

# PROCUREMENT EVOLVED

BEYOND  
DIGITAL

**Why the future of procurement  
demands more than just the  
right technology**

**WNS PRO $\infty$ UREMENT**  
Powered by The Smart Cube



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**What's inside?**

**Procurement has undergone a major transformation over the last few years.** While turbulent markets and supply chain disruptions conditions have brought major challenges for businesses, they've also created the perfect conditions for procurement to demonstrate the full scope of value it's able to deliver today.

In a very short time frame, procurement has evolved from the 'cost saving function' to a strategic risk mitigator, product strategy advisor, sustainability champion, and value creator. And now that perceptions of this function have shifted, organisations are looking for new ways to augment its capacity to deliver diverse business value.

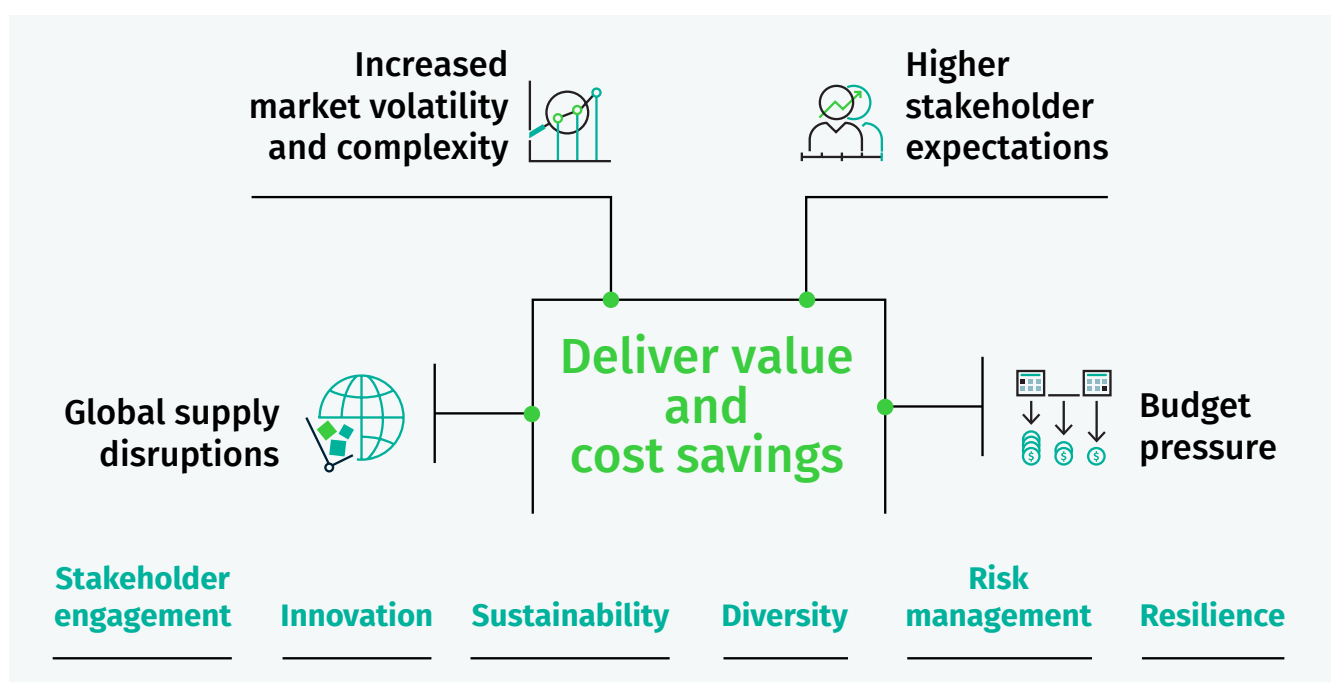


A lot of procurement's evolution is being enabled by digital tools and technologies. Emerging digital technologies like AI and machine learning have the potential to redefine how procurement teams work, and organisations are understandably very excited to apply them across their functions.

But, technology alone can't solve every challenge faced by today's procurement teams. To unlock the full strategic and value-creating potential of the modern procurement function, digital capabilities must be carefully applied in ways that augment and extend human expertise.

In this paper, we'll explore the digital procurement opportunity, and look at how you can apply the right technologies as part of an optimal operating model to help your organisation become digitally enabled and insight-led – and deliver on the lofty expectations placed on modern procurement teams.

