

**8 SRM Supplier
Management**

helps companies to manage thousands of suppliers
with precision and efficiency



Supplier management is the process that ensures maximum value is received for the money that an organization pays to its suppliers while supplier lifecycle management is the supplier management process covering the entire supplier lifecycle. The main purpose of supplier lifecycle management is to recognize the value suppliers can offer and derive that value by placing them at the heart of your company's procurement strategy and process.

Following 8 SRM's holistic, integrated approach as follows will get you the undoubted benefits.

Supplier identification -- 8 SRM allows you to shortlist potential suppliers based on the offers received through the solicitation process.

Supplier selection and segmentation -- 8 SRM's supplier selection process allows you to ensure whether or not a specific supplier is capable of delivering the necessary goods or services.

8 SRM's supplier segmentation process allows you to segment suppliers depending on a number of metrics like life cycle cost, quality, time, availability, transaction volume, dependency, cost of maintenance and support, compliance, etc.

Supplier onboarding -- 8 SRM's supplier onboarding process allows you to collect all documents and data required to add a supplier to the approved supplier list. The data collected in this process will allow you to efficiently conduct business and purchase necessary products or services.

Supplier performance management -- 8 SRM's supplier performance management process allows you to measure and analyze the performance of a supplier throughout the contractual period to spot weaknesses and curb supplier risks.

Supplier information management -- 8 SRM's supplier information management is the process of gathering information from every step in a supplier lifecycle right from onboarding until a formal supplier off-boarding. In addition, it also covers information related to risk management, ongoing contract performance, and so on.

Supplier risk management -- 8 SRM's supplier risk management is the process of spotting, analyzing, and mitigating risks in your supplier base. You need to monitor all new and existing suppliers actively and have an effective risk contingency plan in place to prevent massive supply chain backlashes.

Supplier relationship management -- 8 SRM's supplier relationship management process allows you to identify your most strategic suppliers and develop a long-term relationship with them and it is one of the procurement best practices.

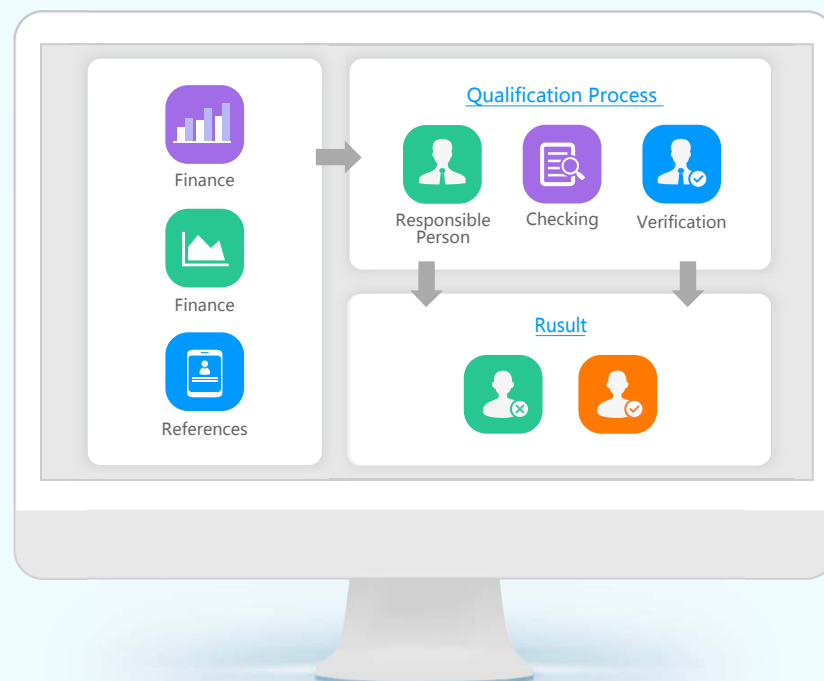
Supplier off-boarding -- 8 SRM's supplier off-boarding is the process of removing a vendor from your finance and administrative records during the termination of a contract or relationship.

2. Open Recruitment & Pre-qualification

Due to the fact that competition drives down prices, it would be useful for an enterprise to periodically recruit new suppliers. **8** SRM supports open recruitment of suppliers and allows the enterprise to design the pre-qualification questionnaire and post announcement and the suppliers to self-register and fill in the pre-qualification questionnaire. **8** SRM can automatically calculate the score for each applicant based on the assigned scores in the pre-qualification questionnaire and determine whether it passes the pre-qualification test.



