Oracle Supplier Management

Supplier Hub and Supplier Lifecycle Management

ORACLE®

E-BUSINESS SUITE
ADVANCED PROCUREMENT

Oracle® Supplier Management is a set of applications that provides the framework needed to on-board, evaluate, and manage suppliers across your trading lifecycle. It provides tools for cleansing supplier record information to enable you to deliver a trustworthy, enterprise-wide view of all your trading partners. By implementing Oracle Supplier Management, you will be able to better track supplier spend and performance, reduce supplier data management costs, monitor supplier compliance to your corporate standards, and handle supplier risk to streamline how you deal with suppliers across your enterprise.

APPLICATIONS

ORACLE SUPPLIER LIFECYCLE MANAGEMENT

360º Supplier View

Extensible Supplier Profile

Enhanced Registration and Onboarding of New Suppliers

Qualification Management

Supplier Profile Management (including Supplier Self-Service)

Compliance and Profile Audits

Performance Evaluation

Supplier Search

Supplier Notifications

ORACLE SUPPLIER DATA HUB

Centralized Supplier Master Profile

Supplier Classification Management

Supplier Hierarchy Management

Supplier Task Management

Supplier Data Import and Source System Management

Master Supplier Information, Streamline Supplier Management Processes

Oracle's Supplier Management offering includes two products: Oracle Supplier Lifecycle Management (SLM) and Oracle Supplier Hub (SDH). Oracle Supplier Lifecycle Management provides tools for an organization to manage suppliers throughout the lifecycle of their relationship with them. It allows this relationship to be tracked from initial supplier discovery, through qualification and on boarding, to ongoing maintenance, and potential obsolescence. By following this entire cycle, Supplier Lifecycle Management is able to provide a comprehensive 360° information view for each supplier.

Oracle Supplier Hub provides a portfolio of data management tools to enable organizations to better look after their supplier master records. Should supplier-related data be distributed and fragmented across the enterprise, Oracle Supplier Hub provides a repository for consolidating the different copies of each supplier's identity and the capabilities to generate a single source of truth for each trading partner. The Oracle Supplier Hub is built on the foundational Trading Community Architecture (TCA) technology, an already-proven platform that was originally developed to help organizations manage all of their customer information.

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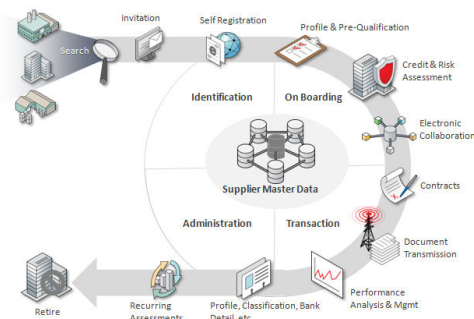
Supplier Data Quality Management

Supplier Data Enrichment

Supplier Data Publication and Synchronization

KEY FEATURES

SUPPLIER DIRECTORY

360° View of Supplier Information

Manage Supplier Standard Profile and Extensible Supplier Profile Attributes with Data Security

Supplier Master Repository Simple and Advanced Search

Supplier Information Export using Spreadsheet

Supplier Information Report

Supplier Notifications

SUPPLIER REGISTRATION AND QUALIFICATION

Self-service Portal for Prospect Suppliers

Multiple On-boarding Options

Prospect

Supplier Self-Registration

Buyer Invitation

Configurable New Supplier Request Form

Extensible Supplier Profile

Internal and External Attributes

Questionnaire to Collect, Automatically Score and Shortlist Qualified Prospect Supplier based on Their Response

Internal Supplier Selection Team Evaluations

Manage Certification

Document Attachments

Optional Data Quality Management and D&B Integration using Oracle Supplier Hub

Approval Management Engine to Route and Process New Supplier Registration Requests and Qualifications

In addition to leveraging the Trading Community Architecture (TCA), Supplier Management uses User-Defined Attributes (UDA) and Advanced Procurement capabilities to provide a rich data model that includes attribute categories like supplier organizational information, address, contact details, Products and Services categories, business and diversity classifications, bank details, tax details, purchasing & invoicing terms and controls, plus custom extensible supplier profile attributes.

