

ORACLE SUPPLIER MANAGEMENT: SUPPLIER HUB AND SUPPLIER LIFECYCLE MANAGEMENT

A SINGLE SOURCE OF TRUTH FOR
SUPPLIER-SPECIFIC DATA

CONSOLIDATE

- Master repository for suppliers
- Import supplier data from any source system
- Maintain references from the master back to the source system

CLEANSE

- Master repository for suppliers
- "Match rules" determine how to match any two potential duplicates – weights are set for each attribute to determine which are more important in characterizing potentially identical suppliers
- Enrich supplier information with third party information from sources like Dun & Bradstreet (D&B)

GOVERN

- Supplier self-service portal
- Approval Management Engine to process supplier registration and qualification
- Generate internal and supplier surveys/questionnaires
- Scorecarding of suppliers
- Track business classifications like child-labor, minority- owned, HUBZone, and more

SHARE

- Publish mastered data back to any consuming system via web services or with APIs

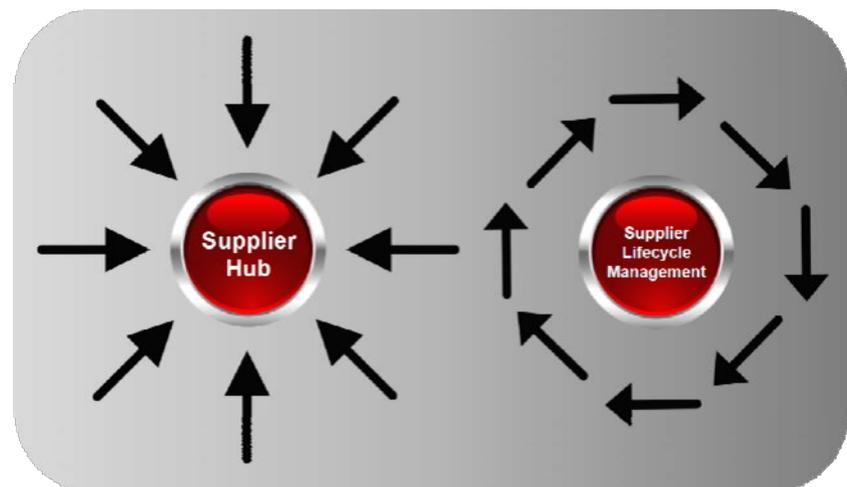
Oracle Supplier Management provides the tools needed to onboard, evaluate, and manage suppliers across your trading lifecycle. It delivers a set of capabilities that can be used to ensure that the supplier data is itself cleansed and trustworthy by creating one enterprise-wide, single view of your data. Track spend better, enforce compliance and standards on your suppliers, and handle supplier risk to streamline how you deal with suppliers across your enterprise.

Golden Supplier Data, Streamlined Supplier Processes

Oracle's Supplier Management offering includes two products: Supplier Hub and Supplier Lifecycle Management.

Should supplier-related data be distributed and fragmented across the enterprise, Oracle Supplier Hub provides a single source of truth for all supplier data. This allows for a 360° master view into all of the information you track about your suppliers.

Furthermore, supplier-related processes, like on-boarding, evaluations, and supplier self-management are often scattered and require the coordination of multiple applications. Supplier Lifecycle Management consolidates these processes into one application that can act as the single point of supplier creation.



Supplier Hub provides structured and fully cross-referenceable import tools to allow supplier data extracted from source systems to be loaded, mastered, and then published back to those originating systems. Supplier Lifecycle Management governs the processes around that data. Data quality tools enable best-of-breed data quality by characterizing the data, standardizing it, identifying matches, and validating addresses.

KEY BENEFITS

- Track and optimize enterprise spend
- Manage supplier information in the most streamlined way
- Enforce compliance with corporate and government regulations

Oracle Supplier Management offers a centralized platform for managing supplier processes and supplier data. Oracle has leveraged its Trading Community Architecture (TCA) and Advanced Procurement capabilities to provide a rich data model that includes attribute categories like Organizational details, Products and Services, Business Classifications, Purchasing & invoicing terms and controls, Tax Details, and more. Furthermore, the offering captures hierarchy information that, upon suppliers’ being centralized, exposes relationships between suppliers that would have otherwise remained undiscovered.

