Modernising
Supplier
Enablement

In the following pages, we have shared:

- The value and impact of supplier enablement
- Expert guidance from procurement's thought leaders
- A best-practice supplier enablement framework, co-created by procurement thought-leaders, Candex and ProcureTech
- The future of supplier enablement

Foreword

Supplier enablement is no longer just a 'nice to have'. Today, it is a critical part of future-proofing procurement.

Modern supplier enablement is a proven science: by improving the way supplier enablement is approached, **suppliers are empowered and procurement is strengthened.**

Yet despite the benefits available, many organisations continue to neglect this.

In an increasingly complex risk and compliance landscape, both procurement and suppliers are dependent on supplier enablement technologies, as the **most effective means to collaborate, innovate, and ensure dependable regulatory compliance.**

With these solutions in place, suppliers can better align with organisational objectives, through dependable and streamlined processes. Meanwhile, improved buyer transparency and the reduction of cumbersome administrative processes drive increased collaboration, trust and efficiency.

The **Supplier Enablement Framework** provides a detailed guide for procurement teams - in organisations of all sizes and industries - looking to assess and evolve their supplier enablement practices.

By taking the steps of simplification, automation, empowerment, collaboration, diversification and innovation, we can all ensure more value is delivered from supplier engagement.

> *In today's world, procurement teams must deliver value on multiple fronts, including resilience, product innovation, and ESG initiatives. The foundation of these efforts is a robust supplier relationship, enabled by digital technologies, enhanced communication, and data leveraged to optimise performance and collaboration. While often underappreciated, this aspect is crucial and deserves more attention. **Stimulating discussions around supplier digital enablement is essential, as it forms the essential groundwork of effective procurement strategies.**

Eduardo Chrispim
Head of Procurement Excellence, BAT

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The value of supplier enablement technology

Supplier enablement encompasses everything from administrative capabilities (accessing buyers, onboarding suppliers into an organisation, collecting their data and adding it to a master record) to financial management (ensuring payments are received, goods and services are sent, and the agreed-upon service is provided).

It is a comprehensive set of capabilities, beyond the overall management of the relationship, which enables the supplier and buyer to work together collaboratively, and implement forward-thinking approaches.

As such, supplier enablement technology focuses on **facilitating the onboarding and continuous engagement of suppliers onto a company's procurement platform.** This technology aims to **simplify and streamline processes for suppliers to interact with the buying organisation,** ensuring they can **efficiently transact and collaborate.**

In doing so, these technologies lead to **universally higher standards of supplier experience, efficiency and effectiveness,** while helping to **drive increased supplier diversity, and freeing up more time to focus on innovation.**

Over the last 10 years, the importance of supplier enablement has become far more widely recognised. Previously, supplier enablement was an administration-heavy activity, and organisations saw little value in efficiently managing relationships, pursuing joint ventures, or correctly assessing supplier risks.

Now however, **the link between strong supplier relationships and long-term advantages for procurement is widely recognised.**

> **❝** *It was a management decision to invest, but it was based on the fact that we saw we had more and more risks, and (as we see now in Europe as well) there's more and more regulation coming into play.*
>
> **Nils Andersson**
> Director, Digital Procurement and Development, Orkla

The cost of manually enabling suppliers

In previous years, supplier enablement was both largely underappreciated and hugely manual. This was exacerbated even further as businesses grew, because (through internal requirements, regulations, etc) extra complexity was layered onto this already cumbersome process.

Typically, supplier information management would involve the buyer requesting high volumes of information, and entering it into a very bespoke location (most commonly a spreadsheet). Finally, this would be filed away somewhere, to be promptly forgotten about.

It was a very uninteractive process, with procurement either going through a tick-box process, or gathering information for information's sake. With such a high volume of manual processes, this created widespread process fatigue.

With supplier enablement technologies, this frustration can be alleviated for all parties. Now, organisations are increasingly focusing on the interactivity of this process, while minimising its complexity. In particular, the pursuit of **establishing clear channels of communication and collaboration between both sides, regardless of the size of the supplier.**

Best practice supplier enablement requires **collaborative systems and portals, so that you can conveniently cooperate on supplier enablement processes, and collectively resolve any issues that arise.** This could be an invoicing issue, a delivery issue, or a potentially relationship-damaging issue that has just arisen. Regardless, by having those clear lines of communication and collaboration, the entire supplier enablement process and relationship are strengthened.

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How technologies are advancing supplier enablement

Why are organisations adopting new supplier enablement technologies, and how can technology enhance supplier enablement approaches, in ways that non-technological approaches can't?

Buyers and suppliers are usually inherently quite disparate, distinct organisations. By their nature, the ways that the supplier and the buyer organisations are set up are going to be very different from each other.

As a result, **the way that you communicate has to be through dedicated channels, methodologies, systems and platforms, which make the experience of talking to each other slick and seamless.**

The key to achieving this is technology; sending emails is no longer sufficient. Without that dedicated system or technology, the interface is rudimentary and ill-suited. Usually, the alternatives will depend on spreadsheets, isolated documents being sent backwards and forwards via email, and time-consuming email chains and phone calls. This can make it difficult to reach the right point of contact, and often leaves key points lost in translation (or abandoned in an inbox).

So, having a dedicated channel to communicate and collaborate on supplier enablement activities drives significant performance improvements, in terms of productivity, quality, efficiency, and reducing the administrative burden associated with keeping track of lots of different conversations.

Without technology in place, you are sacrificing extensive time and productivity for the management of just one supplier. Then, if you extrapolate this across the tens of thousands of suppliers that it is common for larger organisations to have, the process becomes entirely unmanageable. **At that stage, you're mostly just stuck firefighting.**

In parallel, your suppliers will be facing the challenges of interoperability between multiple procurement systems, leaving them with a swathe of unique processes to tackle. But, with well-integrated solutions like supplier enablement technologies, dealing with your organisation can be made frictionless and hassle-free.

