# DIGITAL OUTCOMES 2024

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Digital advancement is impacting all fields, industries, and people - in both direct and indirect ways. But procurement doesn't just want to be impacted - it is critical to seize each new opportunity for increased capability and efficiency. In order to do that, procurement has to be well-informed and engaged, able to ask pointed questions and find innovative applications for each new solution.

In 2024, the world seems to be at a tipping point. AI has been embraced, and, as Heather Murray said in our keynote session, "2023 was the year of the 'dabbler.' [...] I think 2024 is the year that we actually integrate AI and start to create workflows around it."

The Metaverse and augmented reality are being increasingly adopted, and most business leaders are just starting to imagine what will become significant future advantages based on this technology.

**However, all progress comes with additional responsibility**. We also heard from speakers who are concerned about the risks of progress, of exposing corporate data without realizing it. And, of course, the procurement operating model and talent expectations will have to evolve as well.

Last but not least, procurement will have to play a guiding role for suppliers - both large enterprises and small partners - as digitalization and augmentation alter expectations and project speed in parallel.

I welcome you to join us on this journey, as we collectively imagine the art of the possible and inspire each other to push the boundaries and maximize procurement's digital outcomes.

# STRAIGHT TALK ABOUT THE POTENTIAL OF AI

Featuring: **Heather Murray**

AI Trainer and Advisor at Beesting Digital

AI technologies are developing and entering the public sphere so fast that sometimes it seems hard to keep up with all the changes, much less figure out which ones to ignore and which ones to adopt. Heather's approach to navigating rapidly changing and emerging technologies like AI aims to simplify and clarify the process by giving us a framework procurement teams can use to evaluate a new technology and then effectively implement it.

While we might still be in the experimentation phase when it comes to AI, Heather says it is time for procurement to overcome any fear or hesitancy around AI and get serious about integrating some of these tools into their existing processes.

"This is the year of integrating, trialing, and experimenting. That's an exciting next step because I've seen people cycle through these processes quickly." As Heather says, "Businesses are natural innovators. I think 2024 is the year that we actually integrate AI and start to create workflows."

But, she cautions, AI isn't a quick fix that will instantly solve every one of procurement's problems. It is a powerful tool, to be sure - when leveraged the right way - but human expertise and critical thinking are still at the core of what drives successful technology adoption and implementation. Having a framework to help drive decision making around how your team or company approaches emerging technologies like AI is key, she says.

First, companies must step back and assess their readiness. Are they prepared for AI? Can they identify the challenges they want AI to help solve? And most importantly, do they have clear goals for using AI that align with the business's overall strategy? Taking this thoughtful approach will set them up for success and help guard against chasing after the next "shiny new thing" in technology for its own sake.

Procurement teams must also consider how AI tools impact intellectual property and data protection since new AI solutions raise questions about keeping information secure. To pick the perfect AI solution, Heather suggests that teams proactively request product demos, seek out trusted reviews, and track the tool's performance. Having an AI plan in place can help procurement teams responsibly integrate AI into their core strategies while also mitigating risk, allowing them to streamline processes and achieve real, measurable results with these new technologies.

# WHAT YOU NEED TO KNOW ABOUT THE SECOND P IN P2P

Featuring: **Mathew Schulz**

Vice President of Procurement Strategy at Airbase

Most procurement teams no longer have to prove to the business that the value they bring extends far beyond cost savings. One of the most important areas of strategic value creation for procurement is in stakeholder management, especially throughout the "pay" cycle.

As Mathew said, "As procurement evolves, and they're working more with the finance function, we are starting to see this evolution. Procurement is not just internally focused, back office, or administrative. They are now front and center and working with external stakeholders. They are heavily involved in the supplier vendor base, and they are working with them to find ways in which they can help the business grow."

Understanding supplier needs is a crucial differentiator for procurement because not all suppliers are equal or present the same value creation opportunities to the business. Large corporations might have the resources to handle extended payment terms, for example, but smaller businesses might need more support. Recognizing these differences and tailoring approaches allows procurement to build trust and long-term partnerships with suppliers and drive more value and innovation for the business.

However, there's also a misconception that focusing on supplier collaboration might seem counterintuitive if the only critical success metric is cost savings. Mathew agrees that procurement's role is transforming and aligning more with the organization's bigger picture – contributing to overall success, not just cost reduction.

Procurement is leveling up, especially in their role as a strategic facilitator between internal stakeholders like finance or accounts payable and external suppliers. Gone are the days when it was just about saving money, and as Mathew points out, procurement has become a strategic powerhouse function within the business. And, because of that, he says (and we quite agree), "It's a great time to be in procurement!"

# EXPLORING THE IMPACT OF AI AND THE METAVERSE ON THE HUMAN EXPERIENCE

Featuring: **Clive R. Heal**

Founder and CEO at LavenirAI

There's no viable scenario in which the future of procurement isn't affected by AI. We're already seeing profound shifts in procure tech solutions, and many teams are in various stages of digital transformation as they figure out how to incorporate new technologies. The question is, where is this all headed? And, then, how can procurement be ready for what's to come?

Clive says that, whether we are aware of it or not, we're all on a journey towards the metaverse – a new virtual reality space that will have a profound impact on the way procurement interacts with internal and external stakeholders, with products and services, and with data and other technologies.