Further, the offering allows supplier hierarchy information to be modeled to help identify relationships between suppliers that would have otherwise remained undiscovered.

In summary, Oracle Supplier Hub can gather supplier data from source systems, master the individual records, and then support publication back to those very systems. Oracle Supplier Lifecycle Management governs the processes around that data. Both solutions leverage Data Quality tools that will characterize supplier data, help standardize it and identify duplicates.

Effective Supplier Analysis, Reduced Administration and Better Risk Management

Oracle Supplier Management's feature set and technical solution translate to tremendous business advantages – chiefly, how it can contribute to improved spend tracking, lower administration costs and better supplier risk management.

Supplier information can sit in different procurement systems across different geographies, divisions, and marketplaces. Consolidating all of that data into one repository and rationalizing the details to establish a true & unique identity for each supplier will enable accurate enterprise-wide spend information to be provided to executive-level management. Simply put, centralized, clean supplier data creates accurate insight about *who* an organization is spending money with. And visibility into spending patterns creates opportunities for cost reduction. Once data becomes centralized, decision-makers are better equipped to see which suppliers cost more and which have been performing better.

For example, when an enterprise consolidates their supplier data and then sees they have been procuring computer monitors in different regions from different suppliers with varying degrees of cost, risk and performance, they may opt for a sole-source contract with just one of them in order to drive their costs down.

Beyond that, Supplier Management will drive down the costs of supplier administration. Every supplier record stored by an organization carries a clerical cost with it to keep those details up to date. As the number of supplier records rise, and the number of duplicates increase, those clerical costs can go up and up. Supplier Management will enable a significant reduction in the administration costs.

By enabling suppliers to register their own selves and to edit their own information, not only does the streamlined process cut costs, but by reducing their barrier to entry into the user's business, Supplier Management also creates opportunities to do business with an expanded set of suppliers. Furthermore, buyer administrators mitigate their risk of engaging in business with suppliers who fail to comply with corporate- or government-set standards when users can track that information with a rich data model.

Synchronize New Supplier Request and Questionnaire information with Supplier Master on Approval

SUPPLIER PROFILE MANAGEMENT

Self-service Portal for Profile Management

Manage Supplier Relationship Profile like

Address, Contact,

Business Diversity

Classifications like Small Business, Minority-Owned, Hub Zone etc,

Supplier Products & Services Category, Bank Detail and more

Manage Control and Terms attributes related Supplier Transactions like Purchasing, Payment etc

Manage Extensible Supplier Relationship Attributes with Data Security.

Configure, Track, Manage and Audit Wide Range of Supplier Compliance, Quality and Risk Information and more

Supplier User Management

Internal and Supplier Self-Assessment Questionnaire and Templates for Compliance, Risk, Profile Management

Certification Deliverables Management

Synchronize Supplier and Internal Questionnaire Responses with Supplier Master upon Completion of Supplier Survey

Synchronize Item Line Questionnaire Supplier Responses with Product Information Management (PIM) upon Completion of Supplier Survey

SUPPLIER PERFORMANCE MANAGEMENT

Supplier Performance Evaluation Questionnaire and Templates

Internal User Questionnaire for Supplier Performance Evaluation and Scorecard

Synchronize Questionnaire Responses with

Figure 1: The Lifecycle of a Business Relationship with a Supplier

Supplier Lifecycle Management

Oracle® Supplier Lifecycle Management is the supplier development application that transforms qualification, administration, and assessment of your supply base. It is a key component of Oracle Advanced Procurement, the integrated suite that dramatically cuts all supply management costs.

A key factor in improving the quality of an organization's supplier master file is to establish proper processes to formally qualify different types of prospective suppliers. Oracle Supplier Lifecycle Management enables any and all of the peculiar information required from a prospect to be gathered for assessment and then routed through the organization to ensure efficient review of the supplier's credentials.