3. Qualification, Grading & Blacklist



The qualification and grading are controllable processes in **8 SRM**. An enterprise can check the qualification approval policy and set up the approval process and a vendor or supplier would only be qualified if it conforms to the process.

Once a vendor or supplier is qualified, its status and grade can only be changed by the user who has the proper privileges. A vendor or supplier can be blacklisted by the privileged user.

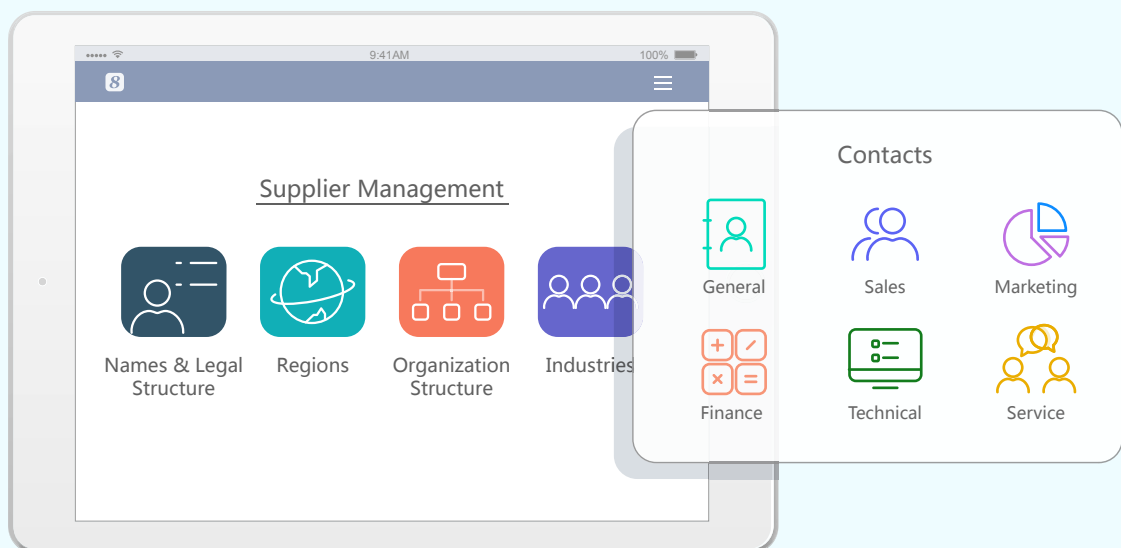
4. Categorization

8 SRM supports the following user-defined categories to segment suppliers for filtering and policy control:

- Grade
- Industry
- Product Type
- Region
- Service Type

8 SRM also distinguishes different supply channel types such as manufacturer, supplier and contractor and the following qualification types:

- Not yet qualified
- Qualified
- High Performance
- Unqualified
- Blacklist

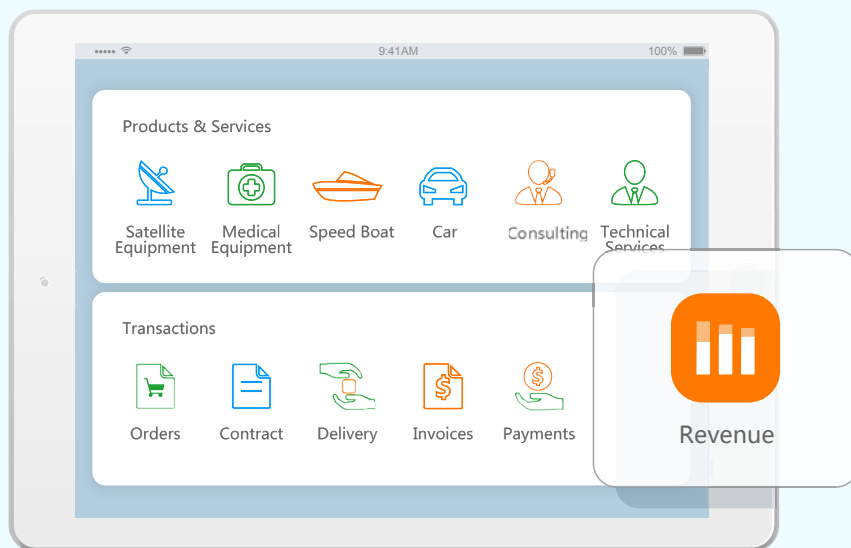


8 SRM also distinguishes different contact types such as the following:

- General
- Marketing
- Technical
- Legal
- Delivery/Collection
- Sales
- Tender
- Support
- Finance
- Others

