviewee B claims that leadership skills and negotiation skills go hand in hand since the negotiator possesses the negotiation skills and he is the one acting as a leader. For Company C, leadership skills are also relevant because Interviewee C is team leader and according to him it is important to know how to lead people.

One important aspect of negotiation skills and at the same time another Soft Skill is the *assertiveness* of the individuals involved in the negotiation process. According to Interviewee A, it is important to have the ability to assert oneself which means in the case of Company A that not always “accepting directly what the customer demands and instead negotiate about different outcomes” in order to represent as good as possible the interests of the own firm. Assertiveness is a Soft Skill that is already highlighted in the literature by Cimatti (2016) which shows the congruence between theory and practice.

Two kinds of Soft Skills support the ideas of S. W. Williams (2001) that Soft Skills are not stable and they adapt and change over time. *Time management and stress management* belong as stated by Interviewee B to the current relevant Soft Skills in PSM, because the amount of work and the pressure to finish on time has increased. The major challenge for Interviewee B is to work on the various projects that are assigned to him and simultaneously answer phone calls or writing e-mails.

Teamwork skills is as for Company C highlighted since it is important to be “a team-player, to be collaborative and to be a good team member”, as Interviewee C quotes. For instance, when dealing with administrative tasks, Interviewee C has relative weaknesses so he asks his colleagues for help. Cases as such reflect the need to be a good team so that people can support each other and complement with their strengths.

Last but not least, the most important Soft Skill according to Interviewee A for Company A is *communication skills*. Communication skills become relevant because of the complexity the company is dealing with, which means that being able to communicate effectively on a technical, business and human one-to-one level is highly significant in order to convey solutions, improvements and suggestions. Further, being able to communicate across all of these different layers is important, as well. Interviewee A claims that having a sense of “intuition” and “instinct” in involving teams and stakeholders into the process is also part of the communication process. Interviewee C also values communication skills and citatory claims “the way you communicate with people “which is better managed with face-to-face conversations instead of e-mails or phone calls. Besides, he states that listening skills are important in order to understand the counterpart not only acoustically, but also content wise.

4.4.2 Which Soft Skills are in the future considered to be relevant for PSM?

For Company A, *communication skills* belong to one set of Soft Skills that will be relevant in the future due to the circumstance that situations and operations become increasingly complex and the ability to communicate effectively and in a simplified way to individuals is a precondition. Secondly, communication skills become more important because new technologies arise in the future, for instance in communication technology where new opportunities for communication will be given. This aspect is crucial as it is also stressed in the literature, so there is a correspondence between the theoretical framework and the practical implications. Also, Interviewee A mentioned *problem-solving skills* as relevant skills for the future because of the fact that there are always new problems companies are confronted with and thus, the competencies to deal with these problems, are required.

Interviewee B proclaims that in general all the interpersonal skills become relevant in the future due to the fact that regular daily (technical) skills tend to fall away because of technology which means that the “human skills” or the so called “people skills” even more become important as they cannot be adopted by technology. To give an illustration, *negotiation skills* are Soft Skills that demand high human involvement and these skills are for Interviewee B relevant for the future. Farther, in a world of rapid movements and increasingly intense competition, companies are forced to work even harder in order to outperform their competitors. For the employees of Company B and Interviewee B this means they have to fulfil more tasks in a short time which is the reason why *stress management* as a Soft Skill becomes relevant, as well. In addition to that, *adaptability skills* should be taken seriously according to Interviewee B. Adaptability not only concerns Soft Skills, for Interviewee B the ability to adapt to Hard Skills is crucial as the product range changes continuously and by that the associated Hard Skills, hence the purchaser should have the flexibility to adapt to new tasks. Finally, *leadership skills* are highly important in the future. In the future, there will always be new generations of purchasers and their successful education of the profession depends on the coaching of their supervisors, in this case the senior purchasers who serve not only as a leader, but in the case of Interviewee B as a charismatic role model for the junior purchasers.

