# **8** Procurement Advantage

Manage supplier information, lifecycle and performance,

improve the quality and compliance of procurement process,

automates the strategic sourcing process

to create greater procurement intelligence and negotiation

# Purchase Request Management

Formalize request from a user or group, act as a control and track results

**Check to see if the request can be fulfilled via existing inventory**
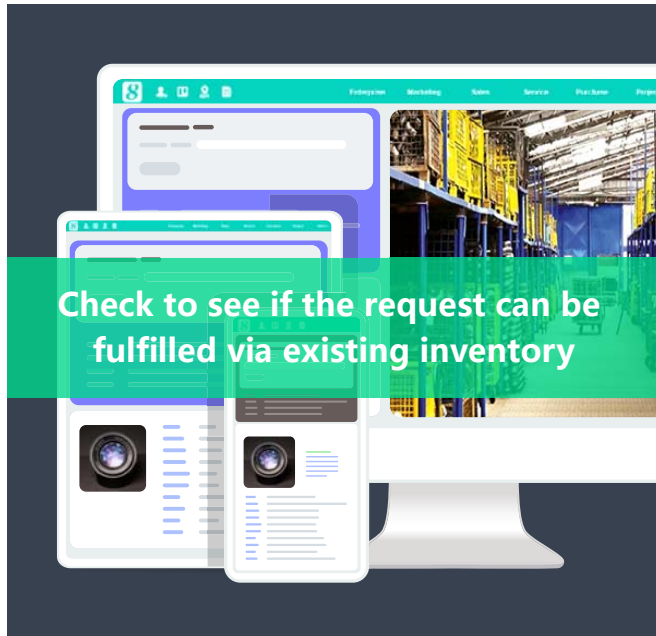
## Demand Mgt.

*8* provides tools to forecast, plan for and manage the demand for products and services so that they are available when the business needs them. The tools allow you to carefully manage resources, budget and forecast to ensure that the right amount of goods and services are available at the right time.

## Approval Mgt.

*8* provide the purchase requisition approval flows to set clear checks and balances for spend requests related to new material, new equipment, new labors, new budgets and every other type of expense. The well-designed approval workflows protect your organization from spending over budget and running out of cash.
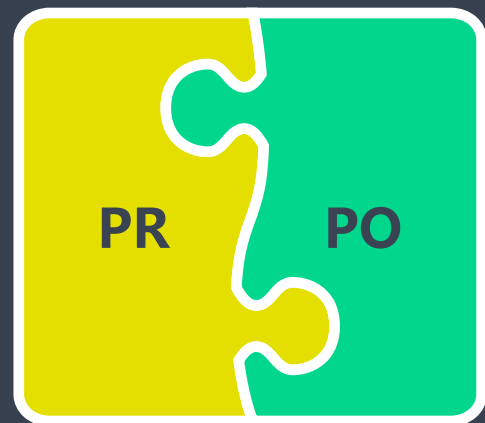
**Internal control to ensure no dark purchase**
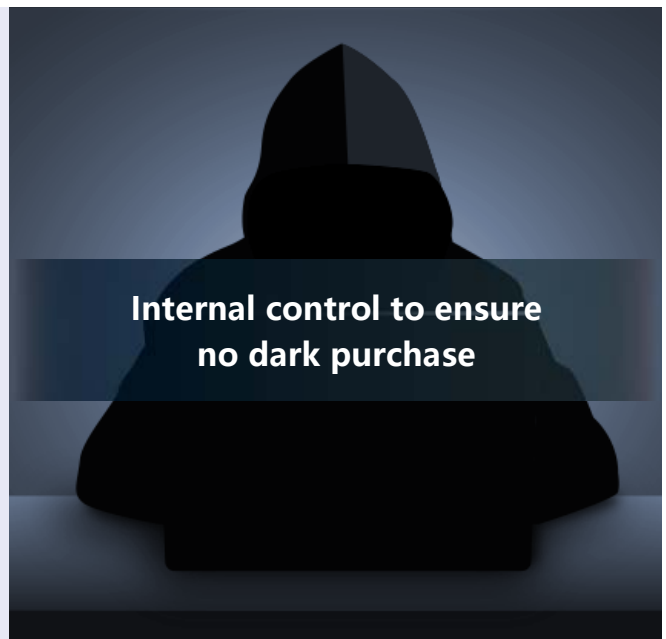
## RFQ & Quotation

⑧ PR can be converted to ⑧ RFQ to solicit goods or services in which a business can invite suppliers to submit price quotes and bid on the job.

## Purchase Order

⑧ PR can also directly converted to ⑧ PO. It then becomes a legally binding agreement between the buyer and the supplier.

## Delivery Performance

⑧ provides delivery metrics such as below to allow you to manage performance:

- Number of complete deliveries
- Order accuracy rate
- On-time delivery rate
- Late frequency
- Complain rate
- Return rate

## Formal Kickoff

🔢 can serve as the formal kickoff of a procurement project to make sure employees involved are aware of it, get aligned with the mission and are moving in the right direction.

## Clear Communication

🔢 can help to improve communication between different departments involved in the procurement process. This improved communication often leads to a smoother and faster procurement process overall.

**Requirements**
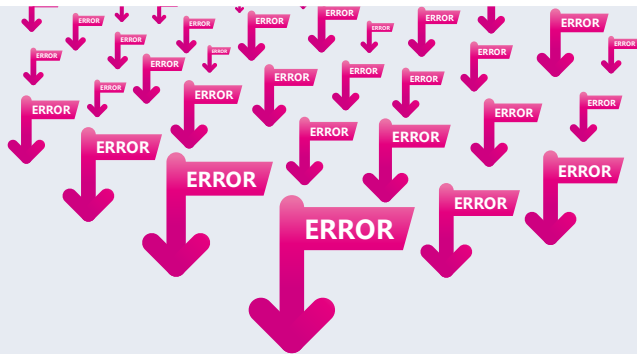
## Reduce Errors

🔢 Without a PR can lead to delays and errors in the procurement process. This can result in increased costs, missed delivery dates, and the need for additional communication to clarify the request.

🔢 helps build efficiency into the finance operation. It allows for better organization and tracking of materials, reduced ordering delays and better inventory management to reduce errors in the process.

## Safeguarding

🔢 requires multiple levels of approval before a purchase can proceed. This multi-tiered approach makes it challenging for a single individual to push through unauthorized or fraudulent purchases.

