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# UNRAVELLING PROCUREMENT SKILLS AND CAPACITY CONSTRAINTS IN AN OPEN DISTANCE LEARNING (ODL) ENVIRONMENT

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#### **ABSTRACT**

Competitive economies depend on skilled procurement professionals to develop and sustain integrated strategies. Such professionals are in short supply in South Africa and globally. It is for this reason that the skills improvement of procurement employees in an ODL context becomes essential. Despite the strategic importance of ODL institutions in capacity development, procurement skills growth initiatives in such institutions seem to be lagging behind. This article seeks to unravel the skills and capacity constraints in the procurement division of an ODL institution. A qualitative approach was used following a single case design. The findings revealed a paucity of skilled capacity in the procurement division at an ODL institution in South Africa. It is recommended that effective skills and capacity development initiatives, such as education and training, be implemented in order for the institution to curb procurement inefficiencies and realise a sustainable competitive advantage.

Keywords: Skills, capacity, Open Distance Learning (ODL), procurement, sustainable competitive advantage

JEL Classification: 123, J23, J24

#### 1. INTRODUCTION

Procurement optimises the contribution that external markets and suppliers make towards organisations' achievement of strategic goals (Smith, 2015). It is concerned with delivering value for money and ensuring that organisations access the goods, services and works they need in order to fulfil their strategic objectives (Universities UK, 2011). Procurement skills and capacity constraints pose the biggest challenge, not only in the Open Distance Learning (ODL) context, but also in the global sphere. These constraints inhibit the progression of procurement to supply management in most organisations, because competitive economies depend on skilled procurement professionals to develop, maintain and sustain integrated procurement strategies (Haque, Knight & Jayasuriya, 2015:609). The Chartered Institute of Procurement and Supply (CIPS, 2015) reported that the United Kingdom's economic recovery is being undermined by a lack of training and skills in supply chain management. Furthermore, Heyns and Locke (2013) indicated that most organisations struggle to recruit suitable candidates in the areas of procurement and supply chain. This is because, in most cases, existing procurement officials are unqualified or possess irrelevant qualifications, and lack appropriate experience.

As a result, the absence of competent procurement staff leads to capacity constraints and the inadequacy of the procurement function. The CIPS (2015) revealed that a core of insufficiently trained supply chain managers is failing to prevent malpractice or follow best practice. Such inadequacies are also undesirable in the higher education sector, including ODL institutions, which play a key role in economic and social development through the massive knowledge production and skills development required in the workplace (Ekundayo & Ekundayo, 2009; Ismail & Abdullah, 2011). Smith (2015) identified people and the skills, knowledge, capability and experience they possess as the biggest single determinant of success for procurement in the higher education sector. Accordingly, the set of skills, leadership and cross-functional competencies essential for supply chain professionals and organisational success in the 21<sup>st</sup> century continues to broaden and evolve (Ruamsook &

Craighead, 2014). La Porta and Lison (2009) indicated that progressive organisations work very diligently to develop their procurement staff, in order to meet the current and future needs of their companies.

Skills and capacity constraints are often referred to as a major concern in both developed and developing countries, but are more severe in developing countries (Jensen & Refsgaard, 2008). According to Ruamsook and Craighead (2014), there is already a shortage of highly skilled workers who possess broader business skills in the supply chain sector. Jones (2015) suggested that investment in procurement processes has not been matched by parallel investment in people. Accordingly, the current shortages will only get worse if the focus shifts from talent management and the acknowledgement that procurement is an essential competence for all senior managers. With proper talent in place, procurement is in a position to create long-term value for the organisation (La Porta & Lison, 2009). The problem of capacity constraints in procurement is greater in the public sector, and even more so in public procurement (Haque et al., 2015:610). Organisations experience procurement capacity constraints stemming from staff shortages, and are unable to fill vacant posts due to the scarcity of skilled, experienced and qualified personnel. However, today's global market requires improved efficiency and effectiveness to realise sustainable competitiveness. This, however, can be achieved through a skilled and qualified workforce, which currently appears to be in short supply. Therefore, the dream of gaining a sustainable competitive advantage seems to be hyperbolic for organisations.