For Company C, the two Soft Skills that become relevant for PSM in the future, are *cultural awareness and language skills*. Cultural awareness refers to the differences between the attitudes and behaviours of the suppliers from the different countries all over the world. According to Interviewee C, it is significant to understand these differences in order to be effective as a purchaser. By way of example, Dutch or German suppliers tend to be direct and communicate their message immediately, while for Japanese suppliers this approach is rather “impolite” because it is common for the Japanese to start a conversation on a personal and friendly level first, before issuing the main concerns. This illustration seems like a minor topic, yet understanding different cultures and being able to appraise different individuals, the purchaser will be in huge advantage and he can eventually decide important matters to his favour.

Language Skills are becoming important to Interviewee C since the focus on the Asian market is increasing and developing the native language skills such as Chinese or Japanese can be truly effective in doing business with the different partners because the mutual understanding would be facilitated. Additionally, Interviewee C claims that speaking the same language as your counterpart awakens interest of the supplier for the buyer and also creates trust between each other. Speaking the same

language is leading to a “warm” and well-known atmosphere for the supplier, because mostly Chinese or Japanese suppliers feel comfortable speaking their own language since from Interviewee C’s point of view, Chinese suppliers often lack in appropriate English skills and consequently they feel insecure or even ashamed during the conversation.

4.4.3 Which Soft Skills are less important, which are more important?

In the literature, six major Soft Skills mainly in the field of SCM/PSM were identified. The interviewees were asked to comment on these skills by stating their importance within their field. Generally, all six identified skills are present and relevant but dependent on the tasks and function of the interviewee, some skills are more important than others which is the reason why the interviewees were asked to give a ranking. Table 2 shows the rankings of these skills from Interviewees A, B and C for their respective Companies A, B and C.

Table 3: Rankings of literature-retrieved Soft Skills for Company A-C

Ranking	Company A	Company B	Company C
1	Communication Skills	Negotiation Skills	Negotiation Skills
2	Teamwork Skills	Problem-Solving Skills	Communication Skills
3	Leadership Skills	Leadership Skills	Teamwork Skills
4	Initiative	Communication Skills	Leadership Skills
5	Problem-Solving Skills	Initiative	Problem-Solving Skills
6	Negotiation Skills	Teamwork Skills	Initiative

4.4.4 Are there additional Soft Skills relevant for PSM?

One important Soft Skill highlighted by Interviewee A is *empowerment*. As a result of the fast changing market and the need to come up with innovative solutions, companies are forced to empower their employees in order to stimulate creative and innovative thinking, which is better known as the “bottom-up” approach, unlike the “top-down” approach with the typical hierarchical structures within the firm where the boss asks the employee what to do and what not to do. For this reason, empowerment is especially important in the future because technologies and innovations will continue to grow and therefore the people who make this happen, need to have the freedom and flexibility to realize these challenges (Appendix B).

Interviewee C evaluates two Soft Skills that focus on the interpersonal level and relationship, one is particularly relevant for establishing harmony based relationships, which is basic for Interviewee C and he gives the term *loyalty* for that which is also a Soft Skill. Loyalty is according to the interviewee founded on the friendly and kind environment between supplier and buyer and is not only restricted to business, but can go beyond the business relationship into a personal relationship. Interviewee C mentions that some buyer-supplier relations are so deep that buyer and supplier have become real friends; they are meeting once in a while in their leisure time and even their families exchange with each other. Secondly, *empathy* as Soft Skill plays

a role in PSM because there are certain situations where the supplier is not able to keep to his promises like on-time delivery. The key point here is how to deal in these situations as a buyer; Interviewee C states that there are different attitudes the buyer can show towards the supplier: either the buyer is strict and punishes the supplier or asks for compensation of the failed delivery, or the buyer shows *empathy* towards the supplier and is meeting another agreement together with the supplier.

4.4.5 How do Soft Skills contribute to the success of the purchasing function?

In general, Soft Skills have a likely effect on the success of the purchasing function because of the fact that in the purchasing department, Soft Skills appear to be present and relevant. According to Interviewee C, the appearance of Soft Skills depends on the department one works for. For instance, in the IT department of Company C the employees encounter diverse Hard Skills but lack in Soft Skills like communication skills, simply because employees conduct less conversations in general. The ability for effective communication is not asked as much as for the marketing or purchasing department because people need to communicate constantly to each other to share ideas, to discuss strategy or even only answering phone calls.