Purchase Requirements
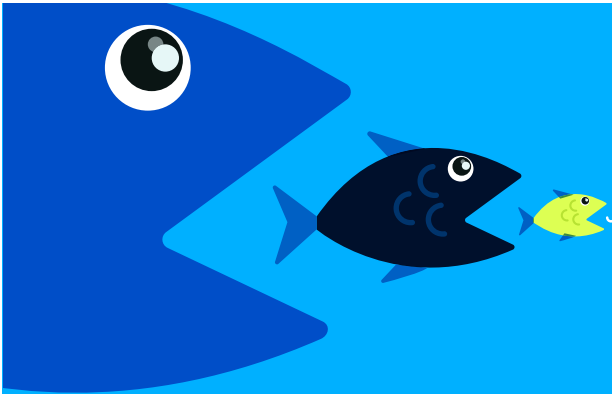APPROVED

# Sourcing Management

## Open & fair process

8 offers an open and fair process to reduce the chance for corruption.

## Confidential bids

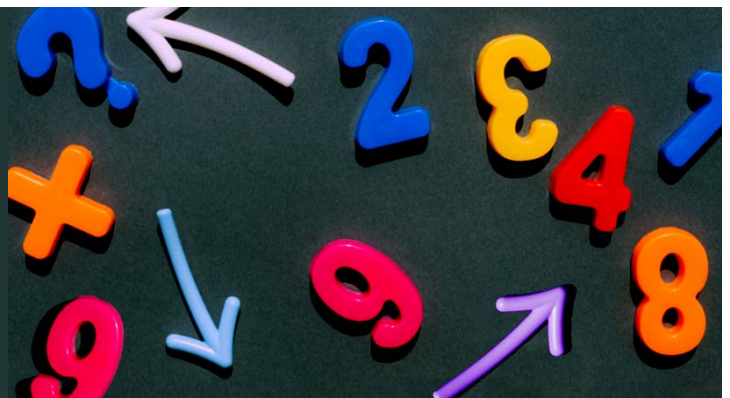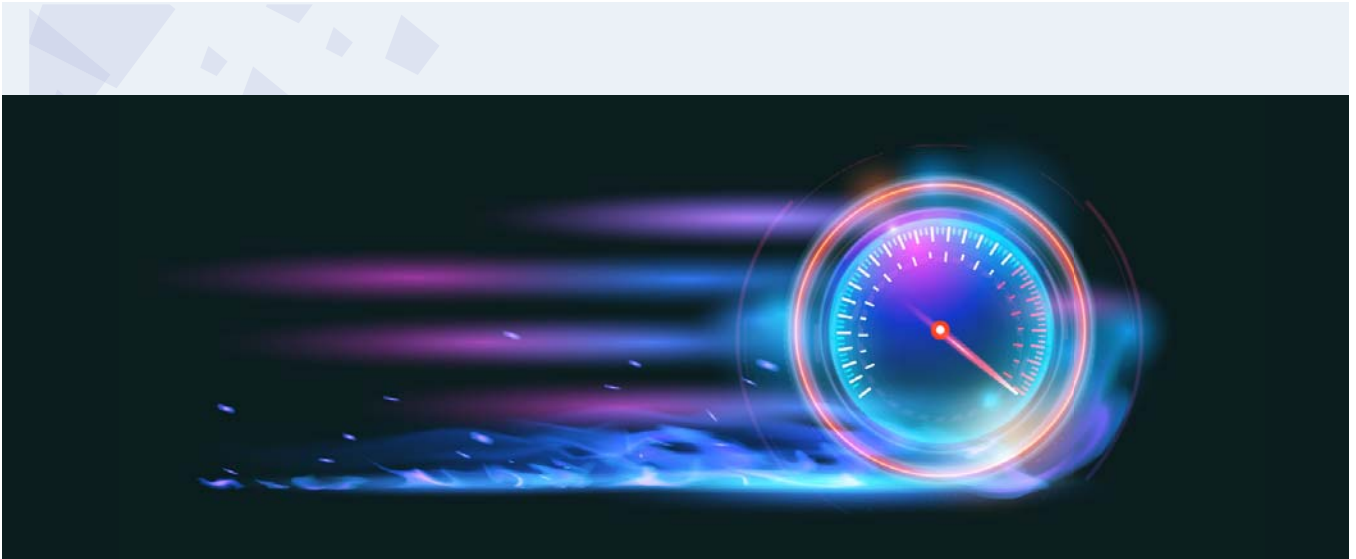8 offers confidential bids to encourage contractors to drive down prices.

## Incentive best offer

8 maximizes the competitive incentive to offer the best price initially.

## Accurate comparison

8 allows your teams to compare bids accurately.

## Speed & Efficiency

With ⑧ , the process of finding and negotiating with multiple suppliers can be done at once, making your procurement team much faster and more efficient.

## 18% to 40% Saving

## Cost

⑧ forces your suppliers to compete in real time, providing their best possible pricing. Generate 18% - 40% cost savings on many sourcing categories.
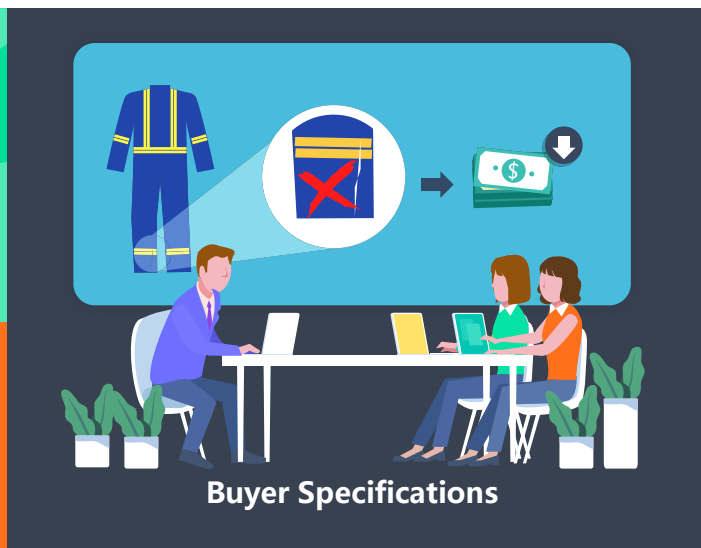
## Supplier Relationship

⑧ encourages suppliers to do their best performance. The competition prompts suppliers to offer lower prices and improve their quality of goods or services to win contracts. This can lead to improved supplier relationships and better overall value for the buyer.

