How can you integrate a new eProcurement-system with your existing processes in order to reduce failures and improve user interface?

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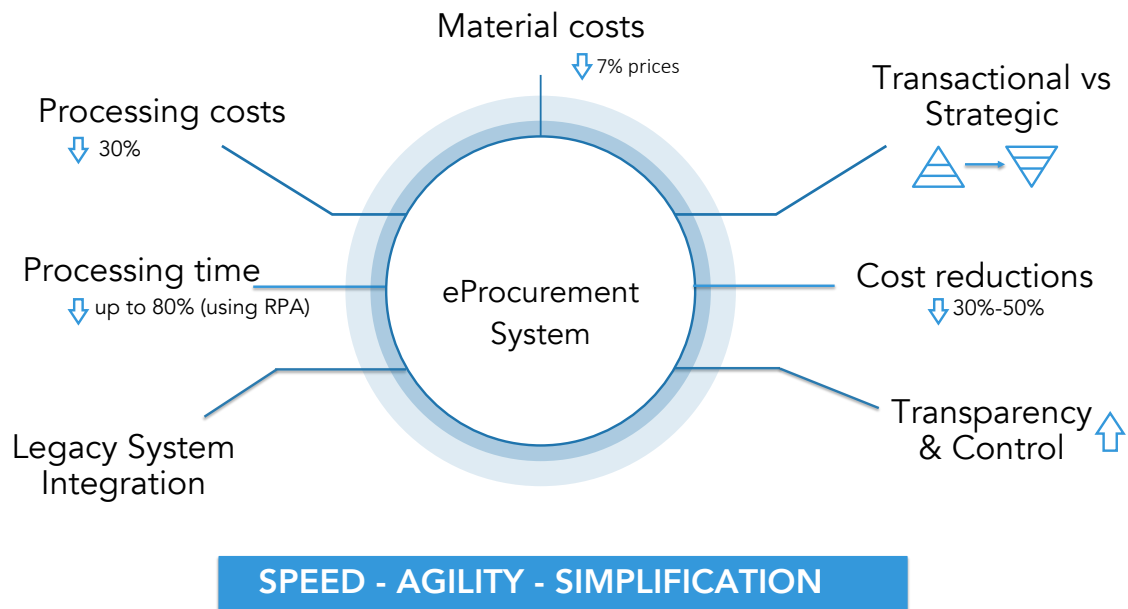# ProcureConEurope 2018 - Prague

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Executive Summary - Do's and Don't

- Focus on People, Data, Processes and Technology - in this sequence.
- Do not select your system vendor by technology only - make it a business driven decision - does the system fit your business and your vision
- Involve the users in selection and design phase - emphasis on user experience and customer journey
- A tool/system is NOT going to solve your existing process issues - fix your data and processes before you start implementing
- Have a digitally enabled business strategy guiding your selection
- Think big and scale upwards
- Get back to basics - Data management, Data governance, Data structures

Presentation notes

Looking at the common use of technology in procurement organisations it remains still an area of change and transformation, where only roughly 55% of companies have implemented a kind of technology in their organisation.

Material costs
⇩ 7% prices

Processing costs
⇩ 30%

Transactional vs Strategic

Processing time
⇩ up to 80% (using RPA)

