Jump-Start Solution for Procurement:

Supplier Management

Start today:

Quickly gain and keep a handle on your suppliers

PROACTIS
The Spend Control Company

Procurement Professionals:
The Big Picture & The Things You Can Address Today

The Spend Control environment you really want – one that maximises savings and minimises risk by achieving a high level of spend under management and process efficiency – requires the integration of two important sets of activities:

- **Source-to-Contract** functions that create value: supplier management, sourcing, contract management, and supplier content management

- **Purchase-to-Pay** controls that capture value: supplier and item selection, purchase authorisation, PO/invoice matching, electronic trading and expenses

A 'closed loop' Spend Control environment delivers tremendous results. But it requires close collaboration between Procurement and Finance as well as buy-in from across the organisation. As the primary champion for Spend Control within your organisation, part of your job is to educate others on both the concepts and value of spend under management.

It can take time to create the vision and put all the pieces in place. But there are key elements you can address today so the Source-to-Contract side of the Spend Control equation is in place as the rest of the pieces come together.

SUPPLIERS
AGREEMENTS
CATALOGUES

Source-to-Contract
(Value Creation)

Purchase-to-Pay
(Value Capture)

PROACTIS

Supplier Management
Sourcing
Contract Management
Content Management

Purchasing
Invoice Receipt
Invoice Processing
Employee Expenses

SPEND DATA

We have created a range of Jump-Start Solutions that enable you to focus on fast results for each of these specific areas:

1. **Suppliers:** A central directory of properly qualified suppliers with supplier management processes to keep it that way

2. **Sourcing**: The capacity to perform a high volume of strategic and spot-buy sourcing events

3. **Contracts**: A central repository of all supplier contracts with monitoring and alert processes that ensure visibility and control

4. **Content**: A smooth and efficient process for making supplier product catalogues and service offerings available to the organisation for source-compliant guided buying

This solution description for supplier management describes how PROACTIS can help you quickly gain and keep a handle on your suppliers.

PROACTIS
Jump-Start Solutions for Procurement

- Focus on fast results in a specific area

- A structured approach with supporting technology and expert assistance

- Transformation of your current data into the complete, clean, non-duplicated, and up-to-date information you need

- Deployment of standardised, efficient processes that will keep the quality of your information where you need it while freeing up Procurement capacity for more value-adding activities

Each solution is designed to **help Procurement organisations with limited resources achieve fast, significant, sustainable results**.

Act now to take the steps you know are needed to enable true Spend Control for your organisation.

PROACTIS Supplier Management
Quickly gain and keep a handle on your suppliers

One of the primary requirements for effective Spend Control is a central directory of properly qualified suppliers covering all important categories. Your organisation can only be expected to buy from better value, low risk suppliers if such suppliers are available to them at purchase time. A complete, accurate, up-to-date central supplier directory, enabled by consistent supplier management processes, are also key to the efficiency and effectiveness of your primary procurement functions of sourcing, contract management and catalogue management.

But many organisations find themselves today with supplier records that are duplicated across multiple systems, incomplete, and out of date. Many of those suppliers just 'showed up' when someone purchased something from them and were never properly qualified to determine the relative value they deliver, nor the risk they entail. There is often a lack of information to identify categories where there are too many suppliers or those where there are not enough. And when supplier records are poor, supplier communications are almost always poor as well.

This puts the organisation at risk in some very crucial ways:

- High potential for operational disruption and indirect liability from unqualified suppliers
- Insufficient supplier coverage in important categories

It also causes the organisation's cost basis to be higher than necessary:

- High cost of supplier information maintenance and miscommunications across multiple parts of the organisation
- Reduced Procurement capacity for competitive sourcing due to the time needed for basic supplier management
- Suppliers unwilling to offer their best prices because it's hard to do business with the organisation
- Low supplier compliance in day-to-day purchasing due to lack of visibility

In order to move toward improved Spend Control, Procurement almost always needs to start by improving the quality of supplier records and implementing consistent supplier management processes.