# Real-time Bidding Management

**Auction Setup**

**Buyer Specifications**
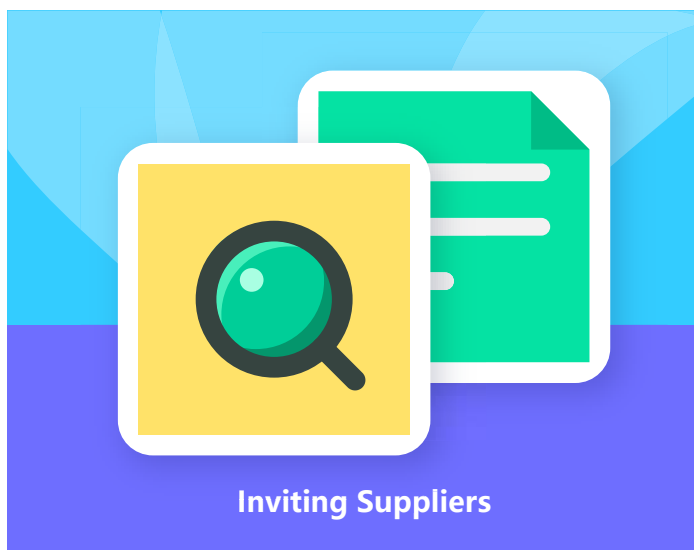
**Inviting Suppliers**
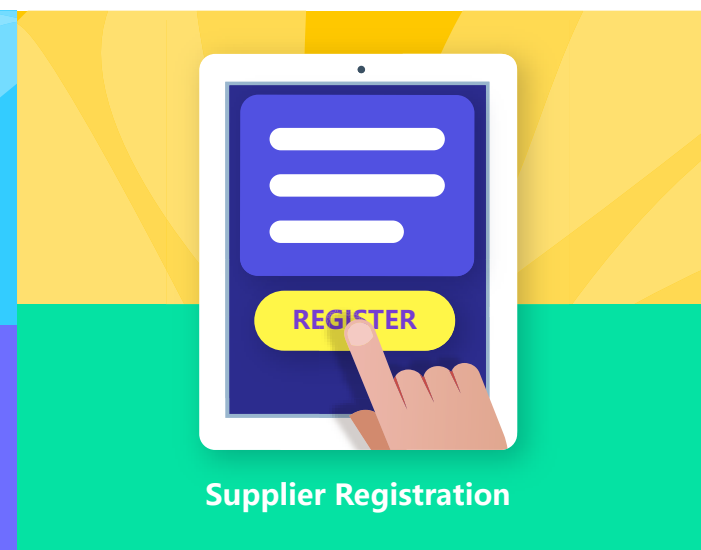
**Supplier Registration**

## Auction Setup

Auction setup allows you to set parameters such as number of bidding rounds, minimum price reduction per round, time extension and fields to show during bidding.

## Buyer Specifications

After you set up the specific reverse auction, you then can upload or input your product specification, quality requirements, delivery terms and other relevant details.

## Supplier Invitation

After establishing your requirements, you can invite a selected group of qualified suppliers to participate in your reverse auction and have them register on the *8* platform.

**Bidding Parameters**

**Real-time Bidding**

| Round 2 |
| --- |
| **Status : Started** |
| To go before the Quoting Period End |

