

Strategic Sourcing: Enabling the Organization

By Bill Benedict,
Executive Director of Business Development,
SARCOM

Go ahead. Ask the hard questions.

After all, your supply chain is only as strong as its weakest link. *Are there ways to strengthen your supply chain?* Most companies do business with others for any number of reasons: convenience, cost, past relationships, reputation, compatibility, friendship, etc. *Do you buy from vendors for the right reasons?*

These simple questions are just a start. You need to closely scrutinize your supply chain setup. And you need to ask tough questions to develop a successful supply system. Finding the right answers will enable you to begin the process of strategically consolidating and managing your supply base to provide value and success to your organization.

Most experts agree that the value derived from a successful supplier relationship is underrated — but critically important to the ongoing success of any organization. Defining and assigning a business value to a vendor relationship is essential. To do this successfully, you must determine the following:

- How many suppliers are you doing business with and how many are for common purchases, or could be?
- What is your criteria for setting up new suppliers?
- Have you established policies and practices to communicate and foster the use of the strategic supplier alignments?
- Do you have a supplier management model with key mutual performance metrics?
- What is your plan for efficient integration between your company and your supplier?

These points, coupled with the executive support of your organization, will reduce costs associated with product procurement, while also improving the quality of delivery, productivity and end user satisfaction.

“Finding the right suppliers is as important as keeping them.”

Now, ask yourself some questions from a big-picture perspective: What does this mean to my organization? Is it worthwhile to move forward, or is what we have good enough? Having multiple vendors provides leverage for reducing procurement costs. Partnering with the right suppliers will accomplish this many times over, so finding the right suppliers is as important as keeping them.

Looking at the Essentials

At SARCOM we developed our **Procurement Services** offering around the aforementioned principles, not only in philosophy, but also in systems. While we believe it is important for all of our offerings to have breadth as well as depth, we recognize the need to deliver value across every aspect of the customer experience. Let's look at how SARCOM addresses the essentials of supply chain management, and how we can help your organization reduce costs.

SARCOM's electronic systems integration with key suppliers and manufacturers enables us to supply our client organizations with over 350,000 actively updated SKUs from more than 2,000 IT manufacturers. Virtually any product we order can be delivered to any zip code in the contiguous United States in two days by ground delivery.

Plus, because of SARCOM's strategic relationships with major suppliers and manufacturers, we can benchmark the pricing that your organization might receive vs. pricing offered to Fortune 500 accounts. This benchmark pricing service, combined with more than 23 years experience, enables SARCOM to provide the best pricing model in the industry. As a result, SARCOM can provide your organization the buying power of a multi-billion dollar company.

SARCOM delivers this value-added buying power efficiently through electronic systems integration or via our e-Commerce site, SARCOMDirect. When you open an account with us, we tailor SARCOMDirect to your business needs and policies. Through our account management practice, we can enhance your relationship with your existing suppliers, or we can help you to develop a valuable new strategic relationship. If you do not have a business relationship currently, please send us an e-mail request at inquiry@sarcom.com or visit us at www.sarcom.com to learn how we can help your organization strengthen its supply chain.