Jump-Start Solution for Supplier Management

The PROACTIS Supplier Management Jump-Start Solution has been developed to help organisations address this foundational element of Spend Control. Using this service you will quickly and efficiently put in place:

- **A central supplier directory** with complete, accurate, and up-to-date supplier information that will act as the foundation for Spend Control

- **Standardised processes** for supplier recruiting, qualification, adoption, and review that will enable you to efficiently and effectively maintain the quality of your supplier directory – and actual supplier base – over time

- **A cloud-based supplier portal** that will streamline supplier communication to free up Procurement capacity for increased competitive sourcing and other value-adding activities
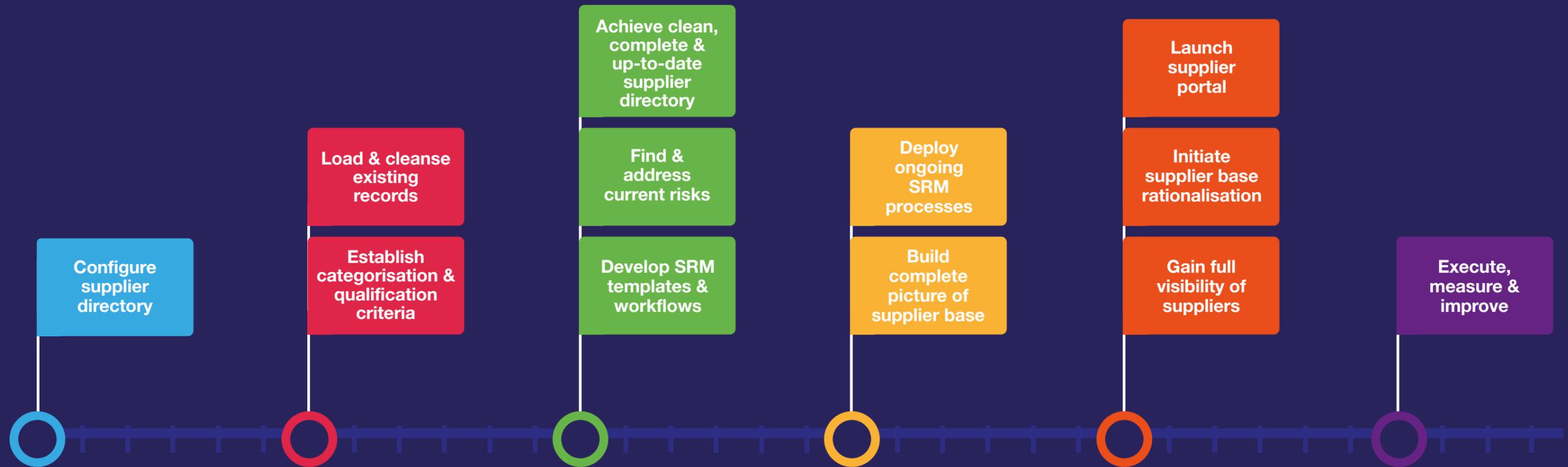
The PROACTIS Supplier Management Jump-Start Solution provides a highly structured, efficient, and cost-effective process to:

- **Cleanse existing supplier records**
  - Establish a central supplier directory
  - Standardise content, cleanse and enrich data, remove errors and duplicates

- **Identify and address current risks**
  - Audit high risk elements
  - Target non-compliance

- **Build a complete view of the supplier base**
  - Properly code by spend category
  - Analyse supplier coverage by category
  - Initiate supplier base rationalisation

- **Put in place ongoing supplier management processes**
  - Supplier recruiting
  - Supplier qualification
  - Supplier adoption
  - Supplier review and appraisal

Effective supplier management
can be accomplished with little extra effort over and above your efforts
to reduce costs

£

Source-to-Contract
(Value Creation)

Supplier Management

Sourcing

Contract Management

Content Management

Supplier Management Tools
- Central Supplier Directory
- Supplier Portal
- Supplier Management Software

Expert Services
- Configure Supplier Directory
- Upload Information
- Clean & Enrich Data
- Develop Process Templates
- Launch Supplier Portal

Ongoing Support Services
- Supplier Helpdesk
- Supplier Adoption & On-boarding Services

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Everything You Need to Act Now & Establish a Lasting Foundation

The PROACTIS Supplier Management Jump-Start Solution includes comprehensive supplier management tools, expert start-up assistance and optional ongoing services.

