

ORACLE®



Business Process Workshop

Supplier Qualification Management

Consultant Name
Designation
Company
MMM DD, YYYY

Program Agenda

- 1 Introduction
- 2 Features & Benefits
- 3 Supplier Qualification Management Framework
- 4 Supplier Qualification Management Lifecycle
- 5 Reporting

Introduction

- **Oracle Fusion Supplier Qualification Management** is a comprehensive qualification management system designed to improve supplier compliance, data accuracy and visibility.
- Allows organizations to define the requirements that a supplier should meet, pre-qualify the supplier based on a simpler set of requirements and then qualify the supplier by performing required verifications.
- Widely complemented by other Fusion products namely **Fusion Sourcing**, **Fusion Supplier Portal**, **Fusion Procurement Contracts**, **Fusion Purchasing** and **Fusion Self Service Procurement**

Introduction

Pre-Qualify

- Establish pre-qualification criteria
- **Pre-qualify prospective suppliers**

Qualify

- Define qualification requirements
- **Qualify and promote suppliers**

Maintain

- Monitor qualifications
- **Requalify suppliers**

Program Agenda

- 1 Introduction
- 2 Features & Benefits**
- 3 Supplier Qualification Management Framework
- 4 Supplier Qualification Management Lifecycle
- 5 Reporting

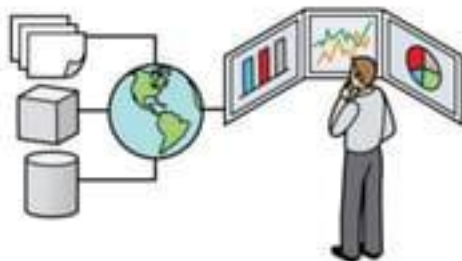


Features & Benefits

Features & Benefits

Key Features

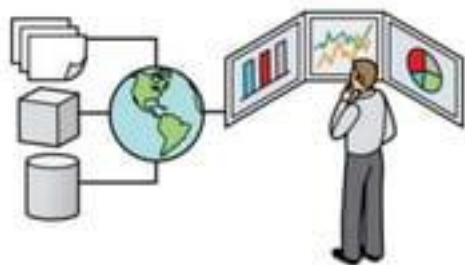
- Organize supplier data into meaningful qualifications
- Survey suppliers with easy-to-use on-line questionnaires
- Save questions in your library for future re-use
- Evaluate specific qualification areas and assess suppliers
- Receive alerts when relevant supplier information becomes available
- Receive early notifications on expiring qualifications
- Create rule based questionnaire dynamically during Supplier Registration.
- Manage Approval based Supplier profile change request for updating supplier attributes during Qualification process.



Features & Benefits

Benefits

- Support end-to-end supplier management process and improve supplier relationship
- Support supplier preference programs and sourcing decisions
- Mitigation of risks by effective supplier compliance
- Improve visibility to key supplier characteristics and capabilities