> *Unleashing the full potential and power of the supplier base has to be a critical priority for procurement. Exceptional supplier enablement and experience are fundamental to this.*
>
> **Lance Younger**
> CEO and Founder, ProcureTech

Addressing supplier and buyer frustrations

Recent supplier enablement advancements have focused on significant automation of the most administration-heavy activities.

Whether it's checking that invoices have been correctly logged and paid, or performing onboarding checks, procurement's leveraging of robotic process automation, machine learning and AI has been one of the biggest drivers of efficiency.

But, analytics-driven insights are enabling value far beyond just compliance and efficiency. Supplier enablement technologies make the whole experience - on both sides - much more enjoyable for those involved.

Rather than depending on emails and manual, labour-intensive, back-and-forth communication, a system can provide instant feedback on queries. As such, supplier enablement solutions can give procurement the ability to support both sides in the most effective ways, and consistently get to the quickest outcome.

In turn, this improves experiences whilst strengthening the relationship overall (as suppliers are empowered, and typical sources of frustration are alleviated).

Namely, suppliers are no longer treated as a repository of information. Instead of buyers asking them long lists of questions for the sake of data gathering - and them having to provide that same information over and over again - **implementing an intuitive and centralised supplier enablement system puts more of the admin in the hands of the technology, while other supplier enablement activities (like relationship and risk management) become the primary focus of human teams.**

This seamless information transaction paves the way for constructive conversations around the actual deliverables of suppliers, and open discussions around the future roadmap for the relationship, or strategic opportunities that are going to unlock significant value.

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The key benefits of supplier enablement technology

Each of the contributors to this research ranked these seven qualities, in terms of how important supplier enablement technology is to achieving them.

50% of contributors ranked securing supplier transparency and compliance as the most important quality.

1 Securing supplier transparency and compliance

Across your network of suppliers, achieving complete transparency, including Tier 1, 2 and 3 suppliers. This includes transparency surrounding the origins of materials, emissions, social responsibility and financial health. To this aim, procurement should also have ready access to their suppliers' relevant certifications, proof of compliance with laws and regulations, and risk management protocols. To enhance the reliability of this transparency, procurement can use technologies to establish continuous monitoring and real-time updates.

2 Saving time for both parties

Saving time can be achieved by streamlining processes and using new technologies. For example, procurement can automate key processes (thereby reducing the number of manual tasks), or use analytics to improve the way decisions are made about routine tasks, or strengthen communication with their suppliers.

## 3 Standardising internal and external processes

Adopting industry standards and best practices are essential parts of standardisation efforts, as they ensure supplier practices are aligned with global benchmarks. With standardisation, procurement can maximise efficiency, while reducing the risk of manual errors. Examples include using standardised contract and reporting templates, onboarding processes, and performance evaluation metrics.

4 Simplifying administration

This involves generally reducing complexity or saving time for administrative processes, while maintaining high levels of accuracy. Common areas include invoicing, payment, reporting and auditing. One key approach is using integrated solutions, which alleviate the need for multiple systems.

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The key benefits of supplier enablement technology (cont.)
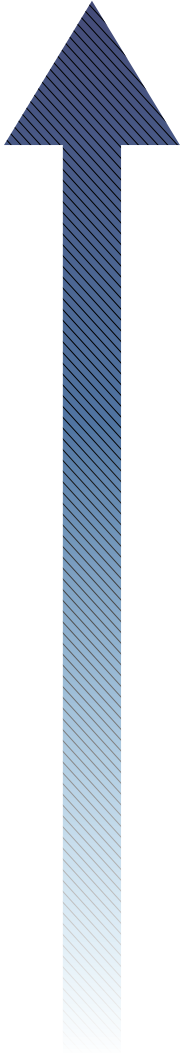
5 Strengthening supplier collaboration

With strengthened collaboration, procurement and suppliers create an environment that is open to sharing ideas, and presents regular opportunities to work together. Collaboration can be used to optimise the supply chain, co-design, customise, or develop new products or services, share insights, and support demand planning and forecasting (to name a few).

6 Building robust supplier relationships

Helping procurement to build a relationship with its suppliers that is dependable and future-proof. This means not only ensuring a strong relationship, which is well-established to navigate future uncertainties, but also creating a foundation of trust between both parties.

7 Improving innovation

Establishing innovation in supplier-procurement relationships can involve identifying new ways to manage risks or improve sustainability standards, or discovering opportunities to improve the speed to market. An indirect benefit of supplier enablement and streamlining processes is that more time becomes available for procurement to focus on innovation with its suppliers.

> **Supplier enablement is the way you define the foundation of procurement's relationship with suppliers.** All our processes - sourcing, contracting, risk assessment, SRM, etc - are becoming digital. So, we are no longer writing processes in the old-fashioned way; we are writing them in a digital format, so that we can operate with digital solutions, to support the processes. The foundation for that is having the **'golden record'** of each supplier.
>
> In order for systems to talk to each other, for us to transact with suppliers, and for us to obtain data (not only from suppliers, but enriching that data with market data), our suppliers must be enabled.
>
> So, all those elements are only possible with the most foundational enablement of your suppliers, and the creation of the record. Then, all the solutions in the digital processes can work in sync.
>
> In the future, a standard must be developed. There is a need for an open record, which is standardised across procurement. The key here, I think, is how we leverage solutions or industry standards. We see that, in finance for example, Dun and Bradstreet is creating a standard. But ultimately, we still need something that is standardised across different domains."

