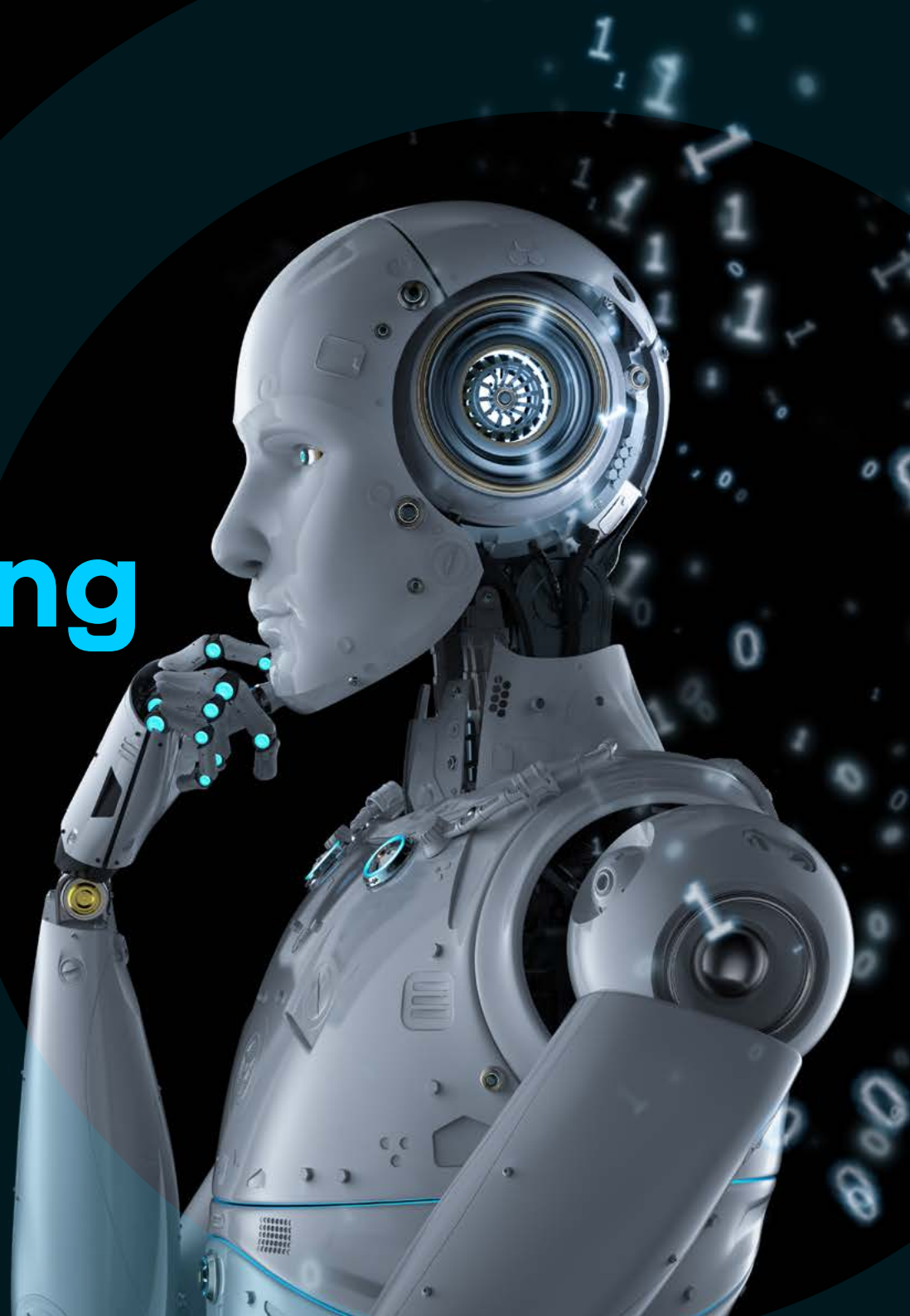
AI: removing jobs or enabling change?

How is artificial intelligence challenging entry-level roles in the procurement profession?

Opinions are divided on how AI will affect procurement. Some think it will disrupt entry-level jobs. Some disagree and think it promises evolution, not revolution. In this report, you can see how our own panel of practitioners, thought leaders and experts believe the profession will respond.



Foreword

There's no shortage of commentary on AI. When meeting with people in the procurement and supply profession all over the world, I hear some say it's going to transform procurement, while others say it's a long way from delivering on its early promise.

Hearing those different views made me realise that we need to bring the energy and the passion behind those conversations to a wider audience. That's why we've gathered the views of nine procurement profession insiders. Is it going to transform our jobs, or just be a useful additional tool? It's time to find out.

Ben Farrell, MBE
CIPS Group CEO

Contents

THE Procurement manager

Georgia Hennessey

Georgia Hennessey is a Category Procurement Manager for Arm Limited. The company provides a cutting-edge computing platform that is used by companies such as AWS, Microsoft, Google, Meta, NVIDIA and Samsung to deliver on the promise of AI. Over 325 billion Arm-based devices have been shipped, positioning the company at the forefront of the industry.

THE Industry influencer

Imran Shareef (FCIPS)

Imran Shareef (FCIPS) is the Regional Head of Procurement for Motorola Solutions in Europe, having previously been their Head of Procurement for the Middle East, Central Asia and Asia Pacific. Motorola Solutions is heavily committed to using AI across the whole of their procurement function and is actively exploring ways it can save time for more strategic tasks.

THE Tail spend guru

Oliver Norman

Oliver Norman is Chief Revenue Officer at Nomia, an AI-powered procurement platform that unlocks measurable value in tail spend. He leads Nomia's global go-to-market strategy, overseeing revenue growth, business development, partnerships, and customer value delivery. Oliver works closely with procurement leaders to drive cost savings, strengthen compliance, and bring structure and visibility to fragmented spend.

THE Practitioner

Wame Sedirwa (MCIPS)

Wame Sedirwa (MCIPS) is the Assistant Manager Procurement for North East District Council, Botswana, and Chairperson of the country's CIPS branch. An active AI practitioner, she believes AI can transform procurement as the sector confronts major challenges.

THE Thought leader

Ram Trivedi (FCIPS)

Ram Trivedi (FCIPS) is the General Manager for CIPS India. He previously served for more than two decades in senior procurement leadership roles with the United Nations across multiple missions and agencies, following earlier service with the Government of India. With an engineering background and strong interest in emerging technologies, he is particularly interested in how AI and digital transformation are reshaping procurement and supply chain management. He is a graduate of the Indian Institute of Technology and has a keen interest in the application of AI to solve procurement challenges.

THE Expert

Joseph A. Yacura

“I don’t think it’s going to be an evolution. I really do mean that it’s going to be a revolution”

Technology, and its adoption and integration into our business processes, is moving at an extraordinarily fast pace and the pace is accelerating each year. The supply chain is not exempt from these rapid changes.

The traditional supply chain function is no longer just 'evolving,' it is totally recreated. As of 2026, the era of junior-level staff processing low-risk, repetitive transactional tasks has started to end.

When we think about artificial intelligence (AI) and its abilities, we must realise that we're on the cusp of a major revolution. To be clear, I don't think it's going to be an evolution. I really do mean that it's going to be a revolution, because of its speed.

There are technical and human barriers which must be overcome, but they are quickly being resolved due to the significant economic benefit that generative agents bring with their implementation.

In the past, technologies have taken five or even 10 years to become ubiquitous. That timeframe is now much shorter.

Today, organisations know that you bought an item, and because of that item, maybe you're interested in another item. It's predicting your personal preferences. We see this every day and we don't think about it anymore, because it's commonplace. A similar timeframe of acceptance also applies to generative agents, because the economics behind it are so great, as I'll explain, but it's potentially very bad news for the current roles of humans within organisations such as supply chains.

The changing reality of entry-level jobs

If you could look into the future, you could say that by 2028, possibly 40% of business activities will be done by a generative agent. A generative agent works 24/7 and doesn't lobby for a salary increase; they don't get sick, they don't get health care benefits, and they don't get paid vacations.

In addition, humans can make errors. A generative agent can also make errors, but the errors of a generative agent will be consistent. You can go back into the previous decisions and correct them, if necessary, while with humans, you don't know how many times that error occurred in their activities or those of their associates.

Because of this, many entry-level jobs in procurement and supply chain management currently handled by humans are soon going to go away.

What this means is that the new challenge is going to be how we develop humans to work within the supply chain collaboratively with generative agents. Generative agents are going to take most of the process-driven jobs that entry-level people would normally take. Typically, when you leave university, you leave with certain skills which prepare you for an entry-level job, usually, by performing some well-defined process that is much more mechanical than it is creative. Those won't exist in the future.

The question is how are young entrants into the supply chain function going to get experience when we've implemented these tools much more widely? The answer is that education and training are going to change, and all forms of training, whether at a professional or university level, will be radically restructured.

Emphasis will be on data and organisational knowledge identification, capture, retention, classifying and reuse.