**2 4 : 4 5 : 2 0**
hours    minutes    seconds

❌ Cancel    ✅ Finish

**Counter Down**

**Auction Conclusion**

**Bid Visibility**
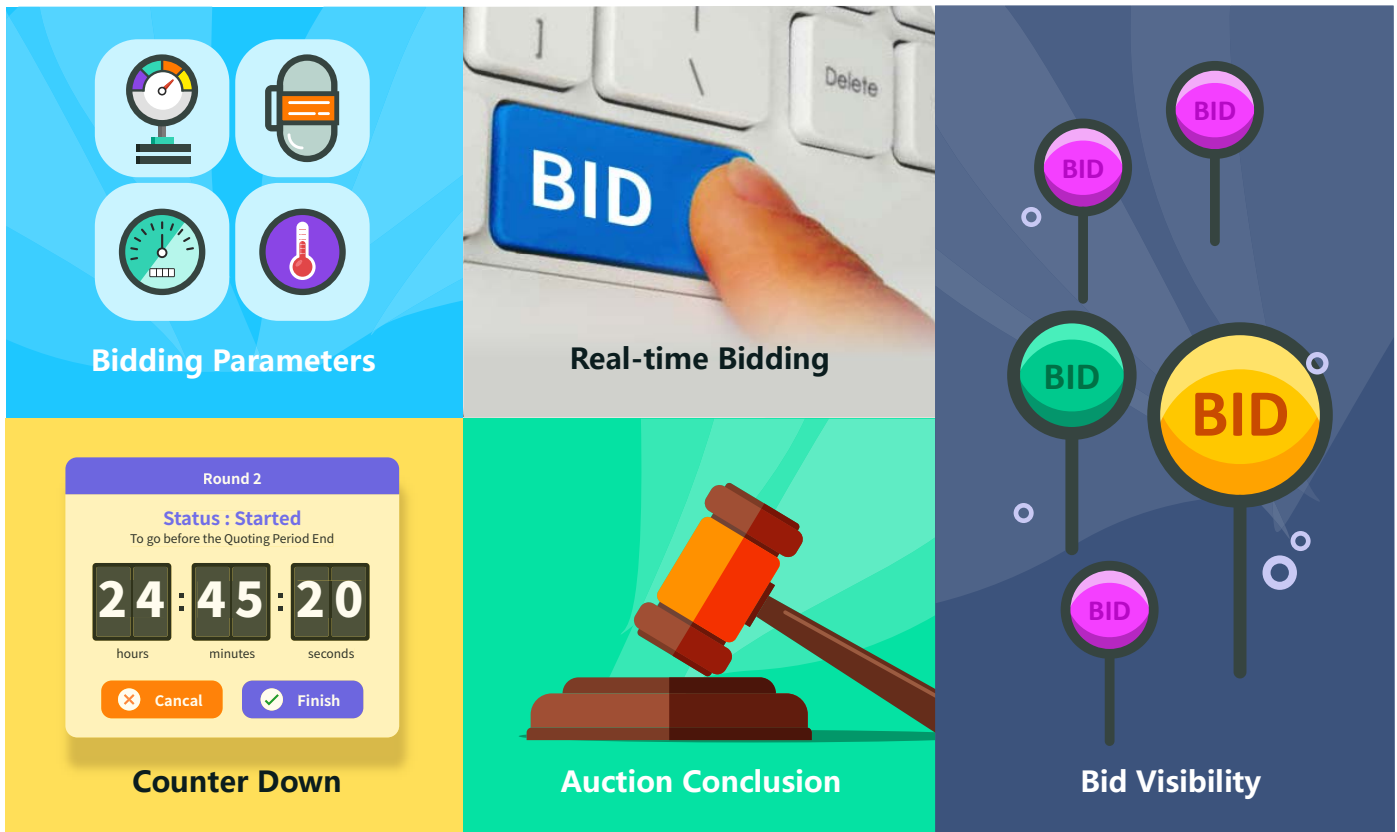
## Real-time Control

When the reverse auction commences, suppliers can log in the ⏀ platform and start submitting their bids in real time.  The auctioneer can control the auction parameters such as the start and end time of each round, the minimum bidding increments and what fields are visible during bidding in real-time.

## Competitive Bidding

The competitive nature of reverse auctions encourages suppliers to continuously lower their prices as they compete with one another.  Suppliers monitor the information on the ⏀ closely to gauge the competition and strategically adjust their bids to remain competitive.

## Bid Visibility

All participating suppliers using the ⏀ platform can see the bids submitted by their competitors in real-time. The transparency fosters a highly competitive environment as suppliers attempt to outbid each other.

## Countdown

⏀ Reverse e-Auction is conducted within a predetermined timeframe, with a countdown timer displayed. Suppliers must submit their bids before the timer runs out.
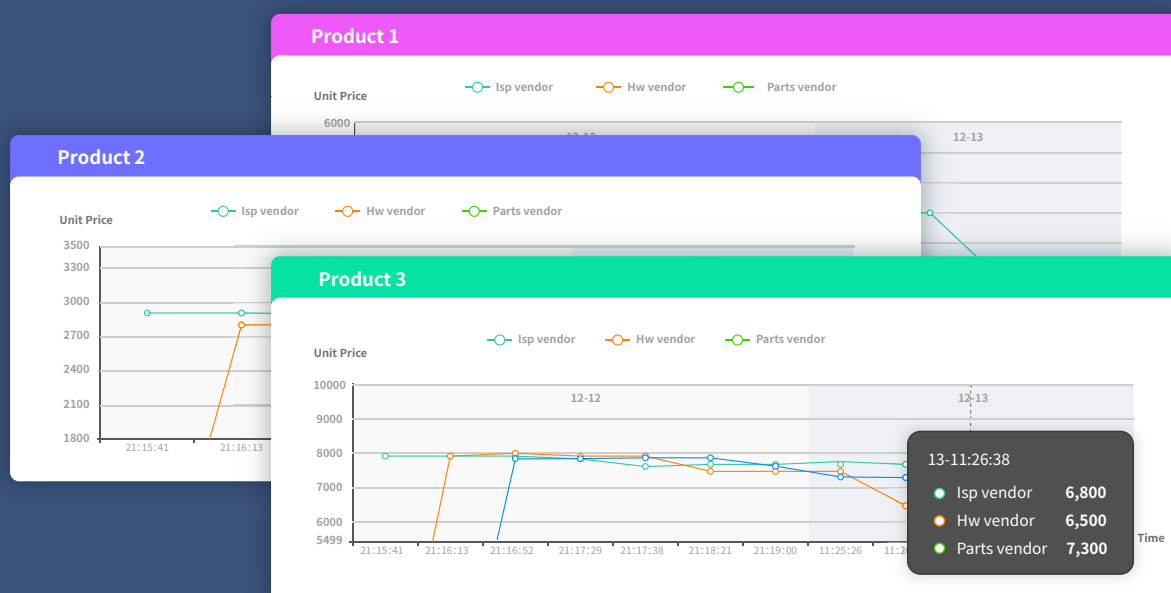
## Auction Conclusion

When the auction timer runs out, the auction concludes. The supplier bidding information will be sent to senior management for the approval of the final winner.

Contracting Generation

Recognizing Auction

**Product 1**

Unit Price

○— Isp vendor    ○— Hw vendor    ○— Parts vendor

**Product 2**

Unit Price

○— Isp vendor    ○— Hw vendor    ○— Parts vendor

**Product 3**

Unit Price

○— Isp vendor    ○— Hw vendor    ○— Parts vendor

13-11:26:38

● Isp vendor    **6,800**
● Hw vendor    **6,500**
● Parts vendor  **7,300**

Auction Analytics

# Contracting Generation

⑧ has all the required information to generate the contract after the winner is approved.

# Recognizing Auction

The winning bidder delivers the goods and services to the buyer according to the contract.

# Auction Analytics

The auction analytics provide you the insights into market dynamics, supplier performance, and competitive pricing trends, which can inform future procurement strategies.

# Purchasing Management



## Compliance mgt.

*8* enforces the specification of the following during PO creation and detects their deviations during PO execution:

- Terms and conditions of the order
- The list of which items will be purchased
- The quantity of each item
- The price of each item
- The delivery date for each item (or for the entire PO)
- The delivery location for each item (or for the entire PO)

## Approval mgt.

*8* PO approval is the flow of actions required from different stakeholders to validate a PO and bring it into effect. The process checks and balances to ensure the organizations:

- Spends within a budget limitation
- Complies with company spending policies

For any purchase order to be a legally binding contract, it must pass the approval process.
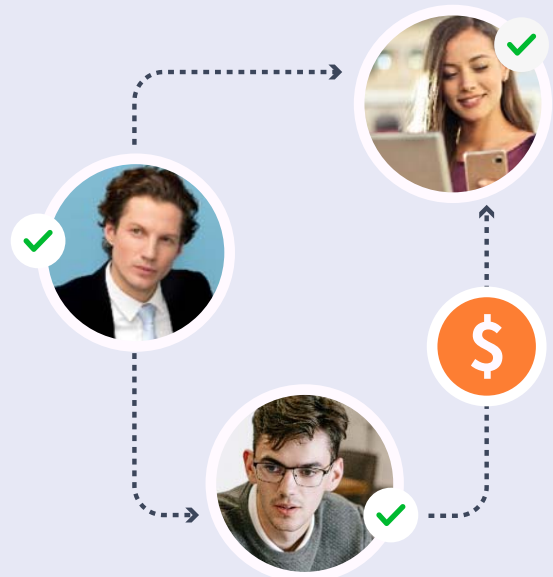
## Communication mgt.

