

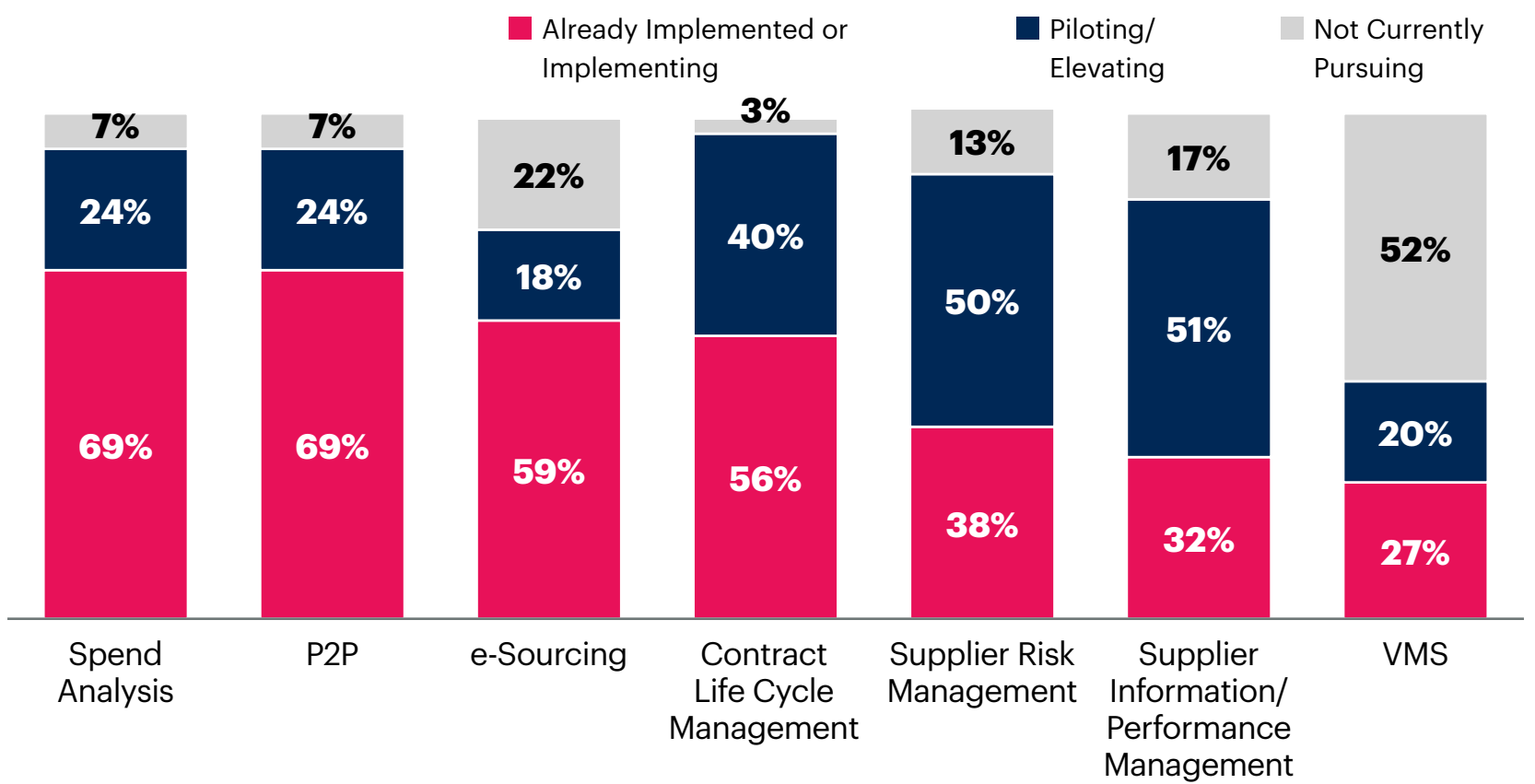
Peer Insights on Procurement Technology Investments

Views From Procurement Leaders



Current investment in procurement technologies skews heavily toward foundational technologies that ease core work.

