



**TRADE
INTERCHANGE**
Smarter Supplier Management

Best Practice Guide

SIMplifying Supplier Information Management Software

Know your suppliers.

Lack of visible and consistent supplier information can expose businesses to preventable supplier risks, including supply chain disruptions, unexpected pricing changes and damage to brand reputation. This step-by-step Guide demonstrates how Supplier Information Management (SIM) software allow you to manage and maintain relationships with as many suppliers as you wish, helping to build a powerful and complete picture of supplier relationships. SIM systems provide you with instant access to details such as supplier compliance, capabilities and capacity, delivering invaluable governance over supplier data which helps to drive compliance management processes, reducing risks and improving efficiency.

Introduction

Companies spend a lot of time and resources managing hundreds or thousands of suppliers. But with information and data scattered across different departments, different systems and in different formats, managing and maintaining supplier information can often be time-consuming and inefficient.

That is where Supplier Information Management systems come into play, offering central storage of supplier information in areas such as; compliance, quality assurance, corporate social responsibility, accreditation, insurance documents and environmental policies. All data is collected in a consistent format, creating a comprehensive supplier database that is visible and accessible to all stakeholders across the company, improving vendor governance, increasing compliance management and reducing supplier risk.

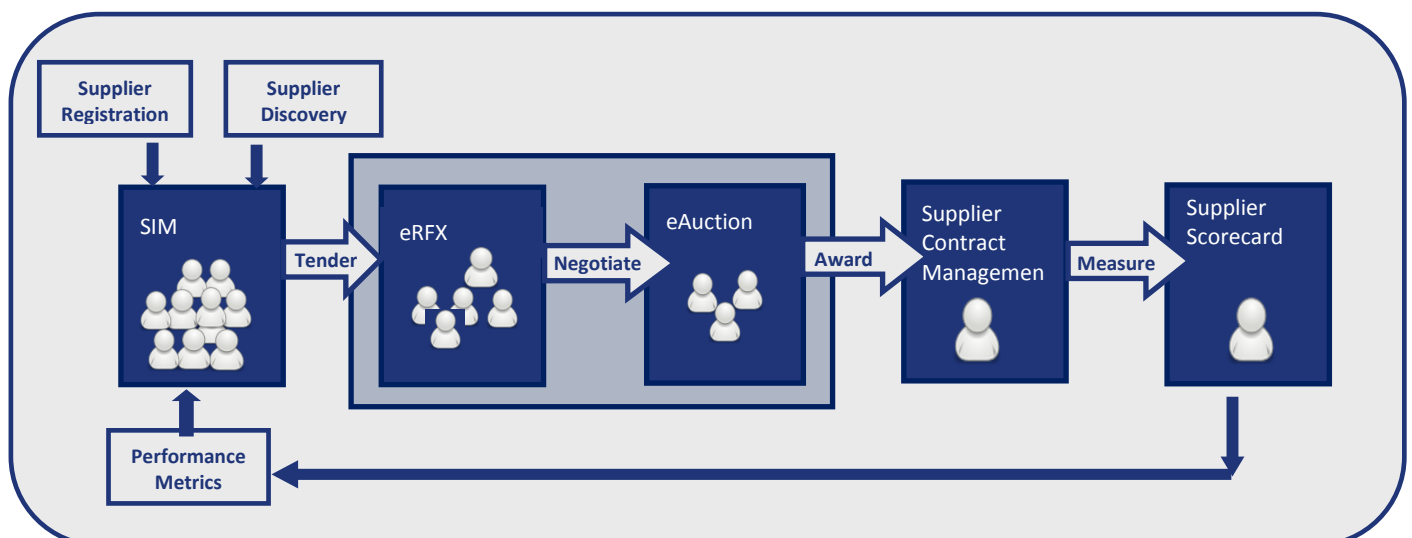
How SIM Fits into the Sourcing Cycle

Once a sourcing category has been determined, procurement teams typically start reviewing and researching potential suppliers, evaluating their credentials, gathering information about their capabilities and compliances and building up an overview of the category supplier landscape.

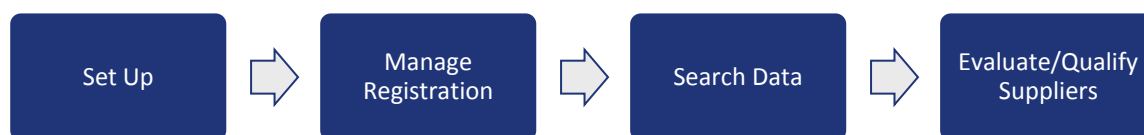
SIM helps this process by offering a central repository of all supplier information, which can be easily searched and supplier comparisons drawn.

