

How can you effectively optimise your procurement? Our 4 top tips to implement in an economic downturn.



1

Maintain good supplier relationships.

Now, more than ever before, procurement teams must be developing partnerships with main suppliers and ensuring stability within the supply-chain. Management of your supplier is crucial and being fair, open and transparent will deliver significant benefits.

Before the pandemic, some businesses were neglecting supplier relationship management (SRM) however, strong mutually beneficial relationships will deliver far more success, support a faster recovery and increased market share.

A strong partnership with your key suppliers will allow for improved responsiveness to market changes, increased return on investment and shortened order fulfilment lead times.

2

Improve negotiation and analytical skills.

Having good negotiators within an organisation is always a significant advantage when dealing with suppliers or securing a complex deal. Tougher conversations are likely to become the norm as we enter a far more competitive environment; reduced supply, variable demand and the power of the buyer and supplier alters. Negotiation training is likely to improve the chance of good or better deals for the organisation.

Simultaneously, up-skilling teams whilst providing them the analytical tools to engage in meaningful negotiations that continually pursue your organisation's key objectives, will enable an effective recovery and optimised procurement.

3

Up-skill employees.

Good training and development of your staff drives productivity and achievement (both personal and organisational). By doing this you will be setting up a competitive edge, leading to higher customer (stakeholder) satisfaction and faster growth, or sustainability.

There are lots of great eLearning solutions combined with simulations, all of which your team can apply in their day-to-day jobs. Properly trained staff will ultimately lead to increased productivity, being trusted and knowledgeable employees able to make the best decisions for the organisation's advancement.

4

Use technology.

As is the case with virtually all business functions, the future of procurement is digital and with advances in technology, organisations are able to save time and be more efficient throughout the supply chain. Procurement software and platforms will, for many small to medium enterprises (SMEs), or financially struggling public sector bodies, be the difference between sinking in challenging time.

There are many great solutions out there and eXceeding has expertise in many and can recommend solutions based on your organisation's needs and support the roll-out and long-term use. [Click here](#) to see a recent blog on this topic.

How can procurement optimisation help in an economic downturn?

Despite the uncertainty of Brexit and the impact of a global pandemic, UK organisations will still need to be able to trade globally.

But trading with the UK is going to become more complex, and indeed more expensive. So now is the time to optimise processes across your organisation. Strategic sourcing is a great way for organisations to optimise costs but also, to ensure that they are prepared for any further disruptions.

An optimised procurement process will positively affect your organisation's bottom line, or stretch budgets and increase engagement, efficiency and profitability. To make the most of procurement optimisation, the right sourcing strategies must be implemented, the right tools selected, and your employees should be well-trained.

If you'd like to find out more about [cost optimisation](#) or [strategic procurement transformation](#) please [speak to us today](#).