



# Procurement's Potential With AI



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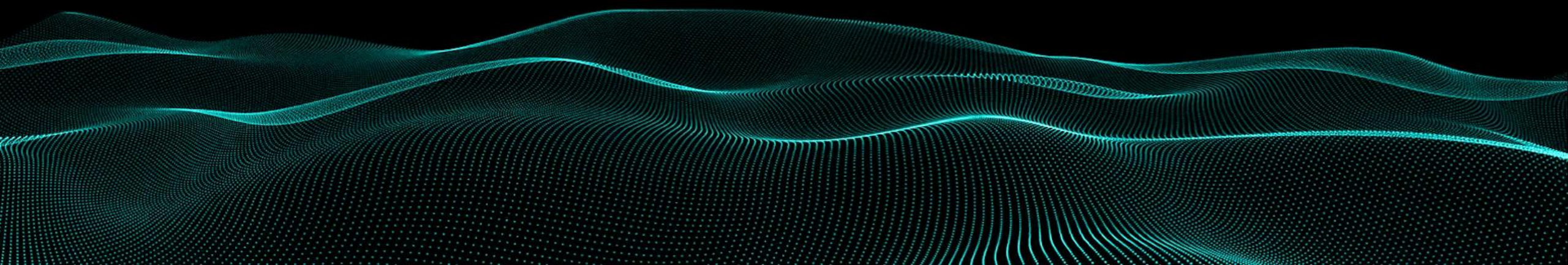


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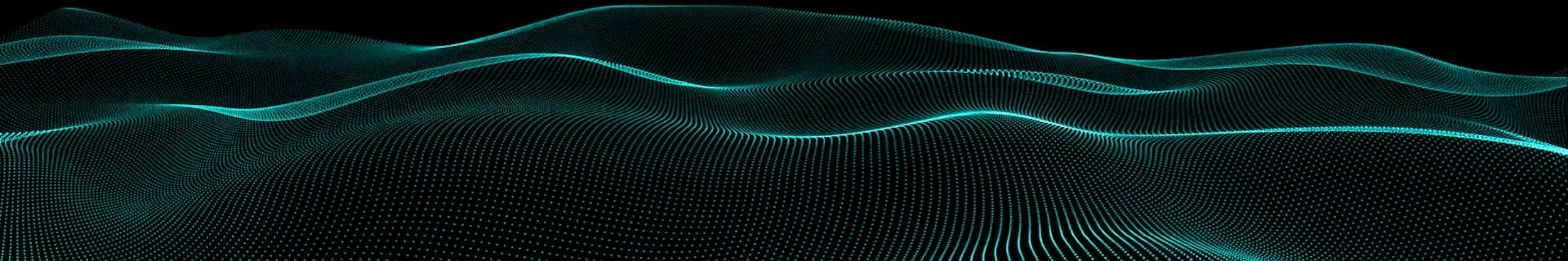
We work with enterprise clients to integrate **advanced AI and digital solutions** to create efficient operating models.

We **see what's possible** so clients can achieve the impossible.

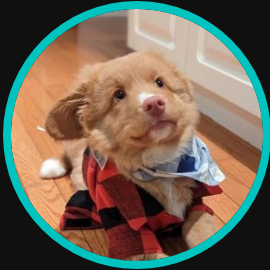
A recent survey by **Deloitte**, found that procurement teams are being called upon to address a broader range of enterprise priorities – **driving operational efficiency**, enhancing **corporate social responsibility**, and **improving margins** via cost reduction.



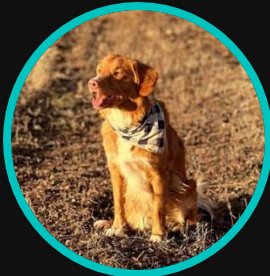
There's a lot of potential with AI in procurement. Before we get into it, let's take a step back and talk about what AI is. There's a common understanding that AI is a complex, "black box" technology and often out of reach. How you would describe AI and what do you think is the best way for organizations to approach it?



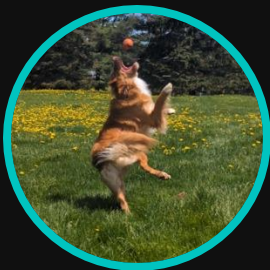
# Thinking Differently About AI.. Meet **Cork**



I like to explain AI by talking about my dog – Cork. There are dog lovers here, right? **If anyone has had a puppy before, you know that they're fun and cute when they are small but they are not house broken, can't fetch, sit – truly – they don't know much.**



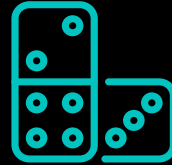
**They have this super basic potential. But over time – you will introduce them to new experiences, giving them treats as rewards or correcting for bad behaviour.** Now each of those experiences are shaping the dog into who it becomes today – understanding that when a ball is thrown, he's supposed to return it, etc. AI is quite similar if we look at those “experiences” as “data”.