Suppliers are on-boarded either via external links from your corporate website, by excel uploads from other systems or by sending requests via automated emails, to build a comprehensive pool of supplier information. This data is easily searchable and comparable, savings buyers time in identifying and shortlisting the best suppliers to take to tender.

Using SIM reduces the time that companies would normally spend on this process and allows companies to include more suppliers in the preliminary stages of their sourcing method which can help provide more competitive tendering and negotiations. It can also be used to ensure supplier compliance with company protocol, helping to reduce risks and improve vendor governance.



SIM Process in 4 Easy Steps



1. SIM Set Up

SIM is set up through developing a series of in-depth questionnaires, designed around information key to an organisation's sourcing processes. Using a comprehensive range of question types and uploadable document management, SIM allows companies to gather information relating to a wide range of areas including supplier compliances, capacities and capabilities.

Companies are able to use SIM to set up a series of questionnaires to include category specific or tiered questionnaires to develop more in-depth data on specific categories and strategic or approved suppliers.

Setting up questionnaires is a simple process; companies can choose from a selection of template questionnaires or use the Trade Interchange wizard based set up process to create bespoke questionnaire templates.

2. Manage Supplier Registration

Existing supplier information can be uploaded or migrated onto the system via excel, but new suppliers can register via a supplier portal on a company's website.

Supplier responses can be monitored via the easy-to-use dashboard, which typically shows key information including supplier invitation, email failures, follow-up communication and requests for suppliers to update. This helps ensure buyers are able to easily identify gaps in supplier data, and alert suppliers via the system to update their registration, saving buyers time and ensuring comprehensive data. Using the integrated workflow, buyers are able to set up automated review and approval alerts, notifying them of key events, dates, tasks and milestones.

3. Search Data

All the time suppliers are completing the registration, SIM is building up a comprehensive database of supplier capabilities and information that is directly relevant to an organisation.

This data is fully searchable, allowing buyers to easily drill down and search data at any level, from which category suppliers specialise in, right down to question level searches, improving vendor governance and supplier compliance management.

4. Supplier Evaluation and Qualification

This searchable data can be used to create side-by-side reports to compare supplier capabilities. This information can then be exported into Excel or other Trade Interchange modules.

Benefits of Using SIM

Supplier Information Management systems deliver significant value to businesses including:

- **360° Visibility of Supplier Information**

Consolidating supplier information onto a single cloud based database ensures all stakeholders have easy access to key supplier data including performance metrics, certification, compliance, insurance documents and information relating to key supplier relationship milestones. This and all other supplier interaction including eAuctions, eRFx, Contract Manager, Supplier Performance Management data is visible from the central dashboard, providing buyers with a 360° supplier view.

- **Accurate and Up-to-Date Supplier Data**

With Supplier Information Management systems, suppliers self-register and manage their own profiles, saving time and helping on-board more suppliers. Increasing the number of suppliers on-boarding enables companies to easily include more suppliers in the preliminary stages of sourcing without having to increase resources, making for more competitive negotiations. Using workflow processes, suppliers are alerted to keep their profile up-to-date and their progress can be monitored via the central dashboard.

- **Improved Vendor Governance and Compliance Management**

Inconsistent processes and lack of visible supplier information can expose businesses to preventable supplier risk, including supply chain disruptions, unexpected pricing changes and damage to brand reputation. Comprehensive and consistent supplier information that is easily accessible and searchable via dashboards and customised reports is key to reduce supplier threats and supply chain disruptions.

- **Standardised Supplier Information Management Processes**

Buyers often use different information formats, data collection processes are often duplicated and information not utilised. SIM ensures all information follows a standardised structure, delivering consistent and comparable data, enforcing best practice procurement.

- **Reduce Costs and Off Contract Spend**

Companies using SIM are able to pre-qualify and approve a larger volume of suppliers and categories, enabling greater control of spend across the company helping to reducing off contract spend and contract leakage.

The Growing Need for Online SIM Solutions

In the past many companies have used offline spread sheets or more traditional ERP systems. Over time, organisations' needs have evolved and the recent economic climate has brought much of the business world's focus to the procurement arena as it increasingly drives organisational development and business strategy. As a result there is a growing need for transparency within the buying process, central storage of supplier information and consistent and comparable data. These evolving business requirements have highlighted a number of key shortcomings with traditional, offline based supplier databases.

