



Amber Road
POWERING GLOBAL TRADE®

eBook

Revisiting Supplier Relationship Management
to Boost Real Value in the Supply Chain

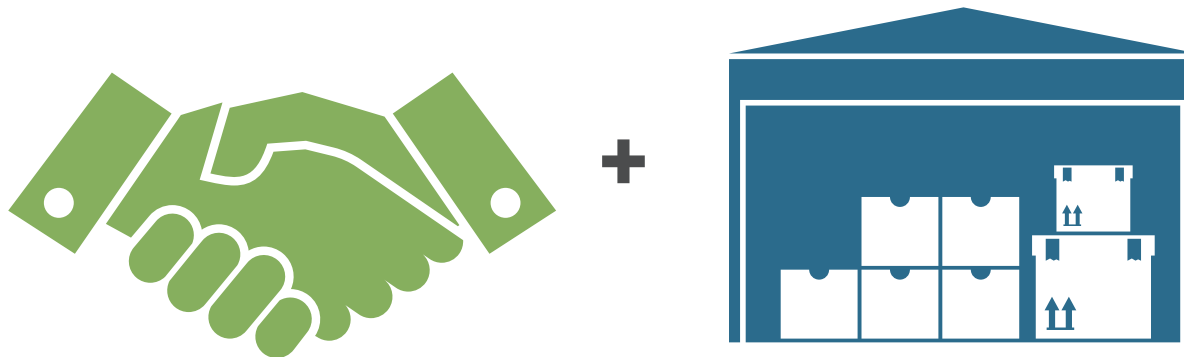


Revisiting Supplier Relationship Management to Boost Real Value in the Supply Chain



Ultimately, a manufacturer's suppliers are their most valuable asset. However, the ways in which supplier relationships are managed have evolved over the years. Previously chargebacks (e.g. a retailer mechanism against suppliers for a lack of performance), which levied fines or deductions as a means of corrective action against suppliers, was common practice.

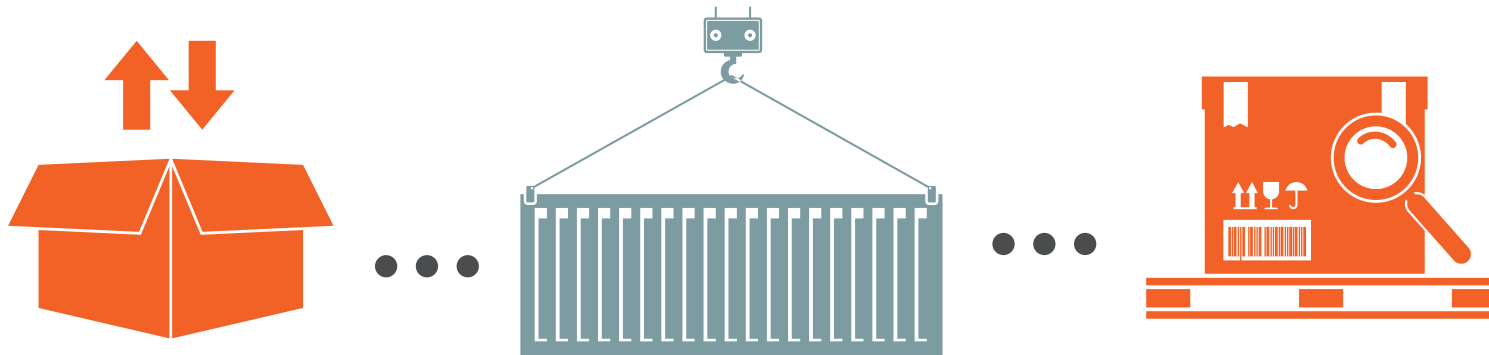
But in today's competitive environment for sourcing and manufacturing, collaborative and strong working relationships with suppliers are being perceived as a means to actually deliver substantial benefits for the manufacturers and suppliers alike.





Supplier Relationship Management

Supplier relationship management (SRM) initiatives are on the rise and those companies who have successfully implemented these programs have realized real dollar value return on their technology investments.