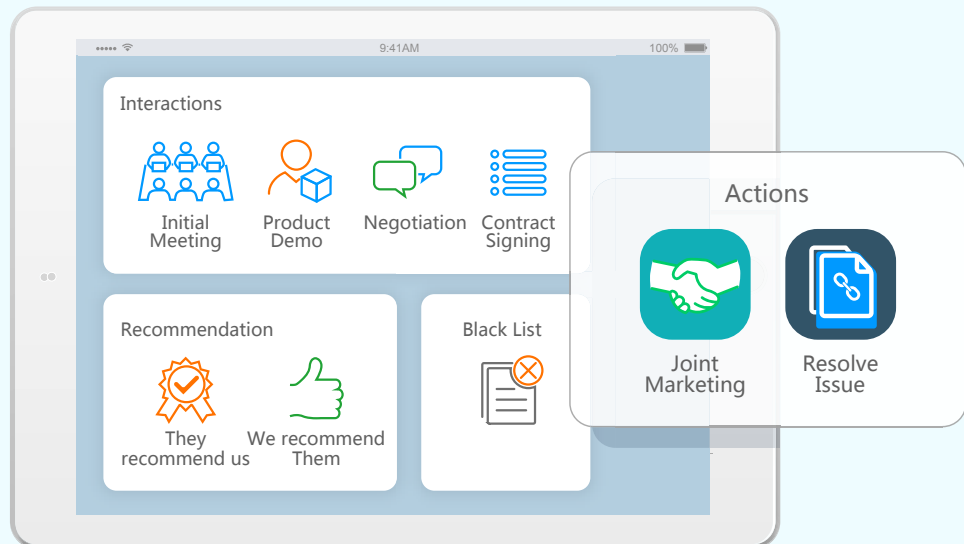
5. Vendor & Supplier Master

The minimum information to create a new vendor or supplier is just its name. However, 8 allows the enterprise to incrementally capture wealthy information of the supplier. 8 also allows the vendor or supplier to add or change its own product and service information including prices and discounts. This would greatly save the enterprise's effort of keeping each vendor or supplier's product and service information up-to-date.



When the enterprise is having interactions and transactions with its suppliers, 8 provides the facility to capture the information automatically and search and analyze the information as needed in [real-time](#).

8 was designed to deal with global vendor or supplier name problems and would be able to identify the same vendor or supplier with different names and also allow the linking of the information and transaction records of the same vendor but with different names together.

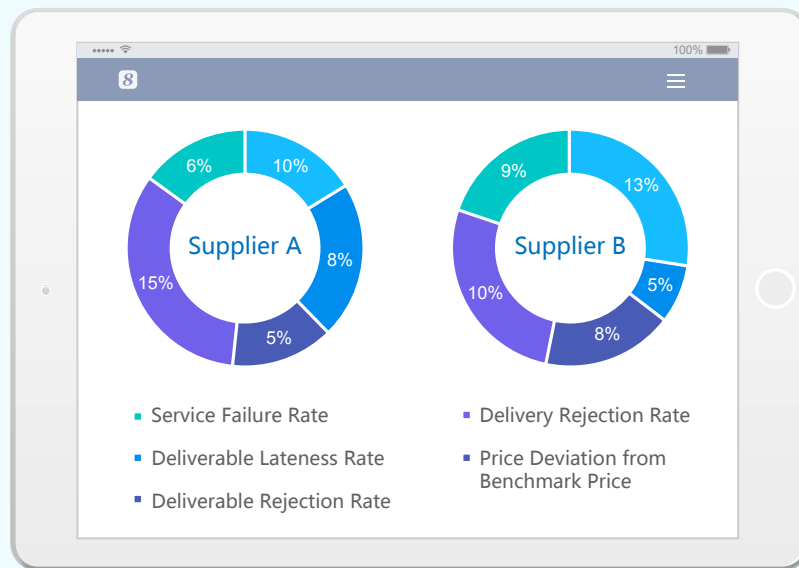


6. Delivery Quality Scoring

8 automatically tracks the following measurement information during the “delivery & acceptance” process and aggregate and summarize measurements results in real-time:

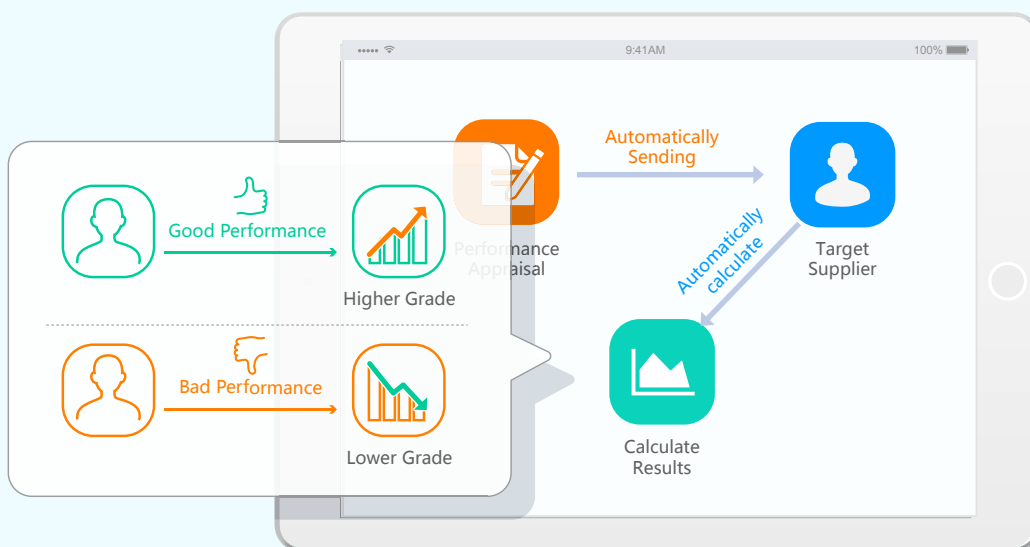
- Price Rating (1 Worst 10 Best)
- Deliverable Lateness Rate (%)
- Service Failure Rate (%)
- Average Number of Days Late
- Deliverable Rejection Rate (%)
- Tender Invitation Rate (Number of Times Invited / Total Number of Tenders)
- Tender Response Rate (Number of Times Responded / Total Number of Times Invited)
- Tender Hit Rate (Number of Wins / Total Number of Times Responded)
- Tender Rejection Rate (Number of Losses / Total Number of Times Responded)
- Price/Performance Rating (1 Worst 10 Best)
- Price Deviation from Benchmark Price (%)
- Late Frequency (Number of Lateness / Total)
- Delivery Rejection Rate (%)
- Complain Frequency (Number of Complains / Total)

The automatically collected objective performance data is very useful for quick sanity checks. They are also very useful when being combined with subjective performance appraisal data from the users who directly receive products and services from the suppliers.



7. Vendor & Supplier Performance Appraisal

8 allows the user to set up the questionnaire for performance appraisal for the target vendor or supplier and 8 can automatically send the questionnaire to the appraisers specified by the user and calculate the result based on the pre-assigned score for each answer for each question in the questionnaire.



The performance appraisal result can be used to advance the vendor or supplier to a higher grade or demote it to a lower grade or even blacklist.

8. Strategic Vendors & Suppliers



Top performing enterprises have 2 to 3 times fewer strategic suppliers than their lower-performing peers or competitors. The deliveries for many high end businesses require strategic sourcing, not tactical sourcing. The important thing in strategic sourcing is the quality of your partnerships, not the quantity of your suppliers. **8** can help you to develop strategic relationships with your leverage suppliers.

Use strategic partnership management to do better optimization

The most obvious benefit enterprises will experience from strategic supplier management would be higher levels of cost savings. By identifying and selecting suppliers that will provide the highest value at the right pricing will enable an enterprise to continuously achieve higher cost savings.

Aligning your sourcing activities to your business goals is at the crux of strategic supplier management. Better alignment allows your business to achieve higher business performance with higher efficiency and minimal supply chain risks.