We already know that AI can analyze mountains of information, uncovering hidden insights procurement wouldn't have found otherwise. Large language models play a big role in translating complex data into clear, actionable information and empowering procurement to make smarter decisions. But, he says, there is a whole other category of opportunities driven by AI and virtual reality technologies that are already transforming the way we work and interact.

To prepare for the changes ahead, Clive says, "We need to look at procurement and how AI can help us do what we do. It's such a powerful tool at the moment." He added, "There is a great opportunity when something is new and not defined. You can create something that nobody else has done and get value."

How do you tap into this potential if you're a procurement leader? The first step is to overcome any fear of the unknown and put a strategy in place to define how you'll integrate new technologies like AI or VR. "It all comes down to what you are trying to deliver, what information you need, what strategies you need, and how you need to develop your people. … we need to be looking in procurement at how we can bring in AI now to help us with what we do."

# AOP INTRODUCING... RFP NINJA

Featuring: **Neeraj Shah**
Founder at RFP Ninja

Complex RFP processes can drain precious time and energy (not to mention morale) from a supplier as customer support teams struggle to meet deadlines, compile accurate information, and craft winning proposals. Add scale to the process, and companies are often overwhelmed at trying to respond to RFPs consistently and with the level of expertise needed for each unique request.

RFP Ninja was founded to remove the complexity – and frustration – out of the RFP process for suppliers and procurement teams alike by leveraging the power of AI to streamline the entire RFP process, which means faster, more accurate responses, whether dealing with sales, IT support, or provider due diligence.

Neeraj's vision is clear: "Our goal is to provide things accurately, provide things quickly, but also provide things with the right security and the right voice that your company wants to represent."

While the platform primarily aids suppliers in responding to RFPs, it also benefits procurement teams by enabling them to receive more precise and relevant information through the RFP process.

The RFP Ninja team also understands the importance of data security. Any sensitive information remains completely confidential within the platform, and it allows users to customize responses to reflect their unique brand voice and standards.

"The number of requests coming in to suppliers can be very challenging, so we created RFP Ninja to help support them, and this is important not just for suppliers but also for procurement teams," said Neeraj. "Our goal is that not only will suppliers be able to respond to RFPs more effectively, but also from buying organizations who will get more information with fewer and much more pointed RFPs ... life just becomes easier for both sides."

# SAFEGUARDING BUSINESS DATA IN A DIGITAL AGE

Featuring: **David Johnson**

Sr Director of Global Sourcing and Software Category Transformation at News Corp

The dramatic increase in data creation and availability is a gold mine of insight that allows procurement to conduct predictive analytics and enhance the decision making process. But, says David, it's also a gold mine of opportunity for bad actors to infiltrate the business and compromise your data or the data of your customers.

Data security is like building an impregnable wall around your company's data. Certifications, regulations, breach notification protocols, access controls, and encryption are the essential tools and procedures procurement should use to keep data safe and secure. "Believe it or not, procurement is one of the gatekeepers of cybersecurity," he said. "You may not think you are, but you are."

Data security challenges become more intricate as technology evolves, especially with the rise of artificial intelligence. Procurement needs to assess the level of sensitivity of the data involved to create the right level of data security. Solid security safeguards your intellectual property, maintains customer confidence, and preserves your competitive advantage. On the other hand, it's also crucial to understand the security measures your suppliers implement. Are they compliant with industry benchmarks? Do they adhere to data privacy laws? Transparent discussions regarding data encryption, access management, and procedures for notifying about breaches are equally important.

Data security doesn't happen in a vacuum, or within just one function or team of the business; it requires a strong partnership across your organization and with your suppliers, including their partners and tiers.

"Organizations are much more aware now of the value that their data can bring … and for those of us in sourcing and procurement, our focus has to be not just looking at our suppliers, but the second and even third tiers – those are all huge sources of data breaches."

# COUNTDOWN TO THE PROCUREMENT TEAM OF 2030

Featuring: **James Meads**

Founder, ProcurementSoftware.site and Host, Procuretech Podcast, ProcurementSoftware.site, and Procuretech Podcast

Preparing for the future will require procurement to understand emerging technologies and their ability to address specific challenges or align with the unique goals of the business. Procurement teams of the future must understand that usability and adoption are important in technology selection to ensure widespread adoption within the organization. No technology should ever be invested in for its own sake; procurement needs to keep business objectives front and center.

When considering how to strengthen your procurement team with technology, says James, "look and consider, what's the biggest fundamental problem? Is it compliance? Is it that your team is spending half of their day on admin? Are your suppliers scratching around and figuring out where their invoice is in the system? What is it that's taking the most time or that's costing you the most money?"

Organizations face various challenges, each with unique obstacles to digital transformation. That's why procurement professionals need to identify their key challenges and select technology solutions that align with their specific needs and goals rather than following trends or copying the strategies of large corporations that might not reflect their own priorities. Process orchestration should be explored, and the potential of streamlining procurement processes should be emphasized to enhance transparency.

## ABOUT DIGITAL OUTCOMES

Digital capabilities play a critical role in procurement's ability to deliver business outcomes.

They contribute to the user experience, empowering distributed buyers and decision makers to stay on-process without distracting them from their primary objectives. They improve the quality and useability of the data created by procurement's processes, and they provide key external insights, keeping risks at bay.

In fact, procurement's overall capabilities are often measured for the digital outcomes they are able to deliver.

Join the Art of Procurement team and our special guests from across the digital ecosystem to discover the latest applications and outcomes associated with AI, payments, supplier automation, and data security.

Watch all sessions on demand.