According to Interviewee A, a lot of companies mainly in the e-commerce industry are investing in Soft Skills and have thus recognized the importance of Soft Skills. Moreover, Company A's success is dependent on the *empowerment* of employees because it guarantees the *adaptability* or *flexibility* that is needed to adapt to the market and business environment. For instance, because of the empowerment given to employees and the freedom they have to bring up ideas and to influence management, the company has managed to become very successful today which is mainly accountable to the fact that they made an important deal with a business partner by investing for a certain technology 4 years ago. Without the insights and influence of the employees, this success would not be possible. Therefore, adaptability and flexibility Soft Skills have helped the company and the purchasing function to become successful. Beyond that, Interviewee A strongly emphasizes that overall Soft Skills are immensely significant to enhance and optimize the value chain at large which is an ultimate contribution of Soft Skills since the value chain incorporates the different departments of a firm and they are all in interdependence. This interdependence means that optimizing the value chain, means optimizing the procurement function and all other functions /departments like operations management, marketing and so on. In Appendix C, the Value Chain Model by Michael Porter is giving a clear visualisation.

In Company B, *negotiation skills* are the skills that have an impact on the purchasing function. Interviewee B points out that negotiation skills can determine how competitive the company can be. Also, he claims that if the department is not winning those negotiations, the prices will raise and the entire company would suffer. Higher prices mean higher costs for the company, these costs need to be compensated somewhere else in order to achieve profit, for example by lowering the wages of employees or by increasing the end price of the product. As a consequence of this, the imperative should always be to be successful in the negotiations in order to enhance purchasing and company performance.

Interviewee C is convinced that close relationships to suppliers are resulting in a better performance of the procurement function. He uses the term "partner" instead of "supplier" to indicate that the relationships are based on mutual trust. Moreover, he is convinced that if you are treating your suppliers well, they will treat you well back which is also beneficial to the purchasing

function. Interviewee C claims that the suppliers will give preference to you as a purchaser and this will lead to better company performance, as well. One concrete example how Soft Skills improved the purchasing function is that the interviewee of Company C managed to reduce transportation costs by 40 % which was due to the tight relationships and loyalty between buyer and supplier and these savings were even a huge success for the whole corporation.

5. ANALYSIS

5.1 A compilation of current-, future- and literature skills

In the following section, an overview and comparison of all Soft Skills will be presented. The Soft Skills are divided into the relevant- current skills, -future skills, and the -skills retrieved from literature. The different skills will be compared to each other and it will be observed which ones are more frequently represented in the three categories, namely the current-, future-, and literature based -skills. Table 4 shows the findings of all *current* Soft Skills from Interviewees A-C. These are the skill sets that were considered to be relevant independently from the literature, in other words, these skills were not suggested or presented to Interviewees A, B, and C and are thus individually characteristic for each of the Company A, B, and C.

Table 4: Collection of all *Current* Soft Skills retrieved from Interviews

Company A	Company B	Company C
Negotiation Skills (Assertiveness)	Negotiation Skills	Negotiation Skills
<i>Adaptability/Flexibility</i>	<i>Adaptability/Flexibility</i>	<i>Teamwork Skills</i>
Communication Skills	Time Management	Communication Skills
Decision-Making Skills	Leadership Skills	Leadership Skills
Information-Gathering Skills	Stress Management	Loyalty and Empathy

In Table 4 it becomes clear that the same Soft Skill were seen as relevant for different companies. For instance, *negotiation skills* are the skills that are mentioned by all interviewees. Additionally, the *assertiveness* Soft Skill is part of the negotiation skills. Then, *adaptability/flexibility* is mentioned by Company A and Company B which indicates that also this Soft Skill might be important. *Communication skills* is relevant for Company A and Company C. Finally, *leadership skills* are mentioned by Company B and Company C. These four skills seem to be important currently for the field of PSM since they are repeatedly stated by the different companies.

