

Procurement and Outsourcing with AI





Procurement and Outsourcing

- Introduction video
 - Video: Procurement AI: 10 Skills You Need By 2030
 - Podcast: AI transforms Procurement & Outsourcing
 - Prompt exercises
 - Further reading
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- This study pack takes about 1-2 hours to complete depending on how many prompt exercises you'll try.



Watch the introduction video!



This video is created with HeyGen.



Watch the video on procurement with AI





Listen to the podcast:
AI Transforms
Procurement &
Outsourcing

This podcast is created with Notebook LM.

Hands-on prompting exercises 1/2

Prep: Have names of required items, vendor agreement and purchase orders ready. Remember to anonymize any personal details in files.

1. AI-Driven Supplier Shortlist

- **Prompt:** “We need five [item] suppliers in Europe with ISO certification, lead time ≤ 10 days, and unit cost [set cost]. Provide supplier names, contact info, rating, and risk notes.”
- **Goal:** Learn to use AI to generate a qualified supplier shortlist from your criteria.

2. Request for Quotation Drafting

- **Prompt:** “Draft an Request for Quotation email for our chosen supplier: requesting pricing for X units of part #X123, seeking volume discounts, and asking for payment terms and delivery schedule.”
- **Goal:** Practice turning bullet-point requirements into a polished, professional Request for Quotation.

3. Contract Key-Term Extraction

- **Prompt:** “Here is the text of a vendor agreement. Extract payment terms, renewal clauses, liability caps, and any auto-renewal language into a table.”
- **Goal:** Experience how AI can parse contracts and surface critical terms at a glance.



Hands-on prompting exercises 2/2

4. Spend-Analytics Summary

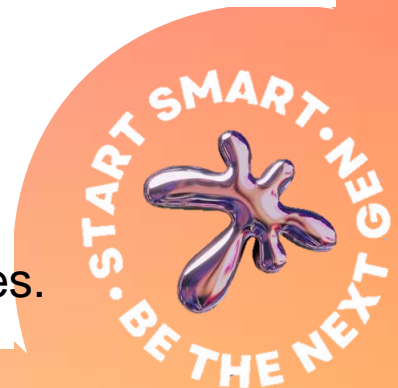
- **Prompt:** “I have this CSV of last quarter’s Purchase Orders (supplier, category, amount, date). Identify the top three spend categories, flag any outliers >2x average, and suggest two cost-saving measures.”
- **Goal:** Use AI to analyze spend data, detect anomalies, and generate actionable recommendations.

5. Risk-Flagging in Sourcing

- **Prompt:** “For each supplier in this list, assess risk based on country, past delivery performance (on-time %), and financial stability score. Assign a ‘High/Medium/Low’ risk rating with rationale.”
- **Goal:** Learn to have AI synthesize multiple data points into a concise risk assessment.

6. Outsourcing Vendor Scorecard

- **Prompt:** “We’re evaluating three [item] providers. Create a scorecard comparing them on cost, turnaround time, data security, and client satisfaction. Include scores (1–5) and a recommended vendor.”
- **Goal:** Practice using AI to structure a multi-criteria decision matrix for outsourcing choices.



Further reading

- **Level up your procurement with AI: From quick wins to game-changing strategy**
<https://spendmatters.com/2025/04/17/level-up-your-procurement-with-ai/>
- **Survival Of The Techiest: How AI Is Helping Future-Proof Procurement**
<https://www.forbes.com/councils/forbesbusinessdevelopmentcouncil/2025/04/22/survival-of-the-techiest-how-ai-is-helping-future-proof-procurement/>
- **How To Optimize Procurement Processes With Generative AI**
<https://www.forbes.com/councils/forbestechcouncil/2024/10/08/how-to-optimize-procurement-processes-with-generative-ai/>
- **How Small Businesses Can Leverage AI Without Breaking the Bank**
<https://www.entrepreneur.com/science-technology/how-small-businesses-can-leverage-ai-without-breaking-the/483880>
- **10 Roles That Are Surprisingly Well-Suited for Outsourcing**
<https://www.entrepreneur.com/growing-a-business/10-roles-that-are-surprisingly-well-suited-for-outsourcing/484652>



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**Upskilling Immigrants for
Business Planning and Entrepreneurship
using AI Technologies**