Data and agent management: the new entry-level skills

The question of how you manage an agent becomes a much more interesting paradigm and shows that the real value young people are going to bring is that they can learn about data quality and data governance. Those are the things that feed generative agents and make them relevant and trustworthy. If we don't trust our data, we're not going to trust the output of these generative agents, and we're not going to take advantage of them.

This is why the first question I always ask organisations is, 'Who is in charge of your data?' and usually, everybody looks at each other. They then think for a bit and ultimately say, 'Information technology'.

Well, information technology is not in charge of your data. They collect it, they store it, and they put safeguards around it as to who can have access to it, but that's it. They're not saying it's relevant, accurate, or even complete. If you ask that question of any supply chain organisation, I'm willing to bet that 80% of the time, if not more, nobody is in charge of their data, and yet they use it to make decisions.

It's often a summary of another summary of some data that's years old. It was used to make a different decision, and now they're trying to use it to make a completely unrelated one. It's probably not even relevant, but it's the best they have. The lineage of data is very important, and more people need to ask: where did it come from?

The answers to that can be alarming. Studies will show that most organisations have the same basic data stored in at least 10 to 12 different places and often have variations of that data because it is used for different purposes. The problem is that if it's wrong, you don't know where to go to correct it, because it's on people's laptops, it's in a file, or it's on a server somewhere.

We're more out of control than people want to realise or want to admit, yet we feel good because we've got tons and tons of data. But is it worth it? And that's what companies are starting to think about. Data is the building block of generative AI, and the technology is going to get better, but data has not progressed at the same rate.

Moving on to the end stage

The reason why it matters is that we want to move on to the third stage of this. In the first, we said, 'We've got loads of data, isn't it fantastic?' In the second, we said, 'We have to interrogate this data so it is meaningful,' and in the third, we will be using it to make decisions on our behalf and to address risks far in advance.

Imagine a continuum. Data goes to information, information goes to knowledge, and knowledge goes to wisdom. Before, you'd have a spreadsheet, and it would give you some data, and then a human would have to interpret that spreadsheet and say, 'OK, given what I know in the environment and that business, I can make a decision.'

Then we started summarising the data by graphically depicting it. That was good. We started to understand massive amounts of data through visualisation, but that was a transitory technology. It helped us see patterns. But that's not the end state. We don't want to just visualise things. What we want to do is use the data to help us act.

A human can't hope to monitor these variables in real time. While supply chain folks typically do a very good job at putting due diligence in place and writing the contracts, there are also people to consider, logistics, regulatory issues, changing technology, variable currencies, and so on.

AI as a decision-maker

Some data doesn't need to be perfect to make tactical decisions. You can train these agents on partially incomplete data to make basic decisions. There is not a lot of risk, and little cost. And you're not going to lose business if you make a bad decision.

If you're going to build a new facility somewhere, or you're going to expand and you're buying new equipment for millions, that is a more critical decision. Your data needs a different level of credibility, completeness, accuracy, and relevance.

This will start to shift the agents toward making lower-level decisions, which is why entry-level jobs will change. Soon, these agents will do everything. They're collecting massive amounts of data, but they'll be able to interpret it, to make recommendations and take action.

When you think about agents right now, we're still talking about singular ones. We're already moving to agent teams. We have an agent who knows accounts payable, an agent who knows quality inspection, and an agent who knows logistics. And right now, we're working on languages that let these independent agents communicate with each other as a team.

The question will be how much authority do we want to give agents? As we get to the end state, and we have absolute confidence in an agent to monitor our contract terms and a supplier starts to fail, we can have the agent notify the supplier and provide written legal notice. There is already legislation in the United States that recognises an agent's ability to act on behalf of a human third party and cancel a contract.

It's impossible for humans to manage this much variability, and it changes the paradigm completely. Most people advance through this profession based on their ability to do firefighting. They got where they are because a crisis happened and they solved the problem. What you don't see are the many people advancing their careers based on their ability to prevent problems from happening. That's where we want to be.

Yet for many people, access to data or control over it can be their power base. That's what makes them important. Now we're trying to make information more widely available, and these systems can make decisions, there's a big resistance at middle-management level to embrace this because it's threatening to them as individuals.

If someone were to create a tool for supply chain managers who are not well-versed in financial analysis, an analyst might think of building a hard-coded system that takes and analyses financial reports and other data.

This expert might start to question whether he would be needed in the future, or if he is building something that would put him out of work? As a result, he might start to become protective of sharing his knowledge. This is why it has been known in some businesses that a financial reward, or benefit, would be put in place to drive the expert to make the best tool possible and keep upgrading it. For example, the bigger the bonus if more people were using the tool.

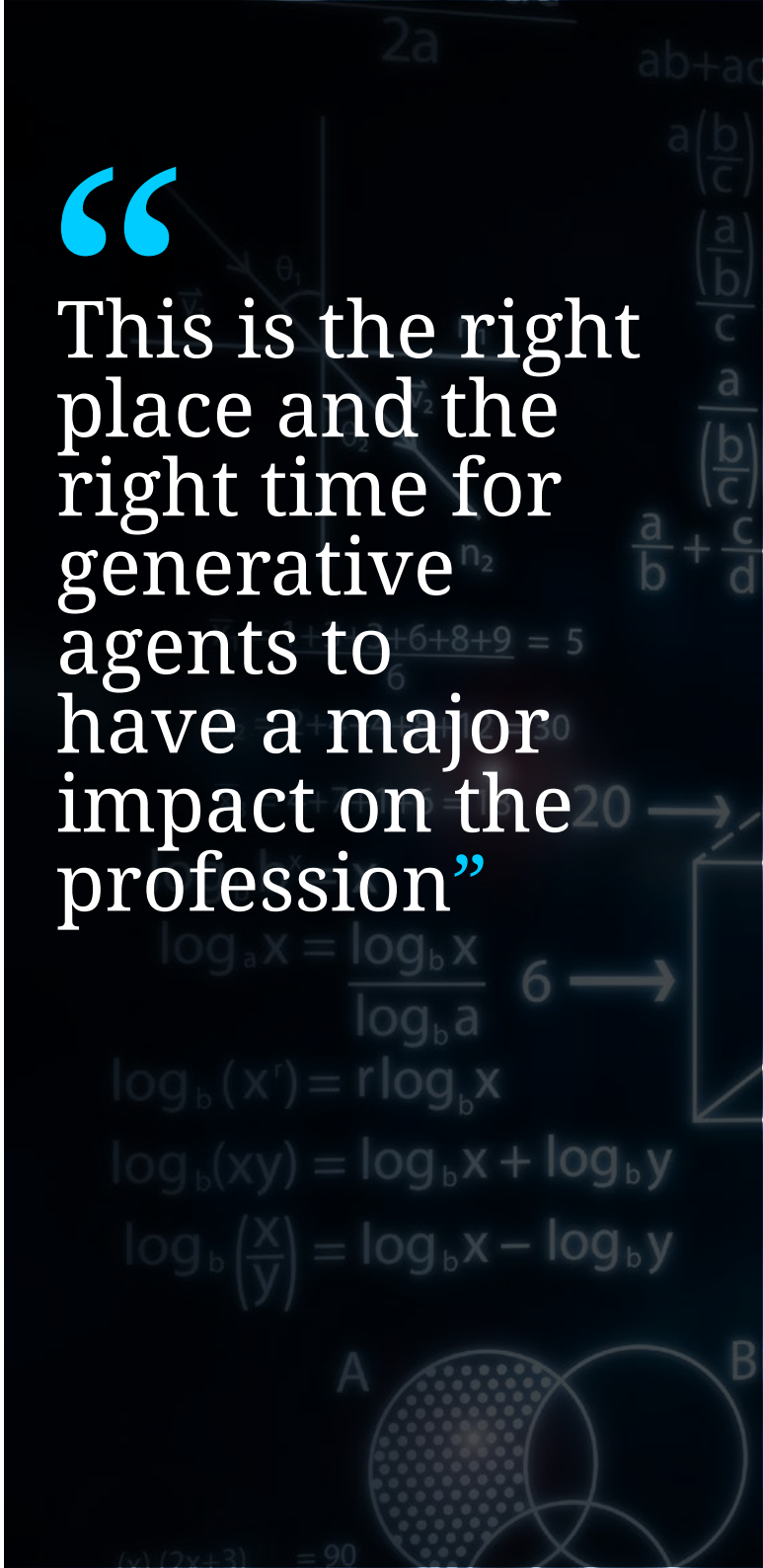
Conclusion: 'lights out' by 2028?

