

The Essential Guide to Supplier Information Management



Imagine this

you've just received a requisition from your boss for 10,000 widgets. There are very specific constraints to this order and you can only use certain types of suppliers from a specified set. You know you need to order them, but you're not sure where to start.

The first step is finding a supplier. But how do you know which supplier is best for your organization? How do you know the supplier you choose is reliable and can deliver on time? This is where supplier information management comes in.



Supplier information management (SIM) is the process of managing and tracking supplier data. This can include anything from contact information to performance data to delivery times. SIM is an essential part of any procurement or supply chain process, and it's important to implement best practices to ensure SIM processes are as effective as possible.



What is Supplier Information Management?

Supplier Information Management (SIM) is the practice of managing and organizing supplier data. This can include anything from contact information to delivery schedules to quality metrics.

The goal of SIM is twofold. First, to make it easy to find the supplier information you need when you need it. Second, to make sure that all that information is accurate and up-to-date. Accomplishing this can be challenging, given that supplier data can come from various sources (ERP systems, spreadsheets, email, etc.). It can be entered by various people (purchasing agents, engineers, suppliers, etc.).

However, with the right tools and processes, SIM is invaluable for improving supply chain efficiency and communication.

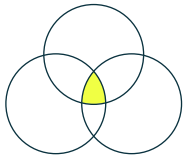


The Benefits of Supplier Information Management

Implementing a sound supplier information management process has several benefits. The most obvious is that SIM can help you make better, more informed decisions about your suppliers. Having easy access to up-to-date information about supplier health, performance, and capacity can help you identify and avoid potential risks and ensure you're sourcing from the most qualified suppliers.

Supplier information management can also have a positive impact on your bottom line. By better managing your supplier data, you can streamline your procurement processes, improve supplier communication, and reduce time and money wasted on sourcing mistakes.





Best Practices for Supplier Information Management

There are a few best practices that you should keep in mind when it comes to supplier information management.

The first is to ensure that supplier information is centralized. This way, you can easily access it and update it as needed. You should also ensure that the data is accurate and up-to-date. Having a “**Master Data**” database also ensures that supplier data entries only exist in one place and only need to be updated in one area.

Another key best practice is establishing standardized processes for collecting and managing supplier information. This will help ensure everyone involved in the process is on the same page and data is collected consistently across all suppliers.

Finally, you should create procedures for evaluating and managing supplier risk based on supplier data. Doing so will help you identify and mitigate any risks your suppliers pose and help your organization make more intelligent decisions.

Common Challenges with supplier information management

Several common challenges may arise when managing supplier information. One of the most significant is the sheer number of suppliers you need to onboard and manage. It's easy to lose track of essential details with hundreds or even thousands of suppliers.

The easiest way to overcome this challenge is to identify suppliers who are critical to your business's success and ensure the data for those suppliers is monitored.

Another challenge is the manual process involved in tracking supplier data. Manual data entry is tedious, time-consuming, and outdated. This process becomes even more difficult when dealing with global suppliers who operate in multiple countries with different regulations.



You can avoid the challenge of manually tracking supplier data in two ways:



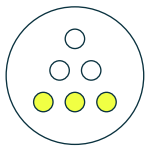
Establish a supplier onboarding portal that allows suppliers to enter and update their data at their convenience.



Monitor your supplier data accuracy with automated alerts to help keep data up-to-date. The alerts should notify you and your supplier when documents like certifications and contracts are due to expire and need to be renewed.



Use one unified, standardized system for collecting and managing supplier information.



How to choose the Right Solution for your needs

Knowing what supplier information management features and capabilities are available can help you decide which solution best suits your needs. It's important to choose a solution with a user-friendly interface that provides the tools, insights, and analytics needed to make strategic decisions.

For example

The Supplier Onboarding and Offboarding Platform from SupplierGateway offers several key features, including customizable supplier onboarding experiences, a single supplier onboarding portal that suppliers can access at any time, and customizable workflows to help your team efficiently add new suppliers to your network.

You can also source new suppliers directly from the SupplierGateway platform. With over seven million suppliers in our network, you can quickly find your next supplier. Our Supplier Onboarding and Offboarding Platform also allows stakeholders to share supplier data across departments in a secure environment.

When evaluating software solutions, ask lots of questions and, if possible, get references. Make sure the platform you choose can scale with your business's growth.



5 Tips to Get the Most Out of Your Supplier Information Management

If you want to get the most out of your supplier information management, here are five tips you should follow:

Establish a standardized, self-service onboarding process. —

Establishing a standardized onboarding process will help streamline and speed up your onboarding process. Utilizing a self-service portal that suppliers can access anytime will eliminate time spent hunting down supplier information.

Leverage supplier risk data —

Supplier risk data can help you identify suppliers with low compliance scores or poor performance records, make more informed decisions when selecting suppliers, and ensure they meet your company's requirements.

Monitor supplier performance KPI metrics —

Supplier performance KPI metrics can help ensure suppliers meet their contractual obligations, such as timelines and deliverables. Tracking performance metrics will also help you identify areas with issues or potential delays in order fulfillment.

Keep your supplier records up-to-date. —

Set a regular schedule for updating records to ensure that information about your suppliers is up-to-date. This will make it easier to communicate with suppliers when necessary and guarantee the accuracy of supplier data company-wide.

Leverage third-party services. —

Leveraging third-party services such as SupplierGateway's Supplier Onboarding and Offboarding Platform can automate most parts of your supplier management processes and ensure that internal stakeholders can access accurate data in one central repository. Your company will save time, money, and resources while increasing compliance and reducing risk.



Conclusion

Good supplier information management starts with understanding the data your suppliers are providing. This includes contact information, order history, shipping information, and more. When you understand your supplier data, you can implement processes to help you make the most of it.

Your business can implement several best practices to improve its supplier information management. These include developing standard operating procedures for handling supplier data, creating a "master data" for all supplier information, and using supplier data to improve your business intelligence.

Utilizing a data management platform like SupplierGateway's Supplier Onboarding and Offboarding Platform helps you quickly onboard suppliers, update supplier data, ensure supplier compliance, and much more. When you're ready to start making your supplier data work for you, reach out and schedule your demo.