Once a supplier has been approved, Oracle Supplier Lifecycle Management also enables organizations to gather feedback from key stakeholders as part of an overall supplier performance tracking process. In addition, Oracle Supplier Lifecycle Management also allows key stakeholders to identify and track critical compliance documents and attributes that need to be gathered from suppliers on a periodic basis in order for the two parties to maintain an active business relationship.

360° Supplier View

One of the challenges with managing supplier information is that the pieces of information gathered about a supplier can be stored in a variety of applications and systems. This data disbursement can hamper organizations as they look to review supplier performance or to comply with audit requirements.

Oracle Supplier Lifecycle Management provides a repository for storing extended Supplier information from disparate sources and then enabling a 360° view of the data to be provided to the key business users within the organization. In addition to the basic supplier information - such as Address, Contact, Business Diversity Classification,

Supplier Master upon Completion of Evaluation

CENTRALIZED SUPPLIER MASTER

Flexible, Extensible World-Class Supplier Data Model and Supplier Directory

Configurable Data Security Access Controls

Supplier Master Repository Smart and Advanced Search

Survivorship Rules for Conflict Resolution

SUPPLIER DATA IMPORT MANAGEMENT

Import supplier data from any source system containing Supplier information

Maintain cross-references between the master and the source system

Manage Supplier Data Imports Through Import Console

Maintain Data Quality using De-Duplication Options

During Data Import Perform Address Validation

During Import Analyze Comprehensive Post-Import Statistics

SUPPLIER DATA QUALITY MANAGEMENT

Embedded Trading Community Architecture (TCA) Data Quality Management (DQM) Engine.

Optional, Standalone Advanced Data Quality Servers to Parse and Standardize Supplier Data

Duplicate Identification, Resolution and Prevention.

"Match Rules" with Weights Determine How to Match Any Potential Duplicates Records

Address Validation Adaptors

Out-of-the-box Integration with D&B (Batch and Real time)

Custom Classifications, Product and Services category, Banking details etc., users will be able to review qualification and on-going evaluation details for the supplier, view key documents that have been included in the supplier's profile and check the status of Deliverables that the supplier is required to provide to maintain their status within the system.

Extensible Supplier Profile

To better understand the capabilities of suppliers in key product categories, and to track subjective information about how that supplier is performing, buying organizations need to be able to store a wide range of additional details in their supplier master. Typically, this is the sort of information that is gathered by different departments and stored using paper-based systems, preventing an organization from using the details to gain a better insight into a supplier's performance.

Supplier Lifecycle Management utilizes User Defined Attribute technology that allows administrators to add an unlimited range of attributes to the supplier definition and to group these into logical profile sections. The extensible Supplier profile attributes allow disparate information to be captured and stored centrally from a wide variety of source systems including 3rd party data sources leveraging data integration.

Fine-grained access control allow administrators to manage which users (including internal and supplier users) can have access to the individual attribute groups in the extended profile.

Registration and On-Boarding of New Suppliers

To help manage the stream of inquiries that come from supplier prospects interested in doing business with the buying organization, many companies now use their corporate websites to have potential suppliers register their interest in establishing a business relationship. This allows the organization to gather key information from the prospect suppliers, which can be used to qualify whether they are suitable trading partner.

Oracle Supplier Lifecycle Management leverages the supplier registration feature from iSupplier Portal (iSP) that can be configured by business unit to gather the data elements required to assess each prospective supplier request. As with iSP, the registration form can be configured to include Address, Contacts, Business Diversity Classification, Product and Services category and Banking details but SLM allows for the inclusion of any of the Extended Supplier profile attributes. The prospective supplier can also upload attachments as part of their registration packet. To support sophisticated and conditional qualification procedures, administrators can also establish qualification documents that allow various profile and compliance information from the prospect to be captured using a questionnaire format. As part of the approval routing, the qualification questionnaire can include internal evaluations provided by business users assessing the request.