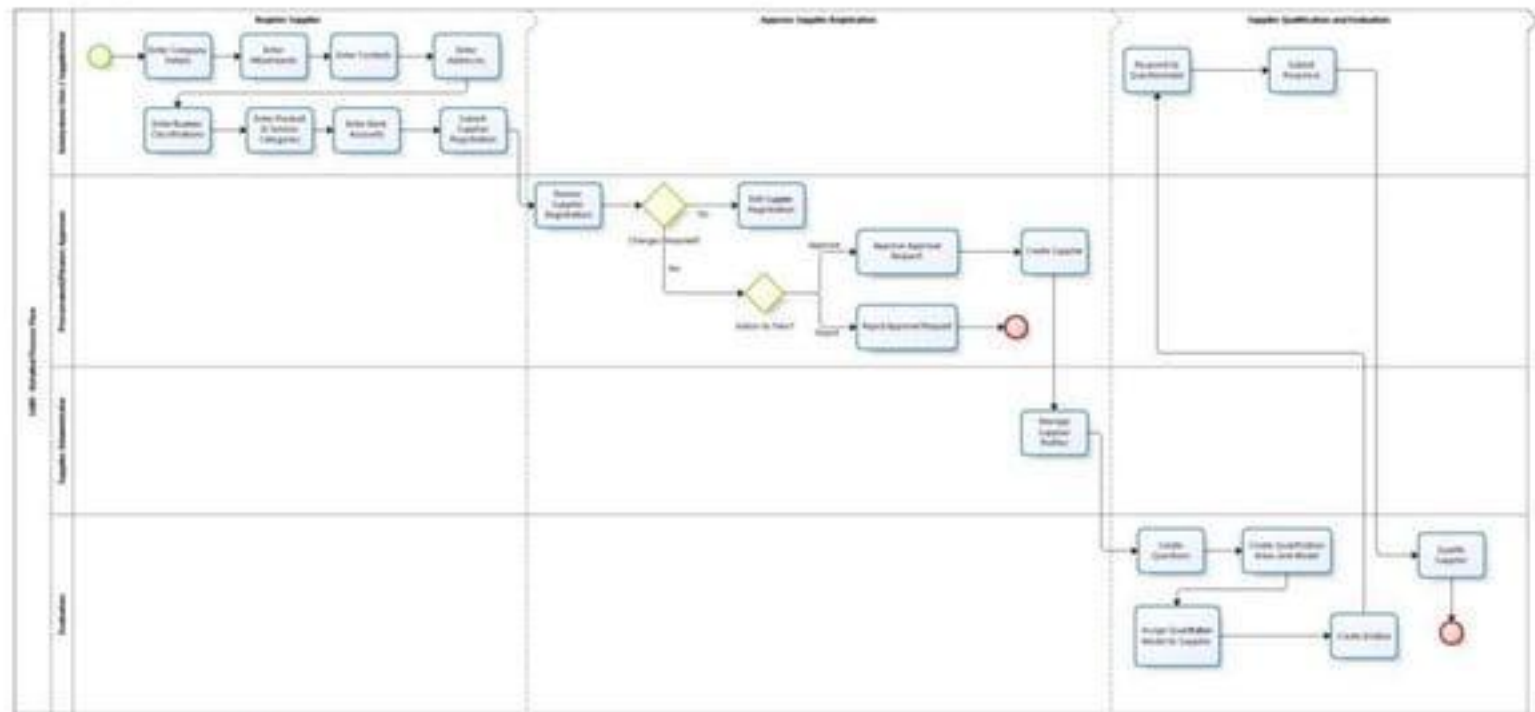
Program Agenda

- 1 Introduction
- 2 Features & Benefits
- 3 Supplier Qualification Management Framework**
- 4 Supplier Qualification Management Lifecycle
- 5 Reporting



Supplier Qualification Management Framework

Supplier Qualification Management Process Model



Supplier Qualification Management Framework

Question Creation

- Identify the organization requirements
- Requirements can be focused on manufacturing processes, quality control, certifications, etc
- Create questions in the Question library
- Various question types such as Text entry, Multiple Choice with single and multiple selection



Supplier Qualification Management Framework

Question Creation

Edit Question: ISO 14001 certification

Activate

Actions

Save

Save and Close

Cancel

Last Saved: 12/2/15 1:21 PM

* Question: ISO 14001 certification

Reason: 0

Question Level: Supplier

Responder Type: Supplier

☐ Mapped to supplier attribute

Question Type: Text entry box

Response Type: Single line text

Response Attachments: Not allowed

Preferred Response:

☐ Display preferred response

* Question Text: Plain

B **I** **U** **%** **g** **'** **S**

Is your environmental system third party certified to the ISO 14001 environmental standard?

Notes

Classification

Subject:

Standards Organization:

Supplier Qualification Management Framework

Qualification Area

- Grouping of related questions to evaluate suppliers on a particular aspect
- Questions created in library can be added to the qualification area directly
- Select a procurement business unit which will use this area for qualifying suppliers or make it Global



Financial Viability

- *Provide your most current financial statement ...*
- *What are your operating margins?*
- ...