**Today's procurement teams are operating in a dynamic and challenging environment**





# The digital procurement opportunity

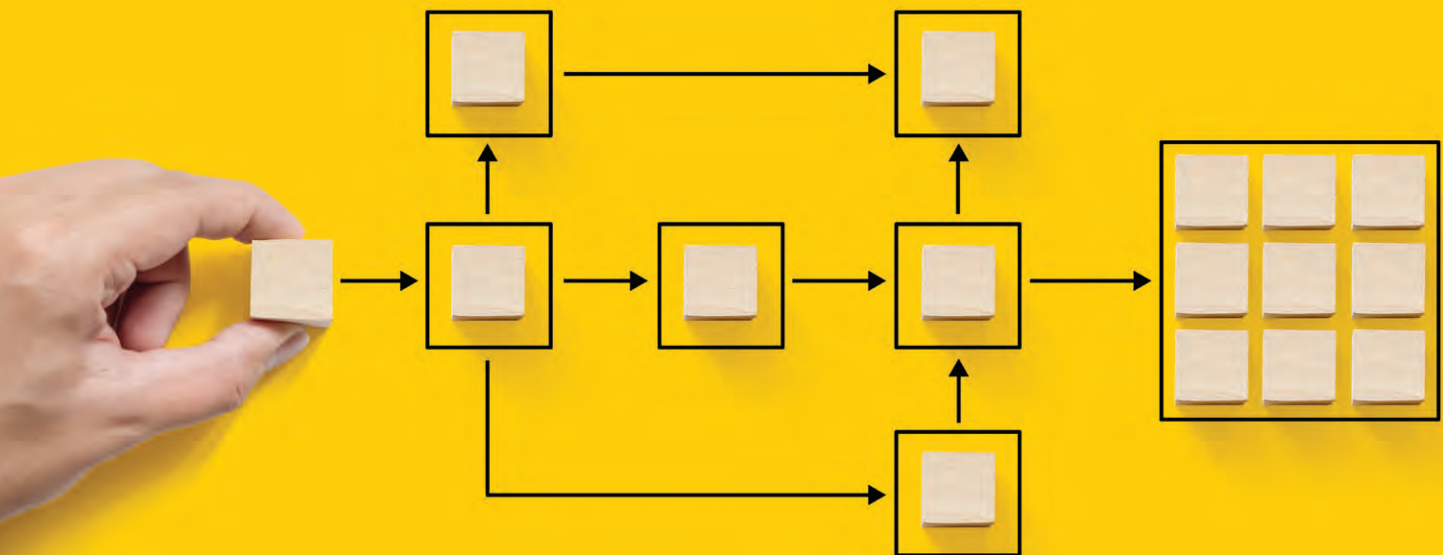
The past few decades have been characterised by continuous digital change and evolution. But today, the pace and scope of digital change are greater than ever before.

Multiple diverse technology megatrends have converged to create an unprecedented digital opportunity for procurement teams. By harnessing and combining emerging and maturing technologies in the right ways, procurement teams have a unique opportunity to completely reshape how they work and create value.

Myriad technologies are creating transformation opportunities for today's procurement teams. But broadly, we can categorise the most significant ones into five buckets:

## **1 Generative AI and machine learning empower experts to create value**

Likely the most significant and widely discussed trend shaping the digital



procurement landscape is the growth and gradual maturation of generative AI and machine learning capabilities.

AI and machine learning are great at detecting patterns and making predictions about the future based on past trends and data – making them perfect for supporting a huge range of procurement tasks. And as models and capabilities have matured, the outputs they generate have become much more reliable, which enables teams of all sizes to act on them with confidence.

Procurement teams have had access to vast quantities of relevant data for years, but it has not always been of the highest quality or relevance. So historically, the challenge has always been how to convert the right data into actionable insight, at the point of use. AI is filling that gap by surfacing and inferring meaning from relevant data, and empowering procurement experts to focus their time on the things they do best.

## 2 Cognification shines a light on hidden processes

Cognification is the broad term given to the process of making objects or systems smarter by digitally connecting and integrating

them. In procurement, cognification has largely been driven by the increased use of sensors and connected technologies across the supply chain.

With sensors and smart processes generating vast quantities of supply chain data, procurement teams are better equipped than ever to detect potential supply issues, increase efficiency, and even drive enterprise sustainability.

Cognification helps generate the scale of reliable data required to power AI and other insight-generation technologies. Without it, teams may struggle to gain full value from other emerging digital trends.

