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Top 9 Key Procurement issues facing the Industry in 2020

Achieving procurement excellence in a world under constant digital disruption brings internal and external challenges. Here are top 9 Procurement issues industries are facing in the year 2020. However, increased internal and external demands are requiring procurement organizations to deliver increased value in new ways to become more agile and adaptable.

Reducing Purchase Costs

With global uncertainties looming across industries and protective government policies it is becoming imperative for organizations to control their costs. Since procurement manages most costs of an organization, it is the most important priority for the industry in 2020.

Becoming a Trusted Advisor

To benefit from early involvement and greater spend management with business partners, it is key for companies to understand the value in building strong relationships with suppliers.

Modernizing Application Platforms

For a company looking to increase and benefit from agility, customer centric processes and cost efficiencies, modernizing business platform to manage procurement is the key factor for the industries in 2020.

Increasing Spend Influence

Spend influence and strategic sourcing is driving reduced purchasing costs, improved quality and better strategic outcomes for organizations.

Improving Analytical & Reporting Capabilities

In this new digital era, the potential of analytics is gradually increasing. Procurement organizations should look to leverage this

potential by prioritizing external data, optimizing dashboards and adopting predictive analytics.

Aligning Talent and Skills with Business Needs

As digital disruption and fast paced innovation increases, organizations are beginning to understand the need for high quality talent. Procurement leaders should look to leverage cross-training and invest in developing talent.

Improving Agility

Becoming agile is increasing in importance within procurement. In order to increase the industries adaptability to digital disruption, agility should be developed at functional level.

Obtaining Higher Value via Category Management

To strengthen relationships with suppliers and deliver higher value to customers, companies need to leverage new value streams. A stream Category management can be a resource for.

Improving Performance Measurement

When it comes to capturing the multiple value streams of procurement, improving company performance measurement capabilities as well as communicating with various stakeholders is vital to combat this issue.

Excerpts from: <https://www.supplychindigital.com/top10/top-10-key-procurement-issues-facing-industry-2020-1>