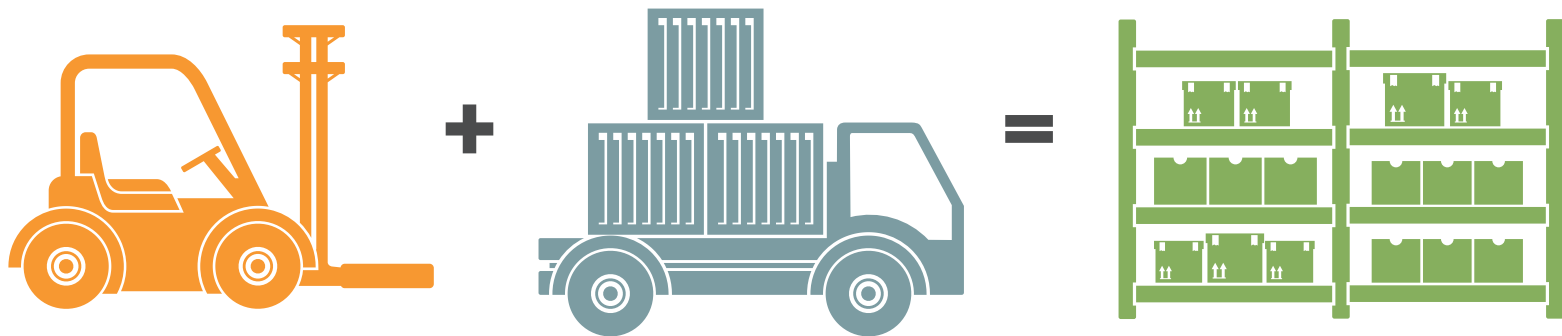


Why SRM Now?

The notion that retailers and manufacturers can realize ROI by partnering with their suppliers isn't all that new. In fact, only in the past decade have leading companies sought out strategies to build enterprise-wide programs that form friendly working relationships with their suppliers. Today, the majority of firms, across all industry sectors, are still in the early stages of this journey.

Pressure to develop more collaborative relationships with suppliers is driven by the need to ensure compliance at every level in the supply chain.

All of these features greatly reduce manual costs and timelines of supplier management by automating the supplier documentation, certificate collection, and collaborative tracking processes.





Building Blocks for Better Supplier Relationships

Day-to-day management of suppliers requires a strong communication system to relay important information to each link in the enterprise. Technology is the first step in the solution that is necessary, but the components must include:

- Discussion tools inherent to a web-based, centralized repository platform that maintains a history of conversations and attaches them to a specific issue or business document
- A Document Management Portal which allows the ability to upload and share documents to suppliers based on access rules. This provides a single reference platform with version control and systems to measure activity through electronic receipts and other acknowledgements.
- An exception-based workflow/time and action calendaring system allows users to monitor and update their current responsibilities based on user permissions. Organizations can replicate their business processes into timeline -driven interactive workflows that manage each work stream.

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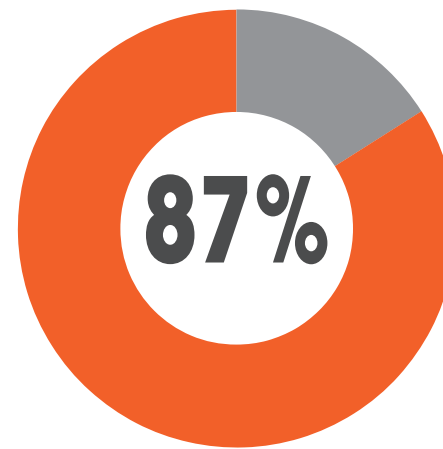
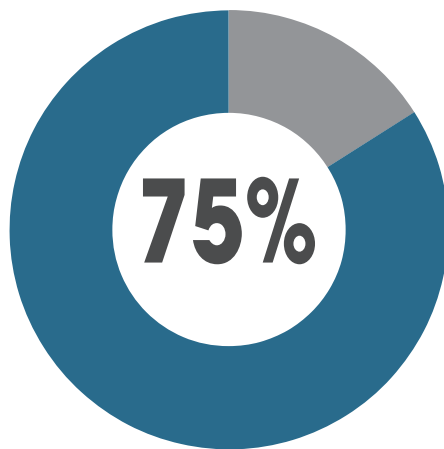