In addition to the walk-up process, buyers can pre-register and send invitations to prospective suppliers, requesting them to provide additional details for pre-qualification and approval using the self-service capability. Once a prospective supplier has registered, their request is routed through an approval hierarchy for review and approval.

Integrated Application for Data Quality Professionals

SUPPLIER DATA GOVERNANCE

Manage Supplier trade relationship using Oracle Supplier Lifecycle Management

Manage Supplier Classifications

Manage Supplier Hierarchy and Relationships

Supplier Management Tasks

SUPPLIER DATA PUBLICATION

Publish Mastered Supplier Data to Any Consuming System

Web services and APIs for Integrating with Spoke Systems

Export Supplier Data using Spreadsheet

Supplier Information Reports

Qualification Management

For many organizations, the processes for assessing new supplier relationships are cumbersome and inefficient. In an effort to ensure that "business gets done", companies often support multiple channels for receiving new supplier requests and then follow a very limited or haphazard procedure to review supplier credentials. Oftentimes, this is a poorly coordinated manual process that requires tasks to be sequenced and tracked across multiple departments as credit checks are carried out, customer references called, quality standards reviewed and production facilities inspected.

Oracle Supplier Lifecycle Management leverages the Approval Management Engine to allow companies to generate customized approval flows for processing supplier requests and registration qualification packet. The details for each new supplier can be passed to multiple stakeholders across many departments within the buying organization. Approvers are notified when they are required to review a request and can check graphically the overall approval status for a given request. The buying organization can apply business rules that will use the details in the request to customize the approval flow so that the appropriate approvers can look at the details.

Once a registration request has been approved or rejected, the prospect supplier is automatically notified by email. Following approval, the qualification details provided by a prospect supplier are synchronized and become part of their Supplier Master profile.

Supplier Profile Management (including Self-Service)

Most organizations maintain a team of administrators to deal with the flow of administrative updates from trading partners containing changes to their company profile details. To make this process more efficient, Oracle Supplier Lifecycle Management extends existing iSupplier Portal functionality to allow supplier users to be given online access to maintain a wider range of their own company and personal profile information.

The supplier user can maintain Company profile details, Address, Contact Directory, Business Diversity Classifications, Products and Services category and Banking Details. Internal administrators before approval and promotion can review supplier profile changes.

Suppliers are also able to access qualification and on-going compliance and extended Supplier profile information that they are required to provide to the buying organization to maintain their status in the system.

Compliance and Profile Audits

Whilst there are regulatory requirements for some types of organization to keep key supplier profile elements up to date, this is also an important process for a lot of non-regulated organizations that are looking to meet Corporate Social Responsibility standards that they have set for themselves.

Oracle Supplier Lifecycle Management enables administrators to utilize the questionnaire tools to gather and manage supplier compliance and profile information that are required on an anniversary basis. They can define key compliance information that is required from suppliers and then store the feedback provided by the supplier into the supplier master profile record.

Performance Evaluation

Companies recognize that employees who interact with suppliers can provide insightful feedback on "soft" performance metrics for the supplier. Being able to canvas opinion from these key stakeholders and then use the information to help drive an overall assessment of a supplier's performance is a key part of any collaborative program intended to help improve supplier relationships.

Oracle Supplier Lifecycle Management will allow administrators to generate internal questionnaire documents that can be sent to key personnel within the organization to evaluate and score specific aspects of a supplier's overall performance. This will allow stakeholders in a diverse range of departments, such as Procurement, Finance, Supply Chain, Manufacturing, Quality, Design and Legal, to combine their opinions into a rating of how well the supplier is doing.

The feedback gathered about the supplier is stored in the supplier profile allowing performance trends to be tracked and risk to be effectively managed.

Supplier Search

To assist administrators charged with managing the vendor master for their organizations, Advanced Search capabilities enable them to efficiently find and retrieve supplier records. The Advanced Search allows any of the standard and extended profile attributes to be used as search criteria and for the results to be viewed using multiple display formats. The profile information retrieved from the search can be exported in spreadsheet format, modified and then re-imported to enable mass data changes to be handled in an efficient manner. The Advanced Search criteria and display formats can be personalized both at the administrator and business user level.