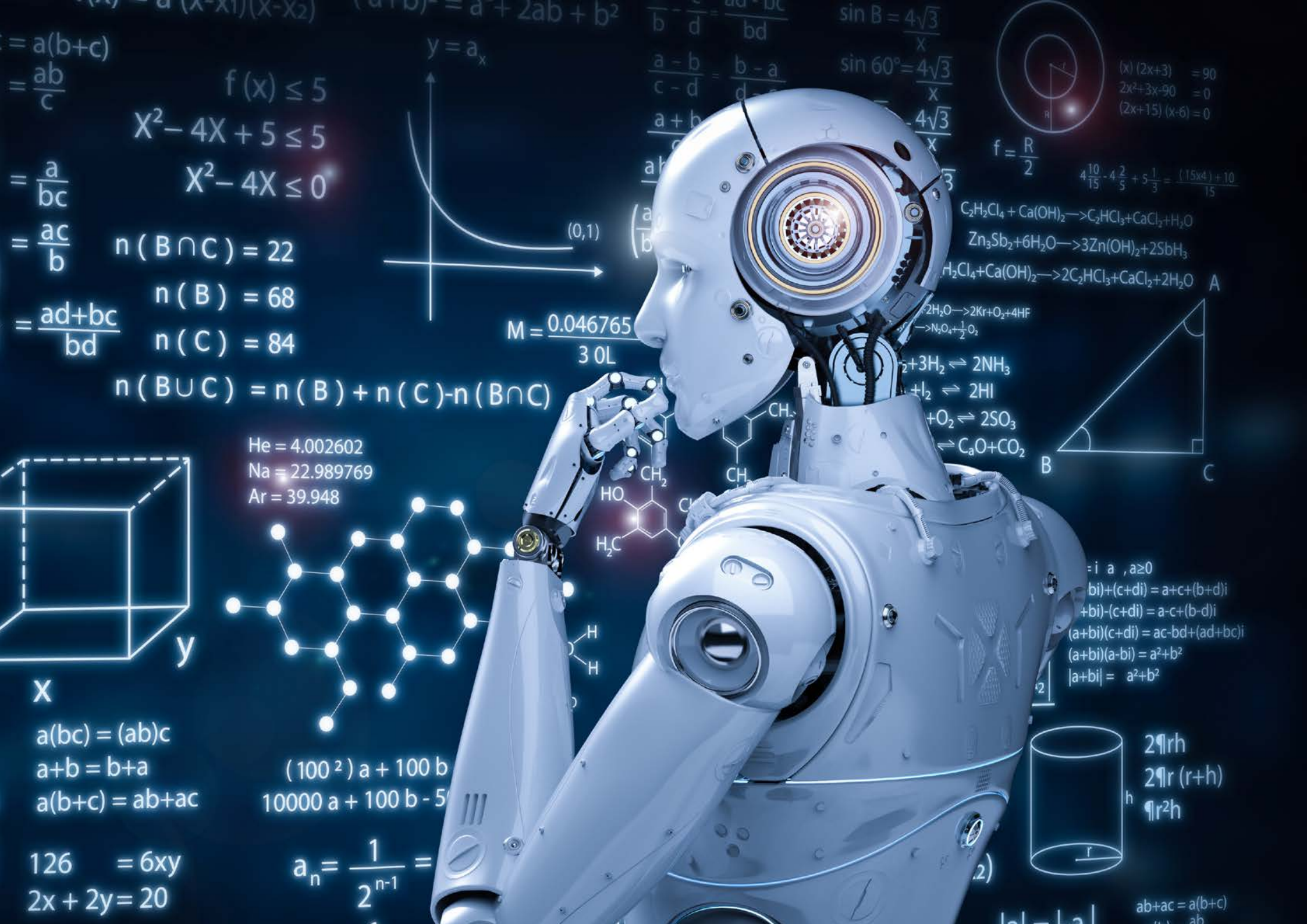
I'm not sure if we'll ever replicate the human mind. When you think of a child growing up, they may see a dog 100 times in their first year, and then after that, an adult may try to signal that the child has seen a dog whenever one appears. We must take millions of images to train these generative agent systems to recognise a dog. Advances in programming and processing speeds are getting better, and use less time, but it's still difficult.

That's not what we're trying to do. We're creating tools that go from data to information to knowledge, and more advanced systems are achieving a level considered to be wisdom (wisdom is developed by integrating situational awareness). These tools can take in data on weather, data on political disruption, or labour issues. They can give you their financial analysis of the supplier, their history, their quality, and how they compare to other suppliers.

They can even pull in unstructured data such as information from emails, videos and news reports, things that aren't necessarily recorded anywhere in our traditional systems. This means our profession is going to face an interesting challenge. As we move forward, jobs, education and training will be different. They're not going to be about the skills needed to complete basic, mundane tasks. They're not even going to be about managing people. They'll be about managing and orchestrating teams of generative agents. This is the right place and the right time for generative agents to have a major impact on the profession.

If generative agents are adopted, we could have a supply chain function operating in a 'lights out' way - no humans - by 2028.




f(x) ≤ 5
X² – 4X + 5 ≤ 5
X² – 4X ≤ 0
n(B∩C) = 22
n(B) = 68
n(C) = 84
n(B∪C) = n(B) + n(C) - n(B∩C)
y = a_x
(0,1)
M = 0.046765
3 0L
He = 4.002602
Na = 22.989769
Ar = 39.948
a(bc) = (ab)c
a+b = b+a
a(b+c) = ab+ac
126 = 6xy
2x + 2y = 20
a_n = 1 / 2^(n-1)
(100²) a + 100 b
10000 a + 100 b - 5
sin B = 4√3 / x
sin 60° = 4√3 / x
f = R/2
(x)(2x+3) = 90
2x²+3x-90 = 0
(2x+15)(x-6) = 0
C₂H₂Cl₄ + Ca(OH)₂ —> C₂HCl₃ + CaCl₂ + H₂O
Zn₃Sb₂ + 6H₂O —> 3Zn(OH)₂ + 2SbH₃
C₂H₂Cl₄ + Ca(OH)₂ —> 2C₂HCl₃ + CaCl₂ + 2H₂O
N₂ + 3H₂ ⇌ 2NH₃
H₂ + I₂ ⇌ 2HI
2SO₂ + O₂ ⇌ 2SO₃
CaO + CO₂
A
B
C
(a+bi)+(c+di) = a+c+(b+d)i
(a+bi)-(c+di) = a-c+(b-d)i
(a+bi)(c+di) = ac-bd+(ad+bc)i
(a+bi)(a-bi) = a²+b²
|a+bi| = a²+b²
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2¶r (r+h)
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ab+ac = a(b+c)
x
y

THE Brand champion

Sarah Simpson

“There are still going to be entry-level jobs. They’ll just be different jobs that demand different skills”

When I'm talking about technology and the impact of AI, I use the 'red bucket' analogy. I explain it like this. We have 15 different suppliers of red buckets. There are a number of different codes in our system for this item as the codes have changed over the years and are specific to each of the 18 production sites. Were I to pull spend data on this item, it would look like we were buying 25 different red buckets, but we're not. They're all the same, food safe red bucket.

I hope AI can help us identify when the item is the same even if the item numbers are different but, as of right now, we would need to complete this task manually which is resource intensive and increases risk in the validity of the data. When you're an organisation like ours, that has seen growth through acquisition, getting the data hierarchy right and understanding your 'red buckets' is fundamental. Until we've done that, transparency and accuracy of item level spend data remains challenging.

Grappling with the challenge of complexity

The reason why this is relevant is that the Bega Group are a FMCG company within the foods and beverage industry with many iconic brands loved by Australians. Procurement spend is over $2 billion annually, with 18 domestic manufacturing sites spread across an area the size of Europe. It's a large and complex business.

Used correctly, AI should make us more efficient. In practice, we need to validate data and arrive at a reliable data set, because only then will AI be able to support us in making decisions and for the procurement team to deliver maximum value to the business. So while I'm happy to use it for these reasons, in practice, there are a lot of problems that require human intervention, as per the red bucket analogy above.

The doom and gloom about the effects of AI on entry-level jobs is a pessimistic view. A hundred years ago, an entry-level job was working in a knitting mill, sewing two things together. When I started my career, it was a time of embracing digital data entry and learning how to use email and in time, it'll be different again.

The graduate I hired most recently is phenomenal. She's 21, a digital native and uses tools like ChatGPT as naturally as breathing, while I know business leaders who struggle to use Teams, let alone AI.

There are still going to be entry-level jobs. They'll just be different jobs that demand different skills.

The need for human input

It's important to acknowledge that companies will still need people to buy their products. Most FMCG businesses are not only selling their products to Boomers; they're selling it to every generation, including Millennials and the upcoming Gen Alpha. And if the younger generations are locked out of jobs taken up by AI, and therefore have limited money, the capitalist economic model is not going to work.

If that generation aren't earning a living wage, they can't afford to buy houses, they can't afford to move out of home, to buy healthy food or participate in leisure activities and socialising. They'll have nothing to aspire to. Our governments will therefore need to plan for how they manage the impacts of AI. Developed economies are highly unlikely to accept a whole generation of individuals who have limited economic participation as a result of being born at the 'wrong time' due to AI evolution.

The need for humans working alongside AI is further underlined by the things that it can't do, quite apart from reconciling data. A lot of the art for our procurement teams is being able to build, maintain and nurture relationships. It's why our suppliers partner with us - because we can communicate the wider vision and journey of our company to them in terms of the impacts to people. As a result, they feel good about dealing with us. They might be able to get a better financial outcome from someone else, but we've provided value and connection beyond the financial. That's not something a machine can do.

