



Keelvar >

Part One

# Autonomous Sourcing: Your Essential Guide



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# The opportunity procurement leaders have been waiting for

For too long, procurement teams have been seen as the penny pinchers or the slow-things-downers of the enterprise. But today, procurement leaders are finally starting to play a more strategic role in company leadership and can collaborate with their peers to create bigger wins for their businesses.

A recent [Deloitte report](#) describes procurement leaders who create a vision for their role in the business and inspire others to join in.

Leading the charge within their organizations for more efficiency and recognizing the importance of digital transformation to achieve large-scale business goals. If you want to be one of the leaders with a seat at the table, you must rethink how to deliver value to the entire organization. Automation, once considered a nice-to-have, has become a must-have — and the only way for you to meet your efficiency and strategic goals.

Your procurement team has to become more efficient with sourcing to help control your organization’s spending and create more time for high-value strategic work. To gain this efficiency, you have to embrace automation, establish sourcing best practices within your team, and then scale those practices to the rest of your organization.

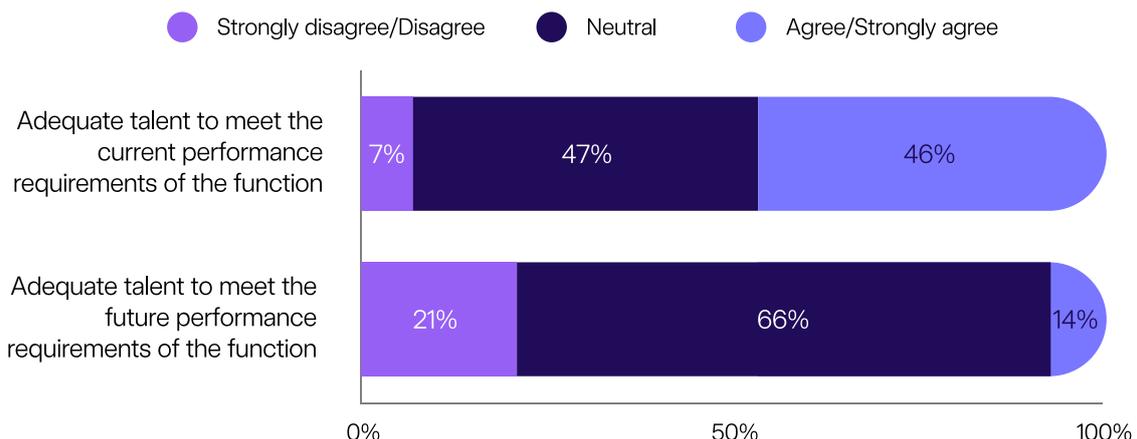
Leaders who create a vision outperform their peers in other organizations by 25%

## Procurement has to do more with less

At a global level, procurement leaders have navigated challenge after challenge over the last few years. From supply chain disruption to inflation, working with suppliers and finding the best pricing has been tough.

There’s still a lot of work to be done — and you might not have the staff to do it. Thirty-eight percent (38%) of leaders in our most recent [Voices of Sourcing report](#) are dealing with a declining or flat workforce. It’s a worrisome trend: Gartner research showed that while 43% of procurement leaders thought they had adequate talent available to meet their needs today, only 14% thought they had the talent to meet their future needs.

### Are Procurement Teams Built for the Future?



Source: [2023 Gartner Procurement Competencies](#)

A talent shortage means an ever-growing mountain of work for existing procurement teams. It's no surprise, then, that 68% of respondents also said they plan to focus on cost management and operational efficiency to manage these workloads.

63% of procurement leaders in our study said increasing workloads were their biggest concern.