Additionally, Table 5 presents all the future Soft Skills retrieved from the interviews. In Table 5 it becomes visible that among other Soft Skills like problem-solving skills or cultural awareness, *communication skills*, *negotiation skills*, *leadership skills* and *adaptability/flexibility* are the skills that are considered by Company A, B and C as important for the future, whereas the majority of these skills are attributed to Company B, namely negotiation skills, leadership skills and adaptability/flexibility. As a result, the aforementioned four skills are the ones that have been identified already in Table 4 of the *current* skills, in both tables these are marked bold to observe the congruence between them. A striking point is that for Company A and B, the four main current relevant skills will remain important in the future, such as communication skills, negotiation skills, leadership skills and adaptability/flexibility. On the other hand, for Company C the current skills will not remain important in the future, instead cultural awareness and language skills are the ones that will get important.

Table 5: Collection of all future Soft Skills retrieved from Interviews

Company A	Company B	Company C
Communication Skills	Negotiation Skills	Cultural Awareness
<i>Problem-Solving Skills</i>	Stress Management	Language Skills
	<i>Adaptability/Flexibility</i>	
	Leadership Skills	

Taking into account Table 3 from the results section, one can see the congruence between literature and interviews. *Communication skills*, *negotiation skills*, *leadership skills* and *teamwork skills* are the skills that have a match in literature and interviews. Farther, the rankings in Table 3 show that one-time *communication skills* and two times *negotiation skills* were ranked as the number one most important Soft Skill. Besides, the list of skills in Table 3 is complementary to the list in Table 4 because Table 3 reflects the fact that next to the skills in Table 4 from the interviews, there are additional skills perceived as important by the interviewees. To give an example, Company A has not stated leadership skills as important initially, but ranked later leadership skills in the third place which shows that leadership skills are still important for Company A, but to the perception of the interviewee not as important as the rest of the skills he initially gave, for instance *information-gathering skills* or *decision-making skills*.

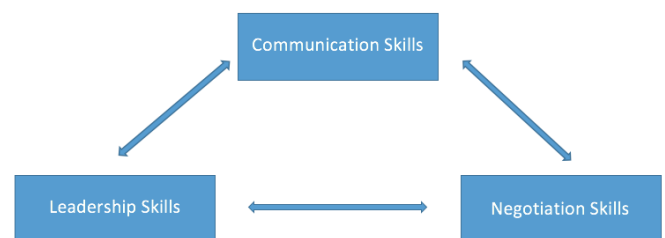
5.2 Analysis of the Top 3 Soft Skills

To sum up, *negotiation skills*, *communication skills*, *leadership skills* are the three major Soft Skills that are important currently, in the future, and in the literature. For this reason, these three will be considered as the most important Soft Skills within Purchasing & Supply Management (Figure 1). When looking at Figure 1, communication skills is presented at the top because it builds the foundation for leadership skills and negotiation skills due to the fact that for both leadership skills and negotiation skills, communication (-skills) is the requirement. Without appropriate communication skills, there is no good leader and negotiator. A good leader should be able to communicate effectively, by means of people management and way of communication. A good negotiator should be able to communicate effectively during negotiations in the sense of talking and listening.

Furthermore, the other skills are also interrelated which is indicated with the arrows. For example, leadership skills affect negotiation skills because the leaders are the main negotiators with the most experience and skills, such as Interviewee B stated. Vice versa, negotiation skills affect leadership skills because as for Company B, the “big” negotiations need a lot of expertise, experience and leadership since the responsibility is simply too high because there is a lot of money involved. Consequently, the leader and negotiator during these negotiations is expanding his capacities as a leader, hence using and developing his leadership skills.

Another example is how negotiation skills have an impact on communication skills, namely that negotiation skills are not only performed face-to-face, but also via e-mail and phone. For example, Interviewee C favours phone and face-to-face where the voice is involved. In any case, how to negotiate depends on the parties but the way of communication is part of the negotiation process and hence negotiation skills influence communication skills. Lastly, leadership skills influence communication skills in the sense of what kind of communication is available to the leader and which of the methods he is frequently making use of. For instance, when there are general meetings, he is using the meeting room with all the required equipment, the blackboard, beamer etc. When there are no meetings, he can use different tools like smartphone communication, e-mailing, intranet or other.