Here's a working example of this. One of our factories went down on a Saturday at three o'clock in the afternoon. To keep operations going, we had to get bottles freighted from one side of the country to the other. Our Head of Packaging used the strength of our relationship to resolve the issue. Not only did the supplier take the call on the weekend, but we had agreement bottles freighted from Queensland to South Australia in under 15 minutes.

That feels like it's a situation that AI will never be able to replicate. Another concern is with intellectual property. We have some of the most loved and well-known brands in Australia. These are well-known names, not owned by global food giants, and it's important to us that we have control over them.

For example, if we were working with a packaging agency and they provided a packaging design for Vegemite using AI, the AI company could claim that they own it. Given that this is one of our brands, we own the intellectual property, but if it isn't human-generated, the ownership of the intellectual property can be challenged.

This means that wherever AI is used, care must be taken and obligations around agreed usage confirmed. We need to be clear about where agencies can use AI to speed up the efficiency and effectiveness so we're maximising AI efficiencies for development work, but ensuring the finished artwork is human-generated.

Making AI a sustainable solution

There are areas where guardrails remain ineffective. In my substantive role as our Ethical Sourcing and Sustainability Lead, the environmental impact of AI is not sufficiently understood.

There are parts of Texas that are in drought, and yet they are building data centres there that use a disproportionate amount of water just to cool the computers down. It means the conversation is partly about who has the capital to set up the data centres, and who has enough funds to secure water and power rights.

Much of that power comes from fossil fuels, but there are other implications. When you see a company say, "We are sustainable," you need to question their AI usage and how many microprocessors they are buying. How many tracts of earth had to be cleared to get the rare earth minerals that are in them? And how much processing by-product is being put into the rivers?

Despite this, enormous positives in terms of efficiencies remain and we're seeing those across the business. Our finance teams are utilising it daily to review data inputs, to identify areas of concern and suggest recommendations. Even I'm using it more frequently to transcribe meetings, provide meeting notes and action lists.

People can also see it reshaping the legal function. Maybe you could get AI to show you the difference between two contracts. Or you could use it in negotiations to extract more value from conversation and contracts. Those are both plausible scenarios.

I use AI all the time, and it's clear that it can do some incredible things. For that reason, the technology is going nowhere. That isn't a bad thing. But it has implications for all of those who choose to use it, whether they're recruiting people to work in procurement, managing environmental impacts, intellectual property, or trying to understand how many red buckets they need to buy.

> "The need for humans working alongside AI is further underlined by the things that it can't do"

THE

Non-trade specialist

Belinda West (MCIPS)

“When it comes to AI, our focus is on restoring a work-life balance for exhausted employees”

When you're talking about the effect of AI on jobs in a South African context, you need to realise that there are fundamental differences between South Africa and other regions. These differences are particularly apparent when comparing South Africa with Europe or the US and can be traced back to the fact that labour costs are so much lower.

AI can be used for buying, with autonomous negotiations potentially removing the need for large numbers of buyers working in low-value areas. I can imagine those jobs might be at risk, especially if you're in mining, petrochemicals or pharmaceuticals, with particularly deep pockets, that have established a large team of buyers.

In South Africa, however, labour rates are low compared to Europe and the US. That means it will take a longer time before reaching the tipping point of saying that the cost of AI-enabled solutions are more cost effective than people-based solutions.

Furthermore, in post-apartheid South Africa, we have legislation around transforming the workforce and a great necessity to reduce unemployment, so for corporates there is a tension here around labour cost and our ethical responsibility to try and protect labour.

We need to consider what change means for the workforce, and where we can utilise employment cost-effectively to put more money into the economy. AI solutions can be more expensive than people solutions and often entail sending payment to an offshore company, bringing foreign exchange risk.

Same technology, different imperatives

That doesn't mean we don't experience the same pressure to do more with less, as developed countries have. When it comes to AI, our focus has included restoring work-life balance for exhausted employees through easy access to insight and efficient execution. This has not only enabled us to extend reach and unlock trapped value, but it has also created space for reflection and strategic action.

Many people in the workforce are from a generation that finds the ever-increasing number of different sources of contact to be overwhelming. Excessive email alone was challenging, but now you also have to stay on top of WhatsApp, Teams, in-app messaging, and a few more apps on top of that. There is an expectation that AI can help us with that.

The limitations of AI

We use the analytical capability of AI to analyse our spend, and the time to achieve the expected level of insight and confidence in the classification has been significantly longer than anticipated.

When it comes to extending our use of AI into other aspects of sourcing, I've been known to say that I don't have time for a toddler. I'm going to watch others enjoy realising the benefits of early adoption. As AI hits puberty, I'll lean in further, because there's clearly an opportunity, but the technology is not quite as plug-and-play as people anticipate. Realising the benefits requires sustained time investment, and the time committed to this investment at implementation directly influences the speed and scale of progress.

There is more opportunity to implement AI than extending sourcing systems. We're experimenting with Microsoft Copilot in a closed environment and finding that there's a huge amount of value in just staying on top of your minutes of meetings - and there are many ways Copilot can free up time in your day.

There are a number of things we never reached due to time constraints, that the team is finally starting to work on.

The role of data

Data has always been a challenge in the world of procurement. There is a need for high-quality data, especially when you have decentralised requisitioning, but the adage 'garbage in, garbage out' remains true and continues to be the root data challenge. An opportunity for AI in intake orchestration is the possibility of structured 'quality in'.

I've observed data analytics listed as a procurement skill of the future, but I don't agree. I believe when tech and AI deliver as anticipated, we will need less data-savvy people - AI will be serving up the answers.

What I need is people with uniquely human skills, not people who can manage data and make sense out of it. Skills that enable genuine partnership with the business, people who can take the pictures they are being served by AI, consider the available intelligence and guide the business to the best commercial advantage.

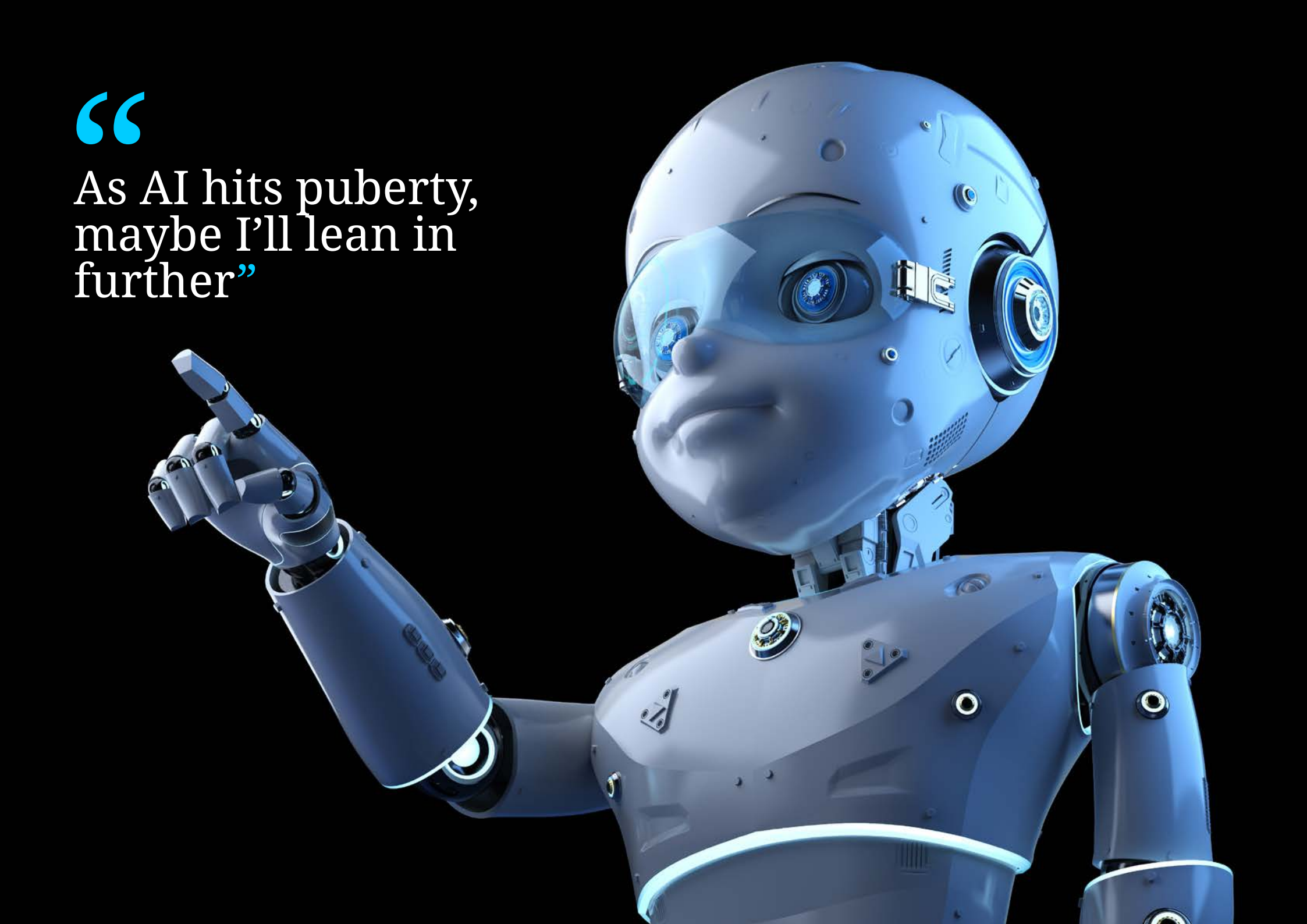
Moving forward

When I first started building the business case for implementing upstream procurement technology, I read all the research I could and went to every webinar on the topic. I wanted to see if such a system would benefit a company like ours that had a mature procurement team, which had already taken significant fallow value out of contracts.