In South Africa, skills constraints are viewed as the main limitation to the country's potential for economic development (Heyns & Luke, 2013:107). The problem exists despite the fact that universities are regarded as a core sector for building and producing skilled capacity. Moreover, ODL institutions promote sustainable social and economic development for global competitiveness in the 21<sup>st</sup> century through enhancing the skills and knowledge of learners and practitioners. ODL remains the only practical and inexpensive means of providing university education in South Africa. However, the skills gap is widening, especially in the areas of procurement and supply chain management, signifying that there is incongruence between skills supply and demand. Therefore, the purpose of this article is to unravel procurement skills and capacity constraints in an ODL institution in South Africa.

#### 2. LITERATURE REVIEW

# 2.1.Global Perspective

Capacity constraints appear to be a global problem, as both developed and developing countries struggle to recruit the right people for available positions. Capacity is the ability of a worker, machine, work centre, plant or organisation to produce output in a given time period (Bozarth & Handfield, 2013:161). However, finding both competent and qualified people is a challenging task within the supply chain management sector, and this poses a serious threat to economic growth and organisational competitiveness (Smart Procurement, 2013). Identifying and attracting appropriate and capable skilled personnel is limited to a particular organisation, industry or geographical location (Rice, 2015). The study conducted by the logistics trade group MHI revealed that the supply chain discipline has to fill approximately 1.4 million new vacancies during the period 2014 to 2018, which amounts to almost 270 000 jobs per annum. These numbers indicate the severity of the shortage of skills within the procurement and supply chain domain.

The talent shortage survey conducted by the ManPowerGroup in 2015 revealed a shocking seven-year high skills shortage of approximately 38% world-wide since the 2007 recession, when it was estimated at 41%. The challenge of skills constraints is deepening, according to the KPMG survey conducted in 2015. In this regard, capacity and skills shortages are anticipated to increase within the next two years. Fast- developing countries such as India face fierce competition for constrained procurement professionals (KPMG, 2015). In BRICS countries, approximately two out of every five organisations (37%) struggle to recruit the right calibre of workers, and this is hampering economic growth in these countries (Heyns & Luke, 2013). Even though procurement and supply chain is pivotal in building a competitive advantage for an organisation, most managers fail to build the capacity required to achieve this goal

The problem of skills and capacity is severe in countries such as Japan (leading with 83%), followed by Peru, Hong Kong and Brazil, with 68%, 65% and 61% respectively (ManpowerGroup, 2015). The same survey showed

that South Africa (31%), Singapore (39%), Romania (61%) and Greece (59%) experienced a sharp rise in talent shortages compared to Ireland (11%) and UK, Spain, Netherlands and Czech Republic, all with a 14% level of difficulty in recruiting the right personnel. The top five reasons cited for the challenges of filling vacancies in most organisations were (1) lack of available applicants (35%), (2) lack of technical competencies or hard skills (34%), (3) lack of experience (22%), (4) lack of workplace competencies or soft skills (17%) and salary-related (13%). Consequently, capacity constraints prevail in most organisations.

Supply chain has a track record in this regard, and still experiences difficulty in attracting high calibre candidates (Dillon, 2015). According to SupplyChainBrain (2012), procurement skills constraints emerge as a result of customer changes around the globe, favouring procurement from China, Asia, India and Africa. Another cause of skills and capacity constraints seems to be financial changes and the technological revolution, which require leadership that can devise new strategies for sustaining global supply chains. These changes correspond with the survey conducted by Hays and CIPS in 2015, which showed that 73% of the respondents found it difficult to fill vacancies in procurement and supply chain within the past 12 months. The public sector reported a higher percentage of difficulty (approximately 52%) in attracting competent people than the private sector, which was 48%. This can be attributed to the lower salaries offered by the former in comparison to the private sector.

According to ManpowerGroup (2015), the global jobs that are hardest to fill for the fourth consecutive year were (i) skilled traders, (ii) sales representatives, (iii) engineers, technicians, (iv) drivers, management/executives, (vi) accounting and finance staff, (vii) office support staff, (viii) IT staff and (ix) production/operations. The lack of these skills has a high impact on the ability of organisations to meet their customers' needs. The Salary Guide and Procurement Insight Report of 2015 compiled by Hays and CIPS showed that the demand for procurement managers rose to 55%, while the demand for both senior buyers and buyers stood at 25%. It was also found that the top 5 roles in high demand were buyers, category managers, procurement managers, purchasing assistants, and other tactical jobs.