Quality Management

- *Do you have certification for ISO*
- ...
- *Describe your pre-shipment inspection process...*

Supplier Qualification Management Framework

Edit Qualification Area: Financial Viability

Inactivate Actions Save Save and Close Cancel

Last Saved 11/1/15 4:49 AM

Qualification Area: Financial Viability

Revision: 3

Description:

— Information only

Procurement B0: GB True Cloud Ltd 1

Global

Procurement B0 Address: None

Owner: *PurManager, GB

Status: Active

Qualification Area Level: Supplier or supplier info

Expiration Reminder: Days

Attachments: None

Questions

Actions View Format Freeze Detach Wrap Create and Add Update Latest Revision

* Display Sequence	Question	Revision	Question Level	Responder Type	Response Required	Subject	Question Branching
10	* Operating margins	0	Supplier	Supplier	Yes		
Columns Hidden: 3							

Qualification Area Outcomes

Actions View Format Freeze Detach Wrap

* Display Sequence	* Outcome	Active	Include in Search
10	Selected	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
20	Rejected	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Classification

Subject:

Standard Organization:

Supplier Qualification Management Framework

Qualification Model

- Grouping of related qualification areas to evaluate multiple aspects of the supplier
- Allows Procurement Business Unit access control
- Facilitates qualifying suppliers overall

Supplier Qualification Management Framework






Qualification Model

Edit Qualification Model: 00Qualification Model

Activate Actions Save Save and Close Cancel

* Qualification Model	00Qualification Model	* Procurement BU	US1 Business Unit	Status	Draft
Revision	0		Global	Qualification Model Level	Supplier or supplier site
Description	Description goes here.	Procurement BU Access	None	Expiration Reminder	5 Days
		Owner	Roth, Calvin	Attachments	None

Qualification Areas

Actions ▾ View ▾ Format ▾    Freeze  Detach  Wrap Create and Add Update Latest Revision													
* Display Sequence	Qualification Area	Revision	Description	Qualification Area Level	Subject	Standards Organization	Question Branching						
No data to display.													
Columns Hidden		1											


Classification

Subject

Standards Organization

Program Agenda

- 1 Introduction
- 2 Features & Benefits
- 3 Supplier Qualification Management Framework
- 4 Supplier Qualification Management Lifecycle**
- 5 Reporting

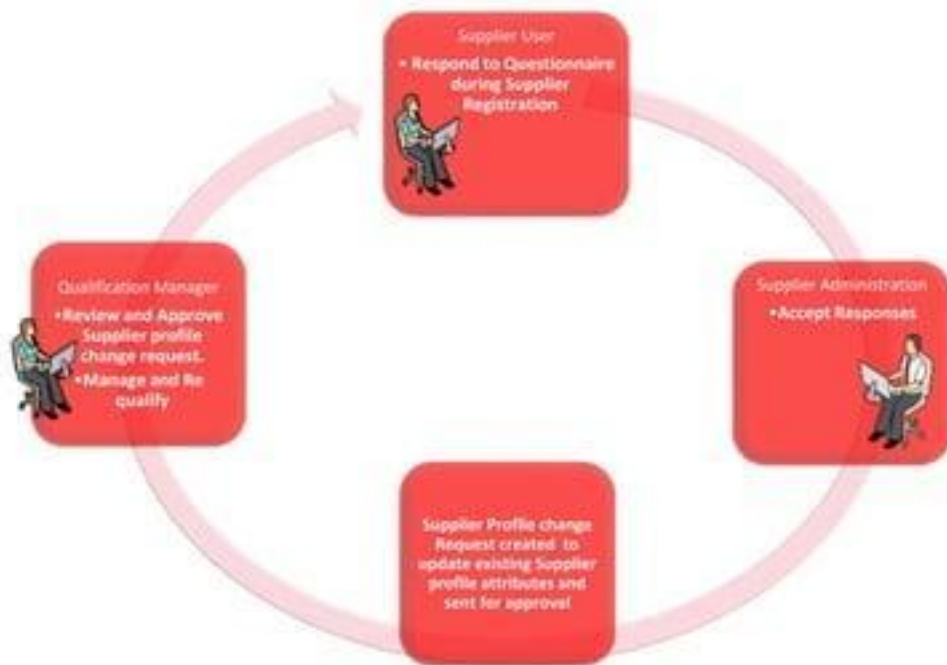


Supplier Qualification Management Lifecycle

Supplier Qualification Management Lifecycle



Supplier Profile Change Request Lifecycle



Supplier Qualification Management Lifecycle

Qualification

- A qualification can be created by assigning a qualification area to a supplier or supplier site
- The outcome of the qualification reflects the evaluation of the supplier