Eduardo Chrispim
Head of Procurement Excellence, BAT

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Adam Brown

Technology Platform
Leader, Procurement

MAERSK

Stephen Day

CPO

KANTAR

Radouane Irhly

Global S2V Digital
Project Lead

sanofi

> " *It comes down to transparency, clarity, and understanding different supplier sizes and their respective experiences. That drives usability, adoption, and all the other wonderful things that come with it.*
>
> **Adam Brown**
> Technology Platform Leader, Procurement, Maersk

The impact of supplier enablement technology

Supplier enablement technology is transforming business landscapes, dramatically enhancing interactions across procurement, key suppliers and end-users. This revolution is particularly pronounced among SMEs and tail-spend suppliers, who usually experience the most significant shifts.

In interview sessions hosted by ProcureTech, we spoke to some of procurement's thought leaders about the primary impacts of supplier enablement technology, and their experiences of implementing these solutions.

What defines a 'good' supplier experience?

We have a workforce accustomed to the seamless experiences of B2C buying platforms (Amazon, eBay, etc) in their daily lives. As a result, "There is definitely an expectation that corporations begin to mirror the technologies that people are using in their personal lives," Day explains.

Despite this being a critical theme for modern procurement teams, many enterprises are yet to adopt these consumer-grade functionalities. Concepts like user journeys are far less considered in procurement technology.

"For procurement teams, we are essentially a monopolist. In effect, what you say to a supplier is, 'You cannot work with us unless you follow our systems and our processes.' However, procurement often has no sense of what that experience is like for an end-user," Day explains.

To align suppliers with your organisational vision, **procurement technologies need to increase their focus on supplier experience.** Then, Day asserts, compliance and participation will quickly increase.

"A vendor is essentially interested in three things," Brown explains. "How can I get registered correctly and rapidly? How can I receive my purchase order? How can I get paid?"

"So, if you can make these super slick and transparent... that drives usability, adoption, and all the other wonderful things that come with it."

The language that you use in your tools should be clear and jargon-free. Minimise acronyms and unnecessarily elaborate vocabulary, and avoid terminology that we assume is native language (but unfamiliar to many buyers, who only raise a requisition once a month).

The tools themselves need to be **intuitive, easy to navigate, and come with clear, bite-sized instructions.** Offering a convenient and responsive helpdesk or ticketing system is essential for supporting users who need additional guidance.

Procurement should adopt a situational approach, which respects the context of different industries. Increasing visibility and transparency (on invoice processing and payments in particular) and enabling self-administration of a user's own records is a great advantage for suppliers. Increased agency makes a supplier perceive these processes as more user-friendly, responsive and agile, while giving them greater control and insight into the procurement process.

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Managing data, risk and onboarding

The management of the supplier onboarding process is a critical, yet often challenging, aspect of procurement. It calls for precise 'data acquisition', which can be demanding for both parties).

For the process to be successful, onboarding requires procurement to have a clear sense of the data that they need from the supplier, the point at which they need it, and how to manage all of this information.

"The famous example that we always used to quote was, if somebody says 'Yes' to the question, 'Do you have a modern slavery statement?', just because they've got one doesn't mean that it's any good. You still need to validate it, and you still need to understand what those parameters are," Brown adds.

Supplier enablement technologies dramatically simplify onboarding (particularly for SMEs and tail-spend suppliers). As regulatory requirements become increasingly stringent, the value of these technologies is becoming more pronounced. Without onboarding process simplifications, **it becomes extremely challenging for tail-spend suppliers to work with large, multinational corporations.**

Effective risk management is essential, especially for SMEs and tail-spend suppliers.

Day explains that one of the greatest areas of impact that he's witnessed is a far greater scope for risk assessments, by making them accessible for all their suppliers.

"As we pushed down on supplier enablement technology, one of the interesting phenomenons we faced was that almost 80% of the risk of our spend was risk-assessed. But, that was only 20% of our suppliers."

"So we had this enormous tail of small-scale suppliers, but we knew that throwing a full, complex supplier enablement solution at them was overkill. So, we implemented a new solution for these smaller suppliers, which was complementary to the existing one. This allowed us to maintain very strong due diligence around things like ownership, financial payments and tax jurisdiction, but at the same time, it wasn't as heavy as the solution we use for other suppliers."

Using these technologies in conjunction, Day and his team have been able to simplify the entire supplier enablement process (for suppliers of all sizes), whilst also automating the process, and making it as touchless as possible.

Diversifying spend

At the same time, although it is imperative that data is gathered and risks are managed, **room still needs to be left for diversification.**

As Day asserts, "It's a real dichotomy, because on the one hand, the regulations and the surveillance that you have to do to your supply chain are becoming much more onerous. So, that is definitely a challenge."

"But conversely, you often hear companies and CEOs say, 'Oh my goodness, I have got no innovation in my supply chain. I try to bring on smaller suppliers, but it takes forever.' So, you've got this juxtaposition, where you're trying to handle the complexity of administering your supply chain in a way that meets the growing list of compliances that you have. But, you also want to abe agile enough that you can respond to adhoc demand, try out a new supplier, or for that matter, just work with suppliers to create more diversity in your business. That's why you need a multitude of different approaches and solutions."

The mistake that many companies make is, according to Day, adopting a 'one-size-fits-all' solution. Instead, **by adopting different technologies and management pathways for different suppliers, procurement opens up avenues for diversification.**

Within Kantar, Day explains that this approach has allowed them to significantly diversify their spend. In 2021, the target was set for 12% of its third-party spend to be with diverse and inclusive suppliers by the end of 2025. But in 2024, the organisation was already comfortably ahead of that target.

