

Supplier Adoption and Economic Development (Strand 5)

Introduction to Supplier Adoption

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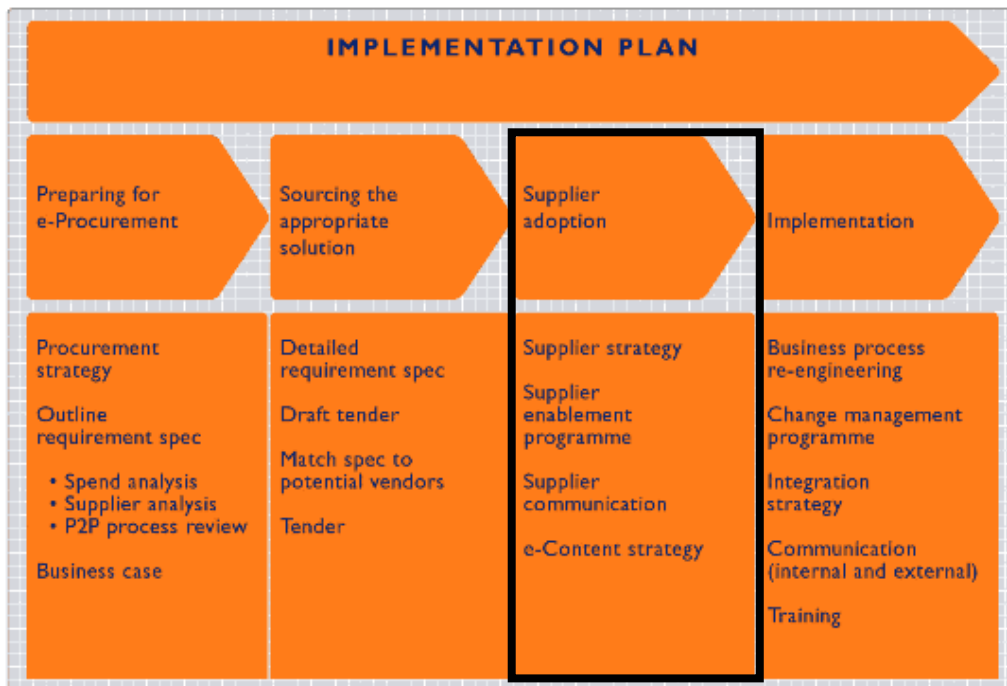
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Introduction to Supplier Adoption

This paper

This paper is an introduction to a series of published materials offering Local Authorities guidance and support on e-procurement supplier adoption and economic development issues, as part of the National e-Procurement Project.

Here is how Supplier Adoption fits into the routemap for e-procurement implementation:



Source: *Delivering e-Procurement – NePP launch brochure October 2002*

The tools provided in this section of the NePP include:

- A 6-step guide to successful supplier adoption, with a checklist to assess your progress and help you prioritise
- Key questions and answers
- Detailed guidelines on difficult or new aspects
- Resources - exemplar materials for you to adapt and use
- Case studies from early adopter councils to show how it can be done

These are described in more detail overleaf.

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Practical steps to successful supplier adoption

This guideline identifies the 6 steps that will help you recruit and manage suppliers as part of an e-procurement programme:

1. Develop a supplier strategy
2. Carry out an assessment of supplier value and readiness
3. Communicate with your suppliers;
put in place a supplier development programme
4. Carry out an impact assessment of local suppliers;
encourage local suppliers where they add real value
5. Put in place an e-content strategy
6. Collaborate with strategic partners

The order in which these appear is not intended to be strictly adhered to – indeed you may already be doing some of this work. The real purpose is to help you understand what's needed and to plan the work, avoiding supplier adoption becoming a 'road-block' to implementation of e-procurement.

There is also a Checklist to help you assess your progress. This has proved useful in raising senior management awareness of the key issues as it provides leading questions, for example:

Do you have:			
Cabinet/Executive/Management Board understanding of the strategic issues and opportunities	Red	Amber	Green
Political and senior management champion for e-procurement and supplier adoption	Red	Amber	Green
Sufficient resources allocated to communicating with suppliers	Red	Amber	Green
A coherent policy for dealing with local suppliers	Red	Amber	Green

Red = urgent need to action **Amber** = some work done **Green** = target achieved

Key questions

During the project, several questions have been raised by councils over and over again. We have sought to address these directly in a series of KEY QUESTION papers:

1. Why is Supplier Adoption important and where do I start?
2. What will make e-procurement attractive to my suppliers?
3. How can I get suppliers to commit to e-procurement?
4. How can I take into account Best Value in its wider sense?
5. How can I bring on other sources of funding and resource to help with my Supplier Adoption agenda?
6. How could I collaborate with other agencies to boost my Adoption programme?

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Detailed guidelines

e-Procurement is throwing up a number of areas where the technology has changed what can be done and some where it generates new ways of thinking about procurement. In these cases, managers are asking for advice on what constitutes best practice. Using examples of work done by pioneering councils and advice from experts, we have developed detailed guidelines in these areas for managers planning and implementing programmes. (In one case we have included a paper on product classification produced by an independent consultant for a group of councils.) In all cases we expect these papers to be modified as people arrive at a consensus on what is best practice and over the coming months we plan to hold consultation workshops to debate the issues. We will be contacting you to ask whether you wish to participate.

The Detailed Guidelines are:

- Building a supplier-friendly marketplace, including a technical specification
- Towards a unified approach to supplier prequalification and accreditation
- Technical advances that will help suppliers
- A legal and policy framework on Best Value, EC Treaty and EU Regulations
- Towards a standard procurement classification for local government
- What is a supplier portal and what should it do?

Resources - exemplar materials

This includes:

- Sample letters to suppliers
- Examples of 'How to Trade with us' websites
- Supplier assessment request and input forms
- Statement of requirement for supplier analysis and impact assessment
- Strand 5 slides from the July and November 2003 workshops
- A Suppliers Guide – an 8-side A5 leaflet developed for you to adapt and use to communicate to your suppliers. You can even use the NePP's printer, Culverlands, to make the changes you want and print it for you (details on the front cover).
- Notes and slides from the regional meetings: 'Collaborative Strategies to support SME inclusion'.

Case studies

There are a lot of case studies in the **Resources - Supplier Adoption** section of the IDeA Knowledge site. These include: Bristol, Essex (County and Districts), Haringey, NEPO, Newham (Supplier Impact Analysis Results), Norfolk, Roses Marketplace, Slough, Thurrock.