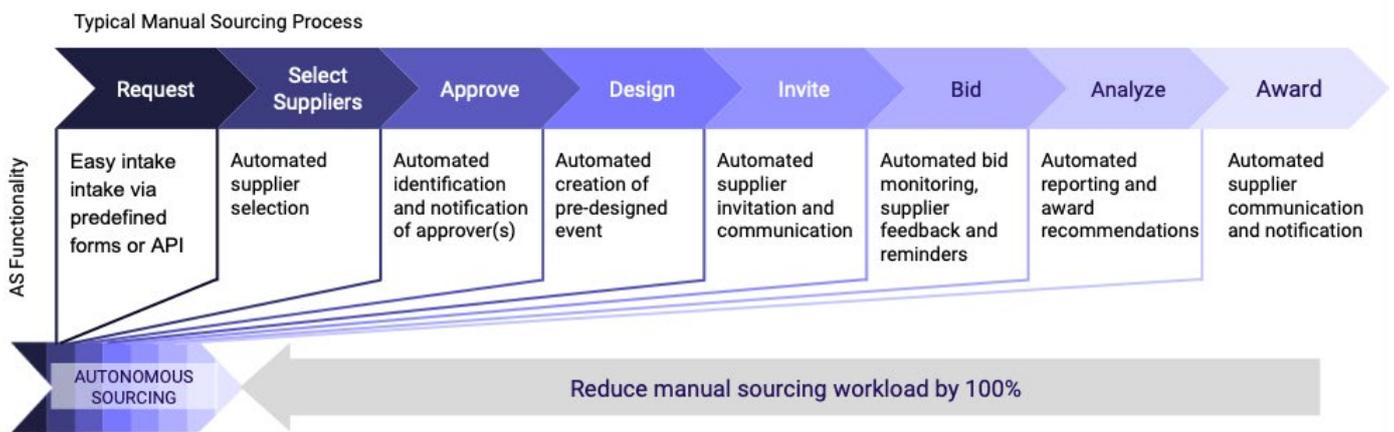
Fifty-nine percent (59%) of leaders told us they're looking for advanced tech, such as automation, to drive the efficiency they're looking for. If you want to stay ahead of the competition, you'll have to find opportunities for change on an enterprise level, not just within your procurement team. Autonomous sourcing can deliver the efficiency you need throughout your organization — and a whole lot more.

# What autonomous sourcing is — and what it means to your business

You might feel bombarded by discussions of autonomous sourcing — and still a little confused about what exactly it can do for your team. Many companies are using the term to refer to various levels of automation in different parts of the sourcing process, but it's much more than that.



Autonomous sourcing helps organizations automate the sourcing process from start to finish while still allowing precise control and human decision-making where necessary. It lets sourcing teams easily design hands-free automated workflows (executed by bots) that remove the manual, time-consuming steps of the sourcing process and reduce it down to just the time it takes suppliers to submit bids.



Applying autonomous sourcing to even the most complex sourcing event will free up your procurement professionals' time for higher-value tasks, like cultivating stronger supplier relationships for better terms and pricing down the line.

You can balance dozens of factors automatically and create clearer options that let you make the most informed decisions. For instance, autonomous sourcing can present separate scenarios that optimize for different factors like location, pricing, or speed, and the user can decide which is most important for that event before awarding the bid.

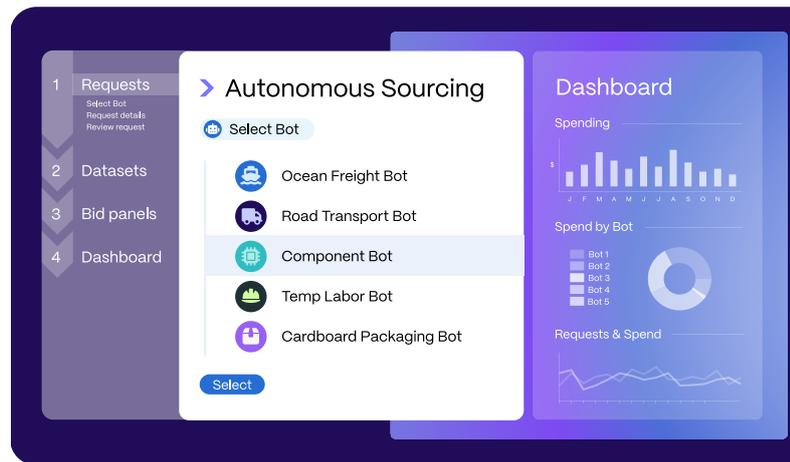
## Autonomous Sourcing from Keelvar

Easily build self-service sourcing workflows for tactical and tail spend that empower anyone in your business to make the smartest, most efficient purchases without having to be a procurement expert themselves.

Maintain more control and visibility across every type of sourcing in your enterprise, from strategic to tactical to tail spend.

