

# Procurement

A beginner's introduction

# What is Procurement

Depending on the business' structure, it falls under different departments, such as:

Management and resources

Financial

Defence

Purchasing

Or it is a separate business partner.

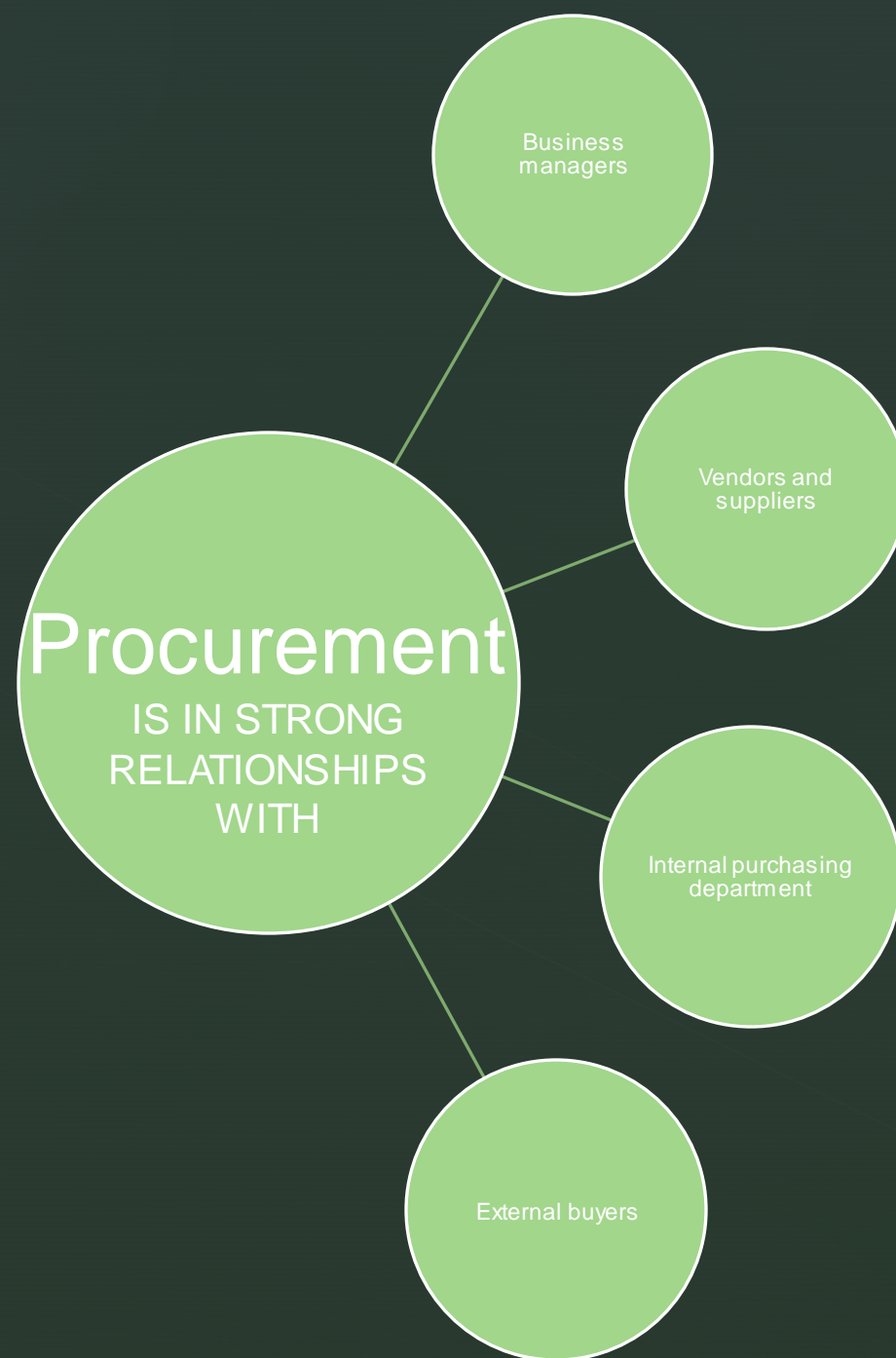
Either way, its scope is to procure the goods and services that a company needs at the lowest price possible.