As a company you need to understand your data, what data you have available and what the problems you're looking to solve against to unlock the opportunities of AI. You'll train your AI systems using this data to learn patterns, make predictions, etc. And it's important to know that like training your dog – the AI journey is progressive. Your dog meets a new person or new “experience” and it could feel like all your training goes out the window. But you learn from these scenarios, refine or expand your data, and continuously improve performance. It's an ongoing process.



**AI  $\neq$  changing  
everything at once**



**Start small and then scale up as  
you get more comfortable**



**Small changes can  
make a big difference**

Using AI doesn't mean that you need all the data in the world or that need to overhaul your systems. You can start small, with one problem at a time, and then gradually build out the AI solutions that will empower your business.

# The AI Adoption Roadmap



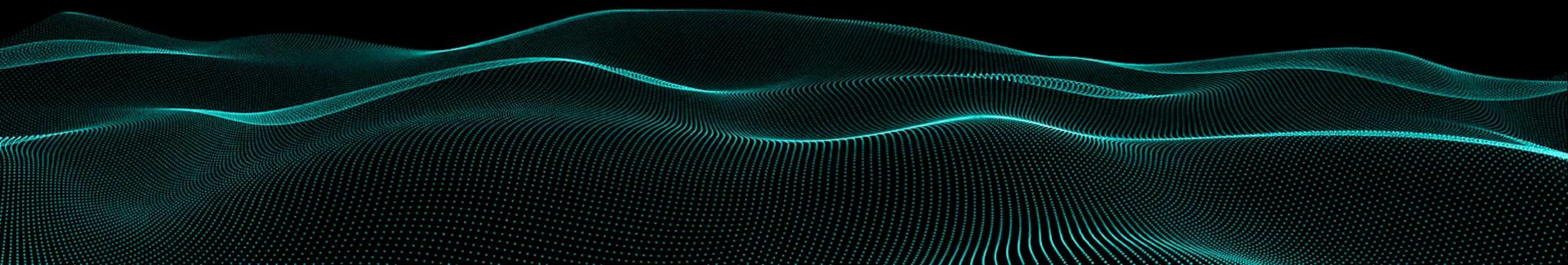
**Know your Business  
Objective**



**Become Data-Ready**



**Drive Adoption  
and Engagement**





## Know Your Objective

There are a lot of things to consider, but I think the number one thing that procurement leaders need to consider is what is the ultimate business objective. Start with, what are you trying to achieve – your business or departmental goals? Do you want to implement AI across procurement to improve accuracy? Speed of processing contracts? Reduce mundane tasks? You need to have a clear understanding of your goal, can get the right stakeholders in the room, creating alignment and momentum – will be essential for successfully integrating AI into procurement.



## Become Data-Ready

Now, once you've established the goal, you need to understand your data. Your AI systems will learn from the data you provide it so think about what you need to do to ensure you have enough relevant data, a breadth of data to train and achieve the results you're looking for. We call it a readiness assessment. For example, if you are looking to use AI to predict procurement needs or buying decisions for say an office, you would need historical procurement data of items purchased previously, including quantity, supplier information and costing. This historical data could be used to train AI to forecast future procurement needs, purchasing decisions, etc.



## Drive Adoption & Engagement

The third consideration is making sure that you have a people strategy. You want to make sure that your teams are excited about the opportunities and understand the changes that will come. This is critical as often employees get nervous when they hear this, they fear their jobs will be impacted and therefore don't fully leverage AI's capabilities. At Saige, we often support our clients with change management, working together on communication plans and training opportunities to set everyone up for success.





