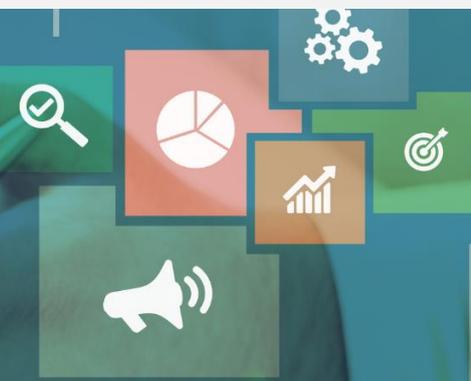


ONE MINUTE PERSPECTIVE

Shifting the dial in Procurement



Procurement has an opportunity to transform from an enabler of cost reduction to a creator of sustainable competitive advantage.

Traditional procurement was considered as transactional function with a limited scope of influence. Now with unprecedented challenges in the supply chain, procurement has come on the top lime light as the function which builds distinctive competitive edge for an organization.

Development in digitization, automation and analytics can enable organizations to unlock previously untapped opportunities to unimaginable level. Winning in this more complex and digital future will require a complete transformation of procurement function.



➔ Volatility brings risks – and opportunities

With rapid growth across emerging markets, ever increasing risk of trade wars, increasing concerns on sustainability, global supply chains are becoming highly complex, volatile & risky. To address this challenges Procurement function is required to be more agile, informed & compliant than ever before.

➔ Automation, digitization & analytics: fundamentally changing procurement

Breakthru technologies such as automation, digitization, and advanced analytics are enabling transformation by empowering the procurement function to identify & capture previously untapped sources of value.

Nearly half of all procurement activities can be automated, freeing up resources to move from transactional activities to strategic procurement. Digitization is also solving the concern of data purity ensuring accurate real time spend analysis for design of most apt buying strategies. As per various surveys over 40% procurement tasks are currently automated & this may double in the future.

➔ The need for innovation ecosystems

Emergence of Software as a Service (SaaS) models have made it easy for organizations to experiment, adopt & maintain procurement systems to address changing and growing needs of the function.

Companies looking to be at the leading edge of technology & innovations are actively searching & scanning for innovative startups which are agile, flexible & highly customer centric to meet their niche needs for digitization.

Let the transformation begin: actions for procurement leaders

1 Rethink the procurement mandate:

Evolve from enabler of cost reduction to a creator of sustainable competitive advantage

2 Invest in digital & analytics:

Leverage automation & digitization to streamline procurement processes & improve internal customer experience.

3 Future ready the organization:

Invest in new talent & capabilities & rethink the procurement career path to succeed in a digital world