# What does it do?

- Finds better pricing. It helps you find the best deals for what you need (goods/services)
- Conducts market research (depending on which department does it fall under)
- Monitors compliance with procurement procedures and policies
- Tracks vendor performance (to ensure that the contracts are respected)
- Negotiates contracts between the company and the suppliers
- Administrates contracts

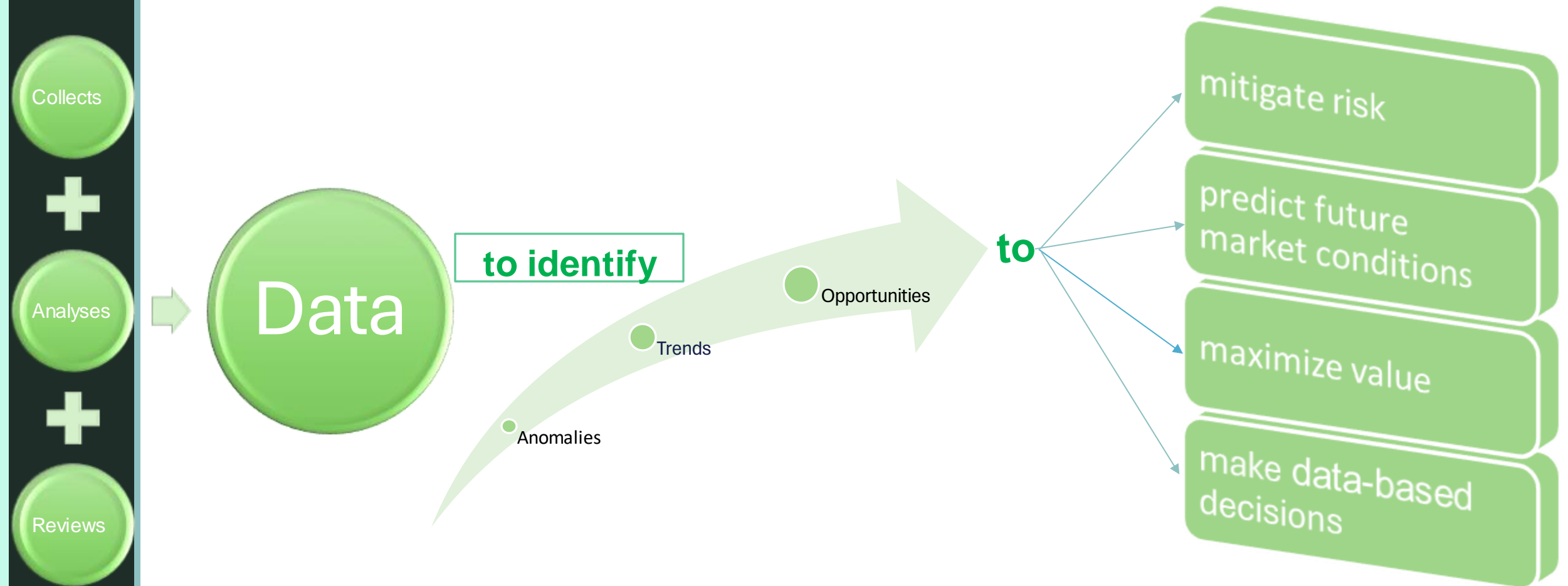
## Uses Data Analytics to

- See what a company is spending the most money on
- Identify in a systematic way opportunities for savings
- Track vendor performance
- Analyse CO2 Emissions