Everyone who was talking about such technology, was emphasising the need for AI, and, if you didn't have it, you were going to be severely limited in the short term. Now, years on, the tone in webinars is so much more moderate about what benefit we can expect in the short term. Clearly, the pace of development has not met expectations.

There is also plenty that can change before advances in AI make it possible to consider reducing resourcing. When that moment arrives, we'll likely be running after other things. As much as AI is coming in and changing things, I'm not convinced that it's going to be as simple as swapping humans for technology - not just yet, anyway.

“As AI hits puberty, maybe I’ll lean in further”



THE

Public sector voice

Liam Osborn

“It’s important to note that it isn’t AI that’s the risk here, so much as how we use it”

People see AI as almost a panacea. In people's minds, it's going to unleash all of our pent-up productivity. That's partly true because, to start with, there are some obvious efficiencies that it's making, but there's also more to the story.

In the public sector, there is a huge amount of governance. That means that there is also a huge amount of documentation to go through and a need to respond to that with some documentation of our own. This means the fact that you can train AI on your own data is going to be a huge step forward and there is no shortage of commercial strategies, business cases, tender evaluations, reports or regulatory material to use.

Microsoft Copilot is the tool we're using at the moment, and the fact we can do this seems like one of its greatest strengths. You can say to it, 'Here's a SharePoint link to a document - could you now produce a series of reports,' and it'll do that very quickly. AI seems to excel at anything involving highly structured data and the payback is a huge time saving.

Meet your strategic enabler

The area I'm particularly keen to explore concerns its strategic application. This will increasingly become the case as AI saves us more and more time by handling mundane administrative tasks and freeing people up to do more value-added tasks.

One of them is related to contract management. Some public sector contracts run to about 700 pages, and if you could ask AI to pull out all the obligations, that could save you loads of time. And again, at the Request for Quotation stage, you could ask it to condense the tech key notes.

Another application might be if you are going into a negotiation. You tell it who the supplier is, what the problem is and then ask the AI how it might approach it. You can even ask what its top tips might be. Taking this even further, you could invite it to be the supplier and share your opening gambit, asking it what the response might be, using it as a sort of online coach.

Coming to terms with the limitations

There are ways that AI certainly isn't a panacea, and there are more risks than this approach might suggest. Certainly, the fear of it replacing our jobs might be misplaced.

For instance, when we run tenders in the public sector, we need to be very careful about paying attention to the procurement regulations. That means we need to make sure we're tendering on an open basis in most instances, making sure our evaluations are objective and we're not talking to suppliers outside controlled means.

AI in evaluation has potential utility, but there is still much to test before it can be deployed. A fair and transparent evaluation is a key tenet of public sector procurement, with suppliers able to challenge contract award decisions based on a non-compliant evaluation. AI usage would therefore need to be fully transparent and objective, which is a challenge with current models.

The risks of early adoption

While there would be admin tasks within which AI could be helpful with, it also means that if there is something we get wrong in the process, we could be in even more trouble. It's important to note that it isn't AI that's the risk here, so much as how we use it. The same applies to information security.

It would be possible for an employee to go on the internet using the public version of ChatGPT or Copilot and upload a government document. At that point, the owners of the AI platform would have the document and could use it to train their model or, worse yet, it could be leaked.

Our solution to this has been to get an enterprise licence for Copilot. This means that data cannot go out of the department and that it cannot be used to train the publicly accessible Copilot model. This broadly mitigates the wider data security risk and in addition, we've put a lot of training, guidance and guardrails in place. The department has worked hard to ensure those internal structures exist.

This feels as though it's comparable to the advent of the internet. It changed the way people work and now it's second nature.

We know not to go on certain websites and not to click on certain links. As it was with the internet, it will soon be with AI.

The other risk that we can't avoid is with sustainability. At a departmental level, we have an IT sustainability team who are now quite busy. Part of the training they deliver is to use it only where it adds value. This means that you shouldn't ask it to show you certain regulations because you can search for that online.

While we want to make some of the infrastructure, like the water or the processors more sustainable, the cat's out of the bag when it comes to AI. We're never going to get to a place where people decide to stop using it or restrict it because of sustainability concerns. I think it'll be more about working with it and making usage itself more sustainable, than replacing it.

Finding a future-proof platform

The final risk, and perhaps the main one, is about the platforms we use. As I said, we are now using Microsoft Copilot, which has its own implications in terms of potential lock-in. It is important that we remain open to what is a very fast-moving market, over the coming years.

There are some huge risks that come with being overly reliant on any particular AI tool and AI in general. What if we get used to using it and there's a decision that we have become over-dependent on it? Would that mean we can't do our jobs, or that we can't do them to the same degree? Could we just plug in another tool and use that instead, or would it have implications we might not like?

Some organisations have rolled out AI on various platforms and then changed their minds because they've run into issues of the kind I've mentioned here. There are no signs of that happening at the DHSC, but all these things are concerns that will have to be navigated if AI is going to realise its potential.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It is important that we remain open to what is a very fast-moving market, over the coming years”
AI

THE

Procurement manager

Georgia Hennessey

“AI supports my role in the background, and I support my stakeholders in the forefront”

Arm introduced AI into its procurement function to automate routine tasks and gain better insights from large volumes of suppliers. Right now, we're using it for triaging support requests. There are more than 9,000 colleagues across the business, so this is an efficient way for us to streamline requests and get them over to the right team.

We've seen positive results. It reduces costs, makes it easy to manage supplier risks, and improves efficiency across the procurement function. From a personal perspective, it reduces time spent doing administrative tasks, and that's allowed me more time to think and act strategically in my categories.

There are some commonalities in how these tasks are handled. For instance, it's very important to standardise data, ensure transparent AI models, and involve procurement teams early so they understand and trust AI insights. There also has to be regular monitoring, clear governance and ethical oversight to help manage risks and keep AI use responsible and effective.

A new set of skills

More companies are coming to the same conclusions as Arm and adopting AI across their business models and changing their ways of working. On a personal level, it's important to stay up to date with AI updates and new introductions in areas that impact your role. That might mean using Microsoft Copilot on Teams calls to help capture the notes and next steps from meetings rather than writing them out and potentially missing key points.

To stay competitive and highly skilled in procurement, you need to adapt to the new work environment that has those tools in it, and that accepts AI. You need to learn how to wield those new skills at the same time as maintaining your own critical thinking skills.

That said, human connection can't be replaced. Critical thinking and ethical judgement are key components of being a good procurement manager. This is because AI is a great tool, but in procurement functions you also need to be able to develop and grow relationships with your stakeholders. You need to get to the crux of what they need, understand why they need it and then use your skills to add value for them.

While AI enhances the way we can manage relationships, it's up to humans to create, maintain and nurture those relationships. AI supports my role in the background, and I support my stakeholders in the forefront. I show up, I build trust, and invest time and effort in the teams I support.

Human value in an automated world

Procurement is a value-add function. We need to be great people managers with strong critical thinking skills which are things I don't think can be easily replicated by AI. In order to grow into a procurement manager, people need to be able to develop these skills in the entry-level positions where they can learn.