Configure supplier directory

Load & cleanse existing records

Establish categorisation & qualification criteria

Achieve clean, complete & up-to-date supplier directory

Find & address current risks

Develop SRM templates & workflows

Deploy ongoing SRM processes

Build complete picture of supplier base

Launch supplier portal

Initiate supplier base rationalisation

Gain full visibility of suppliers

Execute, measure & improve

Comprehensive supplier management tools

PROACTIS will put in place the functional capabilities you need to perform all of the start-up activities and implement effective, efficient ongoing supplier management processes. Built around the central supplier directory and cloud-based supplier portal, PROACTIS Supplier Relationship Management (SRM) software has several advantages:

- Comprehensive, best-in-class capabilities
- Cloud or on-premise deployment
- Easily grow into additional areas if desired (e.g. sourcing, contract management, catalogue management, electronic trading)

Expert start-up assistance

PROACTIS Spend Control professionals will work with you and your team to perform all of the activities needed to cleanse your existing supplier records, identify and address current risks, and build a complete view of the supplier base.

PROACTIS will:

- **Configure** your supplier directory with the information needed by your organisation
- **Upload** your existing supplier information from current sources
- **Perform** data cleansing and enrichment, including outreach to suppliers as needed
- **Develop** supplier recruitment, qualification, and appraisal templates and workflows
- **Launch** your supplier portal with a comprehensive communication program
- **Synchronise** existing supplier files with your central supplier directory, with appropriate integration where required

With guidance from PROACTIS, your team will:

- **Identify** your supplier categorisation scheme
- **Establish** supplier qualification and appraisal criteria
- **Perform** supplier risk analysis and supplier rationalisation

Optional ongoing services

If you like, PROACTIS can even provide ongoing support services – either for an initial period or long term. PROACTIS can work as an extension of your Procurement team to staff:

- Supplier helpdesk services
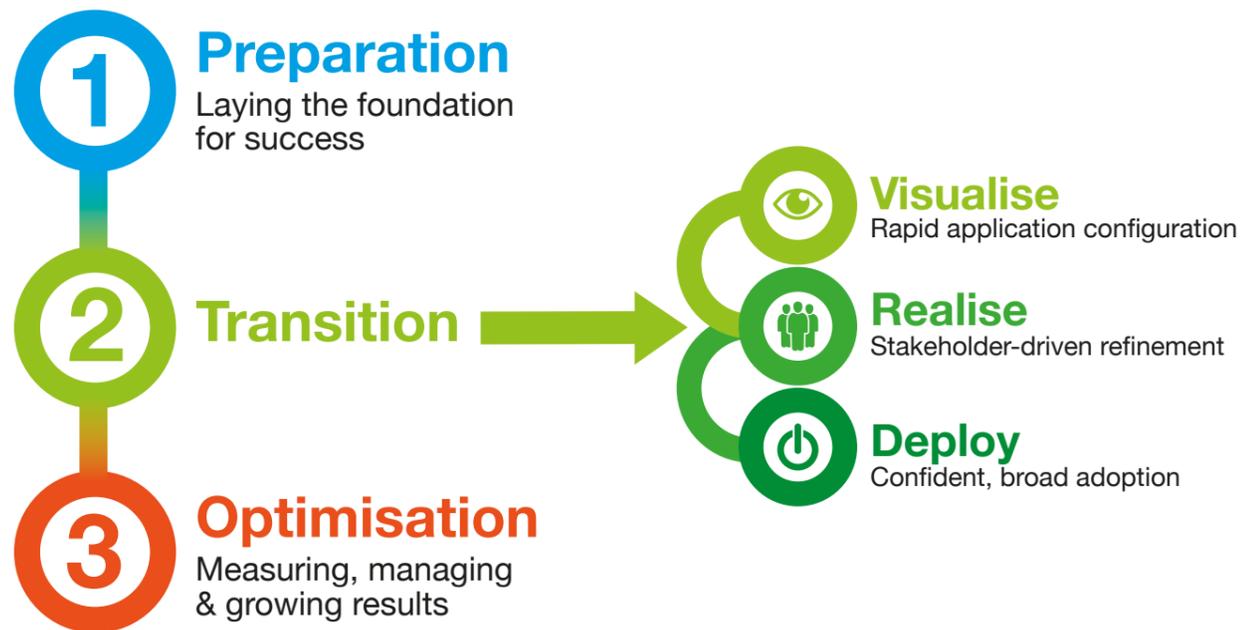- Supplier adoption/on-boarding services

This combination of structure, technology, and professional resources delivers everything you need to get started now, realise rapid results and, most importantly, establish a lasting foundation for effective, efficient supplier management.