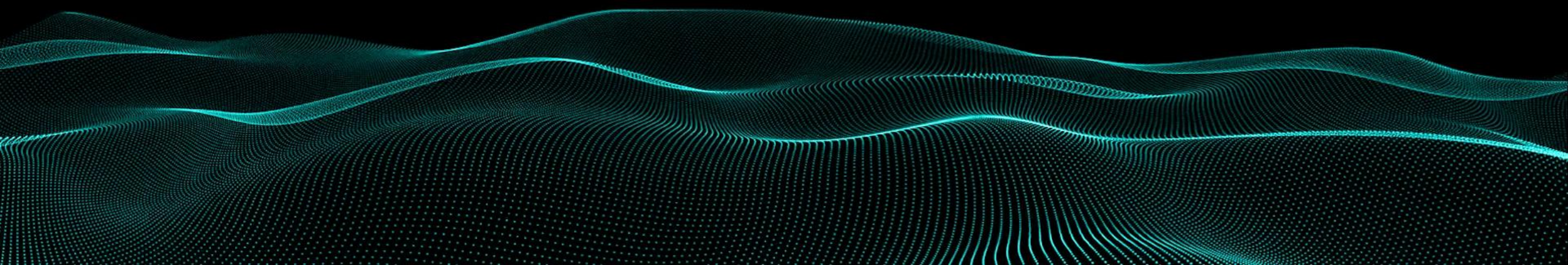
Reducing  
Repetitive Tasks



Pattern & Trend  
Identification



Compliance & Spending  
Transparency



# Procurement Teams Are Already Using AI:



## Efficiency Multiplier

Procurement teams are already using AI as an: Efficiency Multiplier – Using AI to reduce mundane repetitive tasks, such as monthly processes or performance reporting, through automation with the goal of time savings but also error reduction. Reducing mundane tasks has also proven (regardless of industry) to increase employee engagement and retention.



## Pattern & Trend Identification

In Risk Mitigation and Compliance – AI can predict supply chain shortages through pattern recognition that indicate an emerging supply shortage. They can then automatically recommend two or three product alternatives to business buyers, thereby preventing supply disruptions. It can also identify patterns and trends within suppliers' performance data, enabling businesses to assess supplier reliability and quality more accurately.



## Compliance & Transparency

AI can help with compliance monitoring, transparency on spending – things that traditionally were very time consuming to monitor, analyze and address. AI systems can help flag discrepancies and address compliance issues before they escalate. And in many of these ways, how AI is used by procurement teams can shape your larger organizational goals and drive strategy.

# How to Get Started

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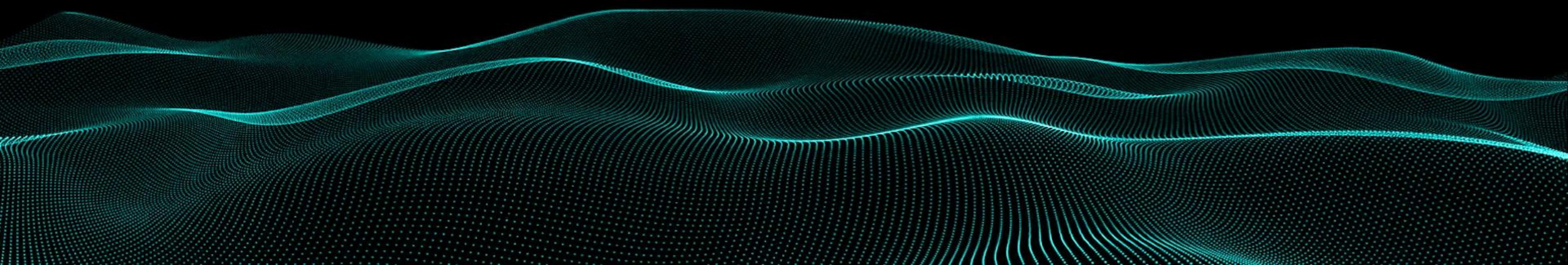
Set Your Goals



Identify Your  
Partner

3

Build Your  
Roadmap





## Set Your Goals

Set your goals based on your business needs. Do you need a partner to help improve procurement or do you want to help another department within your organization integrate AI into their processes? A common mistake organizations make when implementing AI is not aligning implementation and use cases to business priorities and goals.



## Identify Your Partner

Our clients have repeatedly shared that hiring a partner with deep AI integration experience is critical as they either didn't know the steps to take, what to consider or they simply didn't have the time as integrating AI was on top of their already busy jobs. The right partner should have a proven track record of successfully implementing AI end-to-end, be a cultural fit and have similar values to your organization, with a deep understanding of the business and industry. At Saige, our core values are speed, accuracy, and inclusivity – of voices and by providing bespoke options that meet your needs but are modeled upon best practices. Given the pace of change, we want to help our clients integrate quickly but not at the expense of accuracy, security and their teams' engagement. Fast and accurate, but trusted and secure.





# Build Your Roadmap

**Once you know your objectives and have a partner, build a roadmap with a clear vision and measurable milestones.**

1. Tech and data readiness assessment.
2. Pilot programs to test systems, training and drive engagement are a best practice.
3. Establish governance and policies.
4. Implement a change management communications strategy to ensure your employees stay engaged, are motivated to adopt AI and for retention.

Lastly – don't wait too long. You want to stay in front of your competitors, not behind.



# Thank You

Use the contact form below to schedule an introductory call.