Use strategic partnership to grow your business

Enterprises need to realize that supplier strategies go both ways. Most companies focus on what suppliers can do for them rather than on what they can do with the supplier to lower costs. Enterprises can start gaining the strategic sourcing advantages by treating their suppliers as true partners for long term wins. Strategic partnership can help you grow your business in the following ways:

Access to new customers

A strategic partnership means access to new customers, and embedded in this is an opportunity for free advertisement.

Opportunity to reach new markets

Along with an extended reach into a wider variety of customers, your brand is now able to expand its horizons in areas previously unexplored.

Added value for previous customers

By establishing roots with other corporations (strategic partners), you increase the chance that you're getting the words of month benefits.

Brand awareness

By pairing your service with successful partners that have a large customer base.

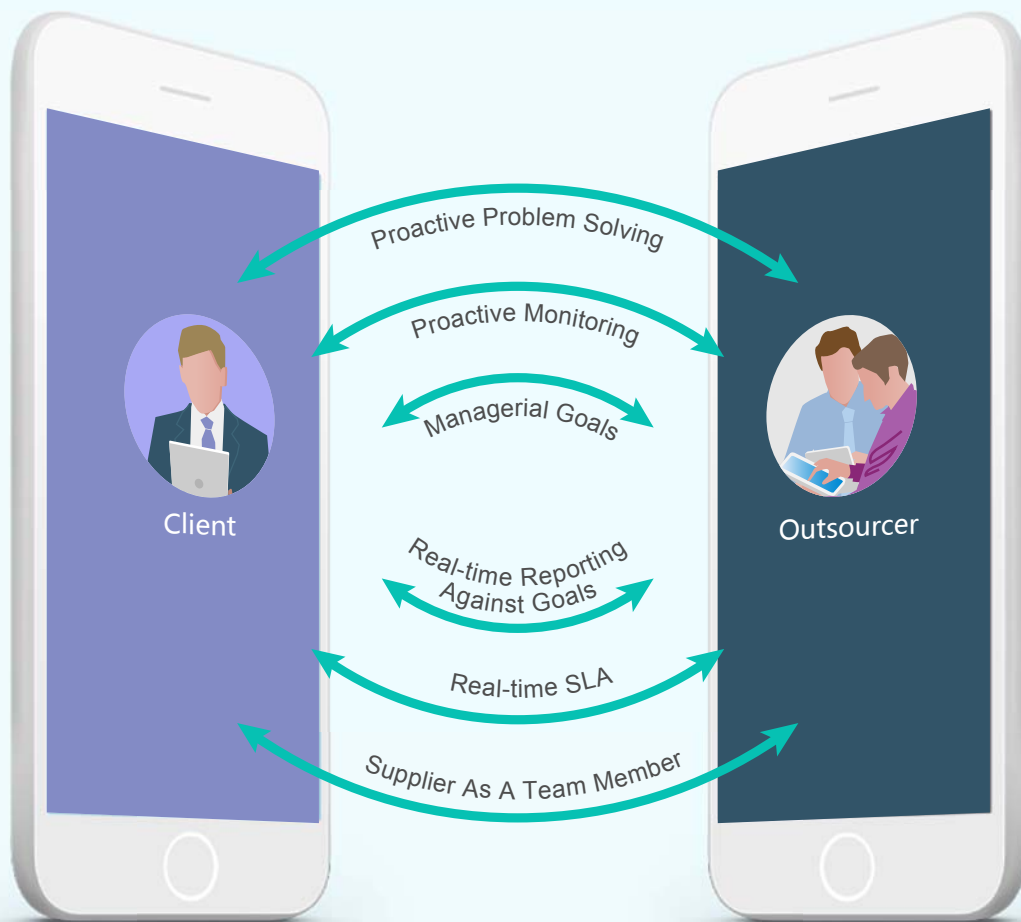
Brand trust

Brand trust spawns naturally from a good business partnership. When people see you work well with your partners, they will be more willing to support your business. It is all part of creating a healthy, stable and productive network.