Current levels of implementation for core procurement technologies:



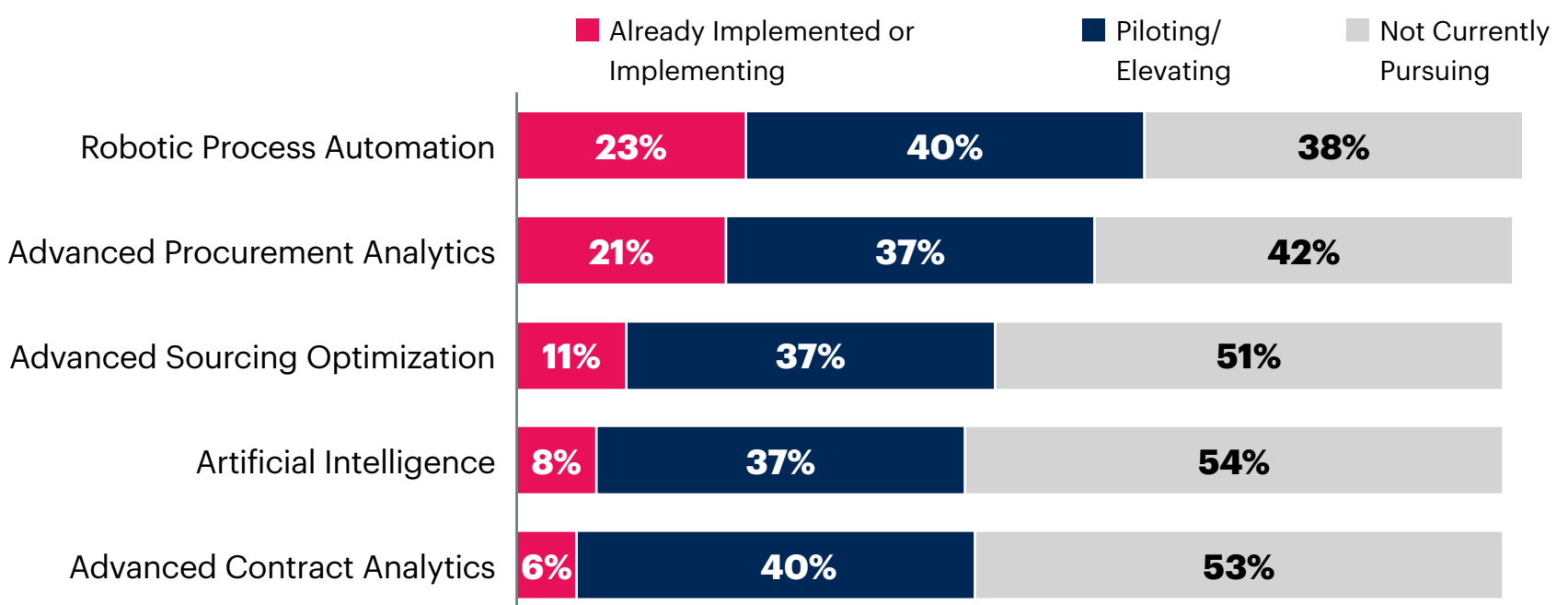
n = 96 procurement professionals
Note: Percentages may not add up to 100 due to rounding.

What obstacles are procurement leaders facing as they implement core technologies? What are we hearing from clients?

- Change management not always effective** in getting end users to adopt technologies in the right way.
- Staff still tend to have an **overriding mindset** that procurement best delivers value through human intervention.
- Vendors **present technologies as seamless**, but in reality it's more complex to tie solutions together across organizational silos.

Procurement functions are less focused on investments in advanced next-generation technologies.