Supplier Qualification Management Lifecycle

Qualification - Example

Financial Viability

TCM Corp
Outcome: Qualified

1. How long has your company been in business?
Supplier Response: 30 years
2. Has any office bearer been involved with a business failure?
Supplier Response: No
3. Are there any other contingent liabilities, not reported in the financial statements, that are likely to impact the financial position of your organization?
Supplier Response: No

Supplier Qualification Management Lifecycle

Assessment

- An assessment is created by assigning a qualification model to a supplier or supplier site
- The outcome of the assessment reflects your overall evaluation of the supplier



Supplier Qualification Management Lifecycle

Assessment - Example

Preferred Supplier Program

TCM Corp
Redwood City, CA
Outcome: Preferred

Financial Viability - Qualified

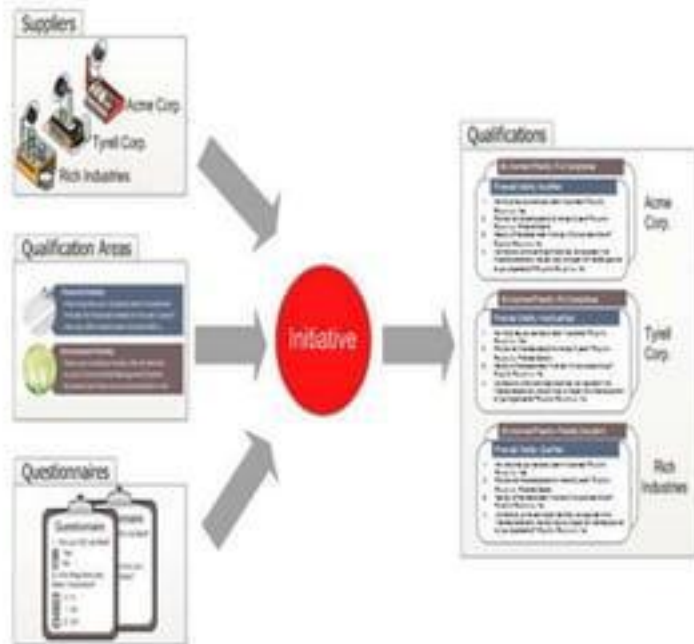
1. How long has your company been in business? **Supplier Response:** 30 years
2. Are there any other contingent liabilities, not reported in the financial statements, that are likely to impact the financial position of your organization? **Supplier Response:** No

Environmental Compliance – Partially Compliant

1. Does your company comply with all relevant environmental legislation and regulations? **Supplier Response:** Yes
2. Is your Environmental Management System certified by an accredited certification body to ISO 14001:2004 or an equivalent standard? **Supplier Response:** Yes
3. Any violations observed during factory visit? **Internal User Response:** No

Supplier Qualification Management Lifecycle Initiative

- An initiative streamlines the end-to-end process of qualifying a supplier
- Multiple supplier qualifications can be done in a single process



Supplier Qualification Management Lifecycle

Initiative

- Evaluate different aspects of suppliers at once
- Allows to specify an owner
- Specify evaluators and evaluation due date
- Provides two ways to find suppliers: Basic Search or Advanced Search using different criteria for multiple selection
- Identifies other on – going initiatives for supplier