eProcurement System

Cost reductions
⇩ 30%-50%

Legacy System Integration

Transparency & Control ⇧

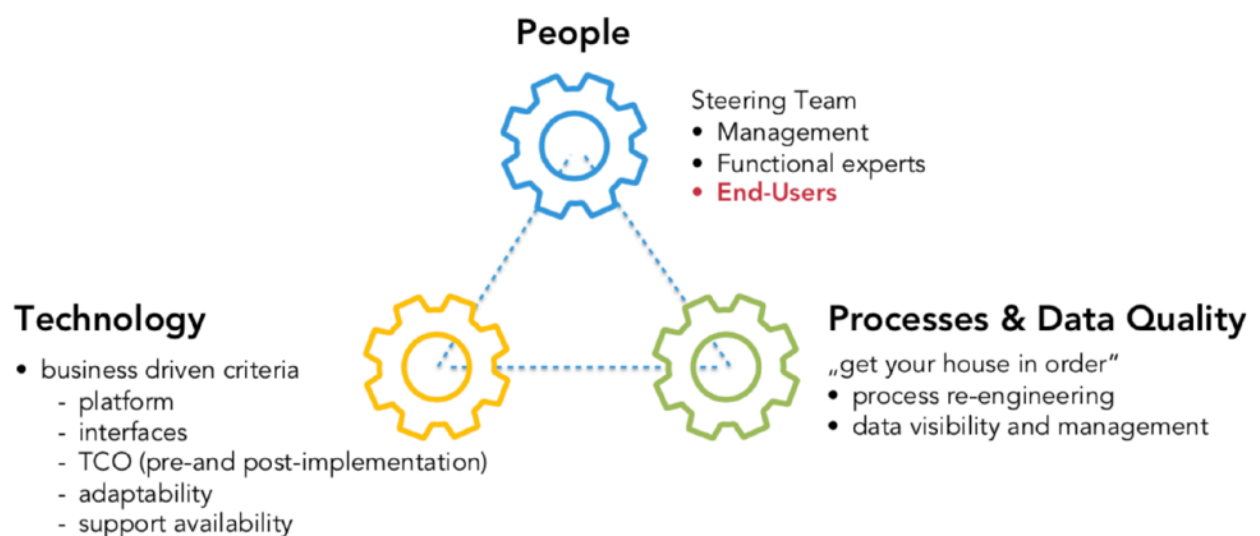**SPEED - AGILITY - SIMPLIFICATION**

eProcurement system implementations, just like other procurement technology, are still running disappointingly slow, the adoption rate in terms of usage is below 50%, and the technology is not new. There are implementations that last not month but years and will never come close to the return on investment envisaged, which in consequence leads to a replacement exercise, which is costly, timely and tiresome if the basics are not done right from the beginning. And we should know better, Software projects are around for decades and can be managed pretty well.

New technologies such as AI, Blockchain, RPA and others are piling up, providing fancy new features without touching the essence of the problem - Data, Processes and People.

A lot of companies have figured after years of implementation and costly customisation the the process may not be fit for purpose, not for their business, nor for their users - this applies in particular to the mentioned new technologies. Remember - a tool is never going to solve such issues, it may speed them up somehow, but may just simply add another layer of additional manual work to the equation.

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Technology needs to support your business, your vision, your users

Processes & data quality - „Data is Gold" - high quality data leads to better data visibility and thus to new and better strategies and tactics

Important note: Data-on and off-boarding, especially within the context of cloud solutions require special attention. GDPR and Data Security provide another dimension of ensuring steady data management.

People - Implementations are to be run as change programs involving people up- and downwards, select carefully and ensure steady mgmt. support.

One of the most underestimated and decisive factors of a software implementation, the actual use of it - which turns out to be a real deal breaker - the user experience or customer journey.

Who is your customer?

Customer Journey Mapping positively influence user experience involve digital natives

Drive adoption with user experience Look at greater choice of devices Delight your customer

