

**PROCUREMENT 2025 –
THE FUTURE LOOKS BRIGHT?
(הנבואה ניתנה לשוטטים)**

**Hezi Halavia
Mashik conference
May 2019**

agenda

- ✓ **Procurement – My view**
 - ✓ **Vision**
 - ✓ **Procurement Fundamentals**
 - ✓ **“Don’t Compromise”**
- ✓ **Procurement NG**
 - ✓ **The challenge**
 - ✓ **Key Tech Trends and Disruptors**
- ✓ **RPA**
- ✓ **Back to basics**

PROCUREMENT VALUE PROPOSITION – MY VIEW

Vision

Contribution ~~support~~ to Company strategy, business and
profitability by providing competitive commercial and business
Procurement services

Key factors for a successful Procurement

- CEO commitment
- Code of Ethics
- Max managed spend
- Policy – Company level
- Procedures – internal and company level
- Savings – contribution to the bottom line
 - Negotiation Vs Alternatives

Don't compromise...



NICE • inContact

NICE®

Don't compromise...

- Executive management commitment
- Customer (internal) Information –
 - Business needs (Short/long term)
 - R&D/Product road map
 - End customer added value and willing to pay
 - Etc...
- Market research
 - Current solution – cost, risks, CSAT, replacement cycle...
 - Alternatives – competitors, benchmark, rates, risks...
 - Long term approach – on premises, cloud – private/public
- Results driven

PROCUREMENT NG

The challenge

Increasing the analytical expertise and data management sophistication of the procurement function.

Procure-to-Pay : 3 Key Tech Trends and Disruptors

- **Robotics, Machine Learning (ML) and Artificial Intelligence (AI)**
 - Adopting ML and AI technologies will gain productivity and will enable complex P2P scenarios
 - Procurement team will be more focused on strategic, business and finance
- **Big Data, Analytics**
 - The ability to handle and analyze structured and unstructured P2P data to make better-informed decisions and improve buying, spending, and payment outcomes
- **Blockchain – early stages...**
 - The ability to program activities when matches occur. (Supply chain traceability)

RPA – Robotic Process Automation

- **Managing the tactical procurement activities:**
 - **Transactional – PO processing (Including attachments scanning and review)**
 - **Backoffice – Agreements automatic upload (including all relevant attributes)**
- **Negotiation**

Employee personal attendant

NEVA: Every employee's personal attendant.



NEVA helps your employees' performance by:

- Providing real-time guidance and next-best-action recommendations
- Delivering rich, contextual data, directly to the employee's desktop, drawn from multiple systems
- Offering on-screen compliance prompts
- Executing routine tasks, on behalf of the employee, quickly and accurately
- Enabling great customer service with a human touch

Big Data

- **Big Data Analytics**
 - **Data sources – Internal and External (Market researches, Academic, Competitors actions Procurement records, Recording/summary of meetings, ...)**
 - **Automation – Getting relevant information in one click**
 - **Transparency – Get the data “As-Is”, filtering human’s opinions**
 - **Prediction**

Artificial Intelligence (AI) and Machine Learning (ML)

- Data-focused approach
- The main benefit of AI is not just around transactions / tactical help
- Becoming information hub for all corporate and business units (tools, risks, Potential savings, consolidations, business models, commitments)