### Autonomous sourcing will automatically consider factors like:

- Supplier diversity
- Environmental, social, and corporate governance
- Sustainability
- Risk mitigation
- Nearshoring
- On-time delivery performance
- Load acceptance percentage



For tactical and tail spend, you can realize tremendous savings by automating processes that have previously been unmanaged or under-managed. Business users will get the best pricing from the right suppliers without being burdened by the ins and outs of procurement.

### The benefits of autonomous sourcing

The bottom line in autonomous sourcing is efficiency. Business users no longer need to wait for procurement’s help or stumble through a sourcing event on their own. Every purchase is simple, seamless, and successful. You’ll be able to:

- Free up time for more strategic work for your procurement team by automating 100% of the sourcing process.
- Work with a single source of truth for every sourcing event, building a more powerful data engine for future events with every use.
- Automate the simple — empower business users to source on their own with best practices built right in.
- Uncover significant savings by implementing a competitive bidding process across all spending.
- Make faster decisions throughout your business with quicker procurement processes.

Your procurement team will feel more satisfied in their roles because they’re doing fewer mundane, manual tasks and can do more fulfilling work instead. They also won’t spend their time getting pulled in different directions — they’ll be able to proactively get ahead of issues and work in a more productive, focused way.

### Customers driving better sourcing outcomes for every industry and category

**93%**  
tasks automated  
in Manufacturing

**6000**  
events automated  
in Food & Beverage

**750+**  
fewer calls to procurement  
in Direct Materials

**85%**  
time savings  
in Technology

## Autonomous sourcing vs. traditional sourcing

Traditional sourcing is reactive and labor-intensive, leaving little time for more strategic work like building supplier relationships, partnering with other departments for more cohesive decision-making, and mitigating risk.

The steps of a complex sourcing event that can take months using manual methods can be set up in minutes instead with autonomous sourcing. It's as simple as filling out a short form describing your needs and letting automation do the rest, such as pick the right suppliers, contact them, gather their bids, analyze them, and present options to satisfy specific needs, like cost or risk reduction.

For even more productivity and efficiency, the [right solution](#) won't even need a human to start a sourcing event — it can be set up to automatically trigger based on certain cues or signals. For example, in a warehouse where inventory dips below a predetermined level, a bot can automatically launch and run a successful sourcing event through an API with no human intervention at all.

Traditional Methods	Autonomous Sourcing
Too many manual steps in selecting suppliers to participate, contacting them and distributing RFPs, answering questions, and selecting a supplier.	Automate the entire sourcing process across any type of spend.
Missed saving opportunities lost to incorrectly implemented spending practices and lack of control over spending in other departments.	Ensure competitive bidding and cost-effectiveness in every department and all categories.
Evaluation of suppliers primarily on price.	Easily weigh competing suppliers across many metrics, like risk, quality, sustainability, diversity, and performance.
Time wasted monitoring and guiding business users on best practices.	Empower business users to make the most educated spending decisions and enforce policies effortlessly.
Lengthy, complex policy documentation that isn't well adopted throughout the organization.	Quickly create custom workflows for any category to meet specific requirements for optimal sourcing outcomes in every scenario.
Never having the time to optimize spending throughout the business or spending too much time managing approvals in other areas of the business.	Get complete visibility and audit trails for spend categories you previously had no control over and manage approvals seamlessly.

## Autonomous sourcing success: Days-long processes shrink to just hours with automation

Mars Inc. is experiencing the benefits of digital transformation — taking their process to build an RFP from four days down to just four hours with Keelvar solutions. Efficiency has skyrocketed and, by giving their team more time to spend on strategic work, Mars has seen increased employee satisfaction and retention.

“ We’ve got this awesome Optimizer that we use to run large-scale, complex sourcing events. But then we’ve also got the autonomous sourcing piece of it now, which is built onto the Optimizer, so you don’t even have to train the teams to use it. You now have a bot do all the work of building and creating the events for you.