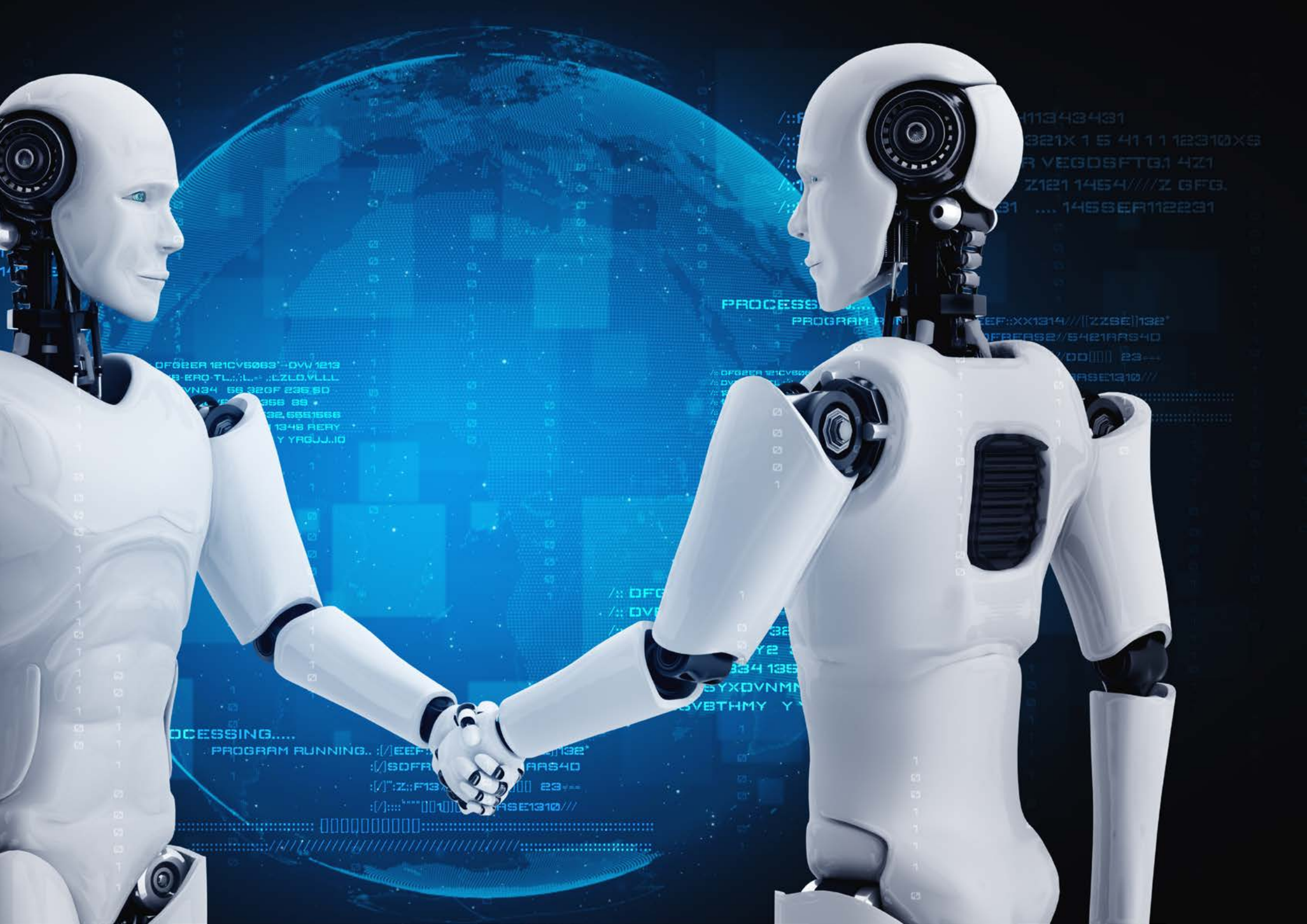
What advice would I give to someone starting out in this new landscape? Start by learning about supply chains, negotiation, and data analysis, then gain

experience through internships or entry-level roles. Building strong communication and relationship skills will also help you thrive in this people-focused, strategic field.

And within that, we all have a responsibility to design and use AI responsibly. Just as importantly, people entering the profession will increasingly need to make sure that AI projects are aligned with sustainability goals like reducing waste, improving efficiency, and supporting ethical decision-making.

Ultimately, AI will create efficiencies and help us save time on manual tasks. That gives all of us the opportunities we need so we can focus on tackling big strategic projects. That's the mindset at Arm, and the mindset we need as we move forward.

“Human connection can't be replaced”



THE

Industry influencer

Imran Shareef (FCIPS)

“AI is unlikely to cut jobs in procurement”

AI is unlikely to cut jobs in procurement. Data entry tasks might be different. Once you have automated data entry and have bots up and running that can provide customer support and answer questions like 'Where is my invoice?' or 'Where is my payment?', we will see the core work quickly shift to strategic support and analysis.

What will change is that procurement professionals will need to be skilled in ways they can leverage these AI tools effectively. You aren't being asked to learn how to code, as there are so many versions of these tools that are widely available. But what you are going to be asked is whether you can write prompts effectively, and you'll want to tell people that you can use tools such as Gemini or NotebookLM.

These changes are coming in now. Anyone who is resistant to them will be the first ones to go. If anyone lacks knowledge or doesn't want to retrain and catch up, then that's also going to be a problem. The expectation is that you'll optimise your time and demonstrate your value, and if you don't, leaders will notice. They are putting their time into their employees and want them to help revolutionise the company.

When the revolutionary becomes standard

I did a workshop with the University of Birmingham's supply chain students who were due to graduate later that year. The conclusion was that they need to start looking at these skills now, before they enter the job market.

When they're interviewed by hiring managers, they'll need to demonstrate these basic abilities, so nobody has to waste time teaching them what will be seen as core skills. They can focus on company-related training, corporate policies and other things that will prove to be directly useful to them.

There was a time when you wrote in your CV that you knew Word, you knew Excel, and you knew PowerPoint. That's gone now. People will want to see that you are familiar with AI or regularly use ChatGPT. You don't need to have deep Word or PowerPoint skills anymore. You need to be familiar with whatever AI platform you're using, because it can create a five-page slide for you in 10 seconds.

Deploying new ideas

Last year, the company gathered ideas for AI use across our international organisations. Out of 200 ideas and initiatives, around 80 were deployed or are in the process of deployment. That indicates a strong direction for our 2026 adaptation.

By the close of this year, we will be able to say how much time we were previously spending on activities that the AI tools were brought in to replace and how much time those activities are taking now. This is impacting our bottom line, as we've already achieved cost savings of around 10%. We're going to push it over 10% for 2026 and if some of these have worked beautifully, let's enrich them, and let's take a step forward and look at what else we can do.

To give you an example, we've already given some access to the system to our suppliers and trained them on it. This means they don't even need to pick up a phone or send an email. They type their purchase order number into the bot, and you get a response as to when they'll be paid, and if it's being held for any reason. It means that I can also walk into a meeting with our suppliers with confidence, because I can pull together the necessary information quickly using AI.

In the past, you'd have to have spoken to the order management team and asked about the status of a purchase order. They'd have generated a report, you'd have downloaded an Excel spreadsheet, and only then could you have seen what the spend was. These low-level tasks are easy to automate.

The advantages of scepticism

As you can see, I'm very pro-AI. But of course, there are downsides. You certainly shouldn't blindly accept whatever it says to you. I always ask 'What's your second source?' Is it just that someone put it into Gemini and is now coming back to me saying, 'Gemini says this, so we can do it'. Or is there something factual behind it? Have you discussed it, perhaps with the supplier?

That is where I see, sometimes, a gap caused by the human reliance on artificial intelligence. It is still learning and, coming back to the prompts, if you ask everything nicely, like 'Please help me,' or 'Please do this,' it will show you only what you wanted to see - unless you criticise it. You want its findings to be questioned.

I normally ask AI to check it on several sources to make sure they produce the same result. If the AI advises me of a potential geopolitical risk, I want to know that it's also looked at Gartner and other suitable tools. Is the output of the sources showing something similar? If it is, then okay. That suggests we are moving in the right direction.

AI as a decision-making tool

AI is already changing the conversation at the leadership table. Given its success, AI-based performance enhancement initiatives are now part of every department lead's annual goals, spanning procurement, logistics, finance, and other functions.

This means it's already happening. Trust me. I see the same catalyst as when fire was invented. It became a part of everything. You started forging metals and cooking meals. AI is going to behave in a similar way. It will help industries and it's going to help consumer behaviour as well.

And of course, there are some soft skills that AI can't replace. One of those skills is negotiation. AI is only as good as what you tell it. It can produce a comparison. It can be used to make an analysis. But human judgement or decision making has to stay with the human.

When you're sitting face to face, we can take so many things from our interactions. We can see when someone is uncomfortable and suggest an alternative solution or go outside. We can talk, take a break and reconvene, deciding to put a certain clause on hold. We might talk about other things and then come back to the negotiation. These are human things. For AI, it is just yes and no. There's nothing in between.

The only thing that's holding us back from embracing this complexity is fear. If you don't have a necessary skill and don't overcome that fear and start learning, you will feel a lot of pressure. In the community where we talk, I say don't be afraid and don't feel shy. If you don't know anything, just ask. AI is a tool. Use it to improve you. Don't use it to make your decisions.


“
AI is already changing the conversation at the leadership table”

THE

Tail spend guru

Oliver Norman

“Rather than replacing people, AI will elevate them”

Nomia is focused on helping organisations bring structure, control, and measurable value to tail spend. We have operated in this space for over a decade, and four years ago, we made a strategic decision to build an AI-powered platform to enhance our impact. By embedding intelligence and automation into the process, we have driven greater consistency, scalability, and capability - ultimately unlocking sustainable value for our customers.

Why the tail? Because this is the area where you see a lot of one-off spending, renewals and thousands of high-volume, low-value items being purchased. Organisations tend not to focus on this area, but there are a lot of repetitive elements involved in the process that can be automated and made much more efficient.

The platform dramatically reduces cycle time by intelligently surfacing suppliers aligned to the customer's needs, removing the burden of manual sourcing and qualification. Nomia also manages supplier onboarding and acts as an aggregator on behalf of the customer, consolidating hundreds - sometimes thousands - of supplier relationships into a single, structured commercial interface.

This simplifies governance, strengthens compliance, improves spend visibility, and reduces administrative overhead.

At the same time, suppliers benefit from a streamlined onboarding process that replaces lengthy approval cycles, accelerating time to value for both parties.