Main added value - Business insight and business foresight

for the company

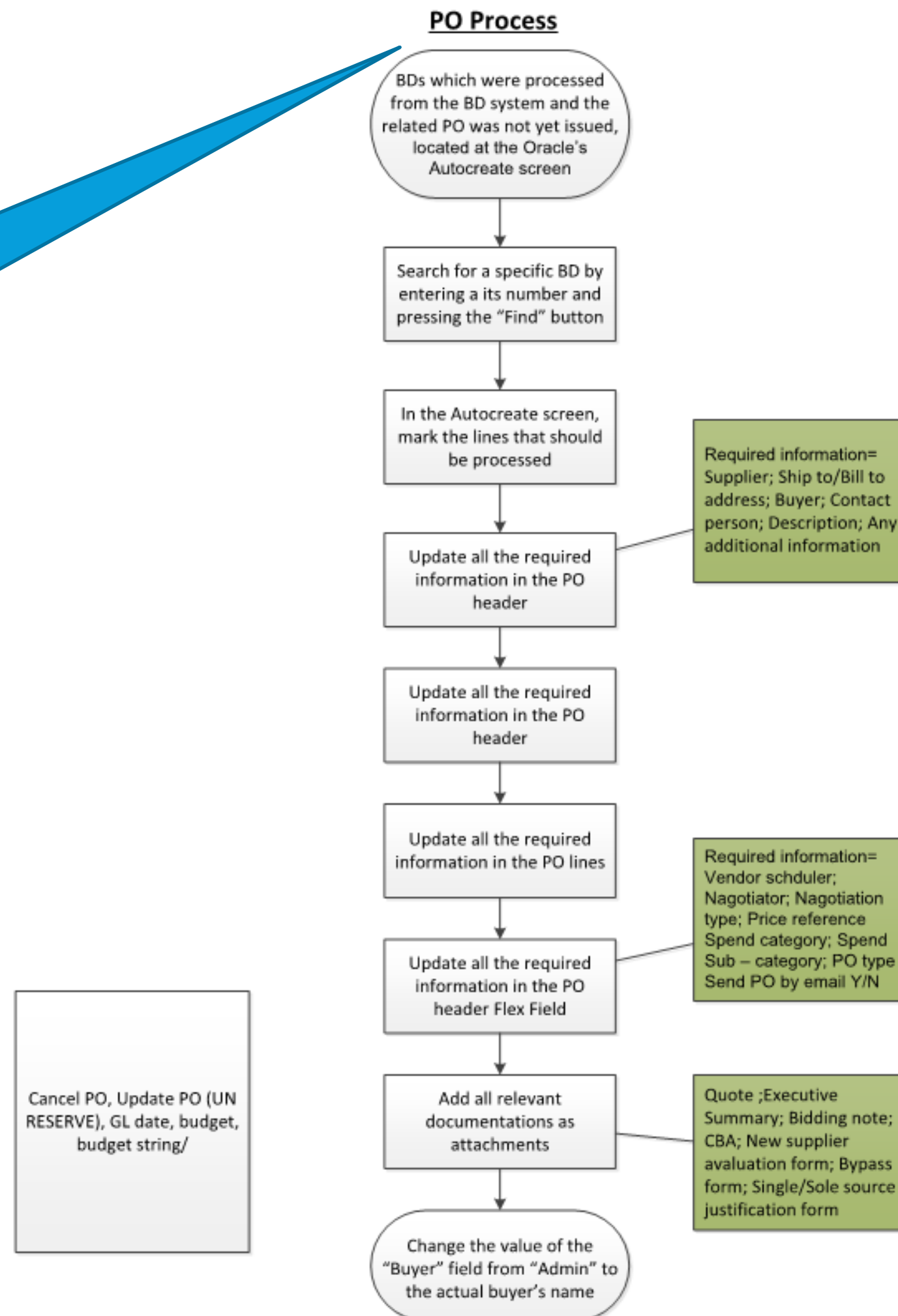
- Procurement positioning as strategic partner to the business instead of supporting the business.

