

Highbar Trading Co. Standardized Procurement Program

# The Benefits to Standardized Procurement

How Large and Mid-Sized Businesses Benefit  
from Standardized Procurement

[customerservice@highbartrading.com](mailto:customerservice@highbartrading.com) || [www.highbartrading.com](http://www.highbartrading.com) || 1-901-762-1270

# Standardization Pillars



Simplified  
Billing



Proactive  
Support



Personalized  
Onboarding



Order  
Monitoring



Order Approval  
Hierarchies



Custom Online  
Catalog



Monthly  
Reporting



Centralized  
Procurement

## Definition of Standardize

stan·dard·ize | \ 'stan-dər-, dīz \

To bring into conformity with a standard especially in order to assure consistency and regularity

## Definition of Procurement

To get possession of (something) : to obtain (something) by particular care and effort

# The Advantages and Benefits of Using Standardized Procurement



## Cost Control and Reduction

Your Supply Programs (Office, Janitorial, Ink and Toner, Industrial, General MRO) aren't considered fixed expenses, but you can control what's purchased before it hits your inbox for approval. Using a supplier/customer controlled catalog directs your employees to the right purchase every time.



## Blistering Speed

A custom online catalog using your supplier's platform is a highly effective way to remove 100% of your rogue spend. Not only will your employees know which items they are supposed to buy, but they will spend less time searching for the supplies they need. In addition, the order approval will also become much more efficient.



## Enterprise Procurement Technology

By using your suppliers technology platform, you can now put enterprise level procurement processes in the hands of your small or medium sized business without the financial burden of paying for it.



## Renewed Focus on Core Business

You may not be in the business of procurement, and becoming an expert in that area should not be an inevitable cost for you to bear. Focus on your core business and do what you do best.



## Cost Reduction

More than 40% of all companies who use Standardized Procurement often find 1.5 to 3 times the savings than lowering the cost of goods

# Procurement Statistics



- According to Gartner, buying is not linear. In fact it is anything but a straight line.
- Buyers spend 15% of the buying cycle deconflicting information
- 31% of buyers said the length of their B2B purchase cycle has increased significantly compared with a year ago



- A whopping 45% of buyers stated that they "are spending more time researching purchases compared to last year." This could be a result of delays in the purchasing process, such as meeting legal requirements or budgetary holds.



"To survive, you must provide a technology-based value proposition and offer products at competitive prices which are properly sized to customers' capacity needs – minimum order values spring to mind. Orders must then be delivered quickly to multiple locations under a technology umbrella that provides business owners with enough control over spending decisions which increasingly take place outside their direct control."

Ian Elliot -Founder & CEO at Executive & Strategic Solutions | Business Transformation Specialist | Inbound Digital Marketing

## Conclusion

Over the years suppliers have become more and more obsessed with offering millions of items to customers and diversifying their revenue streams. This has indirectly made it more difficult for buyers to find the right product for the job. Procurement is becoming more complex instead of being more simplified.

Custom online catalogs with a limited offering of pre-approved products, reduces the chances for rogue spend significantly. With that said, it also speeds up the order approval process, because all items have set pricing and are already agreed upon between the supplier and the customer.

It is challenging for an average employee to know how to tackle standardized procurement, but it can be done. This is not a criticism of the job role in procurement. It's just that it has become increasingly more difficult to get suppliers to limit their offering of products to you so that you can realize the benefits of Standardized Procurement.

Businesses thrive when they can access a host of experts and a broad level of expertise at any point in time. With that said, it's important for your supplier to have Standardized Procurement Experts that can help you put the program in place and help you maintain it.

While it may seem like a challenge at first, the month to month savings will only demonstrate that Standardized Procurement makes complete business sense.