Figure 1: Most important Soft Skills for PSM



5.3 A figurative illustration of second group of Soft Skills

The next group of important Soft Skills will be considered, namely those that appear at least in two of the three categories of current-, future-, and literature-skills. In the tables, these skills are written in italic: *Teamwork skills*, *problem-solving skills* and *adaptability/flexibility*. Especial consideration deserves the Soft Skill “teamwork skills” since it is ranked in Company A and C in the second and third place. Company B ranked teamwork skills in the last place though because according to Interviewee B teamwork is not manifested in the job due to its individual-working nature. Company A and B see teamwork as important because they are working mostly in the team, particularly Company A because they are developing software and the collaboration between the workers is fundamental. Adaptability/Flexibility is the only Soft Skill that is not reflected in the literature, in spite of that the skill is perceived as important by Company A and B, in particular Company B because it is valued currently and in the future. Problem-solving skills are currently not seen as important by Company A and C, but important to Company B. Also, Company A sees problem-solving skills as important for the future due to the rising complexities and challenges. The three skills are visualized in Figure 2.

Figure 2: Second most important group of Soft Skills for PSM



5.4 Other current and future relevant Soft Skills

The remaining skills are the ones that are seen as important by Interviewees A-C, yet they are not represented in the literature of this study. Moreover, the six Soft Skills illustrated in Figure 3 contain both the current and future skills, for example *loyalty & empathy* is a current Soft Skill while *language skills and cultural awareness* are both future Soft Skills identified by Interviewee C. The reason for the combination of current and future skills in one figure is that these skill sets are both important for now and the future. For example, *stress & time management* is specifically identified by Interviewee B as current and future skill as it is currently present and tend to increase in the future. Loyalty & empathy are terms that reflect the psychological and social aspects and these are immutable as being loyal to the supplier should be the norm in the present and in the future. *Decision-making skills and information-gathering skills* are basic skills that will be needed irrespective of the time and the position of the worker. Lastly, language skills and cultural awareness form the last two circles because they will get especially important in the future, so purchasing professionals should be aware of these two skills as they are truly beneficial when coping with internationalisation and globalisation. The purchaser should thus try to add new skills like language skills to his repertoire to develop and grow in his profession. In addition to that, he should adopt the mentality of loyalty and empathy in order to establish the precious relationships with his suppliers by which he is gaining plenty of advantages for his profession. Loyalty & Empathy is placed in the middle for two reasons: its ubiquity and its social dimension.

Figure 3: Other current and future Soft Skills for PSM



6. DISCUSSION AND CONCLUSION

In overall, within this research the Soft Skills identified in theory, namely literature review, are mostly in congruence with the Soft Skills determined from practice, namely from the interviews. Table 1 demonstrated all the Soft Skills pointed out by the different authors and these skills are appearing and prevailing in the interviews as well, in particular *communication skills, teamwork skills, leadership skills, negotiation skills, problem solving skills, decision-making skills and assertiveness* (Chaudhry, Khoo, Wu, & Chang, 2008b; Ciappei, 2015; Cimatti, 2016; Engelberg, 2015). These skills are also reflected in Table

3 where interviewees gave a ranking for the six main skills and it turned out that almost every skill is present in the companies, except for *Initiative* as this skill is ranked very low which shows that in theory this practice is relevant but not in practice. From Table 4 and 5 the similarities become even more apparent since the majority of current and future skills retrieved from interviews overlap with the skills from literature.

Special consideration deserves *communication skills* because it has been identified in the article of Giunipero and Percy (2000) as the number one skills rated by 136 purchasing professionals and this importance is reflected also in practice as all interview partners valued this Soft Skill as very high. Moreover, Briscoe et al. (2001) point out that communication skills will get highly important in the future because technology is developing and facilitates communication because of improved communication technology. This view is supported by Interviewee A.

