

# Supplier Relationship Management Analysis



Organisations today are spending as much as 60 percent of their revenue acquiring the goods and services needed to support their business. Such large procurement budgets and a reliance on numerous suppliers and hundreds to thousands of products can make business goals increasingly complex.

Ultimately, you may be charged with reducing the organisation's overall spend while simultaneously increasing the bottom line. To get there, you need a high-level strategic sourcing plan that lets you minimise supplier risk, create and maintain effective supplier relationships, monitor the quality of materials received from suppliers and leverage your supplier information to negotiate better contracts.

We invite you to discover how the SRM Analytics (SRM-A) module of Stratum can help your organisation implement sound supplier relationship management practices and increase your competitive advantage through better supply chain management!

**Purchasing  
Performance**

**Financial Analysis**

**Supplier  
Performance**

**Buyer Performance**

**Stratum**

# Purchasing Performance

SRM-A pulls together key operational data that allows for the day-to-day management and analysis of your purchasing organisation. By applying pre-built analyses to this data, you have the ability to manage vendor activity in terms of open orders and to better understand and manage current and future inventory positions based on expected receipts.

With SRM-A, you can update and manage the status of open purchase orders to gain additional insight into your ability to meet purchasing requirements. Automatically flag past-due orders to prompt vendor contact to resolve issues. And initiate Purchase Order requests directly from the application to further increase the efficiencies of your purchasing organisation.

FUNCTIONS	KEY ELEMENTS (ANALYZED or PLANNED)	MEASURES / REPORTS (INCLUDED)	BENEFITS
Purchase Order Analysis	Open Purchase Orders Expected Receipts Purchase Order Requests	Available to Promise by Warehouse / Product Open Order Summary Open Orders to Receive Items in Order	Improved procurement management Reduced inventory investment

# Financial Analysis

## Purchase Price Analysis

The pricing analysis provided by Stratum SRM-A gives you control over your material costs and allows you to manage established budgets. SRM-A can help you ensure that purchase price variances are not trending upward compared to last year or even last month. You can better understand how average purchase prices are affecting your budgets and compare them across vendors and time periods. And to predict future purchase price variances, you can analyse receipts for which no invoice was issued by the vendor. All of these allow you to better understand and control the costs to your organisation and to better manage the relationship with your vendor.

FUNCTIONS	KEY ELEMENTS (ANALYZED or PLANNED)	MEASURES / REPORTS (INCLUDED)	BENEFITS
Purchase Price Analysis	Average Purchase Price Contract Price Variance	Actual-to-Expected Cost Variance Plant Receipt / Not Paid Purchase Price Variance by Plant Purchase Price Variance by Vendor Purchase Price Variance Trending by Plant Purchase Price Variance Trending Vendor Vendor Average Purchase Price	Increased cash flow Improved purchase price variance Lower costs Improved contract management Better vendor relationships
AP Analysis	Received & Not Paid AP Aging Payment History Early Invoice Pays Approved Vendors	AP Aging and Trends Days Purchases in AP AP Average Invoice Vendor Payment History YTD Payables by Period Vendor Discounting and Cash Outflow	Better AP management Improved vendor relationships Reduced costs Better cash efficiencies

# Accounts Payable Analysis

Stratum SRM-A also offers a number of analyses and reports for analysing and better managing your Accounts Payable.

- Quickly evaluate how much is due to your vendors and when and the value of overdue payments as a percent of total payments due. Determine how payables have trended over time and for which vendors. And easily manage your cash commitments and pending payments to your advantage.
- Assess vendor payments by comparing last year to this year or any other time periods. Determine how payments have trended over time and for what vendors or commodities. Further analyse why increases are occurring to see if you are purchasing more or if your vendors are increasing prices for goods and services. And leverage SRM-A to automatically notify buyers and payables staff when changes have been made to your approved vendor lists.
- Better understand what discounts your vendors have offered for early payments and determine the value of these discounts to your business now and over time. And use SRM-A to determine whether or not your business uses the discounts and to negotiate better terms in the future.
- SRM-A also lets you estimate and analyse future cash outflow by reviewing open payables and payables over time. Plus, you can evaluate whether or not it is to your advantage to consider taking payment discounts.

