InTechProject

A6.2 Find and select suppliers

Process Description

Version: 1.0.1

Status: Working

APPROVED

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Title

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Name and Signature

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Date

List of Changes

| No. | Version | Status | Date of Change | Description |
| --- | --- | --- | --- | --- |
|  | 1.0.1 | Working | 10/17/2020 |  |

Contents

[1. General 5](#_Toc98337891)

[1.1. Brief Description 5](#_Toc98337892)

[1.2. Objectives 5](#_Toc98337893)

[1.3. Process Owner 5](#_Toc98337894)

[1.4. Process Actors 5](#_Toc98337895)

[1.5. Start Boundary 5](#_Toc98337896)

[1.6. End Boundary 5](#_Toc98337897)

[1.7. Process Inputs 5](#_Toc98337898)

[1.8. Process Outputs 5](#_Toc98337899)

[1.9. Process Documentation 5](#_Toc98337900)

[1.10. Application Used 6](#_Toc98337901)

[2. Process Diagram 7](#_Toc98337902)

[3. Process Flow 8](#_Toc98337903)

[4. Exceptions To Normal Process Flow 12](#_Toc98337904)

[5. KPIs 13](#_Toc98337905)

[Annex A. Org Units of Roles Mentioned in the Document 14](#_Toc98337906)

Definitions

|  |  |  |
| --- | --- | --- |
| *{Border}* | – | External producer or receiver of an arrow. Name is not specified in case of unambiguous understanding by diagram readers or in case of ambiguity. |
| *{Tunnel}* | – | Producer or receiver of an arrow. Name is not specified in case of unambiguous understanding by diagram readers. |
| *Organizational Management Structure* | – | Set of specialized functional units interconnected in the process of substantiation, development, adoption and implementation of managerial decisions (hereinafter referred to as the Organizational Structure). |
| *Process (Business Process)* | – | A series of tasks with a clearly defined start and end time, aimed at achieving a particular outcome valuable for an organization. |
| *Process Actors* | – | Resources (technological, work) used for performing a process. |
| *Process Inputs* | – | Resources (material, work) needed to perform a process and transformed by a process into outcomes. |
| *Process Outputs* | – | Resources (material, work) produced by a process. These are used to perform other processes or consumed by external customers. |
| *Process Owner* | – | A person who is accountable for the process result and has the authority to add or remove resources that affect the process performance. |
| *Sub-Process* | – | A process that is a part of the upper process. |

# General

This description of the “A6.2 Find and select suppliers” process that is a part of the “A6 Manage procurement” process is developed to:

* Unify rules and requirements to process performance;
* Set responsibility for process result;
* Standardize document flow.

## Brief Description

Search and select a supplier that best meets requirements of InTechProject.

## Objectives

Performance of the “A6.2 Find and select suppliers” process is aimed at achievement of the following objectives:

|  |
| --- |
| * Deliver materials and tools on time |

## Process Owner

The process is owned by:

* Head of Procurement Department (Procurement Department)

## Process Actors

The process is performed by the following org units:

* Procurement Department

## Start Boundary

Starting boundary is defined by the following events:

Project task received

## End Boundary

Supplier selected.

## Process Inputs

| No. | Input | Objects | Comes From | |
| --- | --- | --- | --- | --- |
| Actor | Activity/External Environment |
| 1. | Supplier trustworthiness information |  | Procurement Department | A6.4 Purchase materials and instruments |

## Process Outputs

| No. | Output | Objects | Goes To | |
| --- | --- | --- | --- | --- |
| Receiver | Activity/External Environment |
| 1. | Selected supplier |  | Procurement Manager | A6.3 Conclude supply contract |

## Process Documentation

Performance of the “A6.2 Find and select suppliers” process is regulated by the following reference documents and requirements:

|  |
| --- |
| * Procurement plan |

## Application Used

| No. | Function | Application Name | Application Type |
| --- | --- | --- | --- |
| 1. | A6.2.7 Enter information about selected supplier into database | 0103. Maintain common directories | Application Module |

# Process Diagram

|  |
| --- |
| title |

# Process Flow

### A6.2.1 Search information about suppliers

##### Actors

Performed by org units:

* Procurement Manager (Procurement Department)

**Start Boundary**

Project task received

**Duration Requirements**

No more than five working days.

##### Actors Receive

| **No.** | **Objects** | **From** |
| --- | --- | --- |
| 1. | Approved supplier database |  |
| 2. | Online supplier database |  |

##### Instructions

Using the online supplier database and the organization's database of trustworthy suppliers, responsible employee carries out a search for suppliers who can provide necessary instruments and materials.

##### Actors Deliver

| No. | Objects | To |
| --- | --- | --- |
| 1. | Information on supplier market | Procurement Manager |

##### End Boundary

Information is found

### A6.2.2 Ask for prices

##### Actors

Performed by org units:

* Procurement Manager (Procurement Department)

**Start Boundary**

Information is found

**Duration Requirements**

Within one working day.