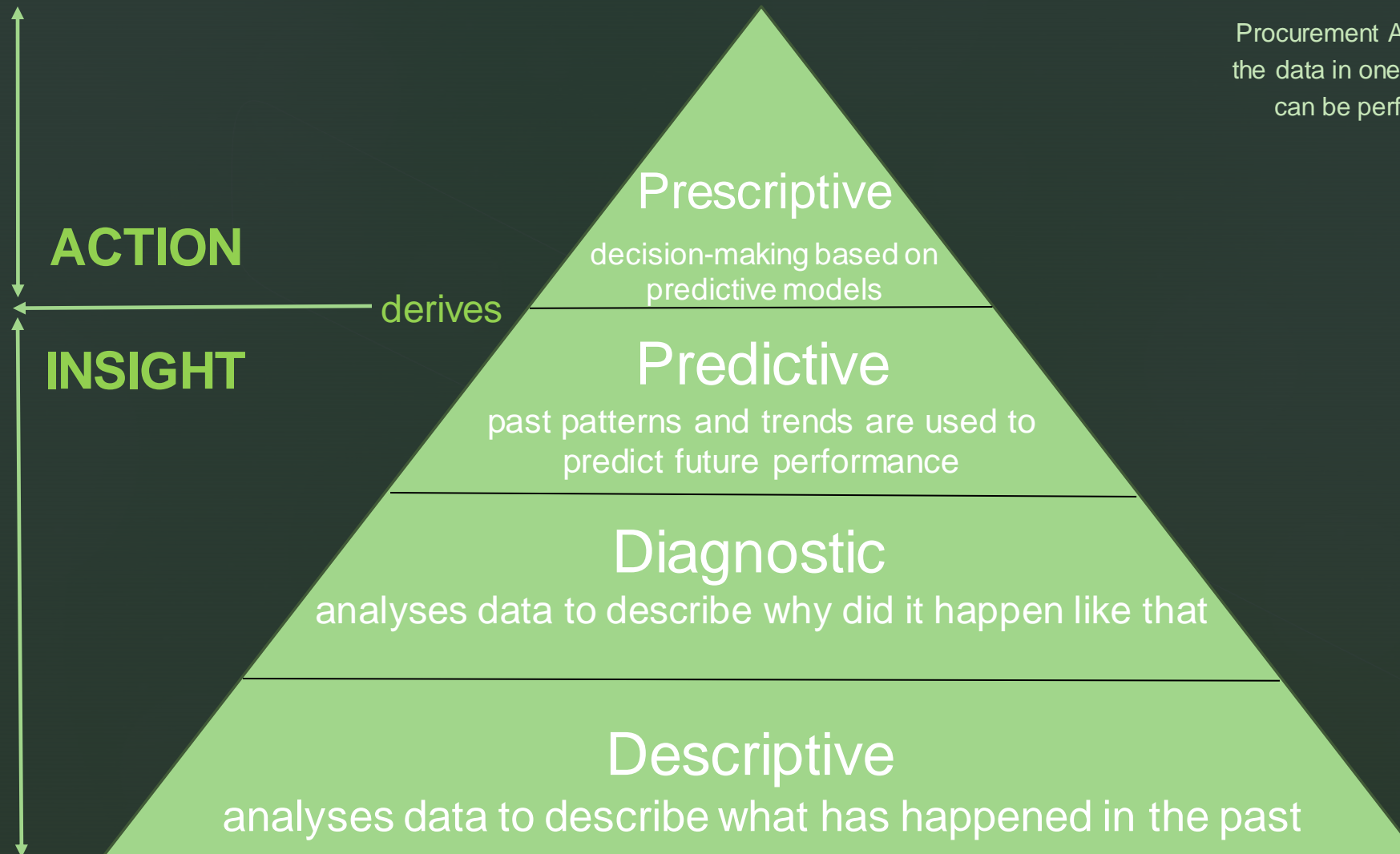
# Procurement Analytics

**Procurement analytics** is the process of collecting and analyzing procurement data for business insights and effective decision-making.\*



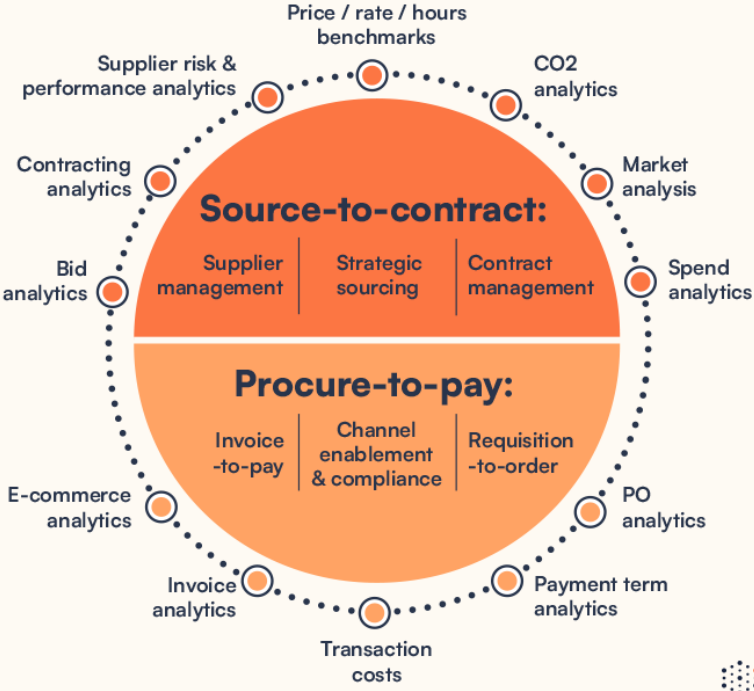
\*definition retrieved from <https://sievo.com/resources/procurement-analytics-demystified>