RPA



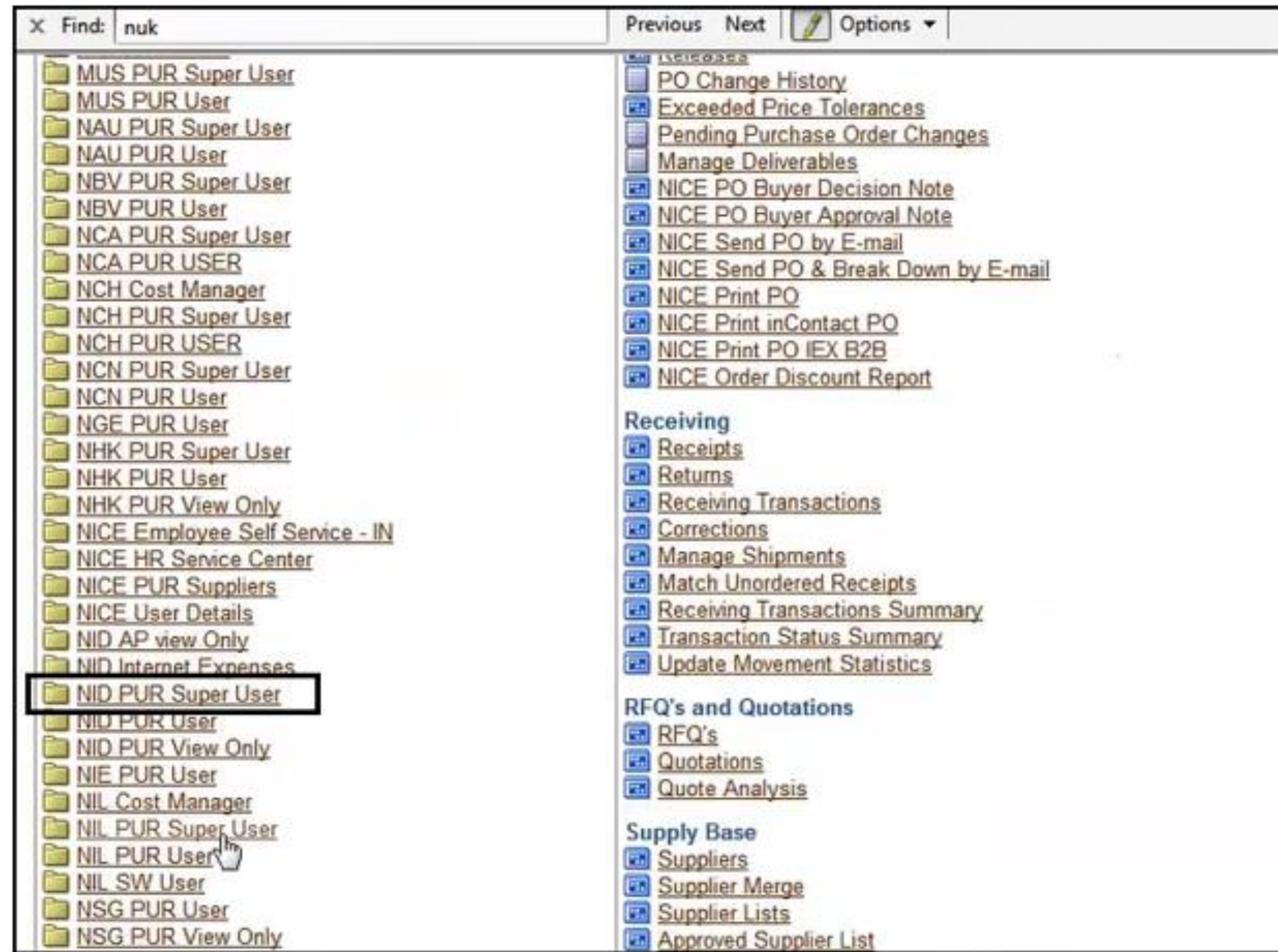
1st step...