Vendor	A Vndr Long Description	PPV Status	Y Units Invoiced	Value Invoiced @ Standard Cost	Value Invoiced @ Actual Cost	PPV	PPV %
554832	Aluminum Providers	●	2,884,267	\$1,355,605.49	\$1,378,091.70	-\$22,486.21	-1.66%
554882	American Manufacturing	●	712	\$804.56	\$804.56	\$0.00	0.00%
554962	Corn Products of America	●	53,867	\$36,269.55	\$36,269.54	\$0.01	0.00%
880324	Farmington's	●	459,261	\$596,032.51	\$596,032.51	\$0.00	0.00%
554951	Food Packages, Inc.	●	25,692	\$13,160.60	\$13,160.60	-\$0.56	-7.1%
880922	Fresh Farms	●	9,028,830	\$42,346,933.04	\$45,897,090.37	-\$3,550,127.33	-8.38%
551031	GW Manufacturing	●	28	\$2.14	\$2.14	\$0.00	-1.4%
880424	KC Distributors	●	189,337	\$125,748.44	\$127,011.95	-\$1,263.51	-1.00%
880523	Michigan	●	96,772	\$64,417.18	\$64,417.18	\$0.00	0.00%
551938	NR Adhesives	●	2,327	\$181.42	\$181.62	-\$0.20	-1.1%
880732	Pacific Fruits	●	2,812,729	\$16,373,966.77	\$16,370,238.10	\$3,728.67	0.2%
552340	Schimmel Manufacturing	●	741,774	\$131,388.48	\$131,388.48	\$0.00	0.00%
880347	Southern Imports	●	4,313	\$3,820.95	\$3,820.95	\$0.00	0.00%
880608	Specialty Fruits	●	1,223,546	\$32,790,407.61	\$36,032,837.10	-\$3,242,429.49	-9.93%
880132	Sun Products	●	432	\$401.76	\$405.27	-\$3.51	-0.9%
880757	Sunfish	●	23,804	\$131,041.06	\$130,987.08	\$53.98	0.4%
552614	Varton Incorporated	●	29,292	\$5,083.12	\$5,083.12	\$0.00	0.00%
880347	Washington Produce	●	6,610,312	\$17,526,517.07	\$17,516,725.18	\$7,791.89	0.4%
<b>Grand Total</b>		●	<b>24,166,284</b>	<b>\$111,500,698.38</b>	<b>\$118,325,539.44</b>	<b>-\$6,824,841.07</b>	<b>-6.12%</b>