"It just proves the importance of really thinking about where your diversity is going to come from, and the supply chain solutions that you might want to use to administer that; there's definitely a correlation to this success."

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Supplier experience and supplier responsibility

Improving supplier enablement and the supplier's experiences of working with an organisation is increasingly recognised as a critical, yet under-prioritised, aspect of a procurement strategy.

"This process is really key for procurement, but unfortunately, it's often the last one that procurement leaders will think about digitising. This is because the benefits are not as clear or straightforward as other areas," Irhly explains.

"However, when you do it and have clarity about what exactly it involves, there is no room for debate. Everyone agrees that there is value here."

Irhly explains that technology brings extensive value in this sphere, by **helping organisations to manage what they ask of their supplier base, keeping it streamlined, co-ordinated and easy to follow.**

After all, with the increasing demands for 'responsible procurement', larger organisations have a social responsibility to effectively enable and manage their small suppliers, and to mitigate the risk of doing so.

"For example, there would be a very negative impact on your image if a company goes bankrupt, because of your organisation," Irhly explains.

So, his team's priority is to use supplier enablement technology to make sure that suppliers have the capacity to work with his organisation, and reliably supply the products or services that are required.

"The supplier technology helps us to understand whether they are able to support us, and follow us in our ability and willingness to give them more orders. So, supplier enablement also helps us to find where we can go and where we cannot go with a supplier, because we know that, if there's no stability, there's significant risk."

In turn, **by strengthening your relationship with a dependable network of small suppliers, greater collaboration and innovation can be unlocked.** Supplier enablement technologies foster collaboration with suppliers, allowing them to bring their insights to the table far more easily.

After all, there is a wealth of innovation to be tapped into, particularly within smaller suppliers. As Brown explains, "Innovation tends to come from smaller companies, because that's how they came into existence."

"So, being able to engage with smaller companies in an easier way - getting them on-board and starting interactions with them in a way that will support them - is pretty critical."

In these ways, the evolution of supplier enablement technology **not only streamlines procurement processes, but also significantly enhances the supplier experience, paving the way for more innovative and collaborative industry practices.**

> " *Supplier enablement also helps us to find where we can go and where we cannot go with a supplier, because we know that, if there's no stability, there's significant risk.*

Radouane Irhly
Global S2V Digital Project Lead, Sanofi

Sergio Martín

Former Global Head of Procurement,
Supply Chain & Indirect Manufacturing

dyson

Diarmuid O'Donoghue

Head of Digital
Procurement Garage

BT SOURCED

Cyril Pourrat

CPO

BT

Christophe Villain

Global Head of Supply Chain
& Procurement Technology

Nestlé

Best-in-class implementation approaches and future predictions

Selecting a new supplier enablement solution marks the beginning of a transformative journey for organisations. However, the greater challenge is driving adoption, in a way that ensures its widespread, ongoing use.

Procurement must make the new solution a seamless and advantageous replacement, while securing alignment between all parties on goals and objectives. That way, they can establish a joint ambition, which facilitates mutual benefits for buyers and suppliers.

In interview sessions hosted by ProcureTech, some of the function's leading experts shared their insights into best-in-class implementation, and their predictions for the future of supplier enablement technologies.

> " *Our company's goals are outlined in our vision and strategy. This means that the company's plan, our own digital strategy that connects everything, and the layers that make up our supplier enablement technology strategy all need to communicate with one another. Though it seems apparent, it doesn't happen very often.*

Diarmuid O'Donoghue
Head of Digital Procurement Garage, BT Sourced

Facilitating internal adoption

In the pursuit of cost savings and efficiency, **the human aspects of these processes are often neglected.**

This is particularly apparent in the hunt for the latest and greatest technologies, as they are often implemented without sufficient communication or change management strategies.

Villain stresses that, in order to ensure the solution's successful adoption, the responses of your internal teams need to be considered.

"We usually undermine the people equation or the employee context in these journeys. Many people think about technology as a technological implementation only. But really, when you want to conduct a business transformation that is supported by digital capabilities, you need to encompass not only data, processes and the technology itself, but people as well, and change management is a core component of this."

"Something that you need to question yourself on is, 'Is my employee community digitally aware, or able to adopt technologies that may change the way they are working?'. It may change the way you are organised within your company, too."

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To navigate this change, O'Donoghue and Pourrat explain how they **launched a major communication campaign when Candex was first adopted at BT Sourced.** This detailed how the solution could be used, its benefits and included useful multimedia resources, to ensure their teams had everything they needed to hit the ground running (and actually look forward to using the tool).

"It was one of our top priorities at the time, driving that self-service and moving some of those tasks away from procurement," says O'Donoghue.

"So, we did a huge, extensive campaign. Then, we made our procurement team the front-line ambassadors of Candex."

Although they found that this required a heavy lift up-front, it soon reached a steady state of continuous adoption.

"I think you need to drive the change management initially, but now we're probably in a BAU phase, where the continued growth is pretty organic," O'Donoghue explains.

"What I've seen is that a kind of snowball effect (with a huge effort at the beginning) means that people are now coming to the tool independently, because they understand its advantages," Pourrat adds.

The qualities that define effective supplier enablement

1. Simplicity and communication

Firstly, with **simplicity**, comes improved efficiency and adoption. This includes both the simplicity of the tool itself, and the organisation's ability to **clearly communicate** with their suppliers, building a strong and trusting relationship.

2. Process automation

From there, the organisation needs to **maximise process automation.** In fact, Villain recommends that, once you have identified processes ripe for automation, an organisation should **get anything that is automatable to a state of 90% automated.**

3. Seamless integrations

The ability to **integrate different systems** is another key quality. After all, "You would have difficulty achieving a seamless collaboration and integration if you are not able to integrate common parts of your ecosystem, around data, KPIs, and even risk management," Villain outlines.

