

# Eight digital best practices for procurement professionals

Don't leave anything to chance  
when your department goes digital

## **What does it take to “go digital” in procurement?**

**Industry experts predict that successful businesses will soon become 100% digital for all transactions. The key challenge is how to “go digital” in the right ways. For many companies, it will be an incremental journey.**

**Today’s procurement leaders are using technology to achieve greater procedural and financial efficiencies, secure the best products and services, and improve vendor relationships.**

**This best practices paper outlines eight important ways that procurement departments can make meaningful progress in their digital transformations.**

## 1/ Look for paperless opportunities in core tasks

Many procurement teams that have achieved the greatest digital efficiencies began the journey with small initiatives. A good place to start is to map document touch-points to determine which tasks would most benefit from digital transactions.

In a recent survey, procurement leaders identified the most common ways in which their teams are reducing paper-based processes using digital documents, electronic signatures and cloud-based file management. Here are examples of traditional paper-based tasks that can be made more efficient with digital capabilities.

<b>Sourcing &amp; vendor mgmt</b>	RFPs, competitive summaries, sole source justifications, contracts, MSAs, and supplier compliance documentation
<b>Purchasing</b>	Purchase requisitions, POs, NDAs, contracts, and statements of work
<b>Travel &amp; credit cards</b>	T&E policies, corporate card management, and P-card agreements
<b>Contingent workforce</b>	Background checks, appropriate classification of contingent workers, and onboarding

## 2/ Involve your team in identifying pain points

The productivity demands and tight deadlines of today's work environment are a major source of employee stress. According to Forbes.com, one of the top ways to improve employee engagement is to stop wasting time.

By removing paperwork from day-to-day tasks, your team can spend more time on value-add activities like driving cost savings, improving service and mitigating supply chain risks.

In talking with your team, you will easily identify the most time consuming tasks that can be improved through digital processes. Using simple calculations of time saved per task multiplied against a standard hourly rate, you can prioritize the best efficiencies and money-saving opportunities.

## Procurement successes in digital transformation

### AstraZeneca serves patients 5x faster, boosts satisfaction scores

Employing 65,000 people globally, AstraZeneca needed to simplify clinical operations, decrease development costs, and reduce compliance and security risks.

The organization's "simplification" initiative included adoption of DocuSign to streamline business operations, with an end goal of improving the customer experience.

With DocuSign, AstraZeneca is now able to process 85% of e-signature documents in less than one day, and customer satisfaction was increased by 16 percentage points.

### Virgin Holidays reduces contracts processing from 2 hours to less than 10 minutes

Virgin Holidays is one of the UK's largest long-haul transatlantic tour operators. The company was increasingly challenged by tracking in progress and existing contracts.

By implementing DocuSign for both their purchasing and human resources departments, Virgin Holidays was able to achieve a single unified system for filing and management of contracts.

Materials costs were reduced by £10,000 per year, customer signing time was shortened from two weeks to 48 hours, and processing of purchasing contracts was cut from 2 hours to less than 10 minutes.

### 3/ Focus on enhanced vendor interactions

Procurement teams are tasked with sourcing a wide variety of products and services. Being able to work closely with vendors and internal customers while negotiating prices, executing contracts, and managing day-to-day supplier interactions requires increasingly greater levels of control.

Using electronic signature technology enables you to respond quickly during crucial negotiations and gives you real-time visibility into document execution. Streamlined approvals are also vital to managing the ongoing flow of executable documentation inherent in supplier relationships.

These efficiencies can result in substantial improvements to your bottom line. A recent survey conducted by Deloitte revealed that the most digitally mature companies enjoy 13% more revenue and 50% more profit than companies lagging in adoption of digital processes.

### 4/ Promote compliance with policies and regulations

According to IndustryWeek.com, chief procurement officers face an increasingly complex landscape dominated by legal and regulatory issues that can impact a company's bottom line as well as its brand reputation.

Electronic signature technology can help you improve visibility into processes and assure compliance with your corporate purchasing policies. Having access to audit logs that capture date, time and authentication methods used for signatures helps you verify execution and legal compliance, as well as maintain full archival access.

The right technologies also enable you to adapt to dynamic demands of global regulators and auditors by maintaining clearly documented business processes.

