Supplier Relationship Management:
Capturing the Next Level of Supplier Value

M Crowd Restaurant Group
Giovani Giovannini
Vice President, SCM, Facilities & Strategy

Majel Partners
Elizabeth Zucker
Partner

Angela Easterwood
Partner
SUPPLIER RELATIONSHIP MANAGEMENT: CAPTURING THE NEXT LEVEL OF SUPPLIER VALUE

SIG Global Forum

October 2020
SUPPLIER RELATIONSHIP MANAGEMENT: CAPTURING THE NEXT LEVEL OF SUPPLIER VALUE

Presenters

Giovanni Nieto Giovanini
Vice President, SCM, Facilities & Strategy
M Crowd Restaurant Group

Elizabeth Zucker
Principal
Majel Partners

Angela Easterwood
Principal
Majel Partners
SUPPLIER RELATIONSHIP MANAGEMENT: CAPTURING THE NEXT LEVEL OF SUPPLIER VALUE

Agenda

- Setting the Stage
- Business Case for SRM
- 5 S’s of SRM
- Common Pitfalls
SUPPLIER RELATIONSHIP MANAGEMENT: CAPTURING THE NEXT LEVEL OF SUPPLIER VALUE

Setting the Stage

Supplier Relationship Management (SRM):
• Establishes a governance framework
• Enhances collaboration and efficiency
• Focuses on value generation
SUPPLIER RELATIONSHIP MANAGEMENT: CAPTURING THE NEXT LEVEL OF SUPPLIER VALUE

Business Case for SRM

Based on the University of Tennessee’s Getting to We® Strategic Account Management Program®
SUPPLIER RELATIONSHIP MANAGEMENT: CAPTURING THE NEXT LEVEL OF SUPPLIER VALUE

SRM Value Pillars

**Financial**
- Leverage volumes and total cost strategies, as well as new revenue streams

**Operational**
- Streamline tasks and remove duplication, shorten wait times on contracts, changes, issue resolution

**Competitive Advantage**
- Facilitate innovation and joint growth strategies that leverage supplier capabilities

**Compliance**
- Ensure contract, regulatory, safety and quality targets are met as jointly managed outcomes

**Risk Mitigation**
- Minimize risk of shortages, service delays and cost “creep”
SUPPLIER RELATIONSHIP MANAGEMENT: CAPTURING THE NEXT LEVEL OF SUPPLIER VALUE

The 5 S’s of SRM

- Solutioning
- Strategy
- Structure
- Stakeholders
- Selection
SUPPLIER RELATIONSHIP MANAGEMENT: CAPTURING THE NEXT LEVEL OF SUPPLIER VALUE

The 5 S’s of SRM

- Scope
- On-boarding & Change Management
- Success Criteria
SUPPLIER RELATIONSHIP MANAGEMENT: CAPTURING THE NEXT LEVEL OF SUPPLIER VALUE

The 5 S’s of SRM

- **Strategy**
- **Stakeholders**
  - Requirements & Performance Targets
  - Expertise and Perspective
  - Sourcing Leadership
SUPPLIER RELATIONSHIP MANAGEMENT: CAPTURING THE NEXT LEVEL OF SUPPLIER VALUE

The 5 S’s of SRM

- Strategy
- Stakeholders
  - Technical Capability
  - Supplier Fit & Compatibility
  - Growth Potential
- Selection
SUPPLIER RELATIONSHIP MANAGEMENT:
CAPTURING THE NEXT LEVEL OF SUPPLIER VALUE

The 5 S’s of SRM

❖ Communication
❖ Issue Resolution Management
❖ Performance Tracking & Review
SUPPLIER RELATIONSHIP MANAGEMENT:
CAPTURING THE NEXT LEVEL OF SUPPLIER VALUE

The 5 S’s of SRM

❖ Innovation & Continuous Improvement
❖ Collaboration
❖ Shared Risk & Reward
## SUPPLIER RELATIONSHIP MANAGEMENT:
CAPTURING THE NEXT LEVEL OF SUPPLIER VALUE

### Common Pitfalls

<table>
<thead>
<tr>
<th>01</th>
<th>Being Impatient</th>
</tr>
</thead>
<tbody>
<tr>
<td>02</td>
<td>Focusing only on strategic Suppliers</td>
</tr>
<tr>
<td>03</td>
<td>Managing SRM in a silo</td>
</tr>
<tr>
<td>04</td>
<td>Using SRM as a bargaining tool</td>
</tr>
<tr>
<td>05</td>
<td>Neglecting to monitor relationship health</td>
</tr>
<tr>
<td>06</td>
<td>Assuming SRM is a one-size-fits-all package</td>
</tr>
</tbody>
</table>
## SUPPLIER RELATIONSHIP MANAGEMENT: CAPTURING THE NEXT LEVEL OF SUPPLIER VALUE

### SRM is a Journey

<table>
<thead>
<tr>
<th>Reframe</th>
<th>Prioritize</th>
<th>Collaborate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treat suppliers as more than transactional sellers</td>
<td>Prioritize suppliers in order to apply targeted relationship management activities</td>
<td>Focus on joint value generation and alignment of activities</td>
</tr>
<tr>
<td>Commit to a collaborative relationship focused on long term benefit</td>
<td>Segment suppliers by business model and opportunity for value - SRM varies by supplier type!</td>
<td>Develop common objectives and expected outcomes, as well as performance targets that are jointly managed</td>
</tr>
</tbody>
</table>
Discussion
And
Q&A
Contact Us

Giovanni Nieto Giovanini – giovanni.nietogiovanini@gmail.com

Elizabeth Zucker – elizabeth@majelpartners.com

Angela Easterwood – angela@majelpartners.com

Majelpartners.com

Email: info@majelpartners.com

This White Paper can be downloaded at

https://majelpartners.com/publications
Session # 27

Supplier Relationship Management: Capturing the Next Level of Supplier Value

**Majel Partners**
Elizabeth Zucker
Partner
214-850-0992
elizabeth@majelpartners.com

Angela Easterwood
Partner
972-839-1332
angela@majelpartners.com