

NEW SOURCE-TO-PAY STRATEGIES EMERGE IN THE WAKE OF COVID-19.

Organizations have to revamp their sourcing strategies to ensure agility, resilience, and stability, and a measured approach that reduces organizational risk. This requires automation, visibility, control, and the consistent application of best-in-class source-to-pay processes.

New Strategies in Sourcing New Qualified Suppliers

To source, new qualified suppliers' companies are responding with fresh procurement strategies like online auctions and sourcing events as well leveraging procurement marketplaces such as Amazon Business. Apart from this, cloud-based supplier portals can be used to lighten the administrative workload. Integration to external ecosystem partners to access procurement marketplaces such as Amazon, supplier insights through Dun and Bradstreet, and electronic signature validation through DocuSign empowers the organization to streamline informed decision-making.



Streamlining Supplier On-boarding and Contracting:

A supplier portal can play a vital role in speeding up supplier onboarding and contract processing. This indeed helps organizations to create and manage contracts with greater efficiency, visibility, and audit control. Today's technology can auto-generate contracts based on pre-prepared information plugged into the system beforehand and from the RFP previously submitted to ensure supplier information accuracy.

Ensuring Performance Management Controls

Technology plays a key role in understanding the performance of the suppliers by helping organizations establish milestones, enforce terms and conditions of the supplier's relationships, and implementing and tracking the KPIs of suppliers. Ongoing supplier performance monitoring should include timely deliveries of goods, product quality, stock availability, and satisfactory customer service and communication.



Invoice Automation

Invoice automation can provide benefits in cycle time reduction and reducing late payments, especially if the new contract generates high invoice volumes. It can also reduce fraud and support "touchless" processing to reduce accounts payable costs. Additionally, tracking cost savings secured with any new supplier should be communicated back to the wider business to showcase benefits to the bottom line.

The pandemic has exposed inherent risks and instability in supply chain. Hence there is need for procure-to-pay strategies to improve resilience and agility. Today's digital supply management platforms and tools improve operational visibility and streamline decision-making within an organization and with suppliers. This enables organizations to revamp their supply chains to successfully weather whatever is next.

Excerpts: <https://futureofsourcing.com/new-source-to-pay-strategies-emerge-in-the-wake-of-covid-19>