Supplier Notifications

To assist with supplier communication, Oracle Supplier Lifecycle Management provides tools to allow notifications to be selectively communicated to a company's supply base. Administrators enter notification information and then use search tools to generate the list of suppliers that are to receive the message.

Supplier Hub

Oracle Supplier Hub is the latest addition to Oracle's existing MDM footprint. Oracle MDM has already released products designed to master customers, products, and sites. Oracle Supplier Hub has extended TCA's data model to incorporate attributes within Oracle Advanced Procurement's supplier model to give the most robust supplier data model on the market.

Furthermore, the Supplier Management offerings sit on the same technology stack as Oracle's Product Hub. One can master suppliers and items or products within the same instance, and even tie products to suppliers through our item-supplier associations.

How does it master Suppliers? With Oracle Supplier Hub, much like with other products in the Oracle MDM portfolio, a data steward consolidates records from source systems into the master, or "Hub", and removes duplicates by merging the same record that came from multiple spoke systems while maintaining cross references back to those systems. Using "match rules", data stewards can determine how sensitively duplicates

are identified using fuzzy searches by setting weights for different attributes. The data merge request can be created automatically during import process without the need of a steward's manual work if duplicates are deemed similar enough as well, and so long as the match rules are appropriately set. They can also enrich the data with third party information provided by the likes of D&B and Trillium. These steps ensure that the master record is the single source of truth for the entire enterprise. From here, the mastered records can be published to consuming spoke systems that may want their sense of truth to reflect the master's source of truth.

Supplier Master Profile

Oracle Supplier Hub allows an organization to gather all of the key details they store about their vendors from across all of their heterogeneous environments and store them in a central repository. Given the wide range of information that Purchasing and Payables departments need and wish to maintain, the Hub has been architected to allow data across a range of categories to be stored.

This includes Supplier identity, Supplier business details, Supplier profile details and Supplier control details. The Supplier directory provides advanced search capabilities based on extensible supplier profile attributes.

Supplier Classification Management

It is becoming increasingly important to a large number of organizations to be able to track classification and diversity information across their supply base in order to ensure that spending patterns can be matched to Corporate Social Responsibility goals.

To allow organizations to track a wide variety of classification & diversity information about their suppliers, the Hub enables administrators to define multiple classification schemas. This information can then be used when building reports to track spending patterns.

Supplier Hierarchy Management

A crucial part of supply base analysis is to understand the relationships that exist between the different suppliers that are doing business with different parts of the buying organization. This allows an organization to leverage aggregated spend information within the negotiation process with the supplier.

In addition to the basic parent /child relationship, the Hub allows business users to define an unlimited number of custom supplier relationship types and then use these to track relations between different suppliers. The custom hierarchy information can be viewed in a tree structure and can be utilized for various reporting and supplier management purposes.

Supplier Task Management

Supplier task functionality provides ability to setup and track granular tasks and notes related to the Supplier party record. You can setup different types of tasks like a 'follow-up action' task, 'business review meeting' task etc for example to follow-up from performance management and analysis. You can manage task status, priority, task resources, notes/attachments etc.

Supplier Data Import & Source System Management

Oracle Supplier Hub provides an Import Workbench to allow administrators to setup and control the process of consolidating supplier records from any spoke applications or systems running within the organization.

The Import tools enable supplier identity, business, and profile details from multiple spoke/source systems to be cross-referenced. Batch Management capabilities then allow the administrator to control the loading of the imported supplier data into the Hub repository.

Supplier Data Quality Management

A critical element of an administrator's role in managing supplier data is in dealing with duplicate supplier records and establishing processes to prevent duplication in the first place. The Data Quality Management (DQM) functionality incorporated into Oracle Supplier Hub provides features that allow an administrator to carry out systematic de-duplication and cleansing of supplier identity, business and profile details. The DQM tools have also been incorporated into the supplier creation flows that are supported by the Hub to prevent the setup of multiple records for the same supplier.