### **3 Automation accelerates workflows and insight delivery**

Automation has changed how modern businesses operate. In procurement, it's being applied to:

- ▶ **Fully automate basic and routine procurement tasks** such as purchase order and invoice management, enabling experts to focus more of their time and attention on business value creation.
- ▶ **Build automated data and insight pipelines** that put market, category, and supply chain insights into the right hands fast, so that teams can respond to emerging trends earlier – helping them mitigate risk and create competitive advantage.
- ▶ **Streamline governance** and apply new rules of procurement decision-making that support compliance and help businesses achieve their strategic goals.

### **4 Ecosystem thinking helps you augment your own data**

Ecosystem thinking has enabled a huge shift in how procurement teams collaborate with the rest of the business, and external

partners. By building their digital capabilities as composable ecosystems, teams instantly make themselves easier to work with.

This approach helps procurement teams build mutually valuable partnerships with up and downstream supply chain partners. By sharing data as part of a connected procurement ecosystem, organisations can augment their insights with those generated by partners – building a more complete view of conditions, threats, and opportunities.

Internally, ecosystem thinking helps procurement teams create connected catalogues of digital capabilities for their teams. These marketplaces enable experts to help themselves to the models, insights, and tools they need, when they need them. This helps them build their own bespoke toolkits for success.

## **5 Content personalisation drives contextualised insights**

Procurement is home to multiple roles, all of which have different goals and responsibilities. People in many different positions – including CPOs, category managers, sourcing managers, and contract managers – will all rely on similar data sources to make informed decisions, but their specific needs vary enormously. From what data sets are combined, and the level at which data is reviewed, to what decisions are made – all of these factors differ between user groups.

Content personalisation enables procurement experts to access insights and information in the ways which work best for them. It enables information to be rapidly contextualised for defined audiences, which helps solve one of procurement's longest-standing digital challenges: converting insights into timely actions.

# What digital alone can't do for you

We all know the transformational potential of today's emerging technologies. But, in most cases, technology alone isn't enough to unlock that potential. Decades of low-impact digital transformations have demonstrated the importance of strategic change management, contextualisation, and implementation.

If you want to make the most of the digital procurement opportunity, you'll need to look beyond technology and do these five key things:

## **1 Evolve your skills and capabilities**

Great digital procurement capabilities are intuitive by design, and easy for teams to pick up. But, any amount of new tooling or workflow change needs to be supported by digital skills development and training.

Your people need to understand how to use new digital tools, as well as what they can do with them. Upskilling should be personalised to show everyone how to shift their personal workflows to

accommodate new digital capabilities. Any new training must also clearly show your people why they should be excited about the potential of your new technologies.

Without those elements, adoption will suffer. People will revert to the processes they already know, and the value you're trying to deliver through digital procurement enablement will fail to materialise.

## **2 Rebuild and reimagine processes**

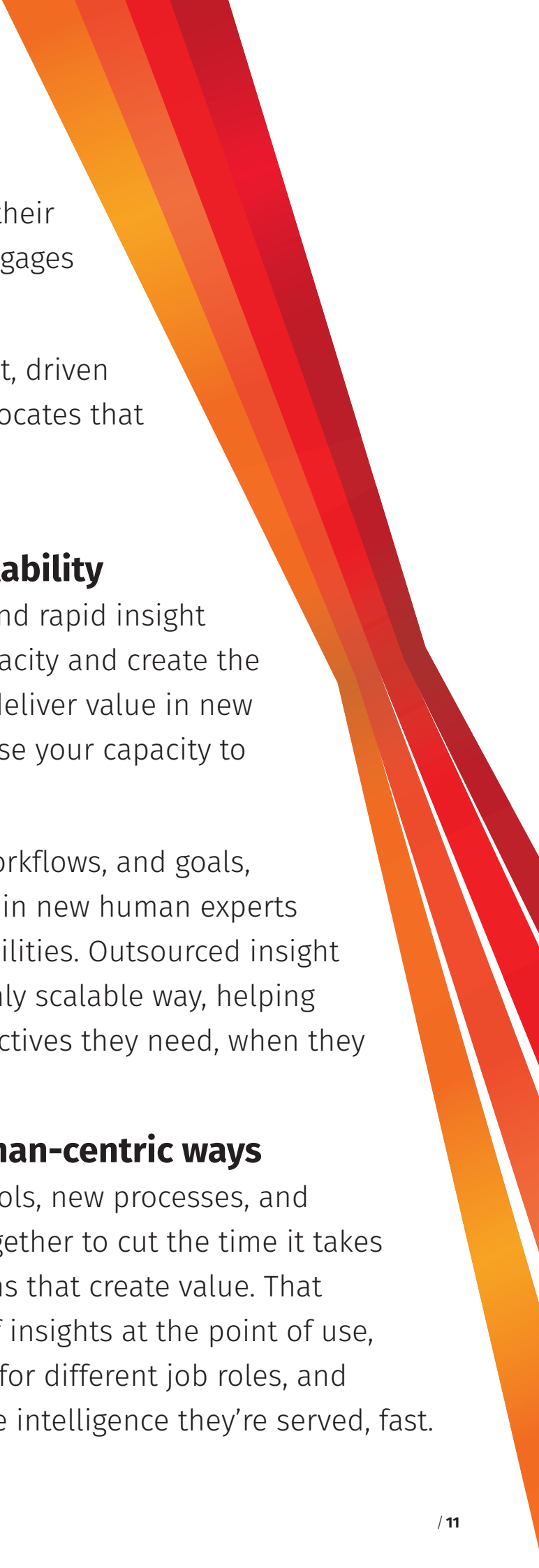
Today's powerful technologies present an opportunity to transform how procurement operates. If you want to enable that scale of evolution, and realign your operations with the new expectations placed on procurement, you'll need to reimagine and rebuild some of your processes and rethink your operating model.