Year Based Months	Months Based	A						B					
		Total Open AP	Open AP Amount Past Due	Open AP Amount 0-30 Days	Open AP Amount 31-60 Days	Open AP Amount 61-90 Days	Open AP Amount Over 120 Days	Total Open AP	Open AP Amount Past Due	Open AP Amount 0-30 Days	Open AP Amount 31-60 Days	Open AP Amount 61-90 Days	Open AP Amount 91-120 Days
<b>Current Year</b>	<b>8 Months Ago</b>	\$7,835,631	\$2,695,672.21	\$5,139,959	\$0	\$0	\$0	\$12,381,803	\$7,310,161.76	\$5,271,641	\$0	\$0	\$0
	<b>7 Months Ago</b>	\$8,009,176	\$3,032,368.89	\$4,976,807	\$0	\$0	\$0	\$11,292,480	\$6,577,620.91	\$4,714,859	\$0	\$0	\$0
	<b>6 Months Ago</b>	\$8,845,521	\$3,598,501.20	\$5,247,020	\$0	\$0	\$0	\$10,050,041	\$5,878,961.50	\$4,171,080	\$0	\$0	\$0
	<b>5 Months Ago</b>	\$8,806,054	\$3,889,389.55	\$4,916,664	\$0	\$0	\$0	\$8,580,395	\$4,979,737.41	\$3,380,657	\$0	\$0	\$0
	<b>4 Months Ago</b>	\$13,077,145	\$5,925,539.76	\$7,151,605	\$0	\$0	\$0	\$10,839,828	\$6,529,948.71	\$4,509,879	\$0	\$0	\$0
	<b>3 Months Ago</b>	\$13,543,059	\$6,468,410.48	\$7,074,649	\$0	\$0	\$0	\$9,698,462	\$5,099,431.09	\$3,589,031	\$0	\$0	\$0
	<b>2 Months Ago</b>	\$13,237,616	\$6,388,469.16	\$6,851,146	\$0	\$0	\$0	\$8,189,221	\$4,774,177.31	\$3,415,044	\$0	\$0	\$0
	<b>Previous Month</b>	\$15,052,861	\$7,580,132.26	\$7,472,729	\$0	\$0	\$0	\$7,447,105	\$4,325,430.55	\$3,121,674	\$0	\$0	\$0
	<b>Next Month</b>	\$19,984,694	\$9,815,631.28	\$10,169,062	\$0	\$0	\$0	\$10,759,114	\$6,233,745.63	\$4,525,368	\$0	\$0	\$0
	<b>2 Months Out</b>												
	<b>3 Months Out</b>												
	<b>Current Year Total</b>	<b>\$108,391,757</b>	<b>\$49,402,314.79</b>	<b>\$58,989,442</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$88,408,449</b>	<b>\$51,509,214.87</b>	<b>\$36,899,234</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Last Year</b>	<b>8 Months Ago</b>	\$4,626,695	\$665,979.96	\$3,960,715	\$0	\$0	\$0	\$4,333,337	\$708,926.32	\$3,644,430	\$0	\$0	\$0
	<b>7 Months Ago</b>	\$4,061,916	\$630,834.48	\$3,431,082	\$0	\$0	\$0	\$3,794,816	\$599,436.68	\$3,195,379	\$0	\$0	\$0
	<b>6 Months Ago</b>	\$5,236,596	\$789,842.97	\$4,446,753	\$0	\$0	\$0	\$4,876,518	\$698,161.90	\$4,178,356	\$0	\$0	\$0
	<b>5 Months Ago</b>	\$4,402,326	\$596,789.16	\$3,805,537	\$0	\$0	\$0	\$4,034,616	\$566,443.05	\$3,468,173	\$0	\$0	\$0
	<b>4 Months Ago</b>	\$4,140,919	\$645,922.95	\$3,494,996	\$0	\$0	\$0	\$3,742,162	\$571,938.47	\$3,170,223	\$0	\$0	\$0
	<b>3 Months Ago</b>	\$4,993,440	\$673,700.98	\$4,319,739	\$0	\$0	\$0	\$4,277,824	\$672,233.60	\$3,605,593	\$0	\$0	\$0
	<b>2 Months Ago</b>	\$4,833,865	\$703,331.57	\$4,130,533	\$0	\$0	\$0	\$4,402,878	\$710,064.34	\$3,692,814	\$0	\$0	\$0
	<b>Previous Month</b>	\$6,930,560	\$1,142,750.74	\$5,787,809	\$0	\$0	\$0	\$6,148,425	\$978,265.85	\$5,170,159	\$0	\$0	\$0
	<b>Next Month</b>	\$5,196,562	\$826,296.17	\$4,370,266	\$0	\$0	\$0	\$4,865,043	\$816,349.05	\$4,048,694	\$0	\$0	\$0
	<b>2 Months Out</b>	\$5,608,526	\$928,516.26	\$4,680,009	\$0	\$0	\$0	\$5,385,880	\$806,100.69	\$4,579,779	\$0	\$0	\$0
	<b>3 Months Out</b>	\$5,540,350	\$773,343.00	\$4,767,007	\$0	\$0	\$0	\$5,473,875	\$926,322.79	\$4,547,552	\$0	\$0	\$0
	<b>Last Year Total</b>	<b>\$59,768,456</b>	<b>\$9,059,854.60</b>	<b>\$50,708,602</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$55,714,919</b>	<b>\$8,688,933.19</b>	<b>\$47,025,986</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Grand Total</b>		<b>\$168,160,213</b>	<b>\$58,462,169.39</b>	<b>\$109,698,044</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$144,123,368</b>	<b>\$60,198,168.06</b>	<b>\$53,925,200</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

# Supplier Performance

When it comes to your suppliers, Stratum SRM-A can give you a better understanding of their performance so you can maximise the relationships you have with them.