7. LIMITATIONS AND FUTURE RESEARCH

This research used a sample of three interviews which makes it usually difficult to generalize the results. Nevertheless, because the findings were quite accurate and obvious, one could assume that the interviews with more companies would have produced more or less similar results. To give an example, communication skills as Soft Skills seems to be omnipresent, regardless of the kind of job and function of interviewee, especially when in literature this skill is emphasized, as well. Another reason why the high amount of interviews with regard to a qualitative research is not making a major difference, is that the list of Soft Skills is infinite and with every additional interviewee new Soft Skills would practically emerge, except for some of the fundamental skills that appear almost every time. In that respect, a quantitative analysis should be conducted for future research in order to research the frequency of Soft Skills that appear the most in the diverse companies. As a result, a larger sample size would be appropriate in order to make use of the different analytical techniques and tools. The quantitative research in the future can use this qualitative research as a starting point.

Secondly, due to the reason that in this research mainly German companies have been interviewed, the scope of the research in the future should be widened to international interview partners with the aim to understand how Soft Skills differentiate from country to country, particularly because all interview partners of this research are dealing with international suppliers and business partners and it would be interesting to incorporate opinions and views directly of the international partners to highlight the importance of Soft Skills.

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10. APPENDIX

10.1 Appendix A- Interview Guide

INTERVIEW GUIDE

Demographic Information

Date:

Company:

Industry:

Size:

Location:

Name & Function Interviewee:

Language of Interview:

Duration of Interview:

1. General aspects

- First of all, with regard to good practice, do you mind this conversation is being audio recorded? The recordings are needed for the later analysis.
- By request, the recording will be deleted after having finished the project.
- The research will be conducted anonymously. Company name, purchaser names etc. will be replaced with Company X, Purchaser A etc.
- If desired, the final paper will be sent to you.
- Telephone number and e-mail of the author /researcher will be provided for any other matter/clarification.

Goal of Study:

- *To research “skill gaps” in purchasing, specifically the so-called “Soft Skills”: intrapsychic (self-oriented) and interpersonal skill sets in the field of Purchasing & Supply Management (PSM)*

Terminology:

Soft Skills: knowledge and thinking skills that can be called “personal skills” and secondly, the relationship with others, called “social skills”. Non-technical and not directly related to the job, whereas “Hard Skills” are technical and directly related to the job. The term “Soft Skill” is not definable and the list is practically infinite. Soft Skills are “intangible” skills, concerning “human skills” and the term “people skills” is used as synonym, whereas Hard Skills are “tangible”.

2. Introduction

- A. Please introduce yourself and the company you work for. These can include information on position, company size, business relations (suppliers etc.)
- B. Please provide information on the department /function you work for. E.g. what are your tasks? What are your responsibilities?
- C. How is the working atmosphere with employees? Is it tight, collaborative, individual-working, motivational etc.
- D. Could you please give information on your suppliers? How is the interaction? e.g. amount of suppliers, relationship, importance etc.
- E. Checking understanding of the definition and topic:
 - Please take a moment, bearing the research goal and definition of Soft Skills in mind, what do you personally understand when talking about “Soft Skills”?
 - Which associations cross your mind?
- F. General Soft Skills within the company:
 - In your company, do you generally deal with Soft Skills?
 - Do the employees or other stakeholders deal with it?
 - If not, what do you think which Soft Skill would/could play a role in your company?

3. Main Body

- 1. **Which Soft Skills are present in the PSM department?**
 - What would you say, which of these “softer” or “hidden” skills are present in your department?
 - Which ones are important?
 - Which are becoming more important?
 - Which skills are not required yet that could become crucial in the future? Why?
 - I will name you 6 Soft Skills and please tell me which of those are existing in your company. Please also explain why.
 - Communication Skills
 - Negotiation Skills
 - Leadership Skills
 - Teamwork Skills
 - Problem solving skills
 - Initiative
- 2. **Which Soft Skills in the PSM department are important today?**
 - What would be the most striking Soft Skill in your function that comes to your mind?