"For example, understanding that a supplier location caught fire, and so we may face some challenges in being supplied; this is critical for us to maintain our overall operational efficiency."

When it comes to communication strategies, ensuring your employees are digitally literate is an essential part of enabling them to use and adopt these technologies. However, many procurement leaders believe that **third-party software providers also have a degree of responsibility here.**

They assert that, in most cases, the software providers should play a part in helping procurement leaders to roll-out their solution, by assisting with training and encouraging adoption. After all, that's ultimately what drives success for all parties.

Yet, achieving adoption from all sides requires solutions to be increasingly service-minded (rather than purely technologically-minded).

"There is a role to play by the software provider, to bring simplicity to this complex world. This is also one of the key enablers of a successful adoption," Villain adds.

> *Strong supplier enablement is basically the foundation, upon which you can build your relationship with the supplier.*
>
> **Sergio Martín**
> Former Global Head of Procurement,
> Supply Chain & Indirect Manufacturing, Dyson

4. Organisational cohesion

In addition to integration from a technology perspective, successful integration will also often require you to consider this from the **perspective of the organisational process** at large. After all, if a supplier has a very different approach to you, then bottlenecks or points of friction can quickly arise.

Equally, internally, your ecosystem must be able to respond to the different business models that you have within each spend category.

5. Analytical capabilities

A company needs to be in a position to work towards end-to-end orchestration in the most efficient way, and with the right analytical capabilities to successfully identify opportunities to improve their supplier relationships.

That way, you can ensure your solutions are working together and that all that invaluable data is not being lost.

The next wave of supplier enablement solutions

The landscape of supplier enablement is rapidly evolving, driven by increasing demands for enhanced user experiences and more sophisticated procurement technologies.

So, what could the future of supplier enablement technologies entail?

"I had an interesting discussion with a company recently, asking whether you could **use your phone to create a virtual or one-time card,"** Pourrat outlines.

"Then, when a buyer goes to a supplier to buy the stuff they need, they can use their own supplier-branded credit card on their phone. Or, they could have a pop-up that appears, you grant approval very quickly on your phone, and then a card is generated just for the transaction."

Pourrat also explains how, in the shorter term, **predictive capabilities will expand to the longer tail.** While organisations are developing their ability to predict POs based on what they spent in the last 18 months, typically, they only focus on doing so for their largest suppliers. In the next few years, however, Pourrat believes that there will be a more widespread prediction of the organisation's overall spend, including the long tail.

Similarly, predictive analysis will increasingly be used to predict behaviours, and identify any potential failures or points of inefficiency in your supplier relationships, before they pose a major threat.

> " *The future will have its complexities and its challenges for any company. We have to have the technologies to respond to those challenges, not the other way around.*
>
> **Christophe Villain**
> Global Head of Supply Chain & Procurement Technology, Nestlé

In parallel, the current trajectory of digital adoption will accelerate. "People will keep going for more innovation, more margin enhancement, more sustainability components to integrate, and more risk management capabilities," Villain explains.

"So, in order to manage this very complex environment, the adoption of digital capabilities and digital technologies will continue to increase."

In particular, **intelligent automation and data-driven decision intelligence** are set to define the next wave of supplier enablement technologies.

"Beyond what we're getting as an insight through things like machine learning, we now have prescriptive technologies that are helping our buyers to decide, for example, at what commodity prices we should hedge," Villain adds.

"The leveraging of analytics and data's capabilities are going to really help us bring meaning across the value chain. This is going to help us provide better supplier enablement capabilities."

With these technological advancements, procurement departments are poised to drive unprecedented efficiency and strategic value, bringing supplier enablement to the next level.

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Best practice supplier enablement framework

This framework can help enterprises assess their supplier enablement maturity and plan the next steps in the advancement of their approaches in the most strategic, effective and efficient ways.

This structured approach covers key points, from streamlining integrations, to driving collaboration strategies and maintaining engagement.

Consistency | Automation
Integration | Compliance
Engagement | Visibility
Performance | Communication
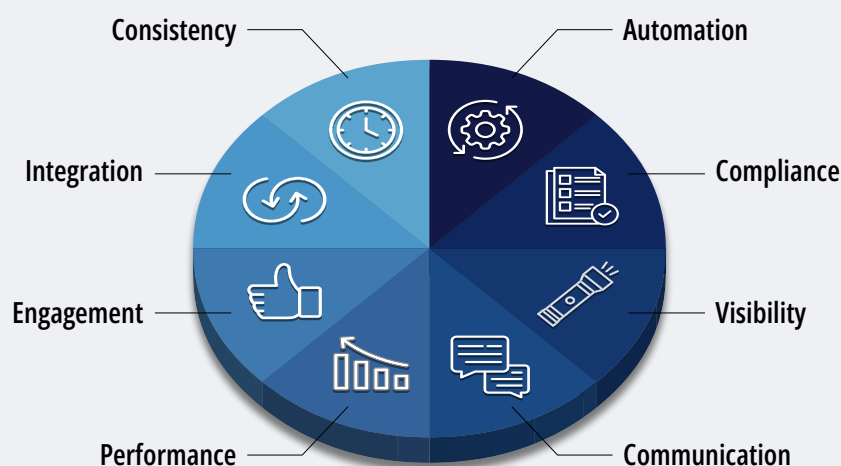
> **By embracing advanced supplier enablement technologies, procurement teams can drive operational excellence, enhance supplier collaboration, and position themselves as strategic enablers of value-creation and innovation.**

Chris Parsons
Digital Procurement Consultant, ProcureTech

How it can be used by readers:

Assessment tool: Organisations can assess their maturity, and develop a comprehensive plan for advancement.

