



HOW CAN BEST-PRACTICE PROCUREMENT HELP FINANCIAL SERVICES?





CHALLENGES FACED



Recent social, political and economic changes have resulted in major setbacks in the financial services sector.

Substantial increase in costs, overhanging security threats and the need to ensure supply chain resilience are just a few of many problems faced by companies in this sector.

Industry leaders are now searching for procurement best-practices that can address these challenges.

Here are 5 procurement practices that can help financial services companies mitigate risk, strengthen supply chain resilience and improve overall efficiency.



SUPPLIER EVALUATION

1

Suppliers bring about significant risks and could cause various challenges within the buying process of an organisation.

Therefore, it is crucial to conduct an in-depth evaluation and a data-driven comparison of the capabilities, offerings, potential risks, prices, and cooperation of every supplier partnered with your company.



HOW DOES THIS HELP?

Conducting thorough supplier evaluations can mitigate risk, improve compliance, and reduce costs.

As the financial services sector grows, selecting and working with the right supplier can be the differentiator that sets your organisation apart.

SUPPLIER RELATIONSHIP MANAGEMENT

2

A strong, positive and mutually beneficial partnership with suppliers can smoothen processes and increase efficiency.

Building a positive relationship with your supplier can ensure long-term reliability and support in overcoming compliance challenges together.



HOW DOES THIS HELP?

Supplier relationship management (SRM) helps to maintain compliance, reduce risks, mitigate unnecessary costs, and maintain a significant competitive edge in a challenging market.

OPTIMISING SUPPLY CHAIN COMMUNICATION

3

Regardless of the industry, ensuring efficient communication across the supply chain is imperative to long-term growth. Failure to maintain good communication can result in high costs and consequential losses.

As regulations and risks increase, it is essential to consistently monitor the ongoings of various departments.



HOW DOES THIS HELP?

Smooth supply chain communication can avoid potential misunderstandings and improve the overall workflow and visibility of your supply chain.

LEVERAGING TECHNOLOGY

4

Using technology the right way can provide numerous solutions to an organisation.

The use of technology within the supply chain and the procurement process can help track, modify and execute purchasing orders while coordinating between different relevant departments.



HOW DOES THIS HELP?

Technology in procurement can help revisit and modify contracts, communicate with external suppliers and enable automation in relevant supply chain areas.

REGULAR REVIEWING

5

Consistent evaluation of your supply chain can help identify risks while ensuring that your suppliers perform and deliver as negotiated.

Reviews can reveal areas in your supply chain that needs modification in order to achieve operational efficiency.



HOW DOES THIS HELP?

Reviews help improve compliance, meet targets, reduce costs and maintain agility and continuity. Conducting reviews beforehand can significantly strengthen your supply chain in the face of unpredictable changes.



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