- Why is particularly this skill important within your function/department?
 - Will it still remain important in the future?
 - If not, can you think of specific reasons /factors that will change this Soft Skill?
- From the above mentioned Soft Skills, which ones are more important, which ones are less important within the purchasing function? Please rank them based on their importance, starting with the most important skills. Give also reasons.
- Except for the list of Question 1, are there any other Soft Skills that are relevant in your department?
- Why?

3. Which Soft Skills are getting more important in the future?

- In your opinion, which of those skills will be important in the future?
- Why?

4. Which new skills could become important in the future?

5. Which factors do you think are accountable for the need to emphasize Soft Skills?

- Soft Skills are not stable, they change by time due to certain factors like external environment and technology.
- Explain why these factors change Soft Skills and its importance.

6. What is the relationship between Soft Skills and PSM performance?

- How do Soft Skills influence the purchasing department /function? Which of these skill sets are important for purchasing and why?

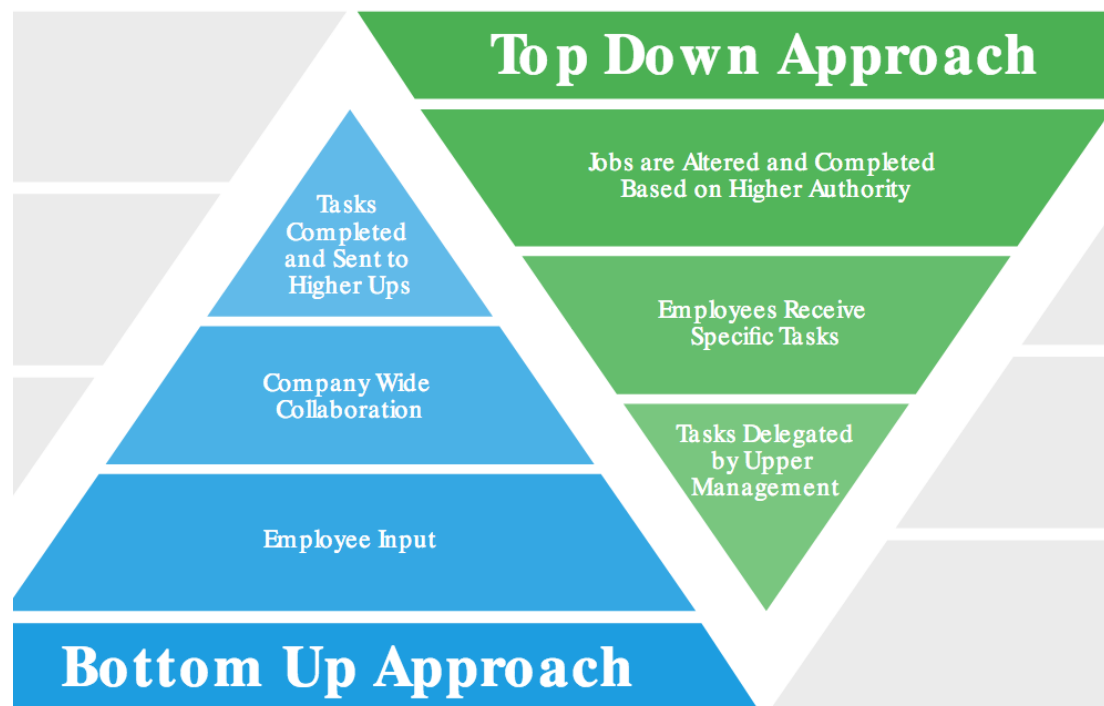
7. Are Soft Skills contributing to the competitive advantage of the firm?

- In terms of Soft Skills, why do you think that these skills differentiate you from your competitors, so do you think that the skills offer the purchasing function a competitive advantage?
- Do the skills even lead to corporate success? If yes, how?

G. Closing question:

- Is there anything that you would like to add?
- Thank you!

10.2 Appendix B- Bottom Up and Top Down Management Approach



10.3 Appendix C- Michael Porter's Value Chain Model