Business Problems	SIM Feature	SIM Benefits
Supplier data is often collected in many different formats, frequently duplicated and not centrally stored.	Central repository of information	Information can easily be shared between stakeholders and for future sourcing projects. SIM makes all the data available in the cloud, making it transparent and easy to share.
Lack of visibility over supplier information including compliance, social responsibility and financial data leaves company vulnerable to supply risk.	Comprehensive supplier search	Vendor governance is improved because live supplier data is available to all stakeholders via the flexible search facility, enabling targeted data and compliance interrogation.
Supplier Information Management often follows an inconsistent process.	Built in workflows and automated alerts and emails	Electronically map standard and best practice processes to ensure information is collected and used in a consistent and comparable format, leading to more accurate and informed sourcing decisions and improved vendor governance.
Data is collected in different formats across the company, resulting in discrepancies.	Wizard-led and template based questionnaire set up.	Standard templates and processes ensure information is collected in a consistent and comparable format, improving the quality of supplier data leading to better compliance management and supplier risk assessments.
Gaps in supplier data can cause supply disruption.	Centralised dashboard	Full visibility of supplier compliance via the user friendly SIM Dashboard allows sourcing actions to be easily managed from one central place, including: supplier invitation, email failures, follow-up communication and requests for suppliers to update.
Supplier information can't easily be tracked.	Audit facility	Full history of supplier compliance can be accessed via the comprehensive audit facility, where users can review, audit and track changes.

Business Problems	SIM Feature	SIM Benefits
Lack of visibility over approved suppliers results in off contract and maverick spending.	Create databases of approved supplier	Approve and qualify supplies to increase on contact spend across the company.
Lack of ability to compare supplier capabilities.	Report function	Compare supplier capabilities with side-by-side reports that can be exported to excel and other Trade Interchange modules.
On-boarding new suppliers and responding to external new supplier requests is time intensive.	Self-registration	Existing and potential customers can update their own information via links from companies website to encourage self on-boarding of suppliers.
Data is spread across different systems and information is not available between systems.	Integration with other eSourcing systems	Migrate data seamlessly from SIM through to eRFx/eAuctions and onto supplier contract and performance management, ensuring all information is available in the cloud and easily accessible to current and future stakeholders.

Next steps for Driving SIM Systems Within Your Organisation

As an initial step to implementing successful a Supplier Information Management system, we recommend reviewing your current processes. Here are a few questions that you could start by looking at;

Supplier Information Management Questions

- What % of your supplier data is stored in offline methods such as spreadsheets?
- What visibility do you currently have over your supplier data?
- How do you share supplier information between teams and departments, and how consistent and comparable is this data?
- How do you compare suppliers' capabilities, capacities and compliances?
- How do you currently manage supplier compliance and what mechanisms do you have in place to ensure compliance data is kept up to date?

Trade Interchange offers industry leading Supplier Information Management software and support on ARCUS®, Trade Interchange's eSourcing platform. So if you are looking to improve compliance, increase vendor governance and reduce supplier risk, we invite a next step discussion to better understand your sourcing objectives and current limitations. From this we can help you evaluate your current processes and offer a demonstration to illustrate specific benefits of our Supplier Information Management system to deliver your company's business goals.

Learn more about how ARCUS[®] Supplier Information Management can impact your entire company;

Call us on +44 (0) 20 8780 0610

Email us on info@tradeinterchange.com

Trade Interchange ARCUS[®] SIM

Trade Interchange offers ARCUS[®] SIM as part of its ARCUS[®] platform that allows customers to configure flexible solutions depending on their exact business needs.

ARCUS[®] SIM is an innovative product that has been developed to drive time savings and increase sourcing efficiencies. ARCUS[®] intuitive and easy to use software offers the following distinctive features;

- **Market Leading Software**

Our in-house software is considered amongst the most user friendly SIM solutions on the market. Designed around 'end user experience', it ensures maximum time, cost and efficiency savings through unique additional features including our step-by-step Wizard.

- **Comprehensive Reporting Functionality**

Assess comprehensive reporting functions, including side-by-side comparison reports, which can be exported to excel or centrally stored in the cloud, making data transparent and easily accessible to current and future stakeholders.

- **Configurable Workflow**

ARCUS[®] Supplier Information Management module can be mapped against our practical workflow system to provide an innovative and customised solution that helps ensure procurement professionals achieve a more proactive task driven approach to managing supplier information.

- **Integration with other ARCUS[®] modules**

Once you have pre-qualified your suppliers via our eRFx module, you can seamlessly migrate your data into our other modules including our eAuction software, to continue your negotiation process.

Trade Interchange helps organisations reduce the costs, risks and complexities associated with managing a large supplier base. Its solutions support a range of supplier management activities: from initial tenders and supplier information management (SIM), through to supplier contract and performance management. The cloud-based proprietary ARCUS[®] platform features a suite of easily-configurable modules that are fast to deploy and simple to use. The ARCUS eSourcing modules also underpin the fully managed eAuction service.

Founded in the UK in 2000, Trade Interchange is a privately held company with offices in London, Teesside and Sydney, Australia supporting international clients, including leading brands such as Brakes, Centerparcs, Macmillan, Morrisons, Sodexo, Whitbread and WHSmith. Trade Interchange is accredited to the ISO27001 information security management standard.

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