Digital technologies often fail to deliver their full value for organisations because teams simply drop new tools into various areas of their current processes. Broadly, that might enable them to slightly improve how they do things, but it won't help them achieve anything truly new.

With new stakeholder demands to meet, and diverse new capabilities available to help procurement meet them, now is the time for significant process overhaul. By reimagining procurement's potential from the ground up and building the processes required to make it a reality, teams can lay a foundation for continuous, differentiated value creation.

## **3 Enable tech-first mindset**

Embedding new technology into your organisation isn't just a matter of giving everyone access to relevant tools. It demands a digital-first



culture where everyone embraces their new capabilities by default, and engages with them together.

It takes strong change management, driven by knowledgeable leaders and advocates that can inspire and affect cultural change at scale.

## **4 Increase capacity and scalability**

New capabilities like automation and rapid insight delivery can effectively free up capacity and create the space for procurement experts to deliver value in new ways. But they don't directly increase your capacity to deliver – or help it scale.

In line with your new processes, workflows, and goals, teams may find they need to bring in new human experts to augment their new digital capabilities. Outsourced insight resources can deliver that in a highly scalable way, helping teams access the skills and perspectives they need, when they need them.

## **5 Deliver intelligence in human-centric ways**

Change that's focused on digital tools, new processes, and upskilled people must all come together to cut the time it takes to turn data into meaningful actions that create value. That means ensuring high availability of insights at the point of use, contextualising and tailoring tools for different job roles, and empowering everyone to act on the intelligence they're served, fast.

# Holistic transformation:

## The key to long-term value creation and procurement success

So, to unlock procurement's full potential and turn the function into a future-ready value creation powerhouse, leaders must look beyond technology and:

- ▶ **Strategically align new digital capabilities** with the needs of the business, the procurement team, and the individuals within it
- ▶ Ensure that the **digital evolution strategy is supported by human and culture** transformation plans, so people can adapt to new, digitally enabled workflows
- ▶ **Reimagine how the function works, challenge fundamentals, and build new processes** and workflows around transformational technology

Or, to put it more succinctly, they need to approach procurement transformation holistically.

### What holistic procurement evolution looks like

To understand what holistic procurement evolution can do, we need to explore the results of combining digital, process, and people-oriented change in the right way.

Here's a look at how holistic change enables the creation of procurement functions that are digitally-enabled and insight-led at all levels:

### **Robust data and insight foundation**

Everything starts with a strong data foundation. By building robust data foundations, teams can make all their valuable internal data highly visible and add vital context to it by pulling in new third-party and external data sets. That enables deeper trend analysis, and provides the reliable pipeline of high-quality data needed to power technologies like AI and machine learning.

AI-generated insights should also be supplemented with human-generated insight from expert intelligence partners where available. By combining the massive scouring and processing power of AI with the unmatched contextual intelligence delivered by humans, procurement teams gain constant access to timely insights they can trust.

