
























# PROCUREMENT 2024: BIG TRENDS & PREDICTIONS

## CHEAT SHEET

-  AI has the potential to transform both tactical and strategic activities, and tap into under-utilised information, data and insights
-  2024 is the year of efficiency as CPOs will continue to focus on identifying cost savings due to pressure to defend corporate profit margins
-  Inflation rates have flattened in many regions, but the drive for corporate profits and supplier price increases remain challenges for procurement teams
-  As interest rates rise, procurement's ability to impact cash becomes critical in managing higher capital costs
-  Society's increasing polarisation and politicisation puts pressure on companies and corporate leaders to establish and maintain trust, including in supply chains and supplier relationships
-  The reversal of trade policies in the US and ongoing geopolitical tensions have accelerated the trend of deglobalisation, leading to a shift in supply away from China
-  Military conflicts, political debates and elections in various countries will create uncertainty and risk for supply chains requiring procurement to be agile in providing new sources of supply
-  Heightened uncertainty and unpredictability in the geopolitical and economic world increase the risk associated with business travel requiring procurement to ensure strong security protection from travel teams
-  Leveraging shared team knowledge and participating in online communities empower procurement teams to reach new heights in performance
-  Non-employee labour, such as temps and contractors, now represents 49% of the workforce requiring procurement's expertise in sourcing and managing spend on contingent workers
-  Record-low unemployment has created the 'war for talent' leading to the need for new recruiting strategies and staffing models to protect against interruptions of operational work
-  The global economy is expected to remain strong, with resilient employment, lower inflation, and strategic fiscal policies contributing to positive economic results
-  CFOs will prioritise fully automating procurement operations to achieve revenue growth while reducing expenses
-  CPOs must develop a digital strategy based on big data intelligence to shape procurement strategy and execution
-  AI capabilities will significantly impact supply management technology, revolutionising procurement processes, decision-making, efficiency and better insights into drivers of value
-  Governance is essential in dealing with AI technology, ensuring proper usage, data access and privacy, as well as procedures to validate AI-driven results
-  P2P teams will prioritise investments in fraud prevention technology to safeguard against financial losses and maintain the integrity of P2P ecosystems. Prevention is key to building trust with suppliers, ensuring regulatory compliance and safeguarding business reputation
-  CPOs will reassess supply chains and shift supply away from China to mitigate risks and ensure resilience
-  In response, China's policymakers may reassess its trade policies with the West to sustain employment levels and maintain stability
-  Weather extremes, wars and western diversification will result in persistent disruption to supply chains, capacity constraints and logistical complexities
-  Smart sourcing—leveraging data-driven insights, market intelligence and strategic supplier relationships—will help procurement teams optimise decisions and mitigate supplier price increases
-  The outcome of the US presidential election could impact NATO, US trade policy towards China, ESG programmes and have general economic consequences
-  Fake news and disinformation campaigns can manipulate perceptions, distort facts, and sow distrust in supply markets. Enhanced transparency, critical thinking, fact-checking mechanisms, and collaborative efforts will be required to combat their impact

If any of these issues resonate, download our eGuide **The Ultimate Guide to Power-Up Sourcing** and take the first step towards streamlined processes and cost-saving solutions.

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