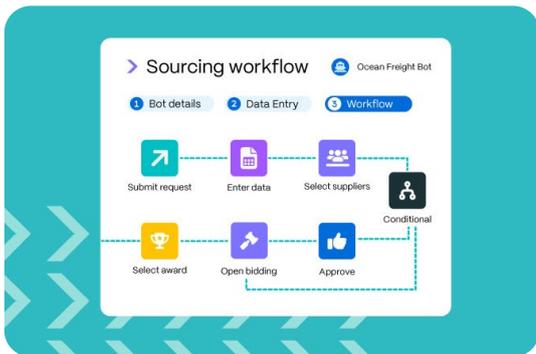
— Sam de Frates, Vice President, Commercial – Europe, CIS & Turkey and Analytics



# The recipe for autonomous sourcing success

## When to use autonomous sourcing

Autonomous sourcing is best for simple, repetitive, ad-hoc, or urgent events. This lets business users who need guidance on finding the right supplier for their needs do their best work while your procurement team focuses on theirs. And the best part is that procurement has governance and visibility into all spend, without having to do the work.



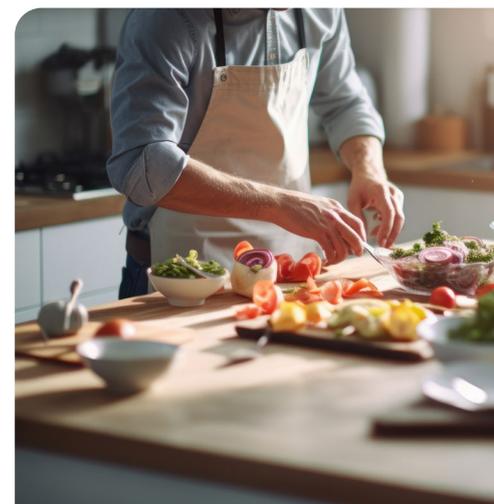
## Autonomous sourcing is the best option for:

- Sourcing spend with minimal human effort
- Launching RFPs quickly
- Ensuring competition to get the best price
- Improving visibility and governance over lower-value buying
- Empowering buyers in the organization with best practices — and with minimal training

## The chef analogy: Orchestrating effective autonomous sourcing

Autonomous sourcing brings efficient sourcing to everyday users without the learning curve. Think of it like this: Each automated workflow built in autonomous sourcing is like a recipe, which is then cooked (executed) by a bot.

When a chef (procurement professional aka bot architect) creates and writes a recipe (automated workflow) for the bot to execute, they’re giving it the guidelines to ensure a delicious dish every time. When someone in your organization uses an automated workflow to run a sourcing event, you’re ensuring they meet sourcing best practices every time.



Like a recipe includes all the ingredients and instructions needed for a finished dish, so do the workflows your procurement team builds. Building a workflow starts with intake requirements (the ingredients) and moves through the process (the recipe's preparation), including:

