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Series 3: How Digital Transformation will shape The Future of Procurement?

Blockchain is a revolutionary technology which can make a highly significant impact on Supply Chain, Global B2B Transactions, Supplier Management as well as Procurement. As promised in [our earlier newsletter](#), we are sharing the insights about practicality of **Blockchain** in the procurement domain.

What is Blockchain? What will be its impact in Procurement?

Blockchain changes the way we transact in procurement and supply chain. It is a distributed database that alters the tampering of digital transactions. Blockchain and its related applications could introduce another level in SCM and Procure to Pay process effectiveness. With blockchain, you will get:

Enhanced Transparency and Accountability

As a procurement professional, you are simultaneously dealing with multiple stakeholders. At such time, involvement of multiple parties can result in lack of trust. Through blockchain, you'll be getting a tamper-proof system whose data is easily traceable and non-editable. As a result, you'll notice increase in accountability and transparency in the system.

Smart Contracts

Framing, Understanding and implementing the terms & conditions is a tough task for the procurement professionals. With blockchain implementation, your eProcurement Software will be automatically detecting the violation of T&C. Moving a step forward, the system is also capable of auto negotiating with the suppliers, closing the deals and triggering any suspicious event or delivering the end result.

Superior Procure to Pay Management

Whether it is Decision Authorization, Approval, Invoice Processing or Payment initiating, blockchain can address all the tasks in your P2P Cycle. Based on the pre-decided terms & conditions, blockchain approves these transactions. Furthermore, if there is any malicious transaction, the system will identify it and act on it before it does any damage.

How to prepare for the implementation of Blockchain in your Procurement Organization?

- Adopt best industry practices, contract structure and standard of technology.
- Form the database which will serve as the reference for the blockchain.
- Understanding the law and orders of the countries where you are functional.

Note: We welcome your valuable suggestions, views and inputs for our next Newsletter which will be on **application of Internet of Things in Procurement**. Because even you are a contributor to the digital transformation that shapes the **Future of Procurement**.