The screenshot shows the 'Edit Initiative 3: Overview' page in the Oracle Supplier Qualification Management Lifecycle. At the top, there is a navigation bar with tabs: Overview, Configuration, Questionnaire, and Review. Below the navigation bar, there are buttons: Validate, Draft, Reg, Save, Launch, and Cancel. The main form contains several fields: 'Title' (with a dropdown menu), 'Description' (a large text area), 'Initiative Owner' (a dropdown menu showing 'Student, MCDI'), 'Internal Note' (a text area), and 'Attachments' (a link to 'View'). Below the form, there is a section titled 'Qualifications' with a sub-tab 'Evaluation Team'. Under this section, there is a table with columns: 'Qualification Area', 'Revision', 'Description', 'Questions', and 'Evaluation Due Date'. The table currently shows 'No data to display'. Below the table, there is a section titled 'Suppliers' with a sub-tab 'Search and Add'. This section has a table with columns: 'Supplier', 'Supplier Number', 'Supplier Site', 'Supplier Contact', 'Internal Reference ID', 'Rating', and 'Qualification'. The table also shows 'No data to display'.

Supplier Qualification Management Lifecycle

Initiative

- Generates questionnaires for supplier contacts and internal responders
- Provides the ability to customize by re-arranging questions and sections
- Allows to preview the questionnaire as the responder will see it

The screenshot shows the 'Edit Initiative 3: Questionnaires' interface. At the top, there is a progress bar with four steps: Overview, Configuration, Questionnaires (active), and Review. Below the progress bar, the title 'Edit Initiative 3: Questionnaires' is displayed. To the right of the title are buttons for 'Validate', 'Back', 'Next', 'Save', 'Launch', and 'Cancel'. Below these buttons, the text 'Last Saved: 06/27/2015 12:50' is visible. The main content area contains two questions. Question 1 is 'How would you rate the supplier's service performance? (Response time, availability, promptness, etc.)'. It has five radio button options: 'a. Excellent', 'b. Above Average', 'c. Average', 'd. Below Average', and 'e. Poor'. Each option has a 'Response Attachments' field with a green arrow icon. Below the options is a 'Comments' text area. Question 2 is 'How would you rate the supplier's quality performance? (Quality of goods or services rendered)'. It has one radio button option: 'a. Excellent'. Below the options is a 'Response Attachments' field with a green arrow icon. The interface also includes zoom controls (fit, in, out, full screen) on the right side of each question.

Supplier Qualification Management Lifecycle

Respond to Questionnaire

- Brings to attention the questionnaires that require responders action
- Allows resetting of responses

Manage Questionnaires

Time Zone: Coordinated Universal Time

Search [Advanced] [Manage Watchlist] Saved Search: Requiring attention

** At least one is required

** Questionnaire Title
** Questionnaire
** Supplier Site

** Status: Not started, Draft, Resubmission
** Response Due Date
** Supplier Contact

Search Reset Save...

Search Results

Actions View Format [Icons] Freeze Detach Wrap Respond

Questionnaire	Questionnaire Title	Supplier Site	Status	Response Due Date
94	Social Responsibility Verification		Draft	
95	Financial Viability			
96	Preferred Supplier Program			

Columns Hidden: 6

Response is overdue

Actions View [Icons]

- Export to Excel
- Respond
- Reset Response

Status Filter:

- ☐ All
- ☒ Not started
- ☒ Draft
- ☐ Submitted
- ☒ Resubmission required
- ☐ Accepted
- ☐ Canceled

Supplier Qualification Management Lifecycle

Respond to Questionnaire

- Tracks responders progress
- Verifies existence of required responses or supporting documents
- Supports responses to follow up questions
- Defaults the existing response for the questions

Respond to Questionnaire: Social Responsibility Verification

Save Save and Close Submit Cancel

Time Zone Coordinated Universal Time

Questionnaire

Title	Social Responsibility Verification	Supplier	Kona Earth	Status	Draft
Procurement BU	Vision Operations	Supplier Site		Due Date	
Requested By	Erica Quam	Responder	Lancel Branning		

Introduction

In order to participate in future sourcing activities or to renew any purchasing contracts, all suppliers are required to participate in our annual qualification process.

Questions

Progress 0 3 5

Section 1 Worker Health and Safety

Worker Health and Safety

Please answer the following questions on behalf of your organization.

* 1. Does your company comply with ISO 26000 certification for social responsibility?
📎 Attach the current certification document if you select "Yes".