Choose a process to begin with



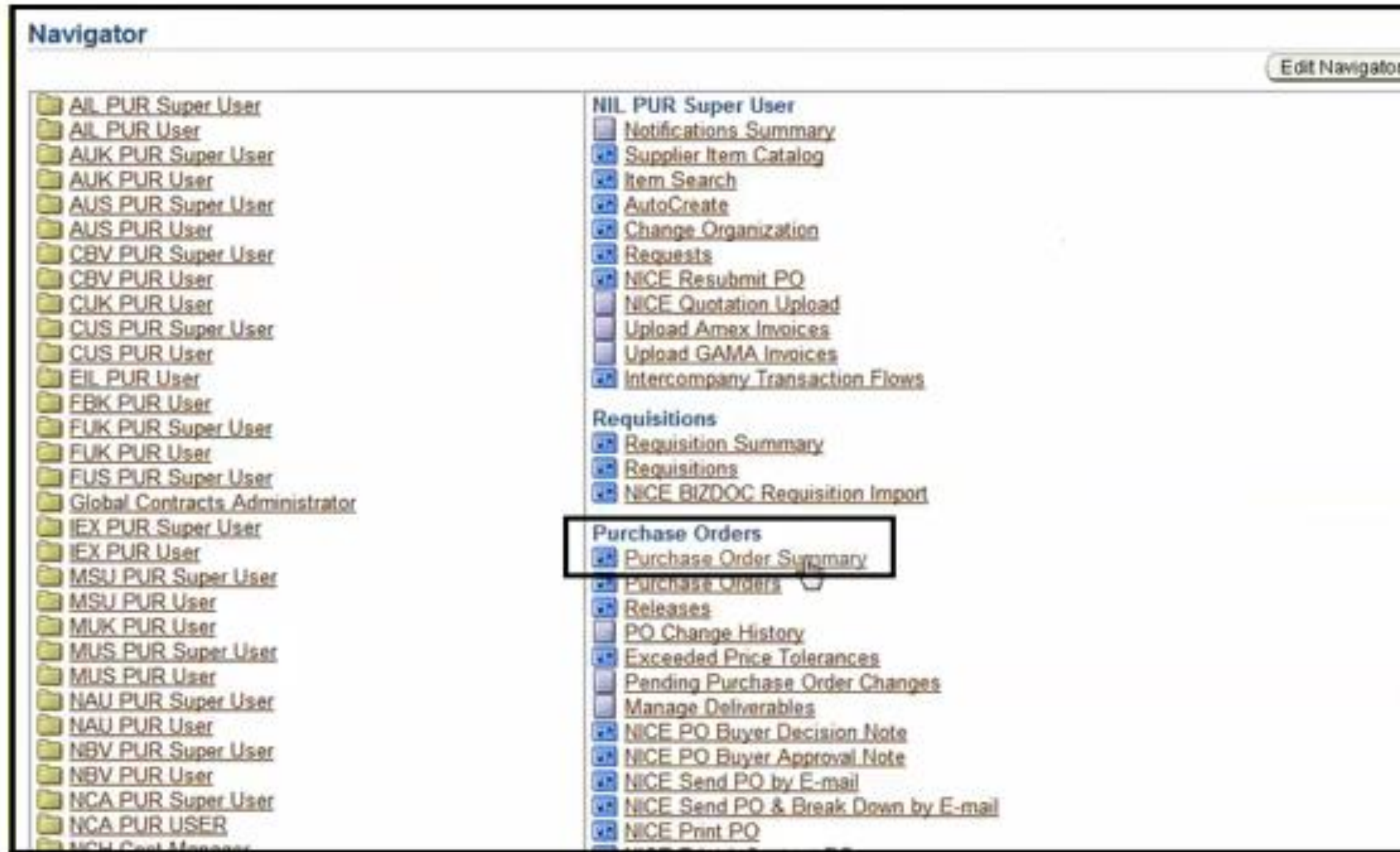
Screenshots

2.1 Search <Oracle Responsibility> in Oracle webpage and click on it

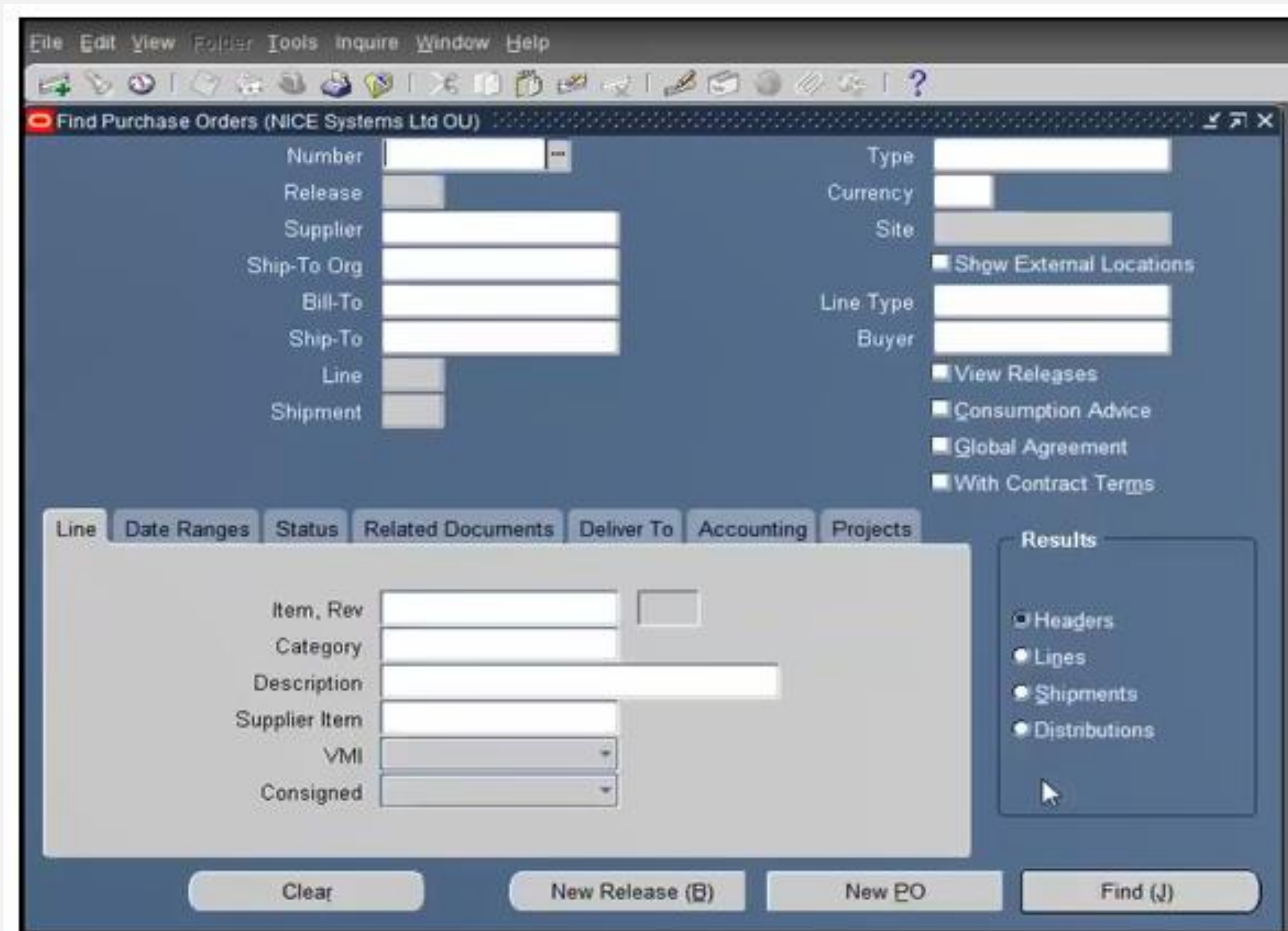


Screenshots

2.2 Search for "Purchase Order Summary" and Click on it to open Oracle Form



Screenshots



File Edit View Folder Tools Inquire Window Help

Find Purchase Orders (NICE Systems Ltd OU)

Number Type

Release Currency

Supplier Site

Ship-To Org ☐ Show External Locations

Bill-To Line Type

Ship-To Buyer

Line ☐ View Releases

Shipment ☐ Consumption Advice

☐ Global Agreement

☐ With Contract Terms

Line Date Ranges Status Related Documents Deliver To Accounting Projects

Item, Rev

Category

Description

Supplier Item

VMI

Consigned

Results

☒ Headers

☐ Lines

☐ Shipments

☐ Distributions

Clear New Release (B) New PO Find (J)