**Intake:** What is being sourced and what information does a supplier need to bid?

**Supplier selection:** Which suppliers should be included and can bid?

**Approval flows:** Do you need approval steps in the workflow or can it be fully automated?

**Event management:** Who should be notified of progress along the way internally?

**Evaluations:** Are there other factors than the lowest cost that should be considered when evaluating bids?

**Award:** Which supplier will be selected?

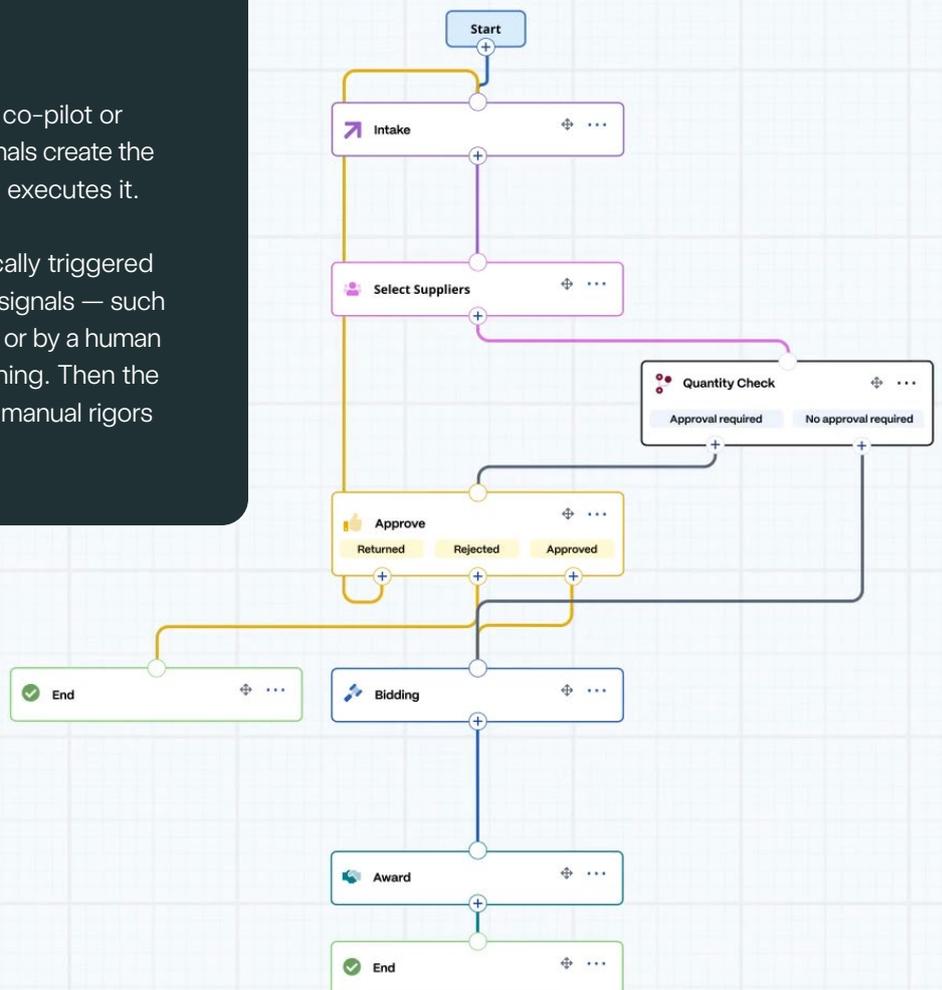
**Export:** Do you want this data to update another system?

And just like a cookbook full of recipes, you build these workflows once so they can be used again and again. Your procurement team can even automate the process so thoroughly that the business user needs only to decide what they want to purchase or source — and intelligent sourcing bots execute the workflow from there until human approval is needed.

### What is a sourcing bot?

Imagine sourcing bots like your sourcing co-pilot or personal assistant. Procurement professionals create the automated workflow (recipe) and the bot executes it.

These workflows can either be automatically triggered into action by the bot listening for certain signals — such as inventory going below a certain point — or by a human requesting to purchase or source something. Then the bot does the rest, freeing teams from the manual rigors of sourcing.



# Autonomous sourcing: Simplifying procurement in every corner of your organization

The procurement team shouldn't be an invisible player in your organization — it should be helping lead the way to a more effective and strategic business. With a big-picture view and tighter control of spending, procurement can help drive better decision-making across the organization. By implementing the right autonomous sourcing solution, you're taking the first step in that direction.

## Introducing Keelvar Intelligent Sourcing

Drive better sourcing outcomes across strategic, tactical, and tail spend.

Keelvar's unique combination of Sourcing Optimizer and Autonomous Sourcing helps 100+ global enterprises drive better sourcing outcomes across all industries, all categories and all types of spend.



### Simplify the complex

Easily manage the complexity of large tenders and make faster, cost-saving decisions with improved competition, data analysis and cycle times.



### Automate the simple

Free up your team from manual work, gain control of tactical and tail spend, and empower your entire organization with automated sourcing workflows for more efficient buying.

## What happens when you optimize & automate?



### Reduce cost

More competition

→ **3-25% cost savings**



### Engage buyers & suppliers

Consolidate suppliers

→ **47% improved supplier relationships**



### Increase efficiency

Faster cycle times, less work

→ **50-90% workload automation**



### Increase spend under management

Improved governance

→ **5-10% reduction in rogue spend**



How [Carlsberg](#) optimized \$600 million in logistics



How [Samsung](#) makes 85% time savings on strategic events



How [Grupo Nutresa](#) achieved 15% savings in packaging



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# Autonomous Sourcing: Your Essential Guide

Simplify the complex and automate the simple with Keelvar's unique combination of Sourcing Optimization and Autonomous Sourcing.

Get a tour and see Keelvar solutions in action.

Book a demo