Guided pathway: Build a clear pathway for progression. The routes through the framework are flexible, allowing organisations to adapt the route to suit their specific goals and context.

Measuring success: Organisations can assess their maturity, and develop a comprehensive plan for advancement, with best practice measures and outcomes to strive for.

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AUTOMATION APPROACHES:

- **Identify repetitive tasks suitable for automation:** Identify processes (e.g. order processing and invoice handling) that can benefit from automation.
- **Select appropriate supplier enablement tools:** Choose and evaluate tools that integrate seamlessly with your existing systems, to automate identified tasks.
- **Train staff on using these tools:** Implement comprehensive training programmes, to ensure staff are proficient in using new automation tools.
- **Monitor and optimise automated processes:** Continuously review and optimise automated workflows, to ensure efficiency and effectiveness.
- **Pilot solutions in key areas:** Partner with leading technology providers to pilot leading supplier enablement technologies.
- **Regularly review and update technology strategies, based on advancements:** Ensure your technology strategy evolves with the latest advancements and insights.

AUTOMATION EXAMPLE MEASURES:

- **Reduction in processing time for automated tasks:** Measure the average time taken to process an order before and after automation.
- **Decrease in manual errors:** Count the number of errors in invoice handling per month before and after implementing supplier enablement tools.
- **Increased productivity of procurement staff:** Track the number of tasks completed by procurement staff per week and compare to pre- and post-automation figures.
- **Successful implementation of pilot projects:** Define success criteria (for example, 90% uptime, user satisfaction score above 80%) for advanced technology pilots and measure against these benchmarks.
- **Increased innovation and competitive advantage:** Measure the number of innovative projects or process improvements initiated as a result of adopting new technologies.

Automation

Adopt technologies to automate repetitive tasks and improve efficiency

COMPLIANCE APPROACHES:

- **Identify key compliance requirements and risks:** Map out compliance requirements and associated risks, to tailor your technology solutions accordingly.
- **Implement automated compliance monitoring tools:** Deploy tools that offer real-time monitoring and alerts for compliance issues.
- **Set up real-time alerts and notifications for compliance issues:** Configure systems to provide immediate alerts for any compliance breaches.
- **Regularly review and update compliance monitoring protocols:** Conduct periodic reviews, to ensure compliance protocols are current and effective.

COMPLIANCE EXAMPLE MEASURES:

- **Increased compliance rates:** Track the percentage of suppliers meeting compliance requirements before and after implementing automated monitoring tools.
- **Faster identification and resolution of compliance issues:** Measure the average time taken to identify and resolve compliance issues before and after using real-time alerts.
- **Reduced compliance-related incidents and penalties:** Compare the number of compliance incidents and penalties incurred over a set period (for example, annually) before and after automation.

Compliance

Ensure compliance with regulations and processes through technology

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VISIBILITY APPROACHES:

- **Enable end users to self-serve on platforms:** Facilitate the onboarding of end users onto digital platforms, to enhance the visibility of supplier enablement activities.
- **Promote the use of these technologies within your organisation:** Actively promote the use of these supplier enablement capabilities to internal stakeholders.
- **Identify key data sources and metrics relevant to procurement:** Determine the most critical data points and metrics to monitor for procurement success.
- **Train staff on data analysis and interpretation:** Equip staff with the skills needed to analyse and interpret procurement data effectively.
- **Use insights to inform procurement strategies and decisions:** Leverage data insights to drive strategic procurement decisions and actions.

VISIBILITY EXAMPLE MEASURES:

- **Higher engagement rates from SMEs:** Measure the participation rate of SMEs in procurement events or platforms pre- and post-integration of visibility tools.
- **Enhanced diversity of suppliers in your procurement process:** Calculate the percentage of diverse suppliers in the procurement database before and after implementing visibility tools.
- **Improved accuracy of procurement forecasts:** Measure the variance between forecasted and actual procurement needs, over multiple cycles.
- **Data-driven decision-making becomes a standard practice:** Survey procurement staff on their use of data insights in decision-making, and track the increase in positive responses over time.
- **Increased efficiency in procurement operations:** Measure the cycle time of procurement processes before and after implementing analytics tools.

Visibility

Improve visibility and decision-making with data and analytics

COMMUNICATION APPROACHES:

- **Evaluate and select a communication platform that supports real-time collaboration:** Choose platforms that enable seamless, real-time communication with suppliers.
- **Establish communication protocols and guidelines:** Set clear guidelines and protocols for communication to ensure consistency. Then, periodically assess and refine.
- **Develop a streamlined onboarding process:** Create a user-friendly onboarding process, to simplify supplier integration with supplier enablement technologies.
- **Provide support and training for stakeholders:** Offer comprehensive support and training to key stakeholders and suppliers throughout the onboarding process.
- **Collect feedback to continually improve the process:** Regularly gather and act on feedback to enhance the onboarding experience.

### COMMUNICATION EXAMPLE MEASURES:

- **Reduced response time for supplier queries:** Track the average response time to supplier queries before and after using a real-time communication platform.
- **Improved clarity and consistency in communication:** Conduct regular surveys with suppliers to assess their satisfaction with communication clarity and consistency.
- **Increased supplier satisfaction scores:** Use the Net Promoter Score (NPS) to measure supplier satisfaction and track changes over time.
- **Reduced onboarding time:** Measure the average time taken to onboard new suppliers before and after implementing digital forms and portals.
- **Increased number of SMEs onboarded:** Count the number of SMEs successfully onboarded each quarter.
- **Positive feedback from SMEs regarding the onboarding experience:** Conduct post-onboarding surveys to gather feedback from SMEs, and track the percentage of positive responses.