Use business alliance to increase your competitive advantages

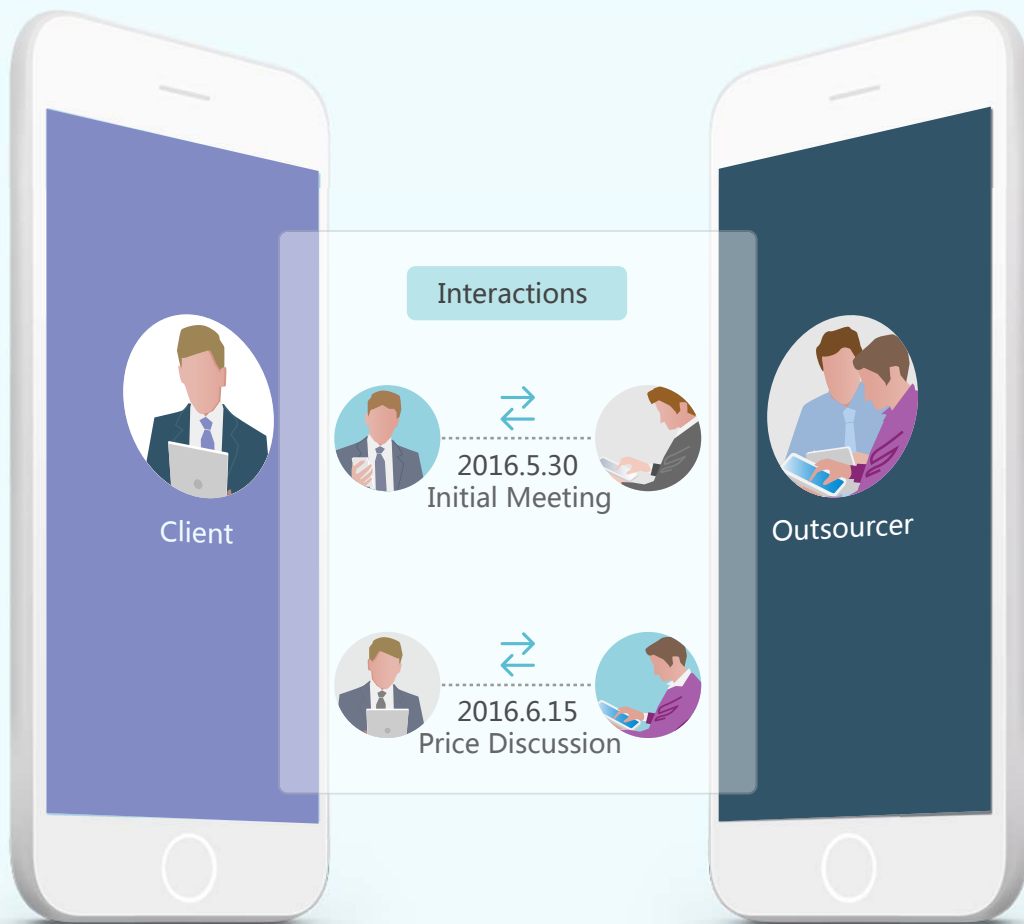
When the trust level between you and your strategic partners has continuously increased, you have the opportunities to turn your partnerships into business alliances to accelerate your speed-to-market. In addition to creating strategic optionality and accelerating the time to value capture, strategic business alliances can provide the added advantage of reducing capital requirements and thereby reducing risks.

9. Supplier Relationship Management



A successful enterprise usually has win-win long-term relationships with its suppliers. But, for non-consumer products and services, buyer's dependency on vendors increases when the products and services that it depends upon are non-standard and specialized. For example, the trading and settlement systems of an exchange are specialized and their uptime can be heavily affected by whether the exchange has the know-how of managing its vendors that it heavily depends upon.

Therefore, managing vendor relationships become crucial and **8** provides tools for the enterprise to better manage supplier relationships.



Tracking all key interactions and promises

In order to maintain a good long-term relationship with its vendors, the enterprise must maintain corporate memory (not individual memory) of its key interactions and promises with its vendors. 8 provides facility to record the enterprise's interactions and promises with each vendor and view them in chronological order.

The easy and clear tracking of what have been discussed and promised helps reinforce that people of the same corporate to have corporate memory and speak with the same tongue.