This finally creates competition in the tail. Not only are you seeing suppliers that you regularly use, but we can also introduce some suppliers that you've never used before. The whole process is managed with help from AI, from receiving the request, managing that request, understanding the requirements, taking quotations, onboarding suppliers, and then paying them.

From tail spend to nurturing talent

The implications go beyond operational improvement. At a recent public sector forum, tail spend ranked among the top three challenges facing organisations. At the same time, leaders highlighted a growing resource gap - attracting and retaining high-calibre graduates who can move procurement forward and secure continued investment.

AI will help us find this talent. Given that addressing tail spend allows procurement teams to focus on strategic value creation rather than transactional administration, it will help to create the kind of roles that are attractive to the next generation of procurement leadership.

The challenge for us is to find them, and to take people already in procurement with us on that journey as the wider industry is going through this period of radical change. That's the scary bit. People are worried about what their role might be and how existing jobs might be replaced by AI.

The evolution of AI in procurement may not unfold in the way many of them expect. Rather than replacing people, AI will elevate them. It will remove the repetitive, low-value tasks and enable procurement professionals to focus on what technology cannot replicate - strategic thinking, stakeholder influence, ethical judgement, creativity, and commercial leadership.

For me, the future of procurement is not about fewer people. It's about better-enabled people, operating at a higher level of impact. That means things like negotiating, understanding and bringing together very complex data points are still outside the reach of AI. That is going to require different skill sets and require people to evolve what they need to do to be effective.

I started my career as a secondary school teacher, teaching English and Physical Education. That foundation has stayed with me. I've always been passionate about developing people - nurturing those

skills, bringing in new talent and creating environments where individuals can grow and perform at their best. We can do that best by giving people the ability to work alongside AI and to use it as a tool.

The world is moving fast and changing in ways that show how important that is. I've now got children who are either just finishing university or are currently at university. AI is used a lot for research and in their whole experience as a student. It's welcomed by the university, and if a graduate comes out of that environment into an organisation, and that organisation is not using these tools, they'll think, 'What are we doing here?'

AI as a job enabler

Just to repeat that, AI will not replace procurement professionals - but it will reshape how they spend their time. The role of AI is to remove low-value administrative activity, not human judgement, negotiation, or strategic decision-making.

In practice, our customers see this as a positive evolution. By automating the transactional and time-intensive elements of tail spend management, procurement teams are freed to focus on supplier strategy, risk management, value creation, and stakeholder engagement - the areas where human expertise truly drives impact.

We're removing the need for low-skilled, repetitive tasks, but in any case, people want to get out of those jobs into something high-value. Our work puts more emphasis on the higher level, human practices, like category planning and risk evaluation, which is now going to be done a lot earlier in somebody's career.

There are a few stories that illustrate how, instead of taking jobs, AI can expand what is possible. Take one of our public sector customers in the north of England. They had a very specific requirement to try and use local suppliers and to generate enterprise in their region.

About 20-30% of their tail spend was going to local suppliers. We've been able to increase that to 100%, which is good news for suppliers in the region and has a very positive effect on the environment. So this isn't just about managing the volume of spend - it's about the relationships that we build with others in our network.

It ensures that the appropriate governance is in place and covers the risk element as well, which is where AI becomes really powerful. Loads of regulations exist, and it's vitally important to maintain compliance with them, so if you have a customer who has a particular policy around a specific risk element, we can configure that as part of our onboarding and use AI to then check for particular vendors.

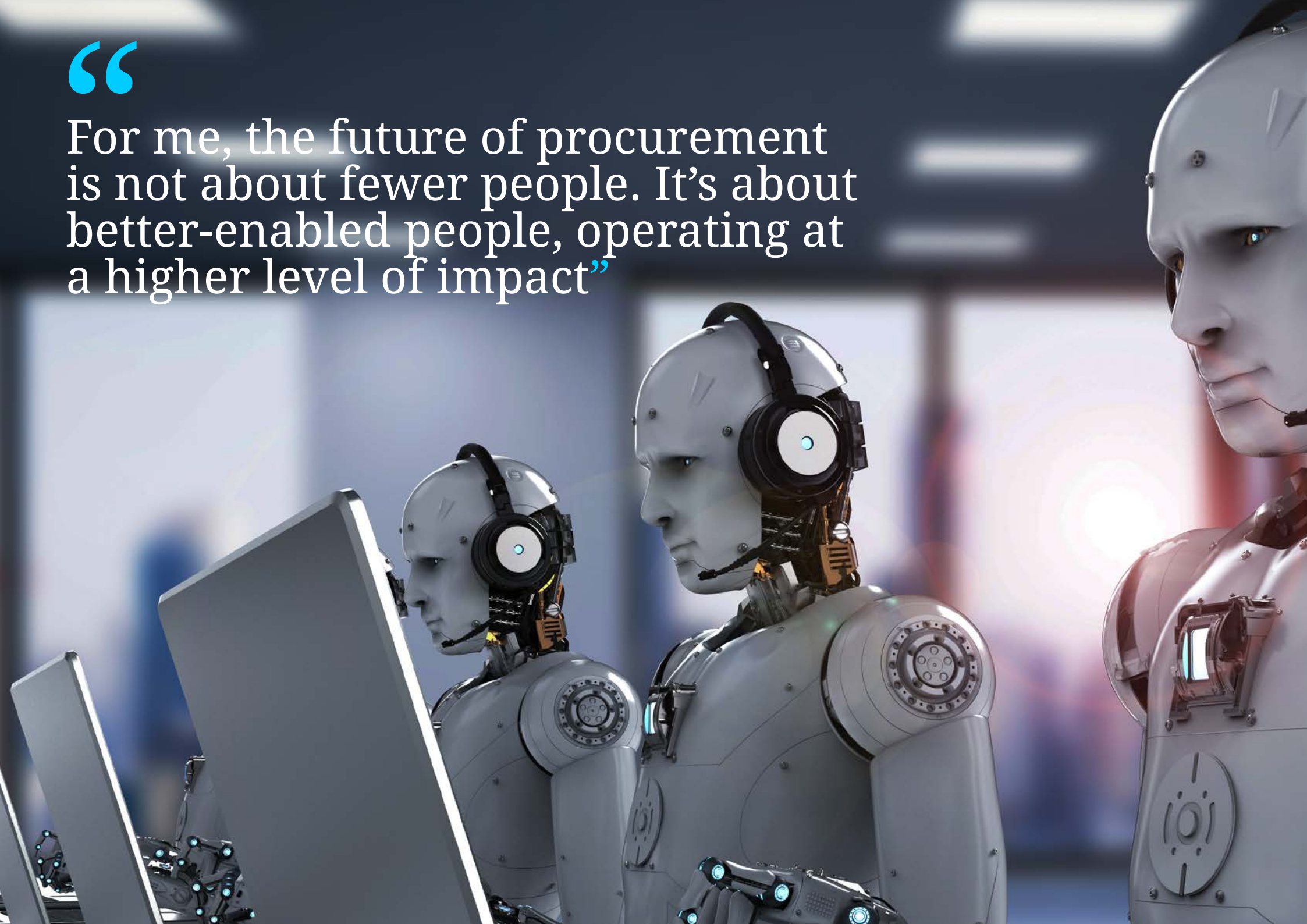
When you think of a supplier who is based in Newcastle in the UK and who might be ideal for a project, but who might not think of pitching for a project in London, it's clear that we can create a lot of value.

We even leverage AI in our work with a partner who does early payments to make sure suppliers get paid very quickly. For smaller suppliers, that can be an absolute lifeline. This is a way that AI can foster enterprise and, instead of taking away jobs, this is one of the ways it can create them.

Navigating into the future

Perhaps the main challenge for the future is to ensure that there's an educational route which equips people with the skills they need to operate in this environment. Everyone who is involved with this process, from companies to educational providers, will need to speed up because it's happening a lot faster than anyone thinks.

For a moment, the stars are aligning. Technology is suddenly capable of solving some very large procurement challenges, but we also need the people who can continue to navigate us through potential challenges and risks.



“For me, the future of procurement is not about fewer people. It’s about better-enabled people, operating at a higher level of impact”

THE

Practitioner

Wame Sedirwa (MCIPS)

“It’s important that you continue to use your brain for thinking. It’s very important that we don’t get lazy”

AI won't take jobs - it will change skills. People think AI is coming to take their jobs. Not me. There'll be a shift in the skills required, and we'll need people who possess them. It's important that you continue to use your brain for thinking. It's very important that we don't get lazy. For example, a risk analyst who needs to shortlist suppliers can use an AI tool to generate options quickly. Their role then becomes scrutinising the AI's output and supplier data. AI can handle tasks like invoice matching and flagging queries, but humans still need to validate results and manage relationships.

Managing concerns and risks

My interest in AI began whilst studying for my Master's, and grew as I discussed applications with peers. In Botswana's public sector, AI adoption remains nascent. Many people don't even realise WhatsApp has AI capabilities, so I often rely on broadly available platforms like ChatGPT.

