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## ***Series 1: How Digital Transformation will shape The Future of Procurement?***

When Tim Cook moved from being the Chief Procurement Officer to Chief Executive Officer of Apple, the world took notice; but it was quite some time back that the transformation of this critical function, 'Procurement' already started happening. From being a service function dedicated to converting Purchase Requisitions to Purchase Orders, it graduated into a strategic function that operated in absence of a requisition.

The way Chief Procurement Officers were measured, changed from being good service providers to controllers of strategic cost. Almost 70% of all costs fall in this domain and what to buy, when to buy and from whom to buy are crucial questions that determine long-term costs.

***“84% of Procurement Organizations believe that digital transformation will fundamentally change the way their services are delivered over the next three to five years. Yet only 32% have developed a strategy for getting there.” 2017 Key Issues Study, The Hackett Group.***

In this series, we will take you through the major concerns pertaining to the Digital Transformation and its impact on the Future of Procurement.

While discussing on the Digital Transformation of Procurement, the terms emerging in our mind are AI, IoT, Blockchain, Big Data, Machine Learning and so on. Although being true, digital transformation is not limited to all these terms.

The Digital Transformation is more about carrying a clear vision for the discovery of new processes, which might generate new sources of value. It is about the organization as a whole and not just limited to specific processes or functions.

With the transformation, you don't just get best price discovery, but move forward to the business intelligence process. It brings transparency and provides a better strategic insight in the organization. All the details including your organizational spend, trail of all the historic transactions, evaluating the performance of your suppliers etc. will be available at your fingertips. Easy availability of all the data fuels higher efficiencies and market advantage.

In the end, we will not conclude but continue our journey on this discussion with,

***“In an era where data is the new currency, digital transformation efforts must be able to use it for competitive advantage. The future of procurement will be dictated by how it can best use this data to improve insights and predict future outcomes,” said Constantine Limberakis, Senior Research Director, Procurement Executive Advisory Program.***

**Note:** We welcome your valuable suggestions, views and input for our next Newsletter. Because even you are a contributor to the digital transformation that shapes the **Future of Procurement**.