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How We Do It - The PROACTIS Smart Transition Approach

The PROACTIS Supplier Management Jump-Start Solution is based on the PROACTIS Smart Transition approach designed from years of experience helping organisations deploy and use PROACTIS Spend Control solutions. Using this proven approach, you will:

- Fully realise the process improvements, savings, risk reduction and strategic benefits of a clean, accurate, and complete central supplier directory combined with effective, efficient supplier management processes
- Speed time-to-benefit and maximise your ultimate ROI
- Establish a framework for continuous improvement supported by a practical set of process KPIs

The Smart Transition approach consists of three key stages:

1 Preparation
Laying the foundation for success

2 Transition

Visualise
Rapid application configuration

Realise
Stakeholder-driven refinement

Deploy
Confident, broad adoption

3 Optimisation
Measuring, managing & growing results

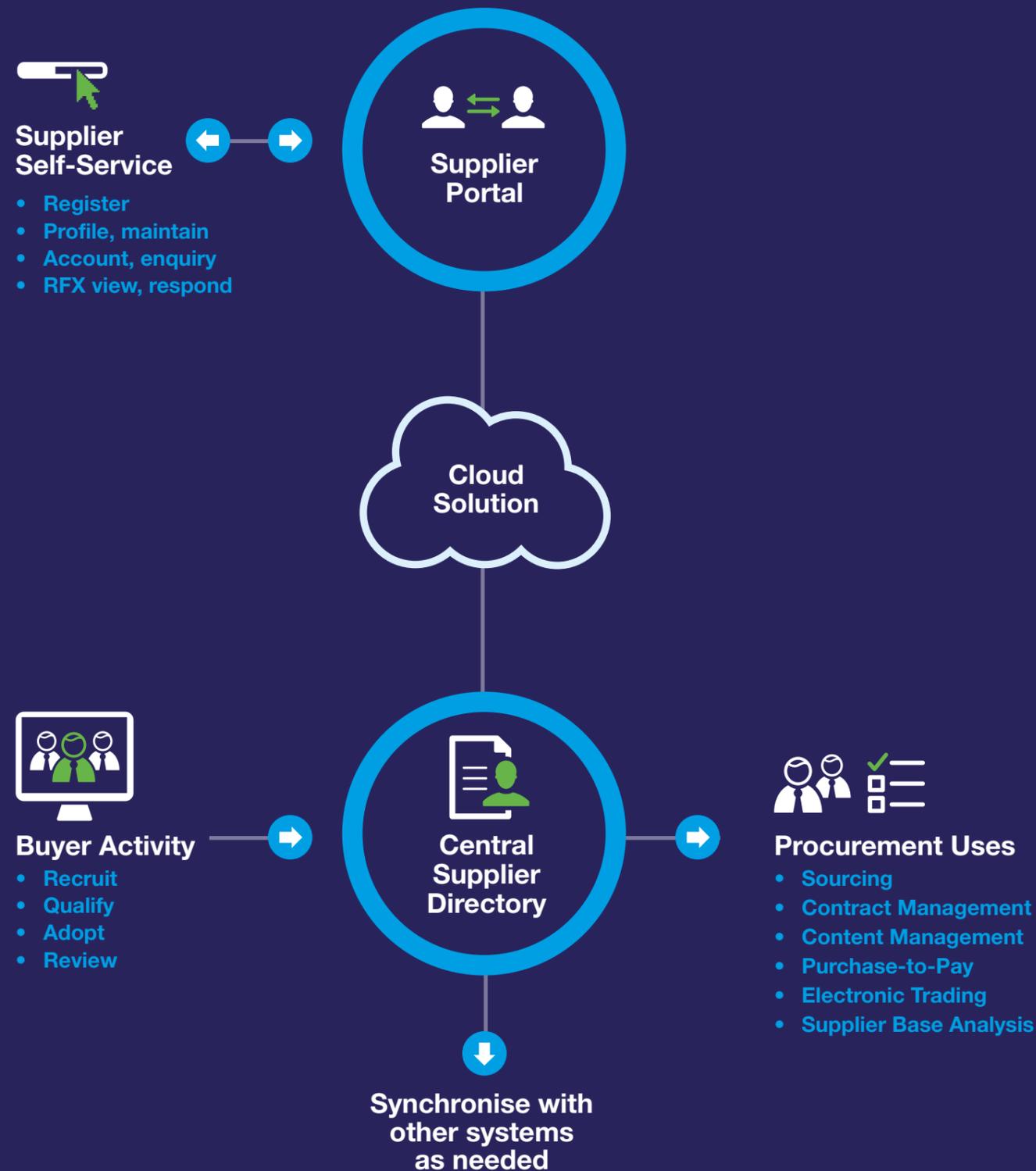Each stage is structured for rapid execution and efficient use of your team's time.

