Cognitive Computing for Procurement and Contract Management

Usually people think of AI and cognitive computing as glamorous technologies used for cool things like self-driven cars, robots/ droids, or colonizing Mars. All that is true, but there are very meaningful, unglamorous and fundamentally transformational applications that are low hanging fruits. We have written about this before.

Take something like procurement. While it seems so drab on surface, the truth is different. Complexity of the procurement function is probably best judged by the complexity of its problems - tedious processes, fragmented data, difficult compliance to SOPs, very limited bandwidth of professionals leading to anecdotal research at best - essentially utter chaos.

Complexity of a seemingly drab function like procurement is probably best judged by the complexity of its problems. With the use tactical cognitive computing, a method emerges from this madness.

It is a truism that trying to figure out cost controls and risks, while saddled with an outdated procurement / contract management system, makes for a dated player. Precious time and resources are consumed in dealing with doing things manually which result in limited options and sub-optimal decisions.

Tactical cognitive computing is about processing data, esp. natural language and unstructured data, in the same way as a human would, and using that capability to solve real problems at enterprises. So, now imagine 1,000 interns for the procurement team, powered by artificial intelligence. There are so many things a procurement manager can get done from this team:

- For every part, commodity or service, this team can read through all contracts across all locations and business units of the company to find the best procurement options.
- This team can also weigh these options with user feedback, public reviews, and other factors to further qualify.
- This team can also look at vendors not under contract currently. Some of these options may be better than existing contracts. In most cases this team will generate suggestions on who should be approached for contracts, how much money could be saved, and all the supporting data (See case example).
- Then, when new vendors are being brought on board the team could pull diligence packs them and generate supporting data for negotiations (See case example).

Suddenly, with the use of tactical cognitive computing, a method emerges from this chaos. Of course, every decision is recorded, every data point stored and every assumption verified, which provides the foundation for healthier organizations. Procurement or contract management is also a case where an approach like tactical cognitive computing outshines traditional AI approaches, mainly due to the fragmentation in underlying corpus, and lack of homogenous labelled data.

There are numerous such examples ([sales](#), [healthcare](#), [ecommerce](#)), that may look very mundane, and yet these are the areas where something like tactical cognitive computing succeeds easily. The only question is, are you truly being creative?

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Coseer's search solutions are transforming industries from healthcare to finance. Our point-and-shoot AI trains finds answers and insights with 95%+ accuracy within 4-12 weeks - all of this in 100% security. The reason? We founded Coseer on the principle that computers should take care of the boring stuff so that humans can focus on creativity and judgment. To that end, we've built enterprise search solutions to complete complex workflows just as humans would in a fraction of the time. Fortune 500 leaders are using Coseer to speed up and automate their most complex work.

We follow a tactical approach to enterprise search:

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- Our solutions deploy entirely behind your own firewall for 100% security, and every decision point is logged for full transparency.
- You add the finishing touches, but our point-and-shoot AI practically trains itself. No more huge training data sets or time wasted annotating and tagging.

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