## Delivery Performance

Use SRM-A to better control and monitor vendor schedules and fill rates.

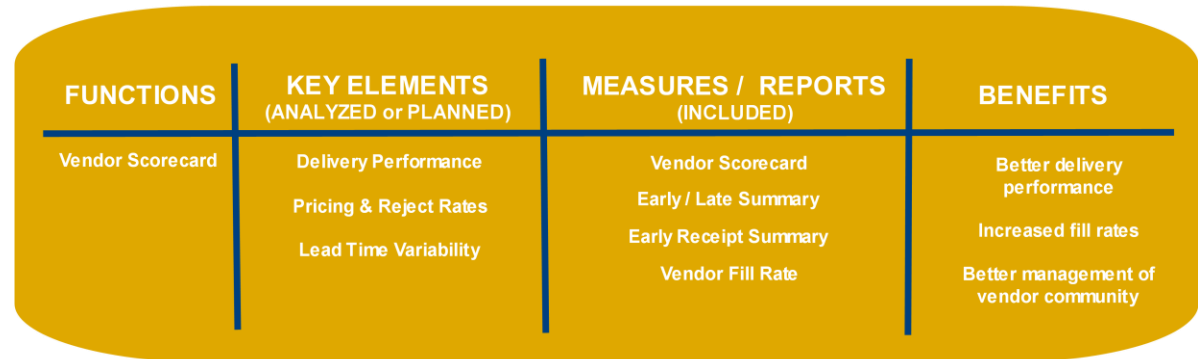
- Minimise incorrect material quantities, which can wreak havoc on your warehouse, production operations and customers.
- Reduce short deliveries, which can impact production schedules and customer shipments.
- Eliminate excess orders, which can affect warehouse space and carrying costs.
- Minimise the receipt of wrong products and materials, which can result in missed schedules.

## Pricing & Reject Rates

Leverage SRM-A to track vendor pricing, along with accepted and rejected materials by vendor and flag rates that fall below acceptable levels. Meet your procurement budget, customer demands and production schedules more effectively by identifying vendors you can count on to delivery product at the right price and on-time deliveries with a low percentage of "bad" product.

## Lead Time Variability

You can also rely on Stratum SRM-A to track and evaluate vendor lead times so you can better understand their impact on your business and correct problem areas more efficiently. The result? Minimised late supply deliveries that may cause production run delays, increased labour costs and compromised customer service levels. And fewer deliveries received earlier than expected, which can negatively impact carrying costs, warehouse space and warehouse resources.



Vendor	Vendor Short Description	Power Score (1=Best, 10=Worst)	YTD OnTime Score	LYTD OnTime Score	OnTime Performance Indicator	Reject Rate Indicator	YTD Late Score	LYTD Late Score	Late Delivery Performance Indicator	YTD Fill Rate Score	LYTD Fill Rate Score	Fill Rate Performance Indicator	YTD % OnTime Units Accepted	LYTD % OnTime Units Accepted	YTD % Late Units Accepted	LYTD % Late Units Accepted	YTD Fill Rate %	LYTD Fill Rate %	Pur Fill Rate %
559832	Aluminum Providers	6	1	1	●	●	10	10	●	1	1	●	100%	100%	0%	0%	100%	100%	
554587	American Manufacturing	6	1	1	●	●	10	10	●	1	1	●	100%	100%	0%	0%	100%	100%	
554982	Corn Products of America	5	4	10	●	●	6	1	●	1	1	●	85%	80%	14%	19%	100%	100%	
880384	Farmington's	6	1	1	●	●	10	10	●	1	1	●	100%	100%	0%	0%	100%	100%	
552983	Food Packers, Inc.	5	5	5	●	●	5	5	●	1	1	●	80%	90%	20%	10%	100%	100%	
880597	Fresh Farms	5	5	9	●	●	5	2	●	10	7	●	81%	83%	18%	13%	92%	98%	
551031	GW Manufacturing	6	1	1	●	●	10	10	●	1	1	●	100%	100%	0%	0%	100%	100%	
880423	KC Distributors	6	1	1	●	●	10	10	●	1	1	●	100%	100%	0%	0%	99%	100%	
880253	Michigala	5	1	7	●	●	9	2	●	1	1	●	94%	86%	6%	14%	100%	100%	
551938	NR Adhesives	6	1	1	●	●	10	10	●	1	1	●	100%	100%	0%	0%	100%	100%	
880732	Pacific Fruits	5	3	7	●	●	7	3	●	1	1	●	87%	86%	12%	13%	100%	100%	
552340	Schimmel Mfg	6	1	1	●	●	10	10	●	1	1	●	100%	100%	0%	0%	100%	100%	
880047	Southern Imports	6	1	1	●	●	10	10	●	1	1	●	100%	100%	0%	0%	100%	100%	
880688	Specialty Fruits	4	4	7	●	●	8	5	●	6	9	●	86%	87%	10%	10%	95%	98%	
880132	Sun Products	6	10	1	●	●	1	10	●	1	1	●	61%	100%	39%	0%	100%	100%	
880757	Sunfresh	6	1	1	●	●	10	10	●	1	1	●	100%	100%	0%	0%	100%	100%	
552614	Varton Inc.	5	4	9	●	●	6	1	●	2	10	●	83%	82%	14%	17%	98%	98%	
880347	Washington Produce	4	3	8	●	●	7	3	●	1	1	●	88%	84%	10%	14%	100%	100%	
Grand Total		5	3	7	●	●	7	4	●	4	3	●	87%	87%	11%	11%	97%	99%	