Despite high unemployment levels, there is a mismatch between supply and demand because procurement and supply chain jobs are growing rapidly, but filling the positions remains a challenge for employers (Heyns & Luke, 2013; Scott, 2014). As a result, developed countries like the USA, UK and Australia have resolved to adjust their immigration policies to cater for capacity constraints (Heyns & Luke, 2013). However, the relaxation of immigration policies has a negative impact on developing countries such as South Africa, where the procurement of goods and services accounts for up to 70% of the GDP (Jensen & Refgaard, 2008:1010). Thus, efforts to improve capacity and skills development in the public sector are pivotal for improved performance and cost-savings globally and in South Africa.

#### 2.2. Skills Situation in South Africa

The shortage of skills in South Africa is one of the key features inhibiting the long-term economic growth potential of the country (Heyns & Luke, 2013; Tshilongamulenzhe, Coetzee & Masenge, 2013). Skills and capacity constraints are the result of socio-political and economic factors stemming from the apartheid regime, which fragmented the education and training system along racial and ethnic lines (Tshilongamulenzhe, 2012:30). According to Heyns and Luke (2013), most of the South African workforce is uneducated, which contributes to skills constraints. The SAPICS survey conducted in 2011 revealed that the skills gap is widening, especially on a strategic level. This is because many organisations are increasingly becoming aware of the importance of having a competent leader who can streamline processes for an efficient supply chain (Scott, 2014).

The lack of skills in developing countries such as South Africa leads to inefficiency and ineffectiveness (Jensen & Refgsaard, 2008). The problem becomes even more serious when it comes to supply chain skills, as it is ranked fourth highest by the CSIR's 10<sup>th</sup> annual state of logistics survey for South Africa. The survey also revealed that skills shortages are experienced at all levels, thereby affecting all the key economic drivers of the country. The recruitment requirement at operational level is generally a high school qualification, while the tactical level expects some form of tertiary education, and the strategic level normally requires a minimum of a bachelor's degree (Heyns & Luke, 2013). Accordingly, Heyns and Luke (2012) found that it is relatively easy to fill jobs at

operational level (35%) and tactical level (65%), while many employers (66%) reported that they struggled to recruit at the strategic level.

According to Heyns and Luke (2012), both hard and soft skills are lacking in the South African supply chain domain. Furthermore, they identified business process improvement, customer focus, ability to plan and prioritise, decision-making, change management, leadership and business ethics as the major skills lacking in the South African context. More alarming is the fact that the Supplychainforesight (2012) report ranked procurement and supply chain skills constraints among the top five. This challenge contributes immensely to the high rate of fraud, corruption and maladministration experienced, especially in the public sector, and leads to the low competitiveness of the country's economic growth (Anderson, 2013).

Unemployment in South Africa is approximately 25%, but the shortage of skilled and qualified labour persists. The number of unfilled vacancies in South Africa is estimated to be 829 800 for highly skilled employees across the spectrum (Adcorp Employment Index, 2014). The problem of filling vacancies has been worsened by the Immigrations Act of 2002 and its amendments, which were promulgated in April 2011. This legislation prohibits the use of immigration agents and provides for quota work permits. This signifies an imbalance between the supply of and demand for skills in the country, especially because South Africa cannot freely tap into the global labour market for available skills.

Contrary to the fundamental role of the university, which is to supply human capital to boost economic development in the country; universities lack capacity and necessary skills, especially in the procurement and supply chain discipline (Ismail & Abdullah, 2011:389). This lack is felt despite the wide range of supply chain qualifications, from short learning programmes, vocational training, and certificate programmes to formal qualifications such as diplomas and degrees. The state remains the single largest investor in public education, with a considerable growth of approximately 14% per annum. Furthermore, the South African government has made dedicated efforts to improve the skills shortage by promulgating the Skills Development Act 97 of 1998. Through this Act, Sector Education and Training Authorities (SETA's) were established, which promote skills development. However, many organisations in South Africa still face the challenges of the co-ordination and management of skills development training projects, as well as deplorable training and mentorship (Tshilongamulenzhe *et al.*, 2013).

