

# Running an Efficient Supplier Onboarding Program

How to create a procurement team they can't live without

Do you want to take your procurement team to the next level? While that's a great intention, the first step in that process may seem counterintuitive.

Take a look at how your team members are spending their time. Is your supplier [intake process](#) clear, simple, and easy to follow? Are you wasting time on unnecessary steps? If you aren't happy with your answers, it's time to revamp your processes.

Whether your team is one person or twenty, when you meet your business's basic needs efficiently and effectively, you can expand your horizons to do much more.

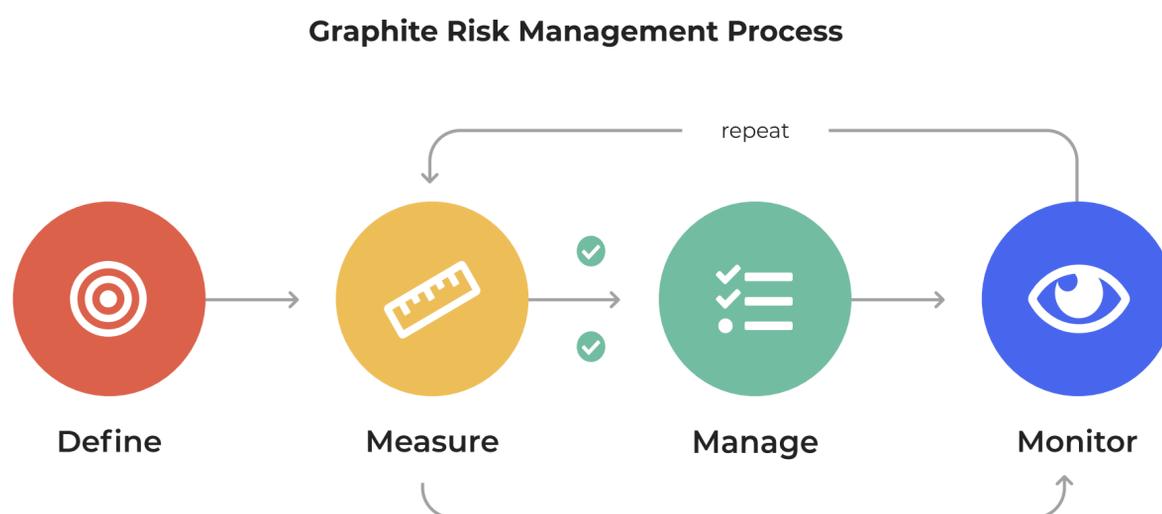
## Six steps to increase efficiency with your procurement team

Not sure how to meet those basic needs? Do you want to blow your business's expectations for procurement out of the water? These six steps are an excellent place to start.

## 1. Know the maturity of your business

The first step in running an efficient and valuable procurement team is knowing where [your business stands in maturity](#). A new business's needs can look quite different from a more mature business's needs, and your procurement team needs to mirror that maturity.

In the image below, you'll see the stages of risk management. Depending on the size and maturity of your team, you may need to focus solely on defining and measuring risk. If you have a more robust team with clearly defined goals, you may be able to manage and monitor risk as well.



What you decide to focus on and how you build your foundation may depend on your business's specific needs and goals. Your procurement team will shine if you can [effectively meet current needs](#) and drive your business closer to its goals.

Once you understand your organization's goals better, you can structure your team accordingly. Ensure that your team executes primary procurement responsibilities, then place the extra resources into tasks to help your business accomplish its needs and goals.