☐ a. Yes
☐ b. No

* 2. Do your coffee growing farms ensure protection from workplace hazards and conform to national laws?

☒ a. Yes
☐ b. No

2.a.1. Describe the training programs you provide for ensuring worker safety.
The company trains its workers on procedures and standards set forth by the company's operating manual.

Supplier Qualification Management Lifecycle

Surrogate Response

- Enables qualification managers to enter and submit responses on behalf of the responders

Monitor Initiative: 94

Title: Social Responsibility Verification
Status: In progress
Procurement BU: Vision Operations

Supplier Response Due Date
Internal Response Due Date

Received Responses: 10%
Accepted Responses
Completed Qualifications
Completed Suppliers

Percentage

Suppliers

Actions View Format [Icons] Freeze Detail Wrap Review and Accept

Supplier	Supplier Site	Supplier	Questionnaire	Response Status	Incomplete Qualifications
Heavenly Hawaiian	Honolulu	Not started	Internal	Not started	2
		Submitted		Not started	2

Actions View Format [Icons]

- Export to Excel
- Respond to Questionnaire
- Review and Accept
- View Questionnaire Response
- Return to Responder
- Cancel Qualifications

Create Surrogate Response

Questionnaire Type: Supplier
Supplier: Heavenly Hawaiian
Supplier Site: Honolulu
* Responder: Headley, Benita
Response Date: 10/20/14 01:02

Create Cancel

Supplier Qualification Management Lifecycle

Supplier Profile Change Request

- The change request is a document that aggregates and presents changes to various supplier entities in single document
- Tracks changes to Supplier Attributes
- Provides Approval mechanism for the changed attributes

Organization Details		
View	Format	Freeze Detach Stop
Attribute	Changed From	Changed To
Tax Organization	Corporation	Foreign Corporation
Chief Executive	Henry Brown	Steven Smith
Tax Identifiers		
View	Format	Freeze Detach Stop
Attribute	Changed From	Changed To
Tax Reporting ID	Advanced Network	Advanced Network Devices

Supplier Qualification Management Lifecycle

Track Expiring Supplier Qualifications

- Allows setup of expiration reminders for qualifications and assessments
- Allows setup of default value for expiration reminder

Evaluate Qualification: 197 (Worker Health and Safety)

Supplier: Maui Coffee Co. Qualification Name: Worker Health and Safety Previous Qualification Outcome:
Supplier Site: Lahaina Qualification 2 Qualification Outcome: Preferred
Supplier Contact: Skarlett Nelson Procurement BU: Vision Operations Status: Ready for evaluation Qualification Start Date: 21-Sep-2014 9:01
Qualification Owner: Quen Enche Evaluation Due Date: 15-Aug-2014 Qualification End Date: 21-Aug-2015 9:01
Comments: Outcome is also assigned based on current response and previous trends. Expiration Reminder: 3 Weeks
Evaluation Date:
Attachments: None

Responses

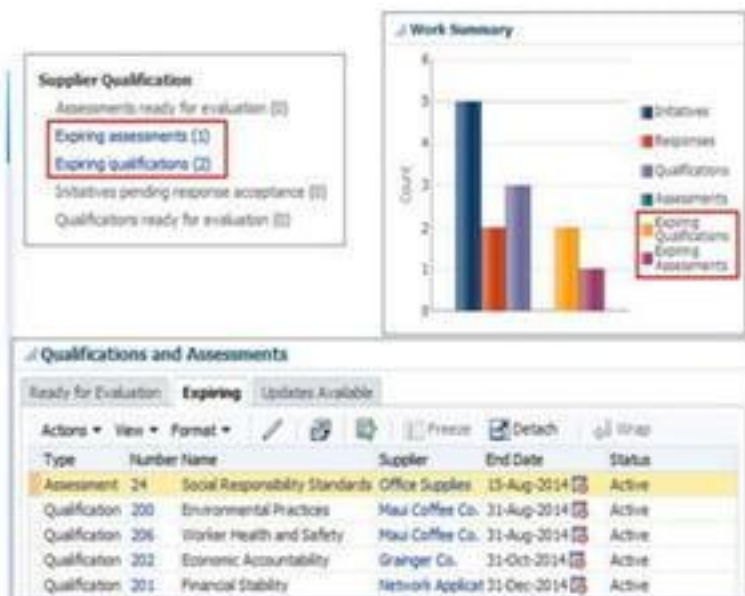
Actions: View • Format • Expiration Reminder: 3 Weeks