*8* helps manage the orders and expectations surrounding a transaction. When a clear workflow is established, all parties will understand what happens at each step. This helps teams better communicate and clear up any misunderstandings along the way.

## Acceptance

*8* supports planning, organizing and managing the delivery and acceptance of goods and services. It also supports the inspection, storage, return and any movement of goods. This is a crucial aspect of any goods and services acquisition, as it affects the cost, quality and safety of the production or work.

## Inventory

*8* allows you to take control of your inventory levels, minimize out-of-stocks, and sync warehouse stock levels with purchasing tasks. Whether you're a small business or an enterprise-level corporation, ensure efficient inventory control and smooth procurement processes.

# Invoicing & Payment
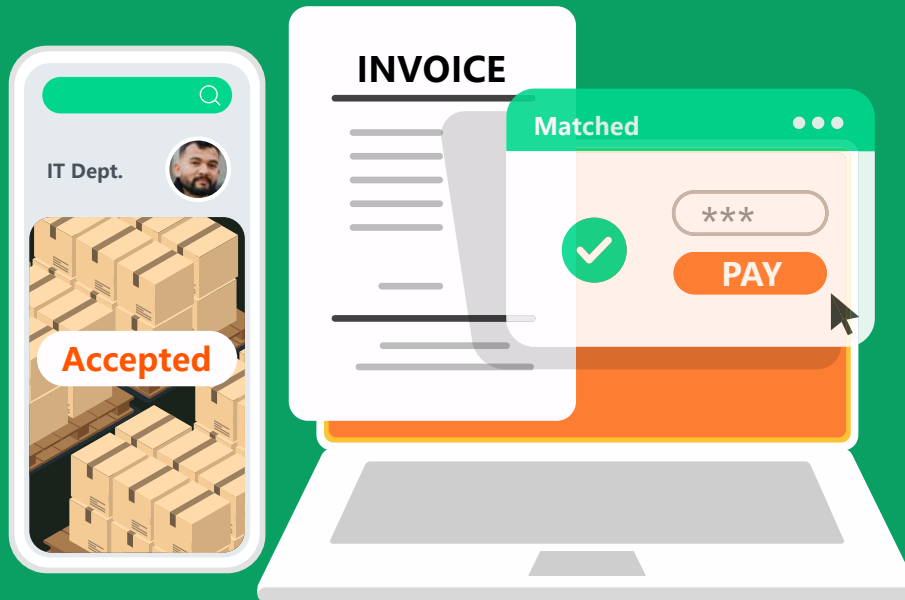


Once an invoice is received from the supplier, 8 will start the three-way matching process of the following to ensure the supplier has fulfilled their contractual obligation according to the details of the purchase order:

- Purchase order
- Order receipts and/or packing slips
- Invoice

Once the series of checks are completed and the invoice is in fact payable, 8 will generate a payment request to send to your payment system. After the payment is paid, 8 will mark the invoice status as "already paid".

With purchase-order-based invoice verification, all the items of a purchase order can be settled together, regardless of whether an item has been received in several partial deliveries. Each goods receipt is settled separately. Invoices can be posted directly to G/L accounts or material accounts.

# Others

🔢 provides you the following additional functionality.

### Type & Rule Settings –

🔢 allows you to categorize your purchase according to your company's purchasing categorization and set up the corresponding rules to ensure your company's policies are properly enforced.

### Manual or Automatic Creation –

🔢 allows you to create your purchase order manually or automatically generate it from your purchase request.

### Payment Terms –

🔢 allows you to set up the payment terms in your purchase order so that subsequent invoices and payments can be automatically tracked.

### e-Signing & e-Chopping –

🔢 allows you to e-Sign and/or e-Chop your purchase order.

### e-Send to Supplier –

🔢 allows you to send the purchase order electronically to your supplier.

### e-Confirmation from Supplier –
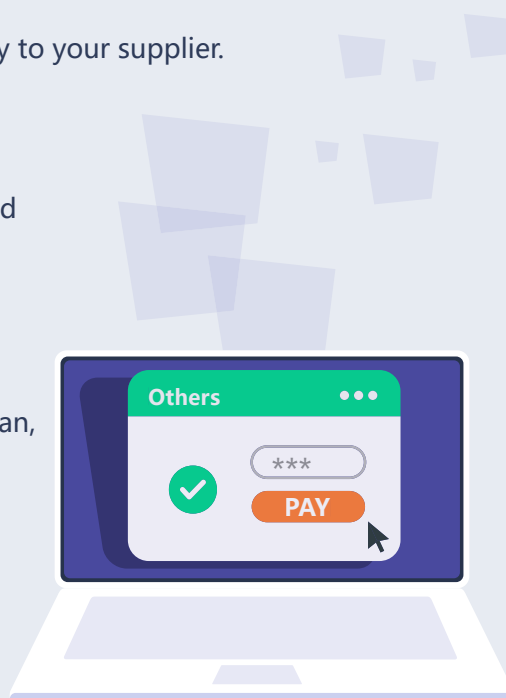
🔢 notifies your supplier of the new purchase order and allows it to confirm the order and then notifies you.

### Delivery Planning and Confirmation –

🔢 allows you and your supplier to set up a delivery plan, make changes and confirm the (final) plan.

### Rate Supplier Performance –

🔢 allows you to rate the supplier's performance according to its ability to fulfill the order.

## Reduce Price

*8* can help you to automatically combine different orders for the benefit of negotiating better discounts with suppliers based on the bigger volume of goods or services purchased. By committing to larger orders, your organization can secure lower prices and better terms from suppliers.



## Eliminate Mistakes

*8* provides a record of exactly what you ordered and at what price to clearly communicate all the details of a purchase. Having documentation like this protects you from any mix-up when ordering, such as someone misinterpreting an order placed the phone.

Your team can reference *8* any time there's a disagreement about what was or should have been ordered. Having this documentation gives you an important tool for fixing goof-ups that happen within your organization as well as problems that come up between you and your suppliers.