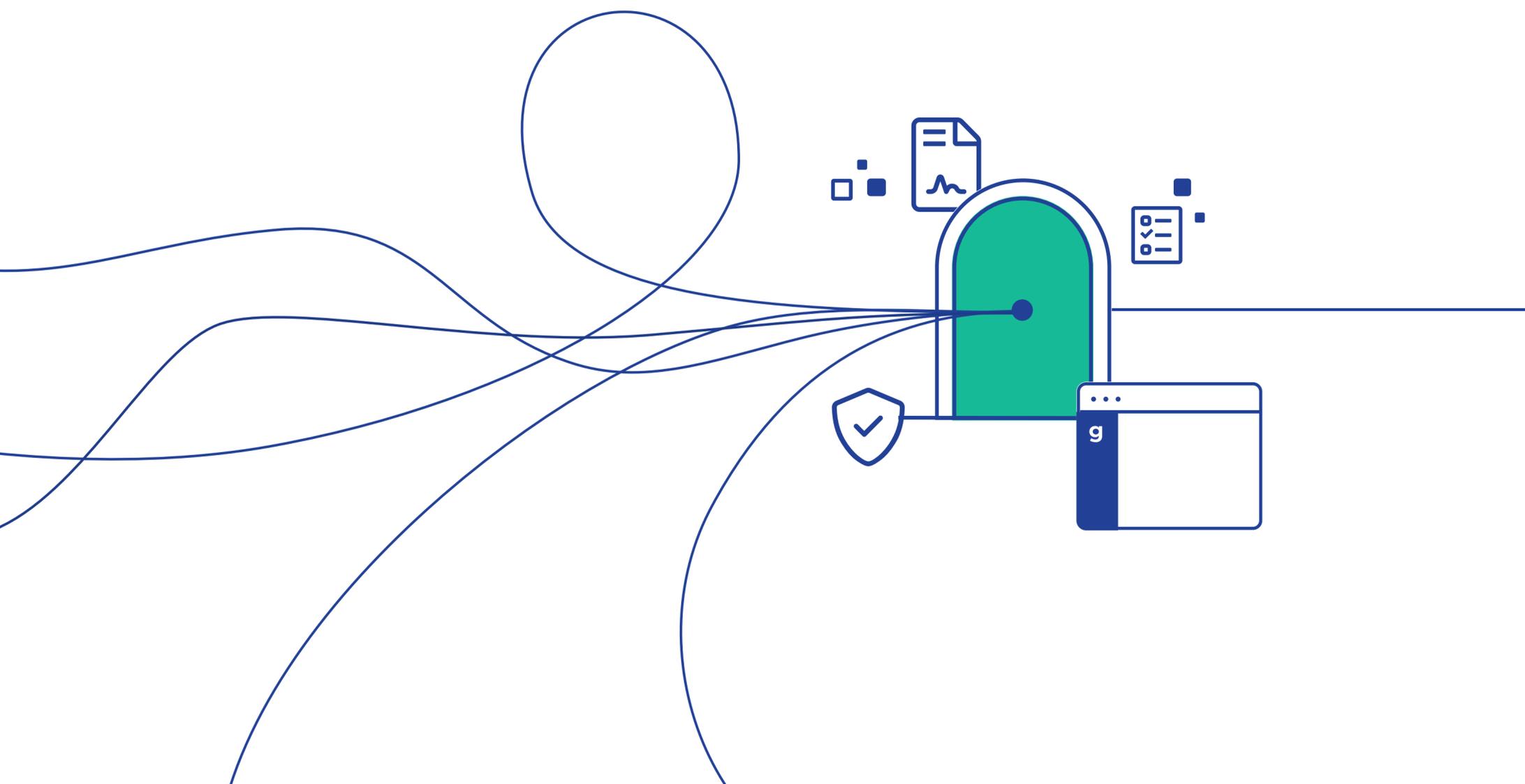
Soon, your business will discover that it could not function without you. With that kind of reputation, your [spend under management](#) will soar.

## 2. Create a centralized intake process

Chances are that right now, your intake process is a bit of a mess. Low visibility and unclear procedures can slow down your team and decrease your value in the eyes of your fellow employees. If you want procurement to be synonymous with efficiency and helpfulness, this is something that you need to change.

Creating a centralized intake process will allow stakeholders visibility every step of the way. It will eliminate confusion and create clarity. Using a supplier management tool like [Graphite](#) will allow you to create a list of preferred suppliers and centralized supplier management, making your supplier onboarding program more efficient.

When you centralize your intake process, you enable requesters to get what they need faster with fewer clicks—reducing the number of requests your team has to manage. When your team is freed to tackle higher-value negotiations and projects, you'll bring more significant savings and value to your company.



### **3. Create ease and visibility with supplier data management**

Does your team have a [centralized way](#) to store the most updated supplier data? Too often, the answer is no. Instead, supplier data lives on individual computers and floats between teammates, making visibility difficult and keeping data up-to-date even harder. Whatever your tool, your team will work more efficiently and accurately if your documents have a centralized home.

It's also essential to think about how your suppliers are providing you with data. Is the process quick, easy, and streamlined? Is it different for each supplier? A simplified procedure of how suppliers give you data will help your team increase efficiency and produce more quality work.

With a process like that, it becomes much easier to vet the given data's accuracy quickly. The accuracy of different aspects of data can be assessed at each stage of your supplier onboarding program. And, if you accurately store that data, using and expanding preferred supplier lists becomes easier than ever.

### **4. Be the gatekeeper for your company**

Risk management is a hot topic in procurement, especially for large companies. However, procurement teams of any size should see themselves as the risk gatekeeper for their company. Any suppliers your team takes on bring risks to your company. As a procurement team, your company trusts you to [mitigate those risks](#).