Vendor as a team member

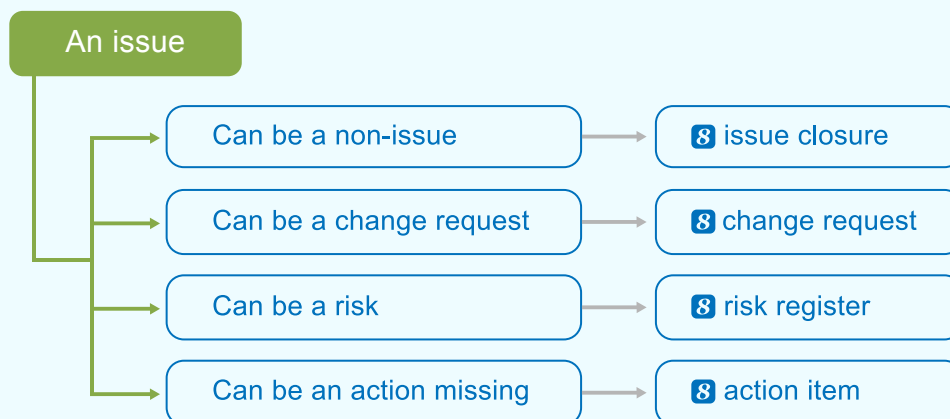
Communication is very key in nurturing relationships. 8 provides social sharing, real-time chat and discussion forum communication tools for outsourcing activities.



8 also allows the staff of the enterprise and outsourcers to directly involve and work together in outsourcing projects and programs as team members.

Tracking all issues

8 allows centralized tracking of issues and actions and provides automated alerts and escalations.



Outsourcing Risk Management

8 automatically detects systemic risks of outsourcing projects and programs, and provides an integrated risk register for recording user-identified risks and tracking them to closure

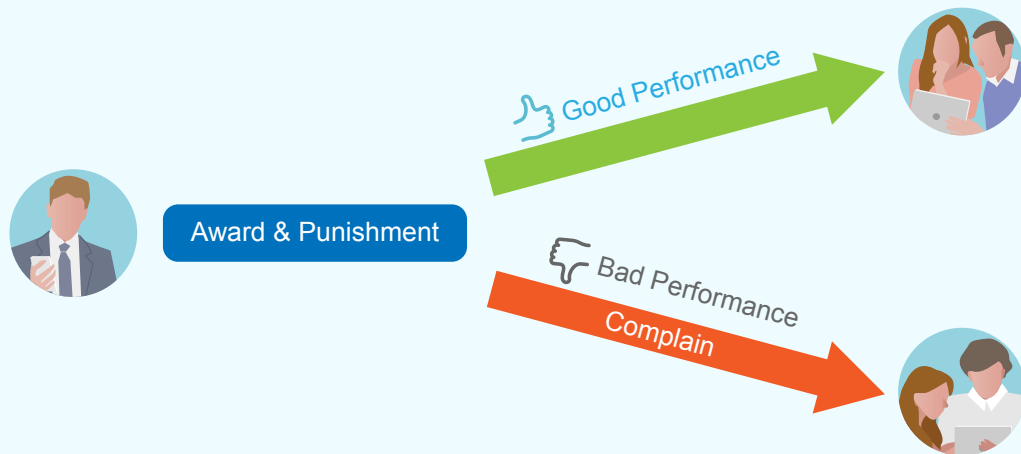
Outsourcing Issue Management

8 provides the following functions to track issues and actions to closure:

- Multi-level issue aggregation and tracking
- Critical issue management
- Emergency management

Managing reward and punishment

8's real-time contractual service level agreement management functions can detect any discrepancies between what have been promised and what have been delivered at the earliest possible time to avoid the building-up of over-promising and under-delivering.



8's real-time contractual service level agreement management functions also supports rewards and penalties based on KPI results. The real-time performance-based rewards and penalties help reinforce the enterprise and its vendors to keep their promises or they will face the consequences.

8 can provide best combination of standard products & redevelopment services for enterprise management and over 500 corporations in Asia are using our following modules on-premises or SaaS:

8 CRM : Corporate Client CRM and Consumer CRM

8 Service : Service Management

8 SRM : Supplier Management, e-Procurement and e-Tender

8 PPM : Project and Portfolio Management

8 New Way : Visual Agile and Lean

8 Timesheet : Resource Time and Cost Management

8 EDMS : Electronic Document Management System

8 OA : Office Automation

8 HCM : Human Capital Management

8 All-in-one : Enterprise Full Automation