1 Preparation
In the Preparation stage, we work with your organisation to lay the foundation for the success of your entire eProcurement deployment. The focus is on establishing a plan that connects the expectations of your executive team, based on the business case used to initiate your eProcurement deployment, with the time-phased activities that will be undertaken by the project team to achieve those objectives.

2 Transition
The transition from the current environment to the new environment is performed in three well-defined phases within a set timeframe. The transition process is designed to help you quickly experience PROACTIS applications within the context of your company using best practice process flows, then effectively engage representative stakeholders (i.e. employees, managers, suppliers) to refine those process flows to your unique environment.

3 Optimisation
In the Optimisation stage, you focus on continuously measuring, improving and expanding the results you have targeted. By measuring and managing to your established process KPIs, you focus on achieving the goals and benefits defined in your business case - e.g. policy compliance, savings, process time and cost reduction, risk reduction, etc.

KPIs we will help you put in place to measure, manage and grow results after your initial jump-start include:

- % categories with standard supplier qualification and performance review criteria defined
- % suppliers qualified using standard process
- % suppliers with up to date profiles
- % suppliers with overdue performance reviews (goal is fewer)

%

The Result –
Supplier Relationship Management

Supplier Self-Service
- **Register**
- **Profile, maintain**
- **Account, enquiry**
- **RFX view, respond**

Supplier Portal

Cloud Solution

Buyer Activity
- **Recruit**
- **Qualify**
- **Adopt**
- **Review**

Central Supplier Directory

Procurement Uses
- **Sourcing**
- **Contract Management**
- **Content Management**
- **Purchase-to-Pay**
- **Electronic Trading**
- **Supplier Base Analysis**

Synchronise with other systems as needed

The Benefits to Your Organisation Are Clear

The benefits of a comprehensive, accurate, and up-to-date central supplier directory, standardised supplier management processes, and efficient supplier communications are significant:

- The information you need to fully rationalise your supplier base
- A supplier base that offers best value and low risk to your organisation
- Greatly reduced cost of supplier information maintenance
- The foundation for more effective sourcing, contract management and catalogue management
- Increased Procurement capacity for competitive sourcing and other value-adding activities

The PROACTIS Supplier Management Jump-Start Solution helps you get there quickly and confidently. It provides you with:

- A structured approach that you can count on
- A fast approach that speeds results
- Expert assistance that ensures success
- An expandable toolset that can grow as you expand your Spend Control efforts

Act Now

Jump-start your supplier management: Act now to take the steps needed to enable true Spend Control for your organisation.

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Jump-Start Solutions for Procurement:

1

Jump-Start Solution
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Supplier Management

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2

Jump-Start Solution
for Procurement:

Sourcing

Start today:

Increase your capacity to perform fast, consistent and successful sourcing events

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3

Jump-Start Solution
for Procurement:

Contract Management

Start today:

Find, store and manage all your supplier contracts

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4

Jump-Start Solution
for Procurement:

Supplier Content Management

Start today:

Make it easy for employees to find and buy what they need from established sources

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