Screenshots

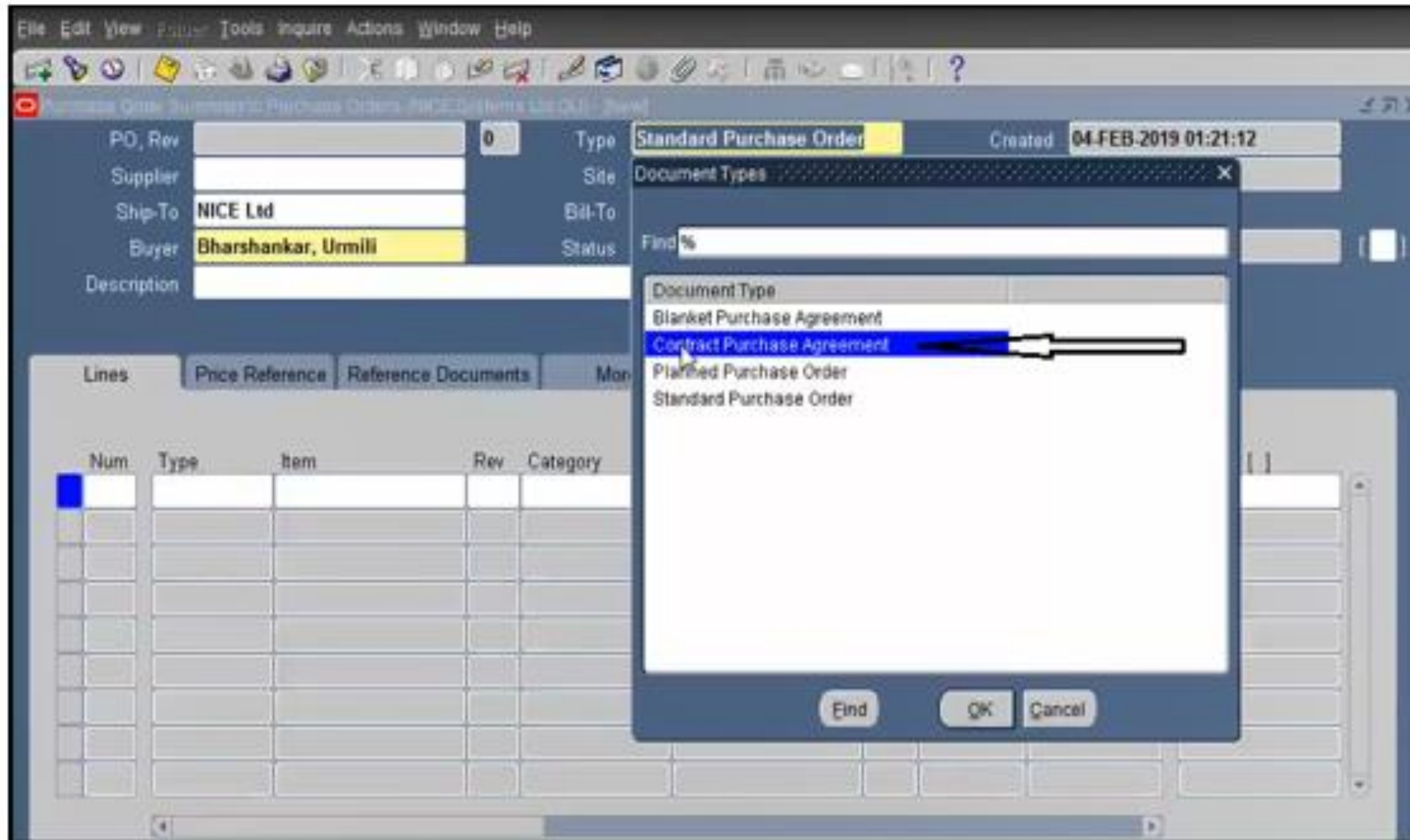
2.4 Click on drop down in Type field and select "Contract Purchase Agreement"

The screenshot shows a software window titled "Purchase Order Summary to Purchase Orders (NICE Systems Ltd OU) - [New]". The interface includes a menu bar (File, Edit, View, Format, Tools, Inquire, Actions, Window, Help) and a toolbar with various icons. The main form contains several fields:

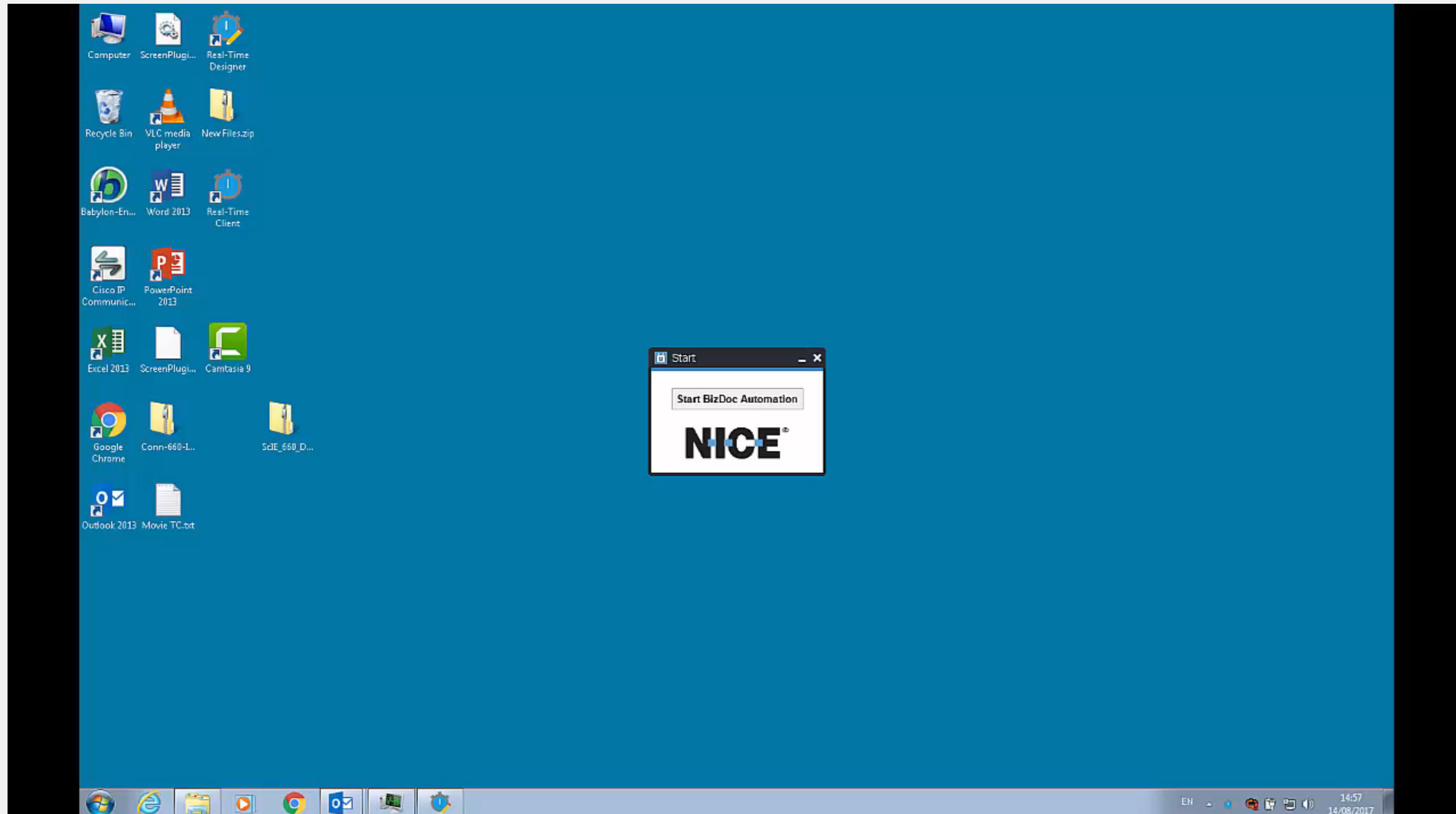
- PO, Rev: 0
- Type: Standard Purchase Order (with a dropdown arrow)
- Created: 04-FEB-2019 01:21:12
- Supplier: (empty)
- Site: (empty)
- Contact: (empty)
- Ship-To: NICE Ltd
- Bill-To: NICE Ltd (New Bill To PO Box)
- Currency: USD
- Buyer: Bharshankar, Urmili
- Status: Incomplete
- Total: 0.00

Below the form is a tabbed interface with tabs for "Lines", "Price Reference", "Reference Documents", "More", and "Agreement". The "Lines" tab is active, showing a table with the following columns: Num, Type, Item, Rev, Category, Description, UOM, Quantity, Price, and a final empty column. The table is currently empty, with the first row highlighted in blue. At the bottom of the window, there is an "Item" field.