## Handle Unexpected Spending

🔞 can act as an early warning system for unanticipated expenses since there is a record of any expense as soon as the need for it arises.

🔞 brings upcoming expenses to light earlier. This helps with budgeting, planning, and communication between departments.



## Legal Protection

🔞 can act as a legal document. Having a written agreement regarding the prices and quantity of items in your order protects both you and the seller.

🔞 protects you by giving you a legal, enforceable record of exactly what you ordered. It also guards your company against unexpected price increases. If you receive the wrong quantity or type of items, or if you're charged the wrong amount, you can go back to the purchase order to help resolve the issue.
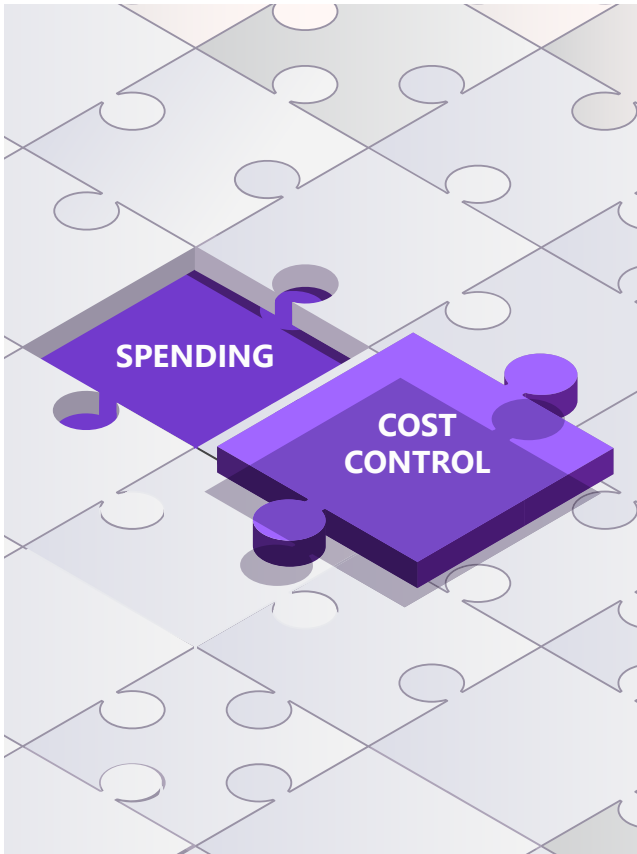
# Control Spending

🔳 lets you control who is allowed to make purchases. By choosing who can access 🔳, you can prevent unauthorized people from placing orders without clearance.

Setting up automatically enforced policies in 🔳 is a big step toward curtailing maverick spend. 🔳 can also limit which product is purchased from which suppliers to make sure employees are placing orders from preferred suppliers.

# Track Spending

With 🔳 keeping all your purchasing information in one easy-to-search place, it's simple to track where the money is going.

In addition, 🔳 updates information in real-time so you can always see exactly what purchases have been made.

**DEPARTMENT**

- PAD ✓
- SOFTWARE ☐
- SUPPORT ✓
- PHONE ✓
- INTERNET ☐

## Understand Suppliers

Setting up ⑧ gives you the tools needed to keep track of your suppliers. You will be able to easily store and sort information about suppliers, as well as set up policies about which items should be ordered from each supplier.

The documentation that ⑧ provides also gives you insight into which suppliers are easy to work with and which ones are not. ⑧ makes it easy to see if your suppliers fill orders accurately and on time or if they're behind schedule and prone to mistakes.

## Improve Inventory

Making a purchase is the first step in procuring inventory. When you have ⑧, it helps with inventory management.

⑧ allows you to inspect, accept and warehouse the products that you ordered and update the inventory counts.

# Complex Project Management

## Cost Budgeting

🄼 provides you tools to estimate contractual costs, set an agreed budget and manage the actual and forecast costs against that budget.

## Selection

🄼 provides you the workflows for identifying, evaluating, and choosing third-party product suppliers or service providers. It involves seven main stages, starting from determining the needs of your organization and ending with managing the relationship with the supplier. The entire process ensures that suppliers meet the organization's specific needs and requirements for their operations.

## Requirements Specification

🄼 provides you tools to collect and specify requirements that are to be imposed on the design and verification of the product. The specification also contains other related information necessary for the design, verification, and maintenance of the product.

## Due Diligence

🔞 allows you to gather information to understand the credibility and suitability of the prospective supplier that you intend to have a business relationship with.

## Service Level Agreement

🔞 provides you tools to specify and track the commitment to the standards the provider must adhere to, and the metrics to measure the performance.

## Terms & Conditions

🔞 allows you to set the rules of how the product or service may be used including, but not limited to, things like copyright conditions, age limits, and the governing law of the contract.
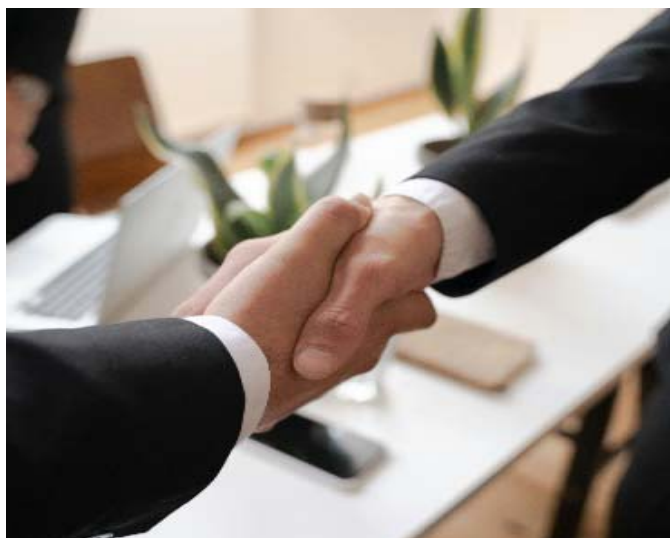
## Negotiation

When two companies negotiate, both parties seek to obtain favorable terms and minimize financial, legal and operational risk.

🔞 provides you the communication tools to work with your suppliers to come to an agreement on a set of legally binding terms.

## Legally Binding

*8* provides you the electronic signing tool to allow you and your supplier to append signatures to your contract, symbolizing agreement and understanding between the parties involved. This process is fundamental to business transactions, serving as the final step in formalizing agreements. The act of signing a contract holds significant legal weight.

