Business Success Rests on Collaboration Between Procurement and Compliance Teams

To earn the loyalty of modern consumers, companies must be able to meet an increasingly complex set of demands. Responsibly sourced, sustainable products and services; diverse suppliers and consistently ethical business practices are now minimum requirements for companies seeking to cultivate a brand worth investing in.

Fostering Collaboration Between Procurement and Compliance

1. Develop a risk-based program that accounts for both teams

Companies with well-defined risk-based programs that take into account the concerns of both parties and cover all aspects of the onboarding, due diligence, and monitoring processes are more likely to meet these goals. When both teams agree on which third parties carry the greatest risk — and are in alignment on how risk thresholds are defined and used — you'll see more consistent and effective decision-making.

You'll require a tool that can collect specific data on a given entity, as you can then analyze that data to determine appropriate risk ranking. The most difficult part is taking time to agree upon which metrics to account for. Once it's done, invest in technology that will be easy for your company to implement.

2. Develop consistency in process and language.

It's not uncommon for different departments within the same company to have entirely different procedures in place — along with their own unique terminology and jargon — to achieve objectives. If you find this issue while working to integrate your teams, consider creating an internal leadership position tasked with standardizing processes and language across departments. A strong collaborator who's able to influence employees across departments to reach consensus will be best-suited for the role.

3. Make technology a common denominator.

If your procurement and compliance teams rely on different tools to give them the information they need, it's likely that neither team has a complete or consistent view of third-party data. If you want to foster greater collaboration, it's essential that you provide both teams with one comprehensive, automated workflow solution.

Digitizing processes offers competitive advantages that you often won't realize until you experience them firsthand. By using one tool to identify, analyze and store third-party information, you're eliminating opportunities for error associated with time-consuming and expensive manual efforts.

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