

Key performance Areas and Advancements in Procurement Technology



Mr. Ganesh M Dombale

Chief Manager (Purchase)

Walchandnagar Industries Ltd, Walchandnagar

The world is changing everyday: the population is changing, customer trends are changing, technology is changing and the economy is changing so change is vital to keep every business up and running. The procurement department is no exception. The call for procurement teams to play a more strategic, tech-enabled role is growing louder.

Earlier, procurement teams had two major focuses: cost reduction and reducing risk of loss. With the rise of automation and cloud services, they now also need to focus on efficiency, accessibility, and sustainability of purchasing decisions.

Key Performance Areas in Procurement

- Purchase Request / Indent, Manufacturing / Casting Drawings & Bill of Materials study.
 - Vendor selection, Enquiry (RFQ), Collection of Offers, Comparison statement & Estimations.
 - Negotiations, PO Placement, Follow-up with Vendors, Project Commitments against monthly sales plan and monitoring.
 - Procurement cost reduction & Development of critical sources (vendors) for critical components.
 - Capex procurement activities related to annual sales plans & Business expansions, etc.
- Procurement technology advancements that every organization needs to adapt now to stay competitive

Cloud-based platforms:

Procurement needs to move completely to the cloud. According to a recent CPO survey, moving to the cloud is inevitable.

With investment in cloud procurement rising up, the migration to the cloud is gaining momentum. The enterprise market is strengthened with leading providers like SAP and Basware, which offer single-tenant cloud, on-premises, and hybrid solutions. Kissflow procurement cloud is digital cloud-based procurement software that takes care of functions like POs and purchase requisitions, vendor management, invoice management and more

Digital procurement

A digital procurement process will remove unproductive, time-intensive aspects of procurement, and make it more efficient. A number of organizations have placed prominence on shifting to a digital approach to operations, and procurement is an area where this poses immediate advantages. Many companies have already started taking the digital path to accomplish various procurement tasks.

Key Strengths / Skills / Competencies for Procurement Profile:

- Knowledge for Materials Management (MM) & other integrated functions (MRP)
- Effective coordination with cross functions for execution of Projects.
- Effective Oral and Written communications.
- Knowledge of existing suppliers and their capacities/capabilities.
- Negotiations Skills.
- Commercial awareness.