# Buyer Performance

Stratum SRMA-A can help you improve the performance of your buyers, as well, rounding out the value it provides across the entire procurement organisation ... and your business overall.

## Orders Placed vs. Planned Lead Times

By using SRM-A, easily track and evaluate orders placed in conjunction with planned supplier lead times to ensure that your manufacturing and customer shipment schedules are effectively aligned. More importantly, you can leverage SRM-A to identify potential problems before they occur by evaluating products that have *not* been ordered within their lead times and analysing where production or customer schedules may be impacted.

## Delivery Performance vs. Buyer Plan

Use SRM-A to assess how well your suppliers are meeting your purchasing plan in terms of the actual costs they charged for the materials you acquired from them, whether their deliveries were made earlier or later than expected, the transportation costs involved, the quality of the materials you received from them and more.

## Lead Time Variability

SRM-A also gives you visibility to the impact of lead time variability on your purchasing organisation by allowing you to monitor the percentage of parts / materials that had to be delivered to another location, as well as the percentage of purchasing transactions that you ultimately had to make via EDI.

FUNCTIONS	KEY ELEMENTS (ANALYZED or PLANNED)	MEASURES / REPORTS (INCLUDED)	BENEFITS
Buyer Scorecard	<ul style="list-style-type: none"> <li>Orders Placed vs. Planned Lead Times</li> <li>Delivery Performance vs. Buyer Plan</li> <li>Lead Time Variability</li> </ul>	<ul style="list-style-type: none"> <li>Buyer Receipt/Not Paid</li> <li>Historical Lead Time</li> <li>Open Orders Lead Time</li> <li>Purchase Price Variance by Buyer</li> <li>Purchase Price Variance by Buyer/SKU</li> <li>Purchase Price Trending by Buyer</li> <li>Product Receipt Timing</li> <li>Transportation Costs</li> <li>Incoming Material Quality</li> <li>Failed Inspection</li> <li>Supplier On-Time Delivery</li> <li>Supplier Fill Rate</li> <li>% of Parts Delivered to Point of Use</li> <li>% of Transactions via EDI</li> </ul>	Improved buyer management

