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**Document Control**

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# Introduction

The supplier management process within ITIL is responsible for managing the relationships between an organization and its suppliers. The ITIL supplier management process is one of the most important in the entire ITIL framework. It is responsible for managing all aspects of supplier relationships, from initial contact, onboarding monitoring delivery quality, monitoring delivery quality, supplier improvement program and termination of services whenever required.

# Purpose

To ensure supplier management and performance to facilitate the seamless provision of high-quality products and services and continual improvement of performance.

# Responsibilities

Supplier Manager-

* The Supplier Manager is in charge of ensuring that all suppliers provide good value for money.
* Supplier Manager also ensures that supplier contracts suit business demands and that all suppliers execute their contractual obligations.
* The ITIL supplier manager is typically a member of the organization's procurement team, and reports to the head of procurement.
* Ensure SLA’s are met and breaches are minimized by way of supplier management program.

# Contribution to Service Value Chain

Chart, diagram, funnel chart

Description automatically generated

* Plan- The goal of the plan is to provide a sourcing strategy.
* Improve- Improve focuses on enhancing the supplier's performance as well as the goods or services they deliver.
* Engage- Throughout the supplier lifecycle, engage focuses on engaging with all suppliers. That includes everything from supplier identification to evaluation, negotiation, and contract or agreement formation, non-disclosure agreement as well as continuing supplier management.
* Design- Design and Transition focuses on identifying specifications for contracting, Vendor and negotiating with vendors.
* Obtain- Obtain/build is concerned with obtaining items, services, service assets, or components from suppliers in order to construct or develop services.
* Deliver & support focuses on monitoring and supervising the performance of suppliers when receiving services or products from them, which should be in accordance with the supplier's agreement.

# Supplier Management

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Supplier Name** | **Value** | **Contract ID** | **Pending Contract** | **Active Contract** | **Completed Contract** | **Date of contract** | **Contract Deliverables** |
| Jack Traders | Timely delivery of products and services and meets the expectations | 23121 | 0 | 0 | 1 | 1/2/22 | Desktops |
| Delves. Pvt ltd | Timely delivery of products and services | 2123 | 0 | 1 | 0 | 5/6/22 | Electric Equipment |
|  |  |  |  |  |  |  |  |

# Supplier Identification

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Contract Name signed with supplier** | **Email** | **Supplier type** | **Risk** | **Risk Description** |
| Supplier order contract | xxx | Merchant trader | **Medium** | Merchant delays payment a week beyond the contract date |
|  |  |  |  |  |
|  |  |  |  |  |

# Supplier Prequalification form

| **Supplier Pre-qualification Form** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| **Company Name:** |  | | | | | |
| **Id No:** |  | | | | | |
| **Address:** |  | | | | | |
| **Contact details** | **Number:** | | **Contact Email:** | | | |
| **Supplier type:** | CorporationIndividual | | | | | |
| **Business objectives:** | | | | | | |
| **Financial** | | | | | | |
| **Annual Sales for last 3 years**  Year: Sales: Year: Sales: Year: Sales: | | | | | | |
| **Largest contract bid since last 5 years:** $ | | | | | | |
| **Banking** | | | | | | |
| **Bank Name:** |  | | | | | |
| **Address:** |  | | | | | |
| **Contact details:** | Number: | | | Contact Email: | | |
| **Criteria** | | | | | | |
| Has your company failed in any business or failed to deliver as per the client’s expectations? | | | | | | **Yes  No** |
|  | | | | | |  |
| **References** | | | | | | |
| **Company** | | **Contact** | | | **Phone** | |
|  | |  | | |  | |

# Supplier Evaluation Form

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Supplier Name:** |  | | **Supplier ID:** | |  | | |
| **Business title:** |  | | **Date:** | |  | | |
| **Review Period:** |  | | **Manager:** | |  | | |
| **Approver:** |  | | | | | | |
| **Evaluation Report** | | | | | | | |
| **Performance Description** | | **Score (out of 10)** | | **Corrective Action** | | **Score Key** | |
| Submits invoice on time | | **5** | |  | | 1-3 |  |
| Contract completed on target | | **8** | |  | | 4-6 |  |
| Competitive order pricing provided | | **2** | |  | | 7-10 |  |
|  | |  | |  | |  |  |

# Purchase Order

| **Purchase order** | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **<Company Name>**  **Address:**  **Country:**  **Phone:**  **Email:**  **Approver:** | | | | | | | |
| **Vendor** | | | **Ship to** | | | | |
| Name:  Company: Address:  Country:  Phone: | | | Name:  Company:  Address:  Phone: | | | | |
| **Shipped items:**  Paints | | **Shipping method**  D-Dart | | | | **Delivery date:**  2/2/22 | |
| Unit # | Description | | | Qty | Unity price | | Total |
| 2342 | Electric board | | | 8 | $10 | | $80 |
|  |  | | |  |  | |  |
|  |  | | |  |  | |  |
| **Comments**: | | | | | Subtotal | | 80 |
| Tax | | 8 |
| Grand Total | | $88 |

# Supplier Monitoring Checklist

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Sr No** | **Checkpoints** | **Status** | **Auditor’s suggestions** | **Improvement actions** | **Escalation points** |
| 1 | Supplier products delivery | Completed | Supplier can provide discounts for bulk orders | Procurement manager needs to negotiate with supplier for future contracts | Negotiation part will be escalated to procurement manager |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

# Supplier Induction checklist

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Supplier Name:** | |  | **Supplier ID:** |  | |
| **Address:** | |  | **Date:** |  | |
| **Si No** | **Induction Activities** | | | |  |
| 1 | Submission of supplier requirements to HR | | | | **✓** |
| 2 | Elaboration on the history of the supplier | | | | **✓** |
| 3 | Supplier Training | | | | **✓** |
| 4 | Work with a team to create policy based on internal and external compliance regulations and laws. | | | | **✓** |
| 5 | Develop a checklist and communication channels, then more precisely define the demands of the organization for particular goods or services. | | | | **✓** |
| 6 | Processes that are simple and effective for managing vendor agreements, payments, and associated costs | | | | **✓** |
| 7 | After choosing a vendor, draught documentation and have them reviewed by a lawyer before discussing them with the seller. | | | | **✓** |

# Supplier Termination Checklist

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Supplier Name:** | |  | **Supplier ID:** |  | |
| **Reason for Termination** | |  | **Date:** |  | |
| **Address:** | |  | **Approver:** |  | |
| **Termination Conditions** | | | | | |
| 1 | Consider the time and resources to replace a new supplier. The termination should be treated as a last resort. | | | | **✓** |
| 2 | Document the suppliers short comings. | | | | **✓** |
| 3 | If required, give the supplier time to rectify his mistakes | | | | **✓** |
| 4 | Clear of any disputed or outstanding payments | | | | **✓** |
| 5 | Discuss regarding the stocks held at warehouses or distribution centers | | | | **✓** |
| 6 | Check the termination of contact provisions in the terms and conditions of the supplier contract. Ensure you comply with these provisions | | | | **✓** |
| 7 | Check what legislative provisions apply in relation to the termination | | | | **✓** |
| 8 | Allow the supplier to prove his point of view | | | | **✓** |
| 9 | Inform the supplier of the and the reason(s) | | | | **✓** |
| 10 | Provide written notice of the supplier’s termination, together with the reason(s) for the decision and the last day of work. Make sure that none of these factors put your company at risk of legal action. For instance, they shouldn't be unlawful or discriminatory. | | | | **✓** |
| 11 | Update the supplier’s termination records to record all details of the termination of the supplier’s employment. | | | | **✓** |