## Survey reveals common digital requirements across procurement functions

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### Directors, Global Procurement

#### Drivers for going digital

Initiative to transition to a paperless office, simplify the global signature process, and environmental stewardship

#### Key requirements for digital solutions

Easy to use, low cost, and legally binding

#### Initial focus for going digital

Vendor contracts, NDAs, and sales order agreements

### Supply Chain Managers

#### Drivers for going digital

Desire to automate processes, ensure security in handling personally identifiable information, and reduce scanning

#### Key requirements for digital solutions

Collaboration capability, security of sensitive vendor information, and legally binding e-signatures for the U.S. and Europe

#### Initial focus for going digital

Confidentiality agreements, banking documents, and freelancer onboarding forms

### Buyers

#### Drivers for going digital

Need to reduce back and forth on contracts, and ability to quickly manage approval processes with overseas parties

#### Key requirements for digital solutions

Ability to sign on mobile devices, efficient to manage, easy to use, and time savings

#### Initial focus for going digital

Vendor agreements

## 5/ Fully embrace mobile technology and workflows

Fast reaction times are crucial in high-service environments. According to a Knowledge@Wharton article on challenges facing procurement organizations, the technological competence and service expectations of suppliers are growing rapidly.

A mobile-enabled workflow is essential to facilitating on-the-go agility. Procurement leaders need to equip their local and global teams with end-to-end mobile capabilities to help boost productivity and responsiveness.

Being able to complete agreements from any mobile device, anywhere in the world, helps ensure that your team can stay on top of all opportunities as they arise.

## 6/ Understand geographic standards and regulations

It's a reality of today's economy for your team, vendors and customers to be located around the world. This creates challenges in document execution given strict national and international security laws and standards.

You'll need to be certain that your signature processes are legally binding, and comply with laws such as:

- U.S. federal ESIGN Act and UETA
- EU Regulation No 910/2014 on electronic identification and trust services

Further, you'll want to know that your electronic signature provider demonstrates compliance with leading privacy regulations and security standards such as:

- EU General Data Protection Regulation (GDPR)
- ISO/IEC 27001 Information Security Management

It is important for teams to align with vendor processes and technologies. As an example, electronic signatures are rapidly becoming the de facto standard in corporate transactions. Using this technology can help your firm more effectively conduct business.

## The environment matters: Employees care about going green

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According to Time Magazine, studies show that generations born after the normalization of recycling don't want to work for companies known for polluting practices.

Similarly, in-depth studies by the staffing firm Adecco USA reveal satisfaction-based benefits that companies gain from more efficient digital practices.

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# 33%

of workers are more inclined to work for a green company

# 52%

of workers wish their company was more environmentally friendly

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In a ForestEthics report on the benefits of paper reduction in corporate settings, experts note the use of paper has negative effects beyond business process inefficiencies.

Specifically, each of the steps involved in creating paper – wood extraction, processing, transportation and disposal – has a profound negative environmental impact.

When candidates and employees are evaluating the social benefits of working for your company, going green via electronic signatures could be a deciding factor in your favour.

## 7/ Collaborate with your IT, finance and legal teams

Tools that streamline procurement processes should optimize your existing software investments. It's important to work with your IT team to evaluate and integrate new tools.

According to ProcurementandSupply.com, you should also consult with your finance and AP teams, ensuring the technology fits with all departmental requirements.

Last but not least, procurement documents routinely contain highly sensitive information. Discussing workflows with your legal teams is an excellent way to assess software solution compatibility and to guarantee secure transmission of confidential documents.

## 8/ Learn from best practices in consumer services

The transactional experiences we have in our daily lives – online shopping, communication and support – are setting a new bar for expectations in professional services. Trends in the consumer realm that are fueling digitization include:

- Increasing prevalence of mobile technologies
- Demand for instant access to information
- Stringent identity and authentication standards

Look for ways to mimic consumer services best practices in your vendor transactions. As an example, reducing the number of clicks required to sign and store documents, and providing automatic “you are here” progress tracking will mirror the customer-friendly aspects of e-commerce.

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### About DocuSign

DocuSign helps organizations connect and automate how they prepare, sign, act on, and manage agreements. As part of the DocuSign Agreement Cloud, DocuSign offers eSignature: the world's #1 way to sign electronically on practically any device, from almost anywhere, at any time. Today, more than 500,000 customers and hundreds of millions of users in over 180 countries use DocuSign to accelerate the process of doing business and to simplify people's lives.

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