

Leading Firms Progress Towards Paperless Procurement

The power of automation to
streamline vendor agreements

Featuring research from a
commissioned study conducted by:

FORRESTER®

The path to paperless procurement

Today, procurement plays an increasingly strategic role in every company. From RFPs and MSAs to supplier contracts and financing agreements, Procurement is responsible for the way organizations manage suppliers. Unfortunately, however, inefficient paper-based processes can tarnish the department's reputation by generating excessive costs, unsatisfactory service levels and frustrating delays.

A recent commissioned survey,* *The State of Systems of Agreement, 2019*, conducted by Forrester Consulting on behalf of DocuSign, found that almost half (46%) of respondents' companies had experienced postponements in starting projects as a result of inefficient agreement processes in the past year, while 42% had experienced delays in recognizing revenue.

At DocuSign, we know from our clients that modernizing agreement processes is key to achieving business priorities. That's why procurement leaders are using technology to achieve greater efficiencies, secure the best products and services, and improve vendor relationships.

Are you ready to find out how you can accelerate the digital transformation of your procurement systems?

* Global survey of 605 process decision makers in companies with 250+ employees, conducted by Forrester Consulting in February 2019

On the right track, but with a way still to go

Procurement departments are under significant internal pressure to cut costs while simplifying and speeding up their processes. Sourcing, vendor management, purchasing, and contingent workforce management are often cumbersome and require signatures from personnel who are difficult to track down. Meanwhile, any delays can have a direct impact on performance. This explains why the modernization of procurement agreements features high up business agendas.

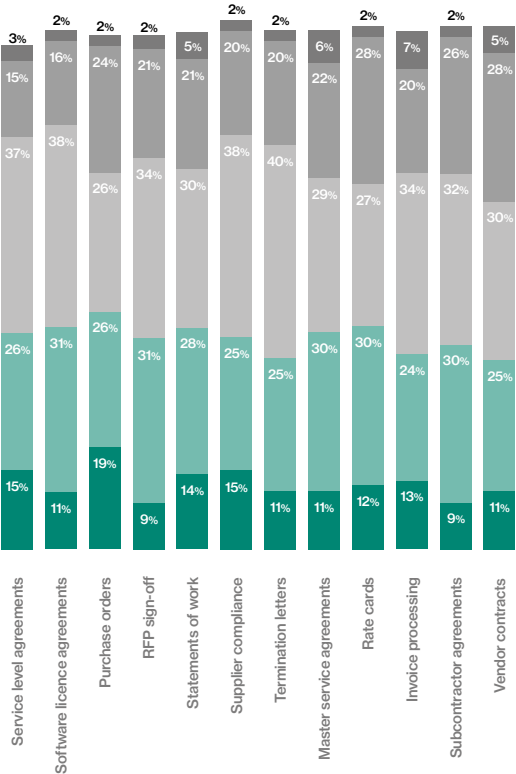
The Forrester research shows that strengthening security and compliance is a critical priority for the majority of firms (72%). This is closely followed by increasing employee productivity (69%), the need to increase business agility (68%) and reduce operational expenses (66%).

It is perhaps unsurprising therefore that, when compared to other departments, Procurement is in the lead with 40% of its processes digital, versus only 29.6% in HR, and 36.8% in Legal.

Having said this however, there is still a considerable way to go. Whereas almost half (45%) of purchase order processes are managed using digital tools, only 36% of vendor contracts are automated, for example.

Please indicate the extent to which the following agreement processes are managed using digital tools vs. analog.

- 1 – Fully analog
- 2
- 3 – Some paper elements, some digital elements
- 4
- 5 – Fully digital



Base: 122 technology purchasing decision makers in Procurement departments
Source: A commissioned study conducted by Forrester Consulting on behalf of DocuSign, February 2019

Results

Department	Digitization (%)
Procurement	40.08%
Legal	36.80%
HR	31.45%
Sales	38.14%
IT/Ops	32.89%

Avoiding procure-to-pay inefficiencies

According to Forrester, manual agreement processes are responsible for a raft of inefficiencies throughout the procure-to-pay lifecycle, including delays in starting projects, delays in recognizing revenue and unnecessary costs.