If your team does not have a set strategy for mitigating risk, you open your doors to the potential for costly mistakes. Categorize which supplier types have the greatest potential to expose your company to risk (for instance, a software company has a higher risk likelihood than a window washing company), and create a process of evaluating that risk.

Assess where the most significant areas of risk are for your company specifically. Each company will be different, and it is your job to understand the risks associated with your suppliers and protect your company from danger. Consider each of the following as you assess your action plan.

**a. Financial risk**

Financial risk can take many forms. Still, in this category, you should be looking out for the risk that a company will not be able to keep their end of the contract (for example, an off-shore supplier for rubber who is not reputable may not deliver the rubber you pay them for).

You should also be aware of any risk to your company's financial information (are your supplier's systems adequately protected if they receive any customer data from your company?). Assess any possible risk that could result in a financial loss to you or your customers.

Also, be careful in assessing that a company has not provided you with fraudulent financial information. Always vet their source-to-pay tool and ensure that it is reputable and accurate. Otherwise, you'll find your company at risk of losing money.

**b. Cybersecurity risk**

Similarly, cybersecurity risk is an essential factor to consider. Most attacks happen online in today's business climate. If a supplier has access to your databases or any information about your business or customers, their cybersecurity risk should be thoroughly vetted. Never underestimate the seriousness of cybersecurity.

Cybersecurity is one of the greatest risks to you and your company in the internet age. As you onboard new suppliers, procurement must act as a gatekeeper to protect your company from cybersecurity risks.

**c. Compliance**

Compliance laws are another risk factor for procurement to protect against. Working closely with legal, you should be able to assess the risks present with how your company does business that requires specific compliance with your country's laws.

Whether that is financial, like a bank that must comply with specific financial laws, or physical, like a construction company that must comply with stormwater drainage laws, compliance is a significant risk factor to take into account when onboarding suppliers. Do those suppliers have adequate systems in place to comply with the laws? If not, they will not be a good partner for your company.

**d. Supply chain risk**

As mentioned above, there are always risks of a partner company not delivering. When vetting a business, it's essential to understand its supply chain. Are there systems in place that will ensure their contract is upheld? Do they work with suppliers, and if so, do they properly vet their suppliers?

It's important to remember that the risks to your business can extend beyond what you may think to assess. Be sure to analyze the whole supply chain and ensure that your company will be protected every step of the way.

**e. Social risks**

A big, up-and-coming factor in risk management is social risk. There are many different factors to social risk, but they can include political, environmental, ethical, and diversity issues. Many businesses are seeking to improve their awareness of and impact on these risk factors.

Procurement must do its part in following the organization's goals concerning these risk factors. Procurement is on the front lines when it comes to suppliers, and as such, they must understand how suppliers fit into these social risk categories and how the company can best meet its social goals.

In general, it's crucial to build a foundation where your team is trained to have a keen eye and specific process for evaluating supplier risk and that each team member understands how to mitigate and manage that risk. When you have strategies that consider each risk factor, this will become much easier and more efficient.

## 5. Meet employees where they are

The last thing you want is for employees to see procurement as just another hurdle to jump before they can get something done. Procurement should be an aid and a facilitator to employees to speed up the tasks they have to complete.

However, procurement systems often get bogged down with too many unclear steps. It can become difficult for employees to maintain visibility into the program or understand why they must take certain steps.

Additionally, procurement creates more work for itself when constantly taking on new suppliers rather than utilizing current or approved suppliers.

But all that can change if you meet employees where they are. Procurement must be the one to reach out to employees, to help them understand where to begin [onboarding a new supplier](#) and how they can maintain visibility throughout the process.



If you've successfully centralized your intake process, as we suggest in step one, meeting employees where they are (rather than expecting them to come to you) will be an easy and advantageous next step.

## 6. Advertise your team internally

Even with the best intentions to meet employees where they are, if they don't even know you exist, you'll find they still don't use the processes you've put right in front of them. For most of the company, their focus is outward. Selling products to businesses or consumers outside the organization. Your job in procurement is to sell yourselves internally.

Advertising your procurement team will not happen organically or automatically. You'll have to create internal marketing campaigns to ensure that every employee at the business knows who you are, what you stand for, and how they can use your services to speed up their work.

With the right messaging (combined with the right centralized processes), you'll find that procurement becomes a department that is no longer held in a negative light. Instead, procurement will become a department that employees don't know what they'd do without.

### What's next?

If you're looking for a solution to centralize your intake process, increase visibility for stakeholders, and become the team your business can't live without— [Graphite](#) might be the solution for you.

Graphite Connect allows procurement teams to implement a centralized onboarding process that makes requesting suppliers a breeze. It can also help you increase visibility, find new suppliers, keep track of key metrics, and store supplier data.

Interested in learning more?

[Request a demo](#)