# 2.3.ODL Case Description

The ODL institution which is the focus of this study is one of the world's largest and oldest open distance learning institutions, with almost 400 000 students – mostly South Africans, but also from across Africa and the world (McGregor, 2015). Since the inception of this institution, it has been the only institution in South Africa that was and still is accessible to all people, regardless of their race, colour or creed. This institution has, over the years, proved to be capable of supplying the economy with a well-trained and value-adding human resource. It offers about 3300 qualifications and courses. However, its procurement division is staffed by only 15 permanent and temporary employees, servicing approximately 4 500 permanent staff members, 1 000 fixed-term contractors and 8 000 part-time and temporary staff. This procurement division manages approximately R1, 6 billion worth of expenditure per annum (Baijnath, 2014).

The university is guided by the principles of lifelong learning, student centeredness, innovation and creativity. In addition, much effort is channelled towards knowledge and information production, in order to advance development, nurture a critical citizenry and ensure global sustainability. Sollish and Semanik (2007:2) agreed with the notion that organisations that conduct their procurement according to best practices align their procurement strategies with their overall goals, thereby creating and sustaining a competitive advantage for the whole organisation (Ireland & Webb, 2007). In line with this, the governing council of this ODL institution has approved a plan which aims to drive the university 'towards a high performance university' in terms of service and value chains (United Nations Global Compact (UNGC), 2012:15). This university supports the values entrenched in the Constitution of the Republic of South Africa, namely human dignity, equality, fairness and social justice. Furthermore, the principles of integrity, academic freedom and excellence are highly regarded by this institution.

#### 3. DATA AND METHODOLOGY

# 3.1. Method and Strategy

This study followed a qualitative methodology, because it is suitable for addressing topics that have not been previously researched, and thus require an in-depth inquiry (Creswell, 2009:18; Hair, Celsi, Money, Samouel & Page, 2011:145; Saunders, Lewis & Thornhill, 2012:161). To date, there is no evidence that such a study has been previously conducted with the same audience in the South African ODL context. The chosen research strategy for this article is a case study. The strength of the case study method is that it explores a phenomenon within its real-life context, thereby revealing concealed information (Hofstee, 2006:124; Saunders *et al.*, 2012:179), in this case possible barriers and/or facilitators of the implementation of procurement best practices.

# 3.2. Participants and Sample

The population comprised 15 permanent staff members from the procurement division in the target ODL institution. The purposive sampling technique was adopted, since this study aimed to give preference to the views of management in the procurement directorate, because they possess expert knowledge and skills related to procurement policies and practices, while general staff possess only operational knowledge. Consequently, a sample of 4 participants was interviewed.

# 3.3. Data Collection and Analysis

Data was collected through face-to-face interviews using open-ended questions, in order to give the participants an opportunity to describe their experiences in detail. The interviews were conducted from December 2014 to January 2015. According to Saunders *et al.* (2012:372), interviews are essential for obtaining relevant and reliable data. The interviews lasted from 45 to 60 minutes each, and were audio-recorded and transcribed with the permission of the participants. Due to the sensitivie nature of the information pertaining to this study, it was necessary to maintain a sensitivity towards participants' discomfort when sharing their views and experiences. For this reason, the anonymity of the participants was ensured at all the various stages of the research process. Professional counselling and debriefing were offered to participants if needed, immediately after the interviews or at a time convenient to them.

An analysis of the collected data was done by using Atlas ti software. Quinlan (2011:182) recommended this as a suitable tool for a study that calls for an in-depth inquiry of confined entities, such as case studies. The analysis included verbatim quotations to specify the source from which information was extracted, and to give a voice to all the participants. For example, the following text 1:67 ["I don't think I should answer..."] denotes that the source of evidence is from primary document 2, quotation number 67. The researcher manually entered the textual data, defined codes and sought post-computer assistance from specialists in Atlas.ti. The researcher also analysed the data that was not processed by the computer software, thereby becoming a key instrument in uncovering multiple sources of data. To ensure the credibility and trustworthiness of the data, an independent co-coder was consulted.

# 4. FINDINGS AND DISCUSSION

The findings in this study revealed that this ODL institution is faced with issues such as the shortage of skills, inappropriate staff qualifications, and capacity constraints. This is happening despite the fact that Smith (2015) identified people and their skills, knowledge, capability and experience as the biggest single determinants of success for procurement in the higher education sector. The findings of this study are in line with those of Heyns and Locke (2013), who also found that in most cases, existing procurement officials are unqualified or possess irrelevant qualifications, and lack appropriate experience.