Communication

Utilise communication platforms to improve supplier interactions

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PERFORMANCE APPROACHES:

- **Define key performance metrics:** Such as on-time delivery and quality. Establish clear metrics to evaluate supplier performance.
- **Implement performance management tools for tracking and analysing KPIs:** Use specialised tools to monitor and analyse key performance indicators.
- **Use performance data to set up action plans:** Develop action plans based on performance data to drive continuous improvements against set goals.
- **Implement a feedback system to gather end-user and supplier feedback:** Deploy systems to collect feedback from end-users and suppliers.
- **Monitor the impact of changes and adjust as needed:** Continuously assess the effectiveness of changes and make necessary adjustments.

PERFORMANCE EXAMPLE MEASURES:

- **Improved supplier performance metrics:** Track key performance indicators (such as on-time delivery rates and product quality scores) before and after implementing performance management tools.
- **Increased frequency and quality of feedback collected:** Track the number of feedback instances received from end-users and suppliers, and evaluate the quality of actionable insights.
- **Higher service-level metrics:** Measure metrics (such as customer satisfaction and service response times) before and after implementing a feedback system.
- **Continuous improvement in service quality:** Monitor improvements in service quality metrics over successive review periods.
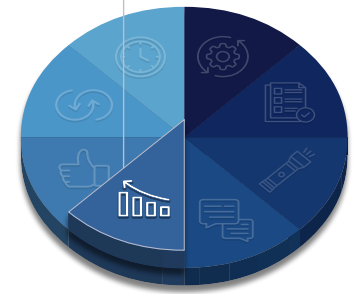
Performance

Track and improve supplier performance using technology

ENGAGEMENT APPROACHES:

- **Identify key stakeholders and their strategic priorities:** Map out key stakeholders and address their concerns and needs through demonstrations and proof-of-concepts.
- **Involve stakeholders in the planning and implementation processes:** Engage stakeholders early and throughout the planning and implementation phases.
- **Develop a detailed training plan covering all aspects of new technologies:** Create comprehensive training plans to ensure stakeholders are well-prepared.
- **Provide ongoing support and refresher training:** Offer continuous support and periodic refresher training to reinforce knowledge.
- **Gather feedback on training effectiveness and make improvements:** Collect feedback on training sessions and use it to improve future training.

ENGAGEMENT EXAMPLE MEASURES:

- **High stakeholder engagement and buy-in:** Track attendance and participation rates in workshops and meetings related to new technology implementations.
- **Smooth implementation process with minimal resistance:** Measure the number of issues or resistance points logged during the implementation phase and aim for a reduction over time.
- **Positive feedback from stakeholders post-implementation:** Conduct post-implementation surveys to gather feedback from stakeholders and track the percentage of positive responses.
- **High completion rates for training programmes:** Track the percentage of employees who complete training programmes and compare it to the target completion rate.
- **Increased confidence and competency among users:** Use assessments and surveys to measure user confidence and competency levels before and after training.
- **Reduced number of issues and support requests post-training:** Monitor the volume of support requests received after training and aim for a decrease.

Engagement

Ensure stakeholder buy-in and support for technology adoption

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INTEGRATION APPROACHES:

- **Conduct a thorough review of existing systems and data flows:** Assess current systems and data flows to identify data fabric and integration opportunities.
- **Select and implement integration tools and platforms:** Choose tools and platforms that facilitate seamless system integration.
- **Standardise data formats and processes across departments:** Implement standardised data formats and processes to ensure consistency.
- **Define your future state procurement technology stack:** Design your future state digital procurement strategy, data strategy and architecture.
- **Create a prioritised roadmap:** Based on clear outcomes and ROI, develop an agreed roadmap for supplier enablement technology and data, including key integration sequencing.

INTEGRATION EXAMPLE MEASURES:

- **Increased process efficiency and consistency:** Track the cycle time and consistency of procurement processes before and after system integration.
- **Reduced data silos and improved data accuracy:** Measure the frequency of data discrepancies and the volume of data shared across departments.
- **Enhanced cross-departmental collaboration:** Survey departments on collaboration effectiveness and track improvements over time.

Integration

Integrate systems and standardise data flows for seamless operations

CONSISTENCY APPROACHES:

- **Provide clear and consistent metrics and benchmarks for measuring ROI:** Establish and share metrics to measure the success of technology implementations.
- **Implement consistent procedures for supplier enablement:** Standardise supplier enablement procedures to ensure consistency and efficiency.
- **Use software to ensure all teams follow the same processes:** Deploy software solutions to enforce standardised processes across teams.
- **Regularly audit and refine processes for continuous improvement:** Conduct regular audits and refine processes to drive continuous improvement.

CONSISTENCY EXAMPLE MEASURES:

- **Increased supplier willingness to adopt new technologies:** Track the adoption rate of new technologies by suppliers and gather feedback on their willingness to adopt.
- **Increased efficiency and reduced errors:** Monitor the error rate and efficiency of procurement processes and aim for continuous improvements.
- **Higher compliance with standard procedures:** Measure adherence to standardised processes through audits and compliance checks.

Consistency

Boost efficiency through consistent processes and by demonstrating this quality

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BT SOURCED

CANDEX®

BT Sourced partnered with Candex to simplify their process for onboarding the suppliers they used for small, off-contract purchases. At the same time, they wanted to use this tool to gain an improved view of the diversity of their suppliers.

" We realised we needed a strategic approach to tail-spend, to unlock significant value, and what has been really critical to that has been our self-service model. Essentially, we wanted to give businesses the digital tools to enable them to self-serve. But also, more importantly, to allow them to manage their spend and our spend within the guardrails of BT's governance and risk appetite, which Candex allows us to do.