## Project Initialization

*8* provides you tools for project initiation. Project initiation is the first step in starting a new project. During the project initiation phase, you establish why you're doing the project and what business value it will deliver—then use that information to secure buy-in from key stakeholders.
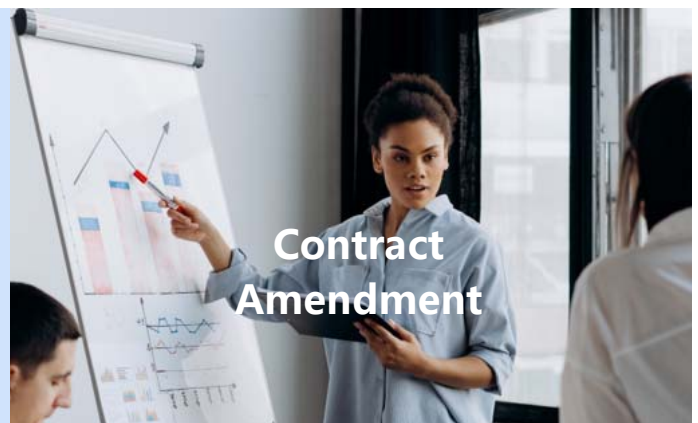
## Project Delivery

*8* provides you and your supplier tools to manage each activity and deliverable in your procurement project to meet the delivery requirements.

## Change Management

*8* provides you tools to manage unexpected changes to ensure that impacts are minimized, changes are made smoothly and without disrupting the other tasks.

### Contract Amendment

## Final Acceptance

Under the common law of contracts, upon final acceptance, the owner takes control and ownership of the project and the risk of loss passes from the contractor to the owner. *8* provides you tools to record the final acceptance of the work as completed, including any deficiencies known to exist.

**Acceptance**

## Invoicing & Payment

*8* provides you tools for your supplier to submit invoices to you and you to request payments to pay the invoices according to the contractual payment terms.

## Maintenance

*8* provides you tools to manage support service levels to ensure nursing activities and defect repairs are done according to the contractual terms.

## Renewal

*8* provides you tools to track contractual renewal periods and pre-agreed upon prices and automatically generate reminders and renewal contract drafts for you.

# Supplier Mgt.

Manage many suppliers in their each step

## Supplier Segmentation



**8** allows you to segment your suppliers into groups based on certain criteria, you can decide on the type and level of attention needed.  By doing so, you will achieve the following benefits:

- Procurement teams can focus on specific suppliers and categories, improving efficiency.
- Buyers can have access to data for better price negotiation and risk management.
- Finance teams can track spending by supplier type, making it easier to identify cost drivers.

## Evaluation & Selection

**Evaluation**

**Selection**

🔢 provides you the workflow to identify, evaluate, and select suppliers that meet your specific requirements.  You can have many criteria to consider when selecting your suppliers, such as quality, price, delivery time, track record and potential conflicts of interest.

## Onboarding and Implementation

**Drastically easier onboarding**

**Contract driven implementation**

🔢 supplier portal provides the automated workflows for collecting and analyzing supplier information in order to register and approve suppliers for the purpose of procurement of goods and service in a secure and compliant manner.

🔢 provides the workflows for putting a contract into action. Since contract implementation can be complex and time-consuming, it is very important to get it right so that both parties receive the benefits they expect from the agreement. 🔢 tracks contractual terms to ensure both parties meet the contractual obligations.  It also provides visibility to the large business.

# Performance Mgt.

**Performance dashboard**

**Effective risk mgt.**

*8* provides the workflows to measure, analyze, and manage the supplier's performance in an effort to cut costs, alleviate risks, and drive continuous improvement.  Supplier performance can be assessed by evaluating a few characteristics which can include:

- Product or service quality
- Percentages of incoming rejects
- Delivery accuracy
- Warranty claims

- Customer service
- Delivery lead times
- Account management
- Commercial costs

# Supplier Relationship Mgt.

**Supplier development**

**Leverage Categories**

**Strategic ategories**

**Supplier relationship mgt.**
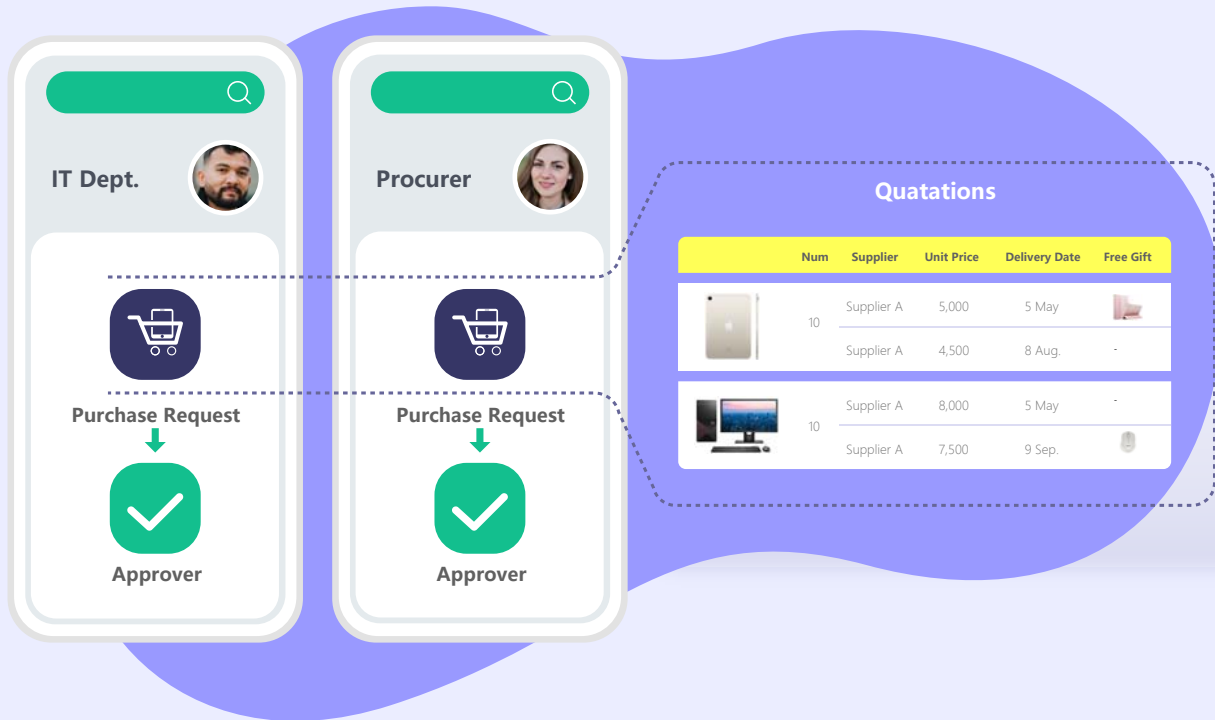
**Non-Critical Categories**

**Bottleneck Categories**

Replacing a supplier can be costly and time-consuming and may slow your business down. *8* keeps accurate records and provides you better data and enhanced collaboration to ensure your relationships with your suppliers remain profitable.  It's a win-win for all parties. Over time you'll notice that communications improve and mutual goals will align more closely.

