

Procurement in times of Coronavirus

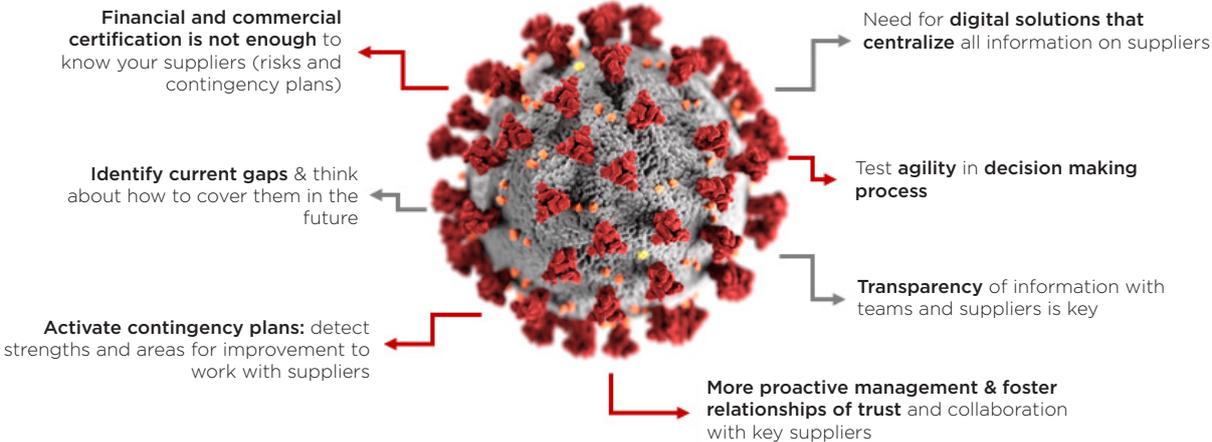


The emergence of COVID-19 and its rapid expansion has created an exceptional situation, marked by an incalculable human impact, which presents great challenges to the economy.

A new reality in which aspects such as supply and supply chain management have received special attention and, in particular, the importance of managing issues such as relationships with third parties or supplier risk. Procurement departments and managers have become vital for organizations to successfully overcome the challenges of this pandemic, ensuring work for their employees and continuity of their services etc. At the same time, they face new purchasing categories and complex and highly competitive markets in an environment that changes on a daily basis.

Impact of COVID-19:

¿What does it mean for Supplier Risk Management?



However, in such extraordinary times, how can we transform the procurement process without foregoing added value?

Agility is key. Emergency situations require emergency measures, which allow supply processes to be adapted to employees' new operations and to meet customers' needs.

Therefore, it is key to have a Crisis Management Committee that has the authority and sufficient means to speed up decision making in addition to being transparent, with both employees and strategic suppliers, regarding actions taken as the state of the crisis evolves. To this end, it is vital to undergo an analysis to find opportunities that make processes efficient, without losing sight of appropriate risk management and compliance commitments. A transformation of procurement processes that solve needs in hours, when ordinarily they would have taken days.

Anticipation also plays a very important role. In business such as Aquanima, where we have a presence in more than 11 countries, we have experienced a gradual impact as the virus has progressed in the geographies in which we operate. This difference in speed has allowed us to apply measures in a staggered manner, starting with Spain, since it was the first of our geographies affected by the crisis, and replicating them in the rest of the countries before the effects of the pandemic increased.

Relationships are the third pillar in which we must focus. It is essential that we listen to our clients, anticipating their needs and knowing their concerns in order to provide them with value solutions that meet their expectations.

In turn, we must establish **two-way communication** with our employees, which allows us to know their opinions and create a working environment that meets their demands and guarantees their safety. It's also necessary to have a good contingency plan in place and manage all requests in order to provide them with everything they need so that they can continue with their activity, whilst at the same time maintaining their motivation and commitment.

Finally, we must also **work side by side with our suppliers**, generating relationships of trust, being transparent with everything that can happen and informing them from the outset of all decisions made. We must know their operations and Business Continuity Plans to be able to assist and support them in everything they may need and vice versa.

Thanks to the combination of all these decisions and the collaboration of our clients, suppliers and employees, in Aquanima, we can continue providing our high quality, value added service as we would do on a regular basis.

And when all this is over? We are confident that, with proper management, the impact of COVID-19 will provide valuable learning. It will allow us to alleviate resistance to change, strengthen our risk management mechanisms and open the door to new long term relationships with our *stakeholders*.

We have some great challenges ahead. Are we willing to turn them into an opportunity?