

Strategic Sourcing in Retail

As consumer buying habits continue to evolve, successful enterprises in the retail industry have adapted agile business models to keep pace with their customers. From investing in online ordering to rolling out order pick-up and delivery, retail businesses are leading the way in rapid innovation and retooling.

To help their enterprises thrive, procurement teams in retail are leveraging software solutions to stay aligned with the business from anywhere. With collaborative tools to manage suppliers and provide real-time information to

business partners, sourcing teams have the agility to meet the evolving needs of the business as well as the visibility to plan strategically for the future.

Top Priorities for Retail

Sourcing and procurement professionals in the Retail industry have found innovative solutions to support their businesses through changing consumer behaviors. The following initiatives are top-of-mind for these procurement leaders:

- Ensuring business continuity by strengthening collaboration
- Preserving cash by partnering strategically with key suppliers
- Set up procurement for long-term success and resilience

Ensure Business Continuity by Strengthening Collaboration

With teams spread across geographies and many working remotely, collaboration technology like instant messaging becomes a necessity not just for internal communication, but for supplier networks as well.

Procurement teams with digital collaboration capabilities are empowered to update stakeholders, communicate with suppliers, and discuss RFX events—all in real time. These collaboration tools also help eliminate disparate email threads and centralize supplier and contract data for a single source of truth.

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Those retailers that are thinking big and bold—taking a cleansheet view of their supply chains, making big strategic bets to reshape the supply chain’s role in value creation—can position themselves to thrive over the long term.

[McKinsey & Co.](#)¹

Preserve Cash by Partnering Strategically with Key Suppliers

With the unpredictable disruptions to global supply chains and varying consumer demand, business leaders in the retail industry need complete visibility into their supplier relationships as well as mechanisms for supplier evaluations and feedback.

Successful sourcing leaders who can quickly identify and closely partner with their strategic suppliers are better positioned to achieve mutually beneficial solutions like renegotiated minimums or extended payment terms.

Set Up Procurement For Long-Term Success

How are procurement teams in retail ensuring continuity for their business? Leaders are digging into their project funnels and timelines to align resources. A centralized hub for all procurement initiatives gives teams and the office of finance the real-time visibility they need to prioritize projects and plan for the future.

When finance, stakeholders, and procurement have complete visibility and control of their projected spend and contractual obligations, they are empowered to drive enterprise-wide impact and achieve better business outcomes.

Harvard Business Review Key Insights

95% of business executives report disruption to their companies' sourcing and supplier management processes from the pandemic.

92% classified the digital maturity of their company's sourcing and supplier management processes as less than best-in-class going into the pandemic.

60% say the pandemic has fast-tracked plans to upgrade and automate sourcing and supplier management.²

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We implemented Workday Strategic Sourcing to empower our business users to become sourcing agents for their more transactional based processes, giving the procurement team more time to focus on complex and strategic initiatives.

sleep  number.

CJ Anderson-Johnson
Senior Manager, Indirect Sourcing Team Sleep Number

For Finance Leaders

- Gain real-time visibility into procurement spend in Workday to proactively manage cash-flow and supplier payment terms
- Reduce operating costs and find creative solutions for cost-savings
- Streamline reporting and analytics across the business for actionable insights into the supply chain

For IT Leaders

- Tap into Workday to focus on driving down infrastructure-related costs
- Reduce costs associated with auto-renewals by maintaining all supplier and contract data in one collaborative location
- Mitigate risk by managing suppliers and obligations in one searchable platform

From partnering with strategic suppliers, to driving enterprise-wide cost-savings, to strengthening supply chains, procurement teams in retail are mission-critical to the success of their business. With technology behind them, leaders like you have elevated the office of procurement and helped secure strong futures for their enterprises.

Want to know how you can achieve better business outcomes? Find out how [Workday Strategic Sourcing](#) can help you streamline your procurement processes, track your projects, and manage your suppliers with a single, intuitive solution.

1. McKinsey, "[How Retail can Adapt Supply Chains to Win in the Next Normal](#)"
2. Harvard Business Review Analytics Services, "[Managing Procurement Risk: Enterprise Agility for a Changing World](#)"



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