## AI as an intelligent intermediary

Once you've got the right data structured in the right ways, you need to make it as easy as possible for every stakeholder to generate and access the insights they need. That's where AI assistants become extremely valuable - essentially enabling users to have conversations with their data.

Whenever a stakeholder wants to query data or learn something from it, they can use natural language to ask an AI assistant for it. Then, with an understanding of who that stakeholder is and what they need, the assistant can provide contextualised intelligence to them exactly when they need it.

## Streamlined processes and workflows for every stakeholder

The rapid delivery of contextualised, personally-relevant intelligence and workflow automation transforms how every procurement stakeholder works. At the start of their day, there's a list of relevant insights that need their attention, along with recommended actions. From there, they can use AI to ask new questions about their data, and ensure they're getting the full picture before they respond to the detected trends.

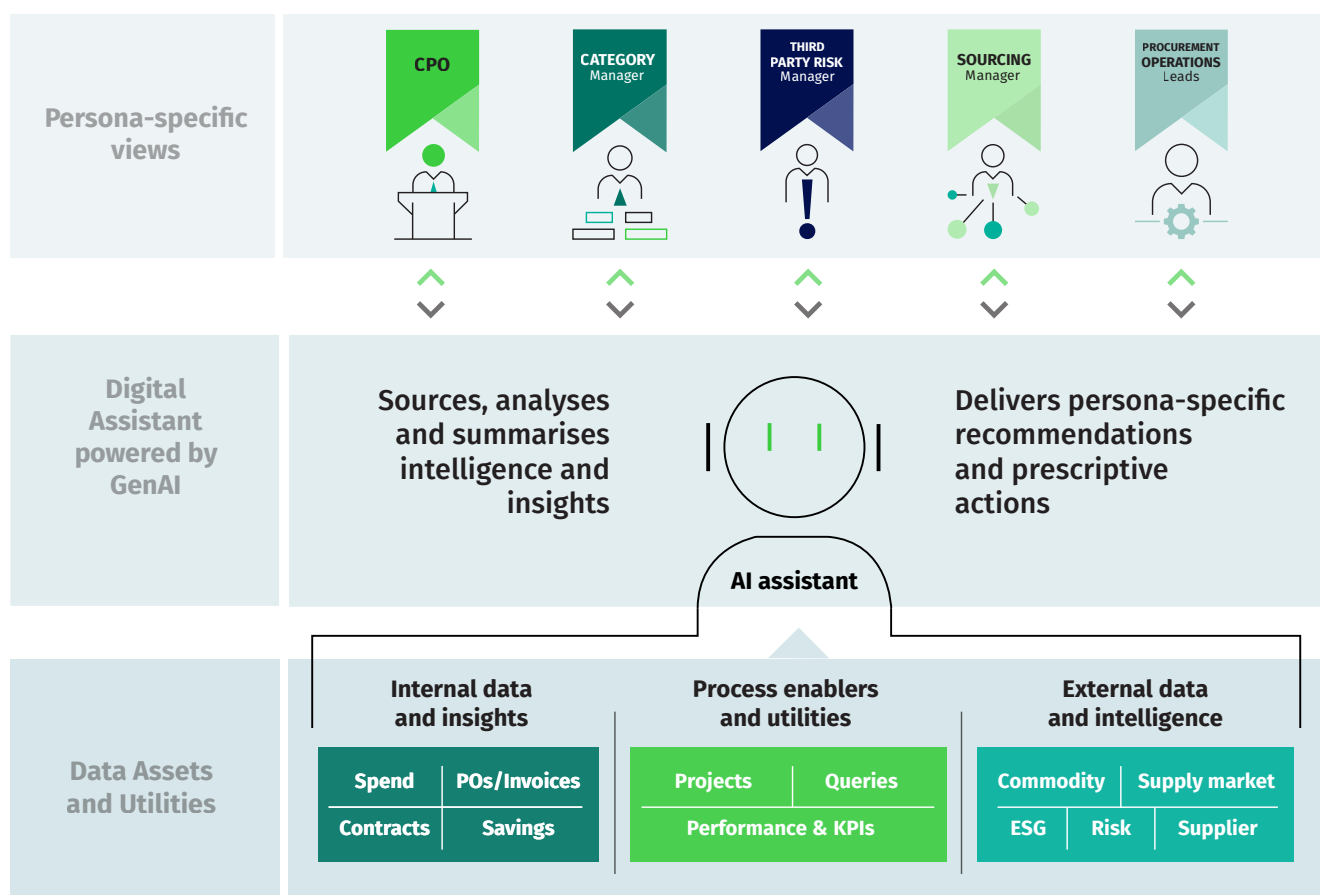
As a result, people across the team will quickly become more effective in their roles, they will be better equipped to achieve their goals, and will be empowered to create more business value.