Screenshots



Robot @ work 😊

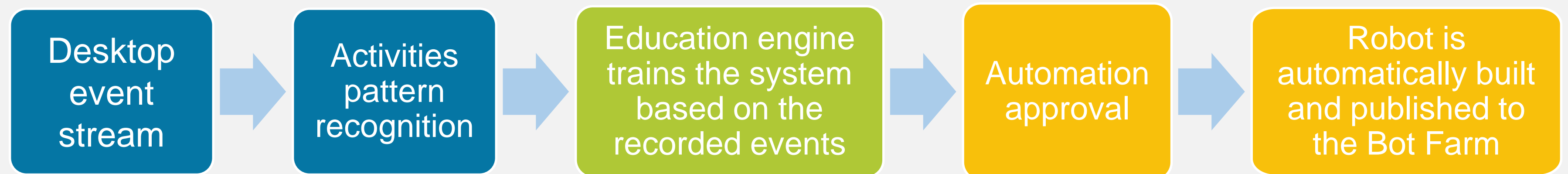


Automation Finder

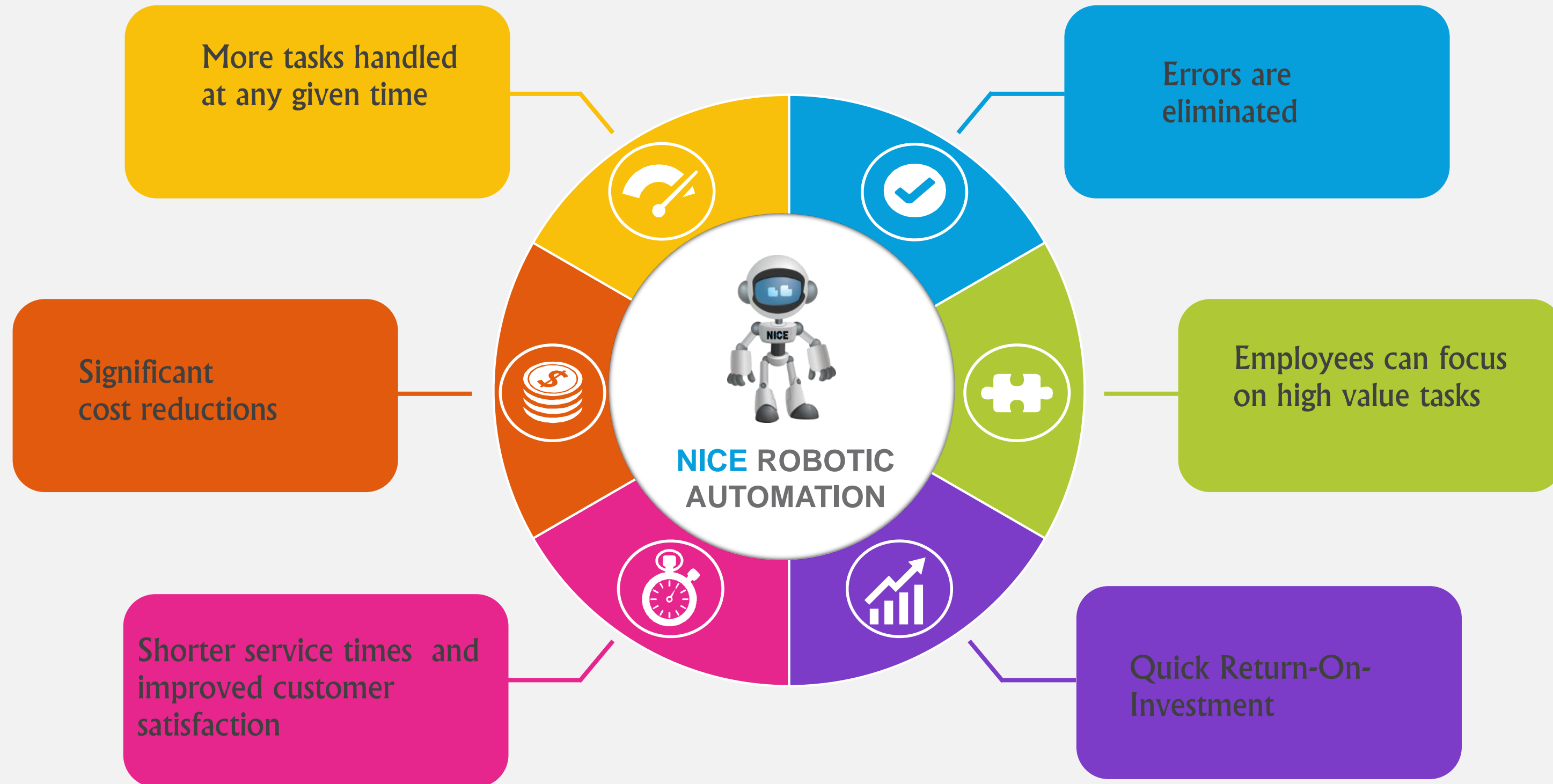
- Provide a complete automation solution by incorporating our unique desktop analytics and machine learning capabilities to automatically identify and build processes
- High saving potential – faster automation TTM



- The process



In Summary





Focus on what really counts!!!

BACK TO BASICS

**It is still a challenge for Procurement
to even have an accurate understanding of what
an organization's total spending is**

NICE technologies BUT Technology Is Not Everything

- CEO and CFO backup
- Company 3-5 years strategy – be informed even with confidential discussions
- M&A's plans and involvement
- Early engagement, what the customer need Vs what the customer want
 - Cycle time
 - Negotiation position
 - Ethical issues
- Leading business overview – vendors alternatives, cost & risk analysis on periodical base...
- Partner of choice
- Looking for alternatives Vs Negotiation skills



**Always keep in mind the human
component!**

Thank You!