This can have a far-reaching impact across the entire procurement process:



Supplier sourcing and selection: When getting high quality suppliers on-board quickly is critical to expediting delivery, you cannot afford delays in completing RFPs, quotes, NDAs, contracts and MSAs.



Purchasing and receiving: Manual processes invariably result in errors and re-work when manually transferring existing data between multiple systems for PO approvals, SOWs, RAs etc.



Invoicing and payment: Manual processes can be costly and fraught with inefficiencies, despite being relatively simple to automate.

96%

of respondents reported issues with preparing agreements using paper-based processes.

46%

of respondents reported delays in starting projects in the past year.

42%

of respondents reported delays in recognizing revenue.

39%

of respondents reported unnecessary costs.

Source: The State Of Systems Of Agreement, 2019, a commissioned study conducted by Forrester Consulting on behalf of DocuSign, May 2019

The benefits of digital transformation

Today's best practices in procurement focus on minimizing risk, maximizing workflow and efficiency, and maintaining compliance through cloud platforms. These systems perform better in six critical ways:

1. Improving speed of execution

In today's fast-paced business world, organizational agility can often hinge on the ability to on-board new suppliers quickly, while internal customers require faster execution of purchase requests. By moving them to the cloud, processes that once required days can be executed in minutes.

2. Reducing errors

Data entry becomes easier, simpler and more accurate when employees don't have to key in the same information over and over.

3. Going mobile

Mobile-enabled platforms such as the DocuSign Agreement Cloud™ allow requestors and approvers to review and sign purchase documents anywhere, any time. This helps speed up the process whilst improving the experience for everyone involved.

4. Improving visibility

With paper-based methods, it can be hard to track where things are in the process, especially when documents are out for physical signature. In the cloud, you can see exactly where each document is, who has yet to sign, as well as track and analyze progress over time.

5. Reducing costs

Paper transactions cost more than digital transactions. From the staff time required to create, distribute and track procurement documents to the costs of printing, mailing, and overnighting fees, paper processes can be expensive.

6. Improving compliance

Digitized processes also offer a clear audit trail, secure document storage and retrieval, and a high-level of administrative controls. This makes it far simpler to ensure compliance with prevailing laws and regulations, as well as corporate purchasing policies.

Paperless success

Procurement departments have saved time and money, and improved efficiency with DocuSign:

<10 min

Virgin Holidays now processes purchasing contracts in under 10 minutes (down from 2 hours).

50x faster

T-Systems Ltd completes procurement transactions up to 50x faster.

80%

AstraZeneca improved their critical system stability by 80%.

2 days

REED signs up suppliers now in 2 days (instead of 2 weeks).

Conclusion

Advanced, cloud-based procurement tools are doing far more than accelerating the procurement process, they are transforming the procurement function from the bottom up.

A platform like the [DocuSign Agreement Cloud](#) can help you streamline how you manage suppliers and contract processes, while lowering costs and removing risk from the supply chain, improving the experience of both vendors and internal colleagues in the process. But most importantly, it gives purchasing managers more time to work on the strategy involved in business-critical deals, rather than the minutiae of lower-level transactions.

Learn more about the [DocuSign Agreement Cloud](#) and sign up to a 30-day [free trial](#) today.

8 steps to going digital in procurement

Our experience has demonstrated that there are eight important ways Procurement departments can make meaningful progress in their digital transformations:



Look for [paperless opportunities](#) in core tasks.



[Involve your team](#) in identifying pain points



Focus on [enhanced vendor interactions](#)



[Promote compliance](#) with policies and regulations



Fully [embrace mobile technology](#) and workflows



[Understand geographic standards](#) and regulations



[Collaborate](#) with your IT, finance and legal teams



[Learn from best practices](#) in consumer services

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.

DocuSign, Inc.
221 Main Street, Suite 1550
San Francisco, CA 94105

[docusign.com](#)

For more information
sales@docusign.com
+1-877-720-2040