## A culture that's both digital-first and human centric

Across this environment, every stakeholder is digitally enabled to do their job to the highest possible standard. Use of powerful digital capabilities becomes an ingrained part of modern workflows, but at every stage, digital capabilities, touchpoints, and processes are designed around human experts.

The environment isn't engineered to replace human expertise – it's designed to augment and extend it, unlocking the full value creation potential of every role, and enabling procurement to fulfil its full strategic potential.

**Our vision is to make customers digitally-enabled and insight-led**



In the rapidly-evolving landscape of digital procurement, innovation and technology are coming together to reshape traditional practices. To help navigate this dynamic field, expert perspectives can provide a guiding light towards key areas that businesses should focus on now.

Here, we turn to the voices of our business and sales leaders who share their wisdom and unique viewpoints, highlighting the present state of digital procurement and the transformative potential it holds for organisations.



**“AI’s role in procurement is to be the co-pilot. Remember, you still need a pilot to get to where you need to get to.”**

**Alpar Kamber**

Chief Business Officer, **WNS**

**“No doubt that emerging technologies are critical to any function’s maturity, and procurement is no different in that regard. But, in the end, the modern procurement team will be focused on delivering on all aspects of the ecosystem that combines the proper balance of people, process and technology.”**

**Julie Brignac**

Executive Vice President and Global Practice Leader,  
**WNS Denali**



**“While we may be at peak hype when it comes to AI, the fact of the matter is that Gen AI will serve as an accelerant in altering how procurement will serve its internal customers and, accordingly, drive greater value.”**

**Omer Abdullah**

Chief Commercial Officer and Co-founder,  
**The Smart Cube**



**“The Procurement world is witnessing a tectonic shift with the advent of AI and GenAI. While much of the euphoria is justified, what often gets missed is the role of human intelligence (HI) and its relationship with AI, which should be seen as synergistic and not conflicting. In fact, the combination of AI and HI can not only enrich Procurement’s output, but also make the function a valued strategic partner for the business.”**



**Satyen Pathak**

Corporate Senior Vice President - Solutions, **WNS**

**“We are at an inflection point when it comes to how Procurement departments will consume intelligence and cutting the clutter will be the key to success. Never before has the phrase ‘less is more’ been more relevant.”**

**Vaibhav Jain**

Vice President and Head of Digital Solutions and Operations,  
**The Smart Cube**



# Drive holistic change and seize the digital procurement opportunity today

A holistic approach to procurement evolution empowers your people to mitigate supply risk and respond to trends before your competitors. It also enables your teams to proactively minimise costs, drive sustainability, and stay ahead of customer and market shifts.

And it empowers the people in your procurement team to achieve their goals faster, by solving many of the common challenges that hinder their effectiveness.

But, as we've discussed, holistic change demands holistic solutions, expertise, and capabilities. The right technology is just the beginning. You need a digital strategy that's focused on helping your team become digitally-enabled and insight-led. You also need to reimagine your operating model so it gets the most from your new digital and human capabilities.

WNS and The Smart Cube combine leading AI and digital procurement capabilities, deeply contextualised intelligence, proven strategic vision, and unmatched execution expertise to enable

holistic procurement evolution. By building from the operating model up, we help procurement fulfil its full potential and become the top value creator in the modern business.

With decades of experience helping teams embed intelligence into their teams, optimise their processes, and execute winning procurement strategies, no partner is better placed to support you at every stage of your holistic evolution journey.

## PROCUREMENT EVOLVED

To find out more about how [WNS Denali](https://wnsdenali.com) and [The Smart Cube](https://thesmartcube.com) can help you transform procurement and gain the intelligence, insights, and leading capabilities your team needs to succeed, visit [wnsdenali.com](https://wnsdenali.com) and [thesmartcube.com](https://thesmartcube.com) or talk to us today.

# The world of WNS PRO∞UREMENT

 **Denali**



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WNS Procurement, powered by The Smart Cube, delivers world-class solutions in procurement and supply chain advisory, managed services and digital transformation. We combine expert resources with leading technologies, merging human and artificial intelligence to deliver innovative solutions, enabling our clients to achieve their business, financial and sustainability goals and outperform in their markets.