# Distributed Procurement

🔢 can collect quotations from different suppliers in real time,

and then quickly compare their prices, delivery dates and other matters.

**IT Dept.**

**Procurer**

**Purchase Request**

**Purchase Request**

**Approver**

**Approver**

**Quatations**

| Num | Supplier | Unit Price | Delivery Date | Free Gift |
|---|---|---|---|---|
| 10 | Supplier A | 5,000 | 5 May | |
| | Supplier A | 4,500 | 8 Aug. | - |
| 10 | Supplier A | 8,000 | 5 May | - |
| | Supplier A | 7,500 | 9 Sep. | |

In decentralized procurement, demand planning and procurement of goods or services are done individually by each department. 🔢 can be used by each department as the formal document to request the procurement of specific goods or services, such as to request the purchase of supplies for day-to-day operations, new equipment or technology.

# Centralized Procurement

⑧ summarizes the procurement requirements of all different departments for the same material and aggregates the levels to form a larger total procurement demand, so as to leverage volume and obtain better prices.
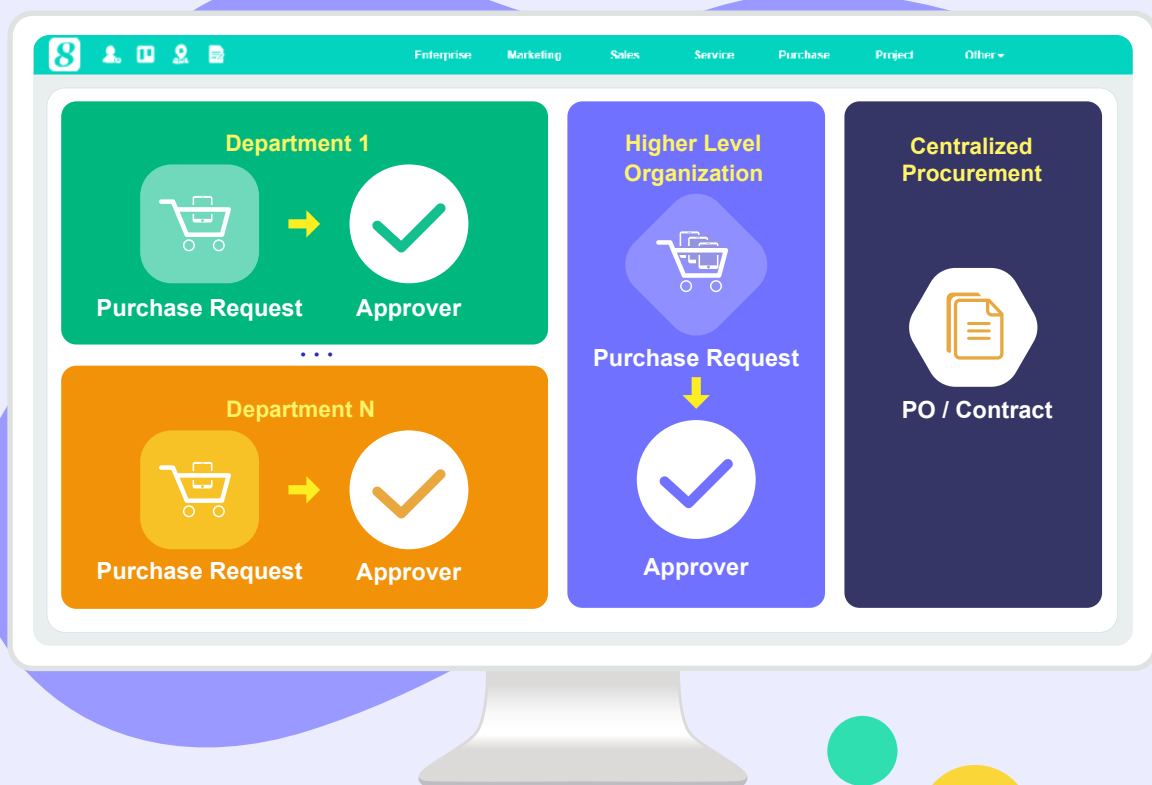


⑧ support both (i) centralized demand management and centralized sourcing and purchasing and (ii) decentralized demand management and centralized sourcing and purchasing.

For (i), the upper level or the central procurement department will summarize the procurement requirements of all different departments for the same material and aggregate the levels to form a larger total procurement demand, so as to obtain better prices or cost savings.

For (ii), each department manages its own procurement demand and submit PR.

⑧ will automatically combine all the PR for a pre-defined period and generate an aggregated PR for the rest of the procurement steps.

# Anti-corruption

8 SRM was designed with anti-corruption in mind and can allow you to set up the proper policies, control and monitoring to protect your organization against procurement frauds. The following is the list of useful anti-corruption guidelines to be used together with the system:

[8] can provide best combination of standard products & redevelopment services for enterprise management and over 500 corporations in Asia are using our following modules on-premises or SaaS:

[8] **SRM** : Supplier Management, e-Procurement and e-Tender

[8] **PPM** : Project and Portfolio Management

[8] **CRM** : Corporate Client CRM and Consumer CRM

[8] **Timesheet** : Resource Time and Cost Management

[8] **New Way** : Visual Agile and Lean

[8] **Service** : Service Management

[8] **EDMS** : Electronic Document  Management System

[8] **OA** : Office Automation

[8] **HCM** : Human Capital Management

[8] **All-in-one** : Enterprise Full Automation