Some people who try to introduce AI face pushback or even career consequences. I have seen colleagues question those of us proposing AI solutions, and that kind of resistance can feel punitive. That's why organisations need clear policies, training, and whistleblower protections, so innovators aren't penalised for improving efficiency. Protecting staff who responsibly use AI encourages adoption, builds trust in outputs, and ensures ethical guardrails are followed.

I also acknowledge risks: there are concerns about data privacy and intellectual property. Using AI in an ungoverned way can expose confidential organisational information. You must be able to interpret AI outputs and not accept them blindly.

As a risk detector and learning partner, AI has improved my contract work; as I reviewed AI-generated content, I interrogated and verified it. AI flags risks and anomalies you might miss. It helped me identify clauses in a current project that could harm the organisation, enabling us to negotiate clarifications with the investor.

Making life easier

Ever since I started using AI, life has become easier. AI speeds up tasks that once took months. For instance, drafting citizen economic-empowerment guidelines - normally outsourced - took me days using AI, including strategy, monitoring-and-evaluation tools, and contract-ready clauses. We integrated those guidelines into the contract, with monetary and evaluation matrices to track contractor performance.

Drafting Invitations to Tender that once dragged on for months can now take minutes. Procurement professionals have been calling for efficiency for years. Now we have AI.

Botswana faces youth unemployment at around 35%. I argue that young people understand AI, and they have the skills to drive uptake. Government needs to harness that talent. When young managers propose change, they're often undervalued. Many influential roles aren't held by procurement professionals, and that creates opportunities for collusion and political influence.

AI can help professionalise procurement. It can attract tech-savvy young people to the sector and produce auditable trails that show who did what. We must balance AI's efficiencies with human oversight. AI can augment our capabilities, flag risks, and speed up processes - but skilled people must validate the outputs and manage relationships. That combination will take procurement forward.

THE

Thought leader

Ram Trivedi (FCIPS)

“Any change brings resistance, and AI is going to bring big changes to our way of life”

The first thing to say is that AI isn't going to eliminate careers or the need for people. What we are seeing now is that traditional entry-level tasks are being optimised and partly automated using AI. Manual data entry is being replaced, and provided you have access to reliable data, it can be sorted in a way that can be used for graphics and in other formats that can be easily understood by procurement leaders.

Basic supplier screening and routine reporting can be done by AI. It can do invoice matching, identify abnormal deductions and look at when the vendor submitted their invoices, as well as work on demand forecasting and inventory optimisation in the supply chain, which is particularly helpful because inventory management requires so much work.

Resistance to change

Initial resistance to this is natural. Any change brings resistance, and AI is going to bring significant changes to how organisations operate, with procurement being among the functions most visibly transformed. But take my own school days as an example. Similar concerns arose with the introduction of scientific calculators and later computers, both of which were initially seen as threats to jobs and skills. History has shown that such technologies ultimately enhance productivity and create new opportunities.

AI will not replace human judgement, relationships, or trust-building core elements of procurement that require cultural, political, and contextual understanding. Instead, it shifts the focus towards higher-value activities such as negotiation, stakeholder management, risk mitigation, and strategic decision-making.

This transition requires targeted upskilling, particularly at entry and mid-career levels. Procurement professionals who understand how to effectively use AI tools will be better positioned to deliver impact, while organisations must support experienced professionals in adapting to new ways of working. This means that the conversation moves on from thinking it is going to replace people to looking at entry-level skills. There will be a need for people who are familiar with using AI and who know how to use it to deliver an advantage and highly impactful results.

A parallel challenge to this comes from mid-level professionals. They also need to be introduced to this new approach to procurement. People who worked in the sector before the days of AI and who still want to stay with the traditional way of doing things need to be motivated to learn and use AI effectively.

Seeing risk inside the data

There are some huge risks. If you're not using AI at all, you'll be at a disadvantage. And people can misuse data or use AI to represent it in a certain way and convince the other party that it is factual.

Data integrity ultimately comes down to the integrity of the people inputting the data. I can input data which is unreliable and get a result from AI which is also unreliable. The input will match the output. Strong ethical standards, governance frameworks, and professional values are therefore essential. Data security is a critical concern, as AI platforms require robust safeguards - whether hosted in-house or accessed through trusted third-party providers under clear legal agreements.

Smaller organisations, in particular, can benefit from structured partnerships with AI solution providers that ensure accountability, data protection, and controlled access, without the need for large upfront infrastructure investments.

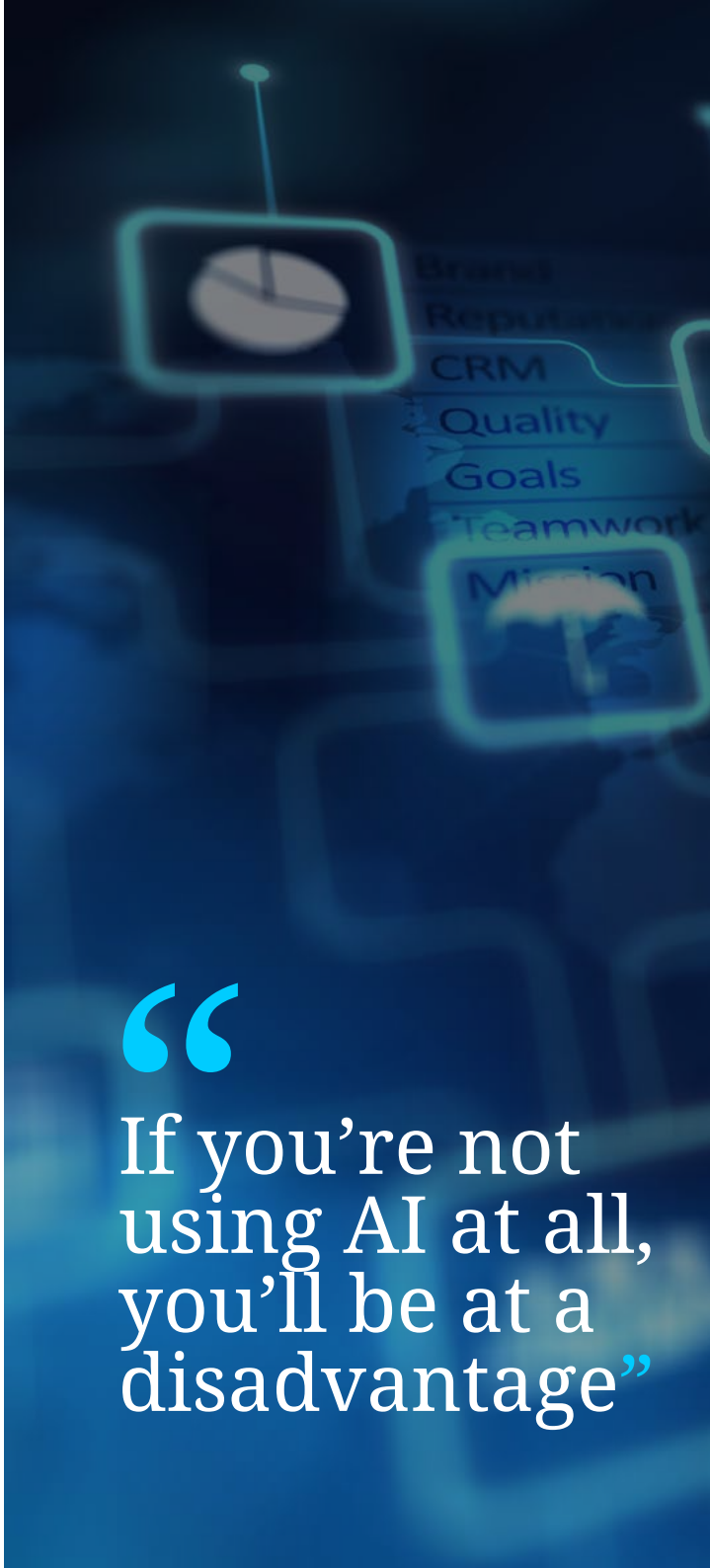
Speed, efficiency and optimism

I am optimistic about this technology, and when I see a tool like this, I only think about what can be achieved with it. Any tool can be used for good or for bad. The internet is a very good tool, but some people approach it with bad intentions. It's the same with AI, and, in time, laws and controls will be put in place that govern it.

But right now, it means that procurement professionals will be able to save time. This will mean they can focus on value creation, innovation, risk management, and on long-term partnerships or managing stakeholders instead of spending days, which we have been doing earlier in our careers, using Excel spreadsheets and preparing charts.

Perhaps you are thinking about doing a spend analysis or classification. Using AI could deliver crisp and very clear information for procurement leaders to decide procurement strategy. It can issue bids, draw up and issue Request for Quotations and receive offers, then do some comparisons, and prepare tables. That could take weeks and sometimes months for large, complex cases if it were being done manually.

If there is any job that involves scanning related documents and coming out with what needs to be done, AI can play a vital role. Procurement professionals are increasingly feeling overwhelmed and want to save time to focus on other, more rewarding tasks. I'm confident that AI will significantly enhance the effectiveness of procurement professionals and allow them to focus on the strategic work that truly creates value.



> "If you're not using AI at all, you'll be at a disadvantage"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