

July 2019

Best Procurement Practices you should start following

Procurement is a very sensitive business function for any organization as any unknown cost leakages due to inefficiency in this critical supply chain function can result into significant adverse impact on the bottom line. In this Newsletter, we are mentioning the best practices followed by leading organizations for increasing the efficiency of their procurement team as well as their profitability.

Procurement Digitization

Leveraging the use of technology improves the efficiency of your team by reducing their time spent on manual workloads. Your team can save their 60% of their which can be utilized for strategic negotiations and in establishing good relationships with the suppliers, doing market research & similar activities. Therefore, an organization shall look forward to the latest technology trends for solving the key challenges they're facing.

Establishing Central Repository of Information

Once you have the right technology in place, you will get pure data. This data can further be utilized for creating a predictive approach and enabling an organization to provide products and services according to demands, reducing wastage of material etc. Further, it also mitigates the risks associated with indirect spend and minimizes maverick spend.

Analyze Organizational Spend

Spend Analysis is a vital element of procurement. Without complete visibility of spend, it is impossible to identify the risks associated with a supplier and opportunities to improve their value. Analyzing the organizational spend improves transaction processes and monitors the administrative cost. Hence, you must place a good set of tools in use for mapping your whole organizational spend.

Enhance relations with Suppliers

Suppliers are your most crucial business partners. The world is continuously evolving and it is an era where everyone shall win. There are numerous benefits of collaborating with the suppliers. You can read a blog by our CEO Mr. **Suhrid Shah** on [How Understanding the Voice of Suppliers will take your business to the next level?](#) for brief insight.

Centralize your Procurement Approach

An organization is required to have a Procurement or Supply Chain Counsel constituting of the leading practitioners & stakeholders of the organization. Their goal should be to govern and align the over-arching corporate strategy in the organization. Such counsel can also provide fresh perspective to the team and improvise cross-functional communication so that all employees work towards achieving the same set of objectives.

We hope these procurement practices will be helpful to you as well as your team. Would love to hear your views, opinions and suggestions for our upcoming newsletters.