##### Actors Receive

| **No.** | **Objects** | **From** |
| --- | --- | --- |
| 1. | Information on supplier market | Procurement Manager |

##### Instructions

Base on information established about the market of suppliers, responsible employee draws up an email with a request to provide pricing information and sends it to all selected suppliers.

##### Actors Deliver

| No. | Objects | To |
| --- | --- | --- |
| 1. | Request for pricing information | Supplier |

##### End Boundary

Suppliers are asked for prices

### A6.2.3 Provide information on prices

##### Actors

Performed by org units:

* Supplier

**Start Boundary**

Suppliers are asked for prices

**Duration Requirements**

Within three working days.

##### Actors Receive

| **No.** | **Objects** | **From** |
| --- | --- | --- |
| 1. | Request for pricing information | Procurement Manager |

##### Instructions

Upon receiving a request for prices, representatives of suppliers draw up business offers and send them to the return address.

Responsible employee of InTechProject LLC agrees prices offered with his Manager and selects suppliers with acceptable prices.

##### Actors Deliver

| No. | Objects | To |
| --- | --- | --- |
| 1. | Supplier's pricing offer | Procurement commission |

##### End Boundary

Suppliers provided information on prices

### A6.2.4 Conduct tender

##### Actors

Performed by org units:

* Procurement commission (Role)

##### Other Participants

The following org units participate in the process performance:

* contributes to:

* + Procurement Manager (Procurement Department)

**Start Boundary**

Suppliers provided information on prices

**Duration Requirements**

Within one working day.

##### Actors Receive

| **No.** | **Objects** | **From** |
| --- | --- | --- |
| 1. | Supplier's pricing offer | Supplier |

##### Instructions

Responsible employee organizes a tender, during which a commission selects a supplier based on price information and quality of samples of a supplier's product.

##### End Boundary

Tender conducted

### A6.2.5 Select supplier based on tender results

##### Actors

Performed by org units:

* Procurement commission (Role)

##### Other Participants

The following org units participate in the process performance:

* contributes to:

* + Procurement Manager (Procurement Department)

* accepts:

* + Director

**Start Boundary**

Tender conducted

**Duration Requirements**

Within one working day.

##### Instructions

Based on information analyzed during a tender, purchase commission selects a supplier. Director confirms selection by signing a document prepared by responsible employee.

##### Actors Deliver

| No. | Objects | To |
| --- | --- | --- |
| 1. | Information on tender results | Procurement Manager |

##### End Boundary

Supplier is selected based on tender results

### A6.2.6 Notify suppliers of tender results

##### Actors

Performed by org units:

* Procurement Manager (Procurement Department)

**Start Boundary**

Supplier is selected based on tender results

**Duration Requirements**

Within one working day after a tender is over.

##### Actors Receive

| **No.** | **Objects** | **From** |
| --- | --- | --- |
| 1. | Information on tender results | Procurement commission |

##### Instructions

Based on tender results responsible employee draws up and sends an email in which he thanks a supplier for taking part in a tender and informs him of tender results.

##### Actors Deliver

| No. | Objects | To |
| --- | --- | --- |
| 1. | Letter with tender results |  |

##### End Boundary

Suppliers are notified of tender results

### A6.2.7 Enter information about selected supplier into database

##### Actors

Performed by org units:

* Procurement Manager (Procurement Department)

**Start Boundary**

Suppliers are notified of tender results

**Duration Requirements**

Within one working day after a tender is over and a supplier is selected.

##### Actors Receive

| **No.** | **Objects** | **From** |
| --- | --- | --- |
| 1. | Information on tender results | Procurement commission |

##### Instructions

After informing a supplier of tender results, responsible employee enters information about the selected supplier into the organization's database of trustworthy suppliers.

##### Actors Deliver

| No. | Objects | To |
| --- | --- | --- |
| 1. | Approved supplier database |  |

##### End Boundary

Supplier found

# Exceptions To Normal Process Flow

Here is the list of possible deviations from the normative course of the process and actions to take in case a deviation occurs.

### No supplier has provided pricing information

**Responsible Manager:** Procurement Manager

**Actions To Take:** Increase the period for providing pricing information to 5 working days. Inform suppliers.

### Supplier provided unreliable information

**Responsible Manager:** Procurement Manager

**Actions To Take:** Enter information about the supplier's violation into the supplier database.

# KPIs

The following KPIs are used to assess process performance and efficiency:

| No. | KPI | Unit |
| --- | --- | --- |
| 1. | Percentage overrun rate for materials delivery | Percentages |
| 2. | Percentage overrun rate for tool delivery | Percentages |
| 3. | Number of new suppliers | Items |

1. Org Units of Roles Mentioned in the Document

| No. | Role | Org Unit | Department | Activity Object |
| --- | --- | --- | --- | --- |
| 1. | Procurement commission | Director of Operations | InTechProject |  |
| Head of Procurement Department | Procurement Department |  |
| Leading Engineer | InTechProject |  |