Simplify - Simplify - Simplify
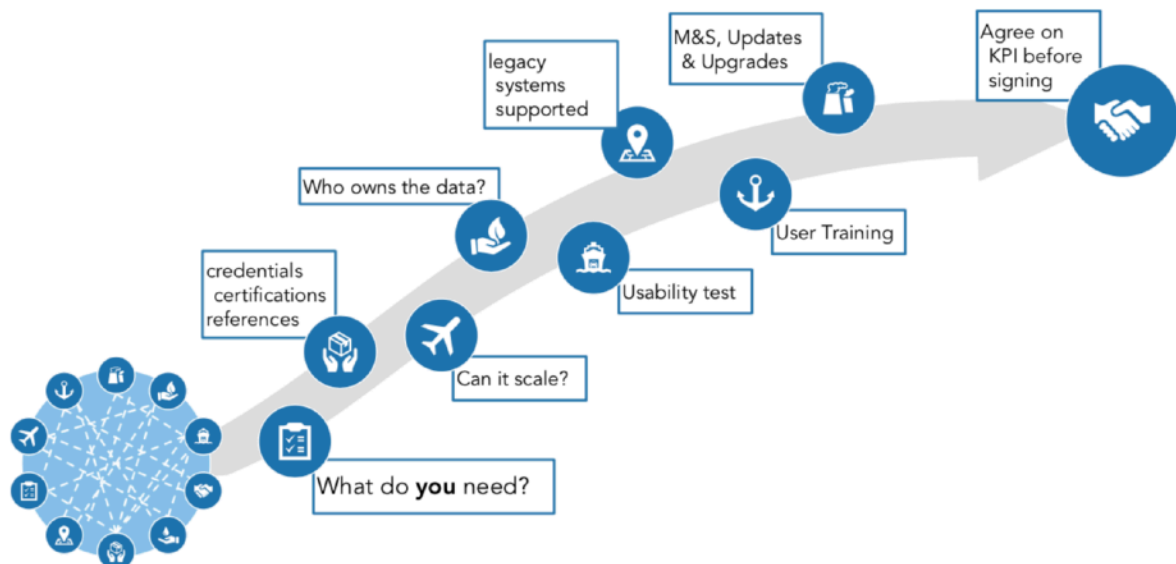(screens, documentation, rules, buying guides etc.)

Looking at the user interface, it is essential to figure out „who is your customer" - it is not the technology provider, who sells you the shiny side of the technology and its capabilities and it is not your IT department, that mainly focusses on the technological implementation and maintenance of it, it is the end-user and your business - remember „Business Operations beyond IT"

Especially with large systems it is highly recommended to run a customer journey exercise, before you start selecting the vendor - or you do involve the end-user in the selection process to get the end-user buy-in early in the process. The involvement of digital natives is especially for the ones who are around in the business for some years, if not decades, a very useful approach, if you want a lasting user impression.
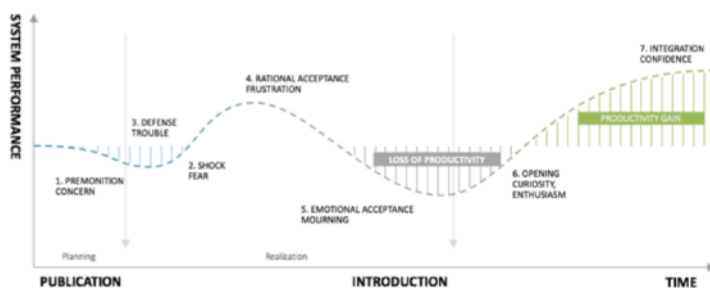
Key-principle is, no matter whether you run a customer journey or user experience exercise, focus on Simplification. This is what will decide about making or breaking your implementation.

A quick side-look at eProcurement and RPA - some of the challenges of eProcurement solution integrations can actually be addressed using technologies like RPA, or for tech-tech-savvy ones, using AI or Cognitive

Analysis. The dramatical increase of data volume and deep insights access to information via electronic systems and the convergence of eProcurement in S2P, S2S or similar systems provide soon further challenges in terms of data visibility and data maintenance. When selecting a technology provider you need to continue looking at the TCO - including Data Management, Process-Management and Maintenance.

The competence trap - businesses do what the enjoy - have always done it, and do it well - no focus on the user/customer

Kill your „babies" - web of existing relationships with stakeholders and suppliers, stick to processes - unwilling to break away from old ways of doing things and trying something new

Implement change - it's all about the mindset- manage the transition, user/ customer involvement - have a business driven, not a technology-driven implementation

drive adoption by user experience - use your digital strategy to implement - manage your data

Every implementation needs to be steered by your digital strategy - a strategy that in a minimal scenario focussing on the technology to be used, for what and by whom (including a talent strategy).

Wrapping up - there are three main factors that decide if an implementation works or remains a painful experience. Technology - Processes&Data Quality - People - the essence is to get **back to the basics**. The objectives of every procurement related digitisation are Speed - Agility and Simplification. To integrate and align the three factors you need a digital strategy, which needs to be comprehensive - i.e. looking at digitisation, automation&integration, supporting upwards and downstream activities, considering internal and external customers. And it goes without saying the digital strategy needs to be in full alignment with company strategy and goals.