#### 4.1. Skills and Capacity Constraints

Participants reported that they are faced with the challenges of capacity constraints and shortage of skilled procurement staff members. Deloitte (2015) stated that over a third of organisations identified procurement

skills shortage as a major concern in their business. In response to skills and capacity constraints, participants indicated the following:

Skills at this university are a major problem. There is a skills shortage in the first place (1:30).

I think the biggest one is currently capacity, capacity and skill goes hand in hand. We don't have the people and the people that we have are not sufficiently trained or skilled to be able to do what is required. (2:137)

Even if they (management) know the predicament that we are faced with at procurement, shortage of staff you know. (4:141)

In light of the strategic role that procurement has played in recent times, it is important to recruit candidates with suitable skills and qualifications, so that they can contribute meaningfully towards the objectives of the organisations.

# 4.2. Finding Suitable Candidates

Finding suitable candidates was raised as a challenge by the participants, as this results in universities competing for suitable candidates. This coincides with the study conducted by Heyns and Locke (2013), who found that most organisations struggle to recruit suitable candidates in procurement and supply chain, due to the scarcity of qualified personnel. In response to the challenge of finding suitable candidates, participants indicated the following:

They have been looking for a buyer since 2013. (3:113)

We are trying to address that but one thing you realise is that even if you advertise a position you say you want a P8 that must have a diploma or a degree in purchasing or supply chain. I guarantee you, you have to reissue that, you have to re-advertise it. It is not only within University 1 but in general because most of the time when you're targeting these procurement practitioners you are targeting within the higher education sector, so which means you go to UP (university of Pretoria), you go to UJ (University of Johannesburg) they are sitting with the same problem. (1:23)

Another issue that participants raised as a concern was that recruiting suitable candidates becomes difficult for universities because public sector salaries are lower than those in the private sector.

We interviewed a buyer and we had somebody to appoint, but the person turned the offer down because the salary was low... even today, we haven't appointed a buyer. Since 2013 (3:113).

The scarcity of suitable candidates within the procurement and supply chain field may be attributed to the fact that the profession is not seen as an attractive career path by individuals, since procurement has traditionally been referred to as a non-strategic function within organisations (Australian Procurement and Construction Council (APCC), 2015). Therefore, the unprecedented demand for highly capable procurement professionals may continue to grow in both the public and private sectors for as long as procurement's value is not recognised.

#### 4.3. Inappropriate Qualifications

The institution tends to try to compensate for skills shortages in procurement by hiring people with qualifications that are not relevant to procurement. Some participants disclosed that they have an academic background that is irrelevant to procurement. The issue of employing candidates with inappropriate qualifications is not unique to South Africa; however, as such incidents have also been reported in other countries (NyasaTimes, 2015). Lau (2010:409) found that there is a lack of education and training for procurement personnel, even though skilled personnel are essential to drive the profitability of the organisation. Accounting was mentioned as one of the major subjects in participants' academic profile, since it was assumed to be closely related to procurement. However, procurement is much more than accounting. Therefore, most organisations fail to transform procurement into supply management. In relation to qualifications, participants indicated the following:

#### **You come from the accounting field?** Ja, accounting background. (1:3)

Sometimes the problem it's them (management). Sometime you are a Portfolio Manager, maybe you are a pure academic and they give you the Directorate like procurement. It must be somebody who is in that field. You cannot take, for an example; you can't take somebody who is in the field of economics and sciences and get that person to lead ICT. (3:108).

...so we're just sitting with ... people who don't have the relevant qualifications in procurement. (1:21).

The interviews also revealed that traditionally, the university did not require a qualification or experience for a person to be employed in the procurement division. This was not surprising, since procurement was not regarded as a strategic function, and it was assumed that anybody can do the easy "administrative, clerical process" of procurement.

...of course you need to have something to do with procurement or supply chain related courses. (4: 46).

This is a serious challenge, as procurement has evolved and no longer includes non-value-adding activities and paperwork processing (Guinipero, Handfield & Eltantawy, 2006: 824).

# 4.4. Training and Development

The institution is introducing standards in the employment of staff members for different levels, according to the seniority of the position. The post levels are then aligned to the required qualification. The implication is that it should introduce capacity building initiatives in order to meet the required procurement standards and create experts (APCC, 2015). In addition, staff members are encouraged to attend training programmes, such as the CIPS training programmes. With regard to staff training and development, participants indicated the following:

HR they have got their standards. Like last year we wanted to advertise a position for a travel official and they told that there was MANCOM resolution that was about the post grade 9, all the grade 9's they must have at least a diploma. Same here you need to have a diploma in Purchasing, Supply Chain management, Logistics any relevant as a buyer. Those trainings are just to add-on to qualifications you have already. (3:28).

