# **Procurement Management**

Procurement management is the systematic approach used for buying all the goods and services needed for a company to stay sustainable. Manage your procurement well, and it will add value to all your business practices and save you both time and money. Being a key factor to running a successful company because it helps you meet business goals and live up to stakeholders’ expectations.

**Identification of need** – When the company needs goods/services, the company’s needs must be identified in order to choose which type of service or product will fit best. Then the buyer needs to find them at the best quality for the best price while also making sure the supplier is able to deliver.

**Finding and qualifying the suppliers** – Using the Internet or your supplier databases, you assemble a list of all potential product and/or service providers. Sometimes it’s useful to run RFIs (Request for Information) or gather additional information, like years on the market and turnover rates, to pre-qualify suppliers.

**Requesting proposals** – To make sure you buy the products or services under the best conditions – price, quality, etc. – you request proposals. Based on the results, you know with whom to start negotiations.

**Negotiating with suppliers** – To achieve the best conditions regarding prices, terms and delivery, you negotiate with suppliers. It’s especially essential if it’s the first time you are working with them. This process can help you evaluate their trustworthiness as well.

**Contracting** – If both parties, the buyer and the supplier, agree on all terms (pricing, delivery, quality, etc.) you can make it official by signing a contract.

**Delivery** – Throughout the delivery process, you need to evaluate the products and services delivered to ensure they are what you had planned to buy, they meet your quality standards, they arrive on schedule and you are charged the prices outlined in the contract.

**Analyzing results** – Once the project is complete, it is essential to analyze the process and evaluate its success as well as record observations for future projects. You may need to present the outcomes to company management or relevant stakeholders. The results can be used the next time you need to make a similar purchase.