Question	Response Type	Response	Response History
*ISO 26000 Certification	Supplier	Yes	
*Protection from Workplace Hazards	Supplier	Yes	
*Safety Training Programs	Supplier	The company trains its workers on procedures and standards set forth by company's operating manual.	
*Stalker Housing Buffer Zones	Supplier	<ul style="list-style-type: none">• 10 meters - 25 meters• 20 meters - 25 meters	
*Feedback on Human Rights and Labor	Internal	The company maintains a work environment that respects and supports the provision of basic human rights to all of its employees to the full extent permitted by law.	

Supplier Qualification Management Lifecycle

Track Expiring Supplier Qualifications

- Alerts users about expiring qualifications and assessments using:
 - ✓ Watch lists
 - ✓ Work Summary graph
 - ✓ Expiring tab



Supplier Qualification Management Lifecycle

Track Updates on Supplier Qualification

- Track updates on qualifications
 - ✓ New response to a question
 - ✓ New revision of the qualification area
- Track the following updates on an assessment
 - ✓ New Qualification
 - ✓ New revision of the qualification model

Recent Activities

Activity	Type	Name	Date	Recommended Action
Draft created	Initiative	Corporate Social Responsibility - 2015	20 Hours Ago	Edit Initiative
Launched	Initiative	Social Responsibility Verification	20 Hours Ago	Monitor Initiative
New qualification available	Assessment	Corporate Social Responsibility	21 Hours Ago	Revise Assessment
Updated response available	Qualification	Worker Health and Safety	06-Aug-2014	Revise Qualification
Launched	Initiative	Annual Evaluation	06-Aug-2014	Monitor Initiative
Ready for evaluation	Qualification	Financial Stability	05-Aug-2014	Evaluate Qualification

Qualifications and Assessments

Ready for Evaluation | Expiring | **Updates Available**

Type	Number	Name	Supplier	Updates	End Date
Assessment	24	Social Responsibility Standards	Office Supplies	New model revision	15-Aug-2014
Assessment	25	Corporate Social Responsibility	Haul Coffee Co.	New qualification	31-Aug-2014
Qualification	197	Worker Health and Safety	Haul Coffee Co.	New question response	21-Aug-2014
Qualification	96	Worker Health and Safety	Kona Earth	New qualification area revision	

Entries in Updates Available table on the work area

Supplier Qualification Management Lifecycle

Supplier Qualification Management integration with Supplier Registration

- Allows Supplier response to Questionnaire during new Supplier registration
- Rule based display of Questionnaires on the Supplier Registration page

The screenshot shows the 'Register Supplier: Questionnaire' page. At the top, a progress bar contains eight steps: 'Complete Details', 'Contacts', 'Addresses', 'Business Classifications', 'Bank Accounts', 'Products and Services', 'Questionnaire' (which is the active step, highlighted with a blue dot), and 'Review'. Below the progress bar, the page title 'Register Supplier: Questionnaire' is on the left, and a set of buttons ('Back', 'Next', 'Save for Later', 'Register', 'Cancel') is on the right. Below the buttons, a 'Section' dropdown menu is set to '1. Compliance'. The main content area is titled 'Compliance' and contains a question: 'Do you agree to the attached supplier Code of Conduct Agreement? Please attach your consent.' Below the question is a yellow icon and a note: 'A copy of the agreement has been attached for your reference. Please login to a signed version in support of your response.' Below this is an attachment link: 'Attachments: Code_of_Conduct_Agreement.docx (Preferred Response: Yes)'. At the bottom, there are two radio buttons: 'a. Yes' (which is selected) and 'b. No'.