The Value is Real

Supply chain professionals are convinced that collaboration with strategic suppliers is a good thing. Data collected by SCM World among more than 1,000 supply chain practitioners in 2014 shows that:

- Three quarters of participants believe stronger relationships deliver high or very high value for their companies
- 84% report that strategic supplier engagement is important or very important in driving competitive advantage
- Support for cost reduction efforts and getting priority when materials or production capacity are constrained are the two most prized sources of value
- Speed to market, collaboration on quality improvements and getting supplier innovations before industry rivals are also highly rated business benefits

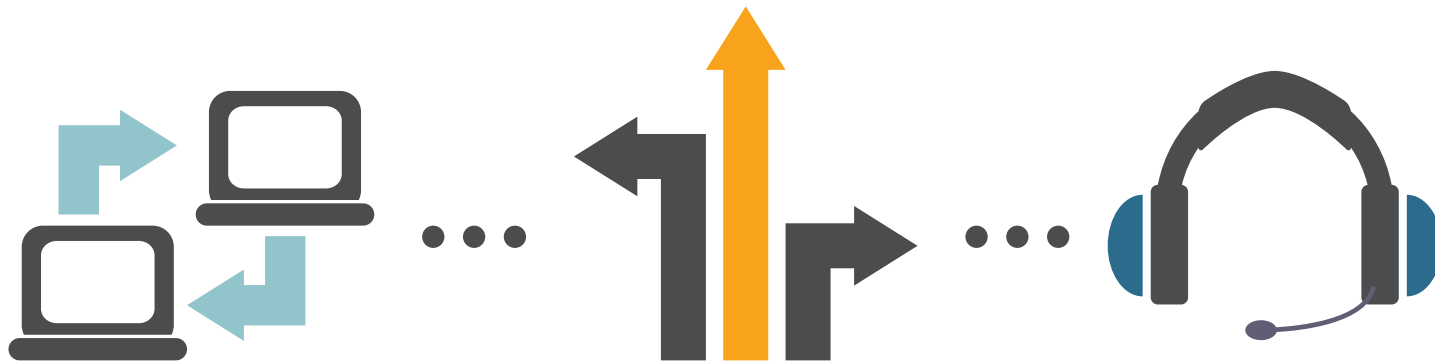




Communication is Key

Effective communication and collaboration can be challenging, but it is a key aspect in the improvement of supply chain relationships. By investing in technologies that yield greater value from these relationships, companies will minimize risk and improve their supply chain efficiencies.

Supplier portal solutions can help companies increase their supply chain visibility and control, enhance supply chain accountability, and accelerate time-to-market through proactive supply chain project management.



About Amber Road

Amber Road's (NYSE: AMBR) mission is to improve the way companies manage their international supply chains and conduct global trade. As a leading provider of cloud based global trade management (GTM) solutions, we automate the global supply chain across sourcing, logistics, cross-border trade, and regulatory compliance activities to dramatically improve operating efficiencies and financial performance. This includes collaborating with suppliers on development, sourcing and quality assurance; executing import and export compliance checks and generating international shipping documentation; booking international carriers and tracking goods as they move around the world; and minimizing the associated duties through preferential trade agreements and foreign trade zones. Our solution combines enterprise-class software, trade content sourced from government agencies and transportation providers in 145 countries, and a global supply chain network connecting our customers with their trading partners, including suppliers, testing/auditing firms, freight forwarders, customs brokers and transportation carriers. We deliver our GTM solution using a Software-as-a-Service (SaaS) model and leverage a highly flexible technology framework to quickly and efficiently meet our customers' unique requirements around the world.

For more information, please visit www.amberroad.com, email Solutions@AmberRoad.com or call 201-935-8588.



One Meadowlands Plaza · East Rutherford, NJ 07073 · (T) 201 935 8588 · (F) 201 935 5187 · www.AmberRoad.com · Solutions@AmberRoad.com

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