



## 5 Key “Process” Questions to ask at the start of a Procurement Project

- 1. What process based KPIs do you wish to define and track on an ongoing basis?**  
What are the key operational factors that will achieve your quantified benefits? These metrics must be tangible within the process, practical to measure and realistic to target. Are there some company or industry benchmarks available that can be used for comparison?
- 2. What can we measure in the current process?**  
For comparison purposes it is necessary to have some measurable KPIs from within the existing process. These metrics will ideally be meaningful to the business and relatively easy to access.
- 3. Who can approve what for where and for how much?**  
Spend sufficient time clarifying and documenting your approvals matrix. This is imperative to the successful operation of any purchasing procedure. Search for the exceptions and normalise them, everything must be brought under approval control. Data integrity is a modern business imperative and is most likely one of your key project justification factors.
- 4. Who is allowed to directly engage with external suppliers?**  
This may seem trivial, however clearly defining roles and responsibilities around supplier management will improve both your own systems and those of your suppliers, leading to price control and reduced transaction costs.
- 5. When the new processes are defined and implemented how are you going to identify and respond to exceptions and breaches?**  
In the first pass of the implementation project it is highly unlikely that you will achieve a best practice result in everything you do. There will be compromises that lead to process exceptions. There will also be occasions when the new processes are either deliberately or innocently breached. How are you going to track those exceptions and breaches and what processes are you going to implement to define your responses to these occasions.