# Types of Procurement Analysis



Procurement Analytics centralizes all the data in one place so that analysis can be performed regularly, using automated processes

# Examples of Procurement Analytics



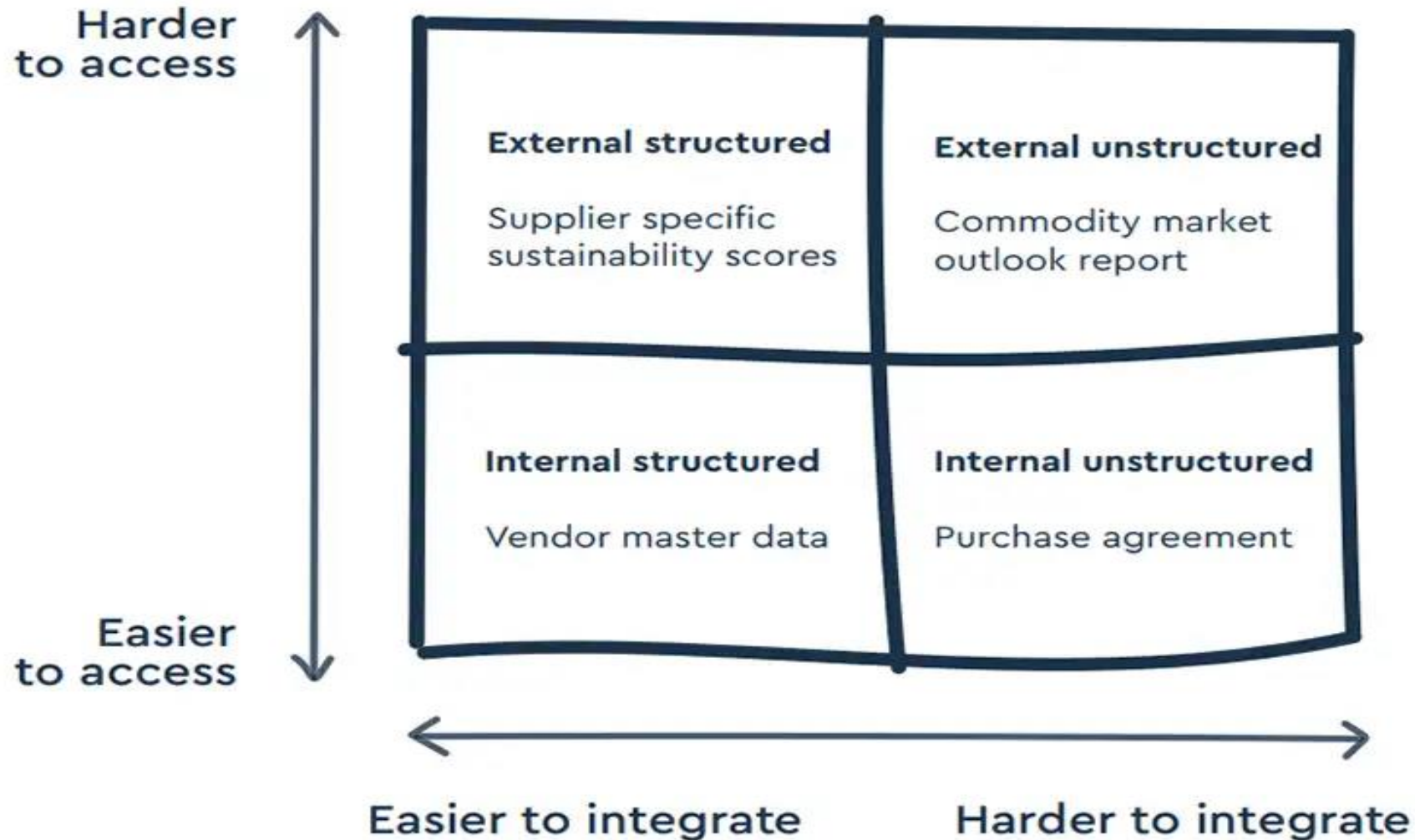
all credits for these two slides go to IgniteProcurement

## Data Sources Used for Procurement Analytics





# Dimensions of procurement data & their ease of access and integration





# Steps of Procurement Analysis

D

A

T

A

Extraction

Cleansing

Categorization

Enrichment

Reporting

Analysis

## Resources used in this presentation

<https://www.ignite.no/blog/procurement-spend-analytics>

<https://oboloo.com/blog/what-department-does-procurement-fall-under/>

<https://sievo.com/resources/procurement-analytics-demystified>

Thank you,

Bianca Diana Șmalbelgher