Register Supplier: Questionnaire

Back Next Save for Later Register Cancel

Section: 1. Compliance

Compliance

* 1. Do you agree to the attached supplier Code of Conduct Agreement? Please attach your consent.

A copy of the agreement has been attached for your reference. Please login to a signed version in support of your response.

Attachments: Code_of_Conduct_Agreement.docx (Preferred Response: Yes)

☒ a. Yes

☐ b. No

Supplier Qualification Management Lifecycle

Supplier Qualification Management integration with Sourcing

- Qualification questions can be added as negotiation requirements
- Responses can be shared with Supplier Qualification
- Previous responses can be accessed through Response Repository

The screenshot displays the Oracle Supplier Qualification Management interface. At the top, a horizontal navigation bar shows the lifecycle stages: Create Page, Overview, Requirements (active), Lines, Contract Terms, Suppliers, and Review. Below this, a toolbar contains buttons for Source, Messages, Actions, Back, Next, Save, Publish, and Cancel. The main content area is titled 'Requirements' and features a rich text editor with various formatting options. A dropdown menu is open on the left, listing actions such as 'Add Section', 'Add Predefined Section', 'Add Requirement', 'Add to Spreadsheet', 'Add Predefined Question', 'Add Predefined Questionnaire', 'Add Predefined Qualification Article', 'Edit', 'Cancel', 'Link', 'Print', 'Clear Drafts', and 'Export Drafts'. At the bottom, a table is partially visible with columns for Requirement, Requirement Text, Target, Weight, Maximum Score, and Scoring. The table has a single row with the value '0.00' under the Weight column.

Program Agenda

- 1 Introduction
- 2 Features & Benefits
- 3 Supplier Qualification Management Framework
- 4 Supplier Qualification Management Lifecycle
- 5 Reporting**



Reporting

Oracle Transactional Business Intelligence (OTBI)



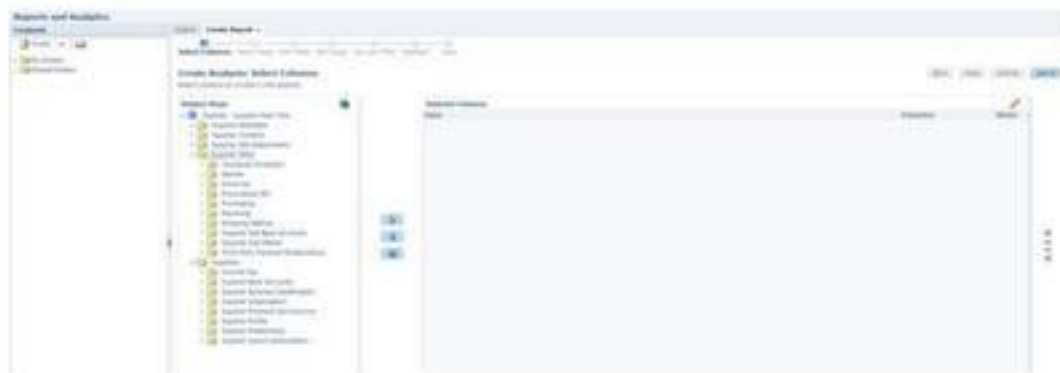
Real-time self-service operational reporting and ad-hoc analysis

Analyze transactions across related business processes/ workflows

- Pre-built business models and view objects for designing content without IT help

Oracle Transactional Business Intelligence (OTBI)

- Real-time online reporting tool querying directly from ERP Cloud Application data
- Focused on transactional and operational data
- Mainly an ad hoc reporting tool enabling self-service reporting and analysis
- Easy to create report and dashboards
- Out of the box reports are available



Multiple Formats

The business intelligence tools in ERP Cloud support multiple formats for reports including MS Office, PDF and interactive HTML reports.



BI Publisher

- Author, manage, deliver report document
- Out of the box reports for operational reports are available
- High fidelity, pixel-perfect documents
- High volume transactional and operational printed reports
- Customizable output formats: Excel, PDF, MS Word, html



Hardware and Software Engineered to Work Together

ORACLE®