Some participants stated that the line managers instructed staff members to enrol for short learning programmes in procurement. The line manager's perception was that further education and training may empower staff members to become competent, efficient and effective. However, staff members have not taken advantage of the opportunity because of capacity constraints.

The money is there, but unfortunately because we are so limited at the moment we often find that we don't have enough time to go on the necessary training. The external training service provider (name removed for anonymity) has been identified as the service providers of choice for procurement, but it's a little bit difficult at the moment, you know when you take time off to go on training, then you get back, you know your work has piled up again, (2:109).

It was impressive to note that the participants commended the impact of training and development on increasing the required knowledge and insight. Participants reported that they attended seminars and conferences on procurement, in order to learn about the recent trends in the discipline. The participants articulated that management encourages staff to continuously attend training courses on related programmes.

We have the HRD (Human Resource Development), Service provider (name removed for anonymity) training and development so every year everybody is encouraged to attend whatever training that is relevant to what you are doing. So there is education and training. (3:27).

So we attend those events and they are all to do with purchasing. There you learn about the new suppliers in the market, new products in the market and new trends in the markets. (3:100).

The participants revealed that training service providers from outside the university were contracted to offer short courses to the procurement staff, because, such courses are not currently offered within the institution.

# 4.5. Retention Strategy

The participants alluded to the fact that as part of the procurement staff development and retention strategy, management funds the education and training initiatives. It does not end there, however, as the institution also pays for employees' spouses and children when they register for both short courses and formal qualifications. However, it was surprising to learn that individuals still do not take advantage of these opportunities due to capacity constraints.

The money is there, but unfortunately because we are so limited at the moment we often find that we don't have enough time to go on the necessary training. The has been identified as the service providers of choice for procurement, but it's a little bit difficult at the moment, you know when you take time off to go on training, then you get back, you know your work has piled up again, it's one of the things that the auditors have picked up and we are encouraged to go on training to improve ourselves and to comply with our personal development plan (PDP), but it's sometimes not possible. But, the options are there. We have been given those options. (2:26).

... but the university actually pays if you take those qualification, the university pays. (1:105).

Despite all the encouragement and incentives provided by the institution, it remains a mystery as to why some of the participants still indicated that the procurement division does not have professionally qualified employees in some sections, such as strategic sourcing.

We don't have anyone currently trained in strategic sourcing. (2:103).

We don't have the people and the people that we have are not sufficiently trained or skilled to be able to do what is required. (2:156).

The institution is making a huge effort to empower and encourage staff members, including those in the procurement division, to improve their knowledge and skills base through training and development. The university has a substantial training budget, which affords employees the opportunity to attend training, both internally and externally. In addition, the institution provides opportunities and incentives such as subsidising studies, rewarding the completion of qualifications, and providing in-house training for its employees, in order to improve performance outputs. The foregoing findings show that the institution is still experiencing serious skills and capacity challenges in the procurement division. Therefore, there is an urgent need to develop capacity and improve the skills levels of employees within the procurement division. The scarcity of qualified procurement staff members has the potential to perpetuate procurement inefficiencies and hinder the implementation of procurement best practices. To this end, skilled employees have the ability to develop and sustain integrated strategies for the implementation of procurement best practices.

# 5. CONCLUSION

Procurement is the core of value creation and organisational effectiveness. Consequently, successful organisations are those which put more effort into developing the skills and capacity of their employees, in order to meet current and future needs. Therefore, education and training are strategic tools that may facilitate the implementation of procurement best practices. Since universities are the hub of knowledge production, they are in a better position to produce, employ and constantly supply skilled employees. This study sought to unravel the skills and capacity constraints in the procurement division of an ODL institution. The findings revealed that this ODL institution has not been spared from the prevailing global challenge of skills and capacity constraints. Issues such as capacity constraints, inappropriate qualifications, skills shortages and low salaries came out strongly during interviews with participants. It is also suggested that training should be compulsory for all employees in the procurement division, in order to ensure that they keep abreast with current procurement best practices, which might enhance efficiency and effectiveness. Since no evidence of research was found regarding procurement skills and capacity constraints in the higher education sector in South Africa, further research in this area is recommended.

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