Our suppliers love it. We have a nearly 100% acceptance rate for the tool, and that's been really beneficial for us. This also enables us to start tracking some of our small and diverse suppliers.

Diarmuid O'Donoghue
Head of Digital Procurement Garage, BT Sourced

" If we want to work with more diverse suppliers, they are usually small or medium-sized businesses. So it's very hard for them to go through all the qualification processes required by large corporations like us, and it would cost them too much money to do so. The good thing is that we can now onboard diverse suppliers more easily. Usually, small businesses are not equipped to answer to proper RFPs and to be compliant with X, Y and Z. Whereas here, it's super easy, as we use Candex to make BT more easy to deal with.

Another key benefit is the stakeholder experience; the fact that you can onboard a supplier in 7 minutes. That was one of the biggest selling points we used in our internal communication. You can onboard a supplier in 7 minutes, get it approved, and then off you go... So, it's super easy for suppliers to use it, super easy for stakeholders to use it, and now you've got immediate access to all the analytics, too.

Cyril Pourrat
CPO, BT Group

The results:

By using Candex, BT Sourced was able to cut down a 7-day task to just 7 minutes

Its suppliers are now able to deliver what BT Sourced needed, faster. At the same time, they can enjoy a simpler, more flexible experience.

50%

of suppliers onboarded by Candex had a self-declared diversity status in 2022

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What **next?**

In order for procurement to improve its approaches to supplier enablement, and use supplier enablement technologies to their fullest advantage, the following next steps must be taken.

1

Simplify supplier engagement

Streamline supplier processes by ensuring they are intuitive and easy to navigate. Use clear, accessible language, avoiding unnecessary jargon or acronyms that might confuse suppliers that are unfamiliar with procurement lingo. Bite-sized, self-service tutorials can help suppliers get on-board quickly and efficiently.

2

Automate to facilitate strategic focus

Maximise the automation of repetitive tasks, such as onboarding, purchase orders, and invoicing. This will give procurement teams more time to focus on strategic decision-making and strengthening supplier relationships.

3

Empower SMEs and tail-spend suppliers

Leverage technology to build stronger relationships with SMEs and tail-spend suppliers, by simplifying onboarding, offering self-service tools, and streamlining compliance. In turn, these improvements in communication and collaboration will also help foster trust.

4

Expand your supplier network with speed

Use supplier enablement technology to diversify your supplier base, as this solution will enable the faster onboarding of new, innovative suppliers. This shift facilitates greater agility and innovation, while any associated risks are mitigated (through careful vetting and compliance checks).

5

Turn efficiency into collaboration and innovation

Redirect the time saved from automating routine processes towards deeper collaboration and joint innovation projects with your key suppliers. Build a strong feedback loop, to further encourage the co-creation of new products or services.

6

Be your supplier's preferred customer

In times of disruption, priority often goes to those customers who are easiest to do business with. So, work towards becoming a 'customer of choice' by offering fast payments, reducing administrative burdens, and fostering a transparent, collaborative relationship with your suppliers.

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Contributors

The contributors to this framework shared hundreds of cumulative years of operational insights into supplier enablement best practices.

Nils Andersson
Director, Digital Procurement and Development
Orkla

Adam Brown
Technology Platform Leader, Procurement
MAERSK

Eduardo Chrispim
Head of Procurement Excellence
BAT

Stephen Day
CPO
KANTAR

Radouane Irhly
Global S2V Digital Project Lead
sanofi

Sergio Martín
Former Global Head of Procurement, Supply Chain and Indirect Manufacturing
dyson

Diarmuid O'Donoghue
Head of Digital Procurement Garage
BT SOURCED

Cyril Pourrat
CPO
BT

Christophe Villain
Global Head of Supply Chain & Procurement Technology
Nestlé

Chris Parsons
Digital Procurement Consultant
ProcureTech

Josephine Walbank
Research and Insights Lead
ProcureTech

Lance Younger
CEO and Founder
ProcureTech

Nupur Gadkari
Director of Marketing
CANDEX

Jeremy Lappin
CEO and Founder
CANDEX

Danielle McQuiston
Chief Customer Officer
CANDEX

Alex Orchard
SVP, Customer Success Europe
CANDEX
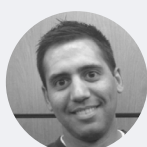
Steve Rahman
SVP, Customer Success Americas
CANDEX

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ProcureTech runs StrategyLAB, ACCELERATOR, SCOUT, ORCHESTRATE and GARAGE initiatives, and creates market-leading research and collaborative experiences. It is also home to the ProcureTech100, the 100 pioneering digital procurement solutions, and SOURCE, the digital platform and community empowering digital procurement.

Trusted by the Global 2000 and all digital procurement solutions, ProcureTech collaborates across the globe, with all industries, from life sciences and automotive to financial services and technology.

For more information, visit procuretech.ai

CANDEX®

Candex is a tech-based spend consolidator that provides an easy, fast, and compliant way for large companies to make purchases from small and one-time vendors.

Candex enables its customers to use their full P2P buying process while reducing the vendor onboarding and payment cycles from several weeks to as little as a few minutes.

The reporting provided by Candex consolidates tail vendor information in one place along with detailed transaction data, providing clarity and transparency on tail-spend purchases to procurement teams. This brings speed, simplicity, and consistency to a part of the supply chain that until yesterday was a major pain point and operational challenge.

Trusted by the Global 2000, Candex is a leader in tail-spend management and a truly global solution with local coverage in 40+ countries.

For more information, visit candex.com