Stratum.Viewer

1 to 25 of 25 1 to 4 of 4

View Name: Historical Lead Time

View Filter >> Year Based Months | Months Based

Buyer	Buyer Short Description	Vendor	Units Ordered	Units Ordered Outside of Lead Time	Units Ordered within Lead Time	% Units Ordered Late
KAP	Kim Pritchett	GW Manufacturing	87	11	76	12%
		NR Adhesives	5,889	732	5,157	12%
		Schimmel Mfg.	2,031,834	252,557	1,779,277	12%
		Varton Inc.	75,144	9,088	66,056	12%
		Southern Imports	35,168	4,371	30,797	12%
		Sun Products	936	116	820	12%
		Michiqala	268,060	33,320	234,740	12%
		Washington Produce	13,617,693	1,772,363	11,845,330	13%
		Farmington's	1,135,319	141,120	994,199	12%
		KC Distributors	570,429	69,768	500,661	12%
		Fresh Farms	20,145,391	2,568,394	17,576,997	13%
		Specialty Fruits	1,580,503	299,053	1,281,451	19%
		Pacific Fruits	6,322,574	887,251	5,435,323	14%
Sunfresh	44,688	6,118	38,570	14%		
	<b>KAP Total</b>		<b>45,833,716</b>	<b>6,044,262</b>	<b>39,789,453</b>	
JCC	Jerry Caplain	Food Packagers, Inc.	92,376	11,482	80,894	12%
		American Manufacturing	2,261	281	1,980	12%
		Corn Products of America	93,866	11,668	82,198	12%
		Aluminum Providers	7,211,004	882,064	6,328,940	12%
		Michiqala	27,730	3,447	24,283	12%
		Washington Produce	1,232,481	153,197	1,079,284	12%
	<b>JCC Total</b>		<b>8,994,968</b>	<b>1,102,216</b>	<b>7,892,752</b>	
<b>Grand Total</b>			<b>54,828,683</b>	<b>7,146,478</b>	<b>47,682,205</b>	

# The Multiple Planning, Analysis & Reporting Options of Stratum

## Leverage Pre-Defined Analysis & Reporting

Stratum lets you gain an immediate return on investment by providing hundreds of pre-built business views and reports that are easily configured to your business. Plus, it's ready to accommodate you with a modular approach that lets you extend its analyses and reports across the enterprise as you need them.

## Powerful Planning Applications

Stratum reaches beyond the capabilities of other analysis and reporting solutions by letting you to model out and predict sales forecasts, pricing, inventory replenishment and more, using a collaborate budgeting and forecasting function.

## Inquiry

You can leverage Stratum's powerful inquiry capabilities to drill down into a specific area to pinpoint the answers you need. Plus, you can view the data in graphical format, making the process of analysing the performance of your business faster and easier.

## Quick KPIs

Stratum includes more than 500 pre-defined sets of Key Performance Indicator (KPI) measurements. These KPIs give executives and managers the ability to quickly identify your company's strengths and weaknesses and provide a starting point for performance improvement by showing whether or not your business is in line with its strategic objectives.

## Alerts

With built-in alerts, you gain crucial monitoring, proactive notification, and automation capabilities that help your company

adapt to changing conditions and avoid alarming scenarios pertaining to payables, receivables, budgets, sales and inventory. Pre-set any number of business rules and let Stratum protect you from failing to respond to deviations from acceptable levels by automatically sending alerts to those people who can take immediate action.

## Dashboards

Stratum also offers dashboarding capabilities to give your executives a one-stop, graphical snapshot of the business' health. Our dashboards are easy to understand, often highlighting important KPIs, revenues by period, product sales by category, actual vs. budgeted financial indicators and expenses by category, to name just a few. We've also made it easy for you to include Stratum dashboards on portal pages.

## Flexible Information Delivery

The options you have for delivering Stratum analyses and reports to the corporate office, plant floor, remote sales reps, customers and supply chain partners are virtually endless. You'll find that it's an ideal solution for power users who require the ability to plan, forecast and drill deeply into your organisation's performance data ... and that it's perfect, too, for more casual users who simply require browser-based access to their performance metrics!

## Flexible Reporting

When you wish to send static reports of your operational analyses to internal users, customers or suppliers, Stratum lets you automate the entire process of creating, generating and distributing great-looking reports. The reports can be saved in numerous formats like Adobe PDF and Microsoft Excel. Plus, they can be systematically scheduled for regular distribution by email to any user you desire, whether internal or external to your business.

## **Robust Data Repository**

Stratum protects your current technology investment by integrating with and leveraging the data you already have in your ERP, CRM and other business systems. Our enterprise connectors allow you to easily extract, transfer and load your data into an enterprise data repository that ultimately becomes the “single version of the truth” for your entire business.