DQM provides tools to setup match rules and other data quality setups required for performing de-duplication tasks. It also provides tools for merging the supplier records to harmonize the information about a single supplier that exists in multiple source systems. It provides tools for automatic identification of potential duplicate supplier records in the system in order that administrators and business users can take further data quality actions as required.

The Oracle Supplier Hub solution is buttressed by an optional incorporation of Oracle Advanced Data Quality. Oracle Advanced Data Quality offers advanced capabilities for profiling data (to determine completeness, consistency, accuracy, etc), parsing and standardizing data (e.g. "Inc." becomes "Incorporated"), and address validation.

Supplier Data Enrichment using D&B Integration

The Supplier Data Enrichment functionality provides features that allow organizations to enrich the Profile information they are maintaining for a supplier by pulling detailed information from D&B. Information packets for a supplier(s) can be gathered during the supplier registration process and also as part of general supplier profile management. Business users are able to interactively search the D&B repository and order/purchase various D&B products to enrich the Supplier information online or batch mode.

Supplier Data Publication and Synchronization

The Supplier Data Publications feature set provides the capabilities to integrate Oracle Supplier Hub with other spoke systems. It provides the infrastructure to raise the necessary business events to trigger publication of updated supplier information and APIs that can be used by spoke systems to query and consume the updated supplier information. It also provides APIs for querying potential duplicate supplier records in the hub and for processing the source system supplier information into the hub.

Deployment Options

Requirements may vary when it comes to choosing a deployment strategy for a supplier management solution. Supplier Management provides two options for deployment within the Oracle E-Business Suite environment. Oracle Supplier Hub and Oracle Supplier Lifecycle Management can be installed on an existing E-Business Suite instance, also known as a "single instance" deployment, or it can be instantiated as a "stand-alone" MDM deployment.
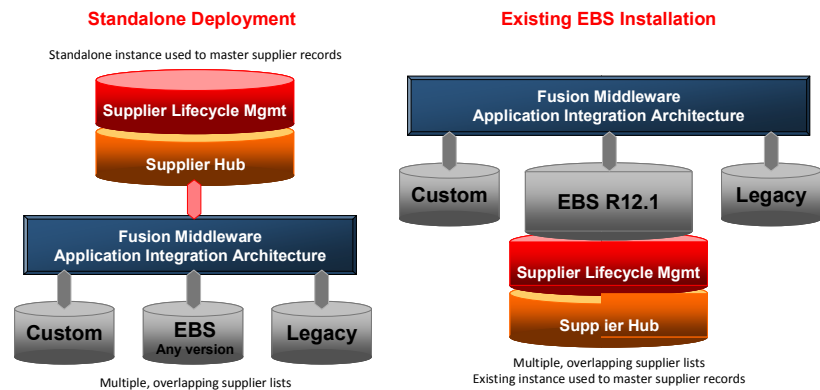
Standalone Deployment

Standalone instance used to master supplier records

Supplier Lifecycle Mgmt

Supplier Hub

**Fusion Middleware
Application Integration Architecture**

Custom   **EBS**
Any version   **Legacy**

Multiple, overlapping supplier lists

Existing EBS Installation

**Fusion Middleware
Application Integration Architecture**

Custom   **EBS R12.1**   **Legacy**

Supplier Lifecycle Mgmt

Supp ier Hub

Multiple, overlapping supplier lists
Existing instance used to master supplier records

Figure 2: Deployment Options

Oracle E-Business Suite—The Complete Solution

Oracle E-Business Suite enables companies to efficiently manage customer processes, manufacture products, ship orders, collect payments, and more—all from applications that are built on one unified information architecture. This information architecture provides a single definition of your customers, suppliers, employees, products—all aspects of your business. Whether you implement one module or the entire Suite, Oracle E-Business Suite enables you to share unified information across the enterprise so you can make smarter decisions with better information.

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