Current levels of implementation for next-generation procurement technologies:



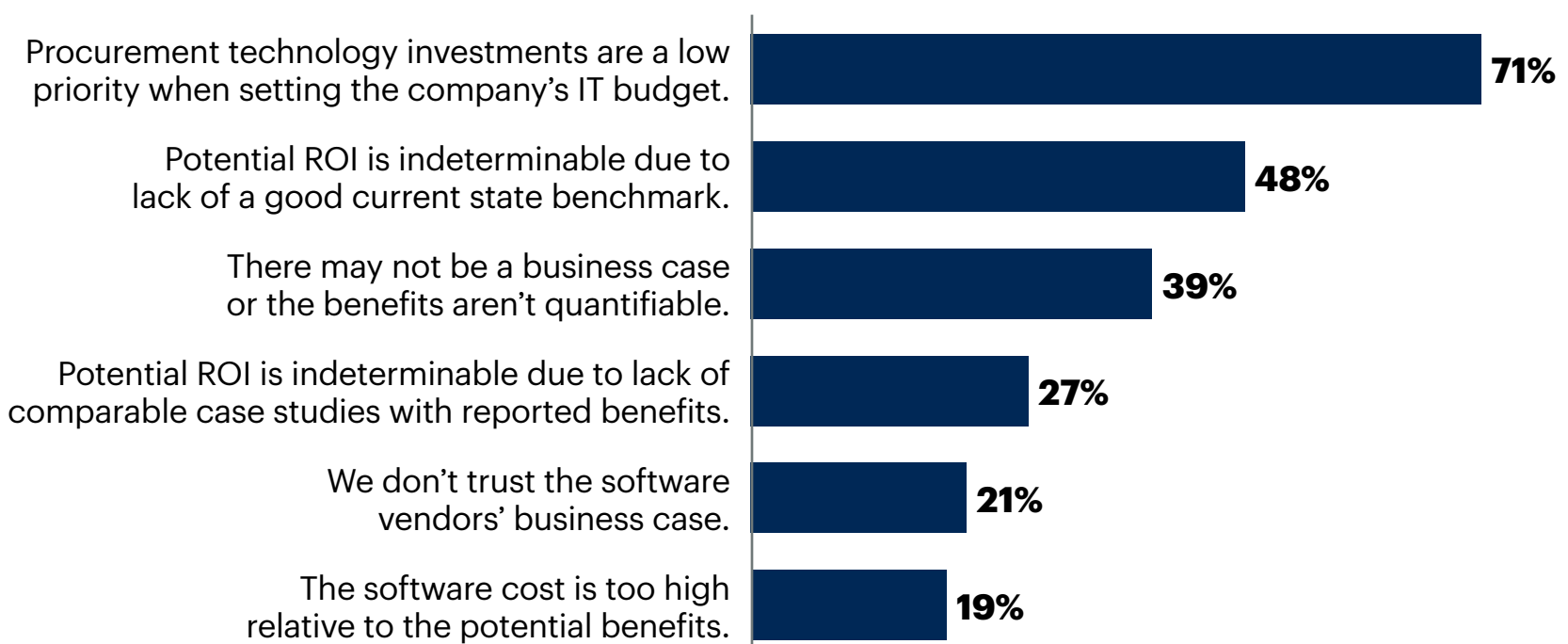
n = 96 procurement professionals
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Why are procurement functions less focused on investing in more advanced technologies? What are we hearing from clients?

- Functions are **still working on extracting the full value from core foundational technologies** they have now.
- Need **clean, high-quality foundational data first** in order for more advanced technologies to work efficiently.
- Staff **need the skills to interpret data**, spot trends and opportunities, link together data to form insights, otherwise the benefits will go unrealized.

Procurement's perception as a lower priority than other corporate functions for technology investments is the top challenge to securing new technologies.

The top challenges procurement leaders face when creating compelling business cases for increased procurement technology investment:



n = 89 procurement professionals

Why is it hard to secure investment from the organization for procurement technologies? What are we hearing from clients?

- The business tends to **view procurement as a support function**, not one that leads the way in driving revenue and value.
- Demonstrating ROI payback is hard when we're able to still accomplish goals **using current outdated processes**.
- Eliminating crises and risk is an **avoidance, not hard dollar year-over-year savings**.

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