Stratum™

Supplier Relationship Management Analysis

Value
9,179.53
11,426.60
9,611.01
7,189.65

Organizations 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 organization's overall spend while simultaneously increasing the bottom line. To get there, you need a high-level strategic sourcing plan that lets you minimize 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 organization implement sound supplier relationship management practices and increase your competitive advantage through better supply chain management!

Purchasing Performance

SRM-A pulls together key operational data that allows for the day-to-day management and analysis of your purchasing organization. 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 organization.

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 analyze receipts for which no invoice was issued by the vendor. All of these allow you to better understand and control the costs to your organization and to better manage the relationship with your vendor.

FUNCTIONS	KEY ELEMENTS ANALYZED / PLANNED	MEASURES / REPORTS (included in Stratum)	BENEFITS
Purchase Order Analysis	Open Purchase Orders	Available to Promise by Warehouse / Product	Improved Procurement Management
	Expected Receipts	Open Order Summary	Reduced Inventory Investment
	Purchase Order Requests	Open Order to Receive	
		Items in Order	

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

Accounts Payable Analysis

Stratum SRM-A also offers a number of analyses and reports for analyzing 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 analyze 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 analyze 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.

Supplier Performance

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

Delivery Performance

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

- Minimize 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

- Minimize 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 deliver product at the right price and on-time deliveries with a low percentage of "bad" product.

FUNCTIONS	KEY ELEMENTS ANALYZED / PLANNED	MEASURES / REPORTS (included in Stratum)	BENEFITS
Vendor Scorecard	Delivery Performance	Vendor Scorecard	Better delivery performance
	Pricing & Reject Rates	Early / Late Summary	Increased fill rates
	Lead Time Variability	Vendor Fill Rate	Better management of vendor community

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? Minimized late supply deliveries that may cause production run delays, increased labor costs and compromised customer service levels. And fewer deliveries received earlier than expected, which can negatively impact carrying costs, warehouse space, and warehouse resources.

Buyer Performance

Stratum SRM-A can help you improve the performance of your buyers, as well, rounding out the value it provides across the entire procurement organization … 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 analyzing 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 organization 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 / PLANNED	MEASURES / REPORTS (included in Stratum)	BENEFITS
Buyer Scorecard	Orders Placed vs. Planned Lead Times	Buyer Receipt / Not Paid	Improved buyer management
	Delivery Performance vs. Buyer Plan	Historical Lead Time	
	Lead Time Variability	Open Orders Lead Time	
		Purchase Price Variance by Buyer	
		Purchase Price Variance by Buyer / SKU	
		Purchase Price Trending by Buyer	
		Product Receipt Timing	
		Transportation Costs	
		Incoming Material Quality	
		Failed Inspection	
		Supplier On-Time Delivery	
		Supplier Fill Rate	
		% of Parts Delivered to Point of Use	
		% of Transactions via EDI	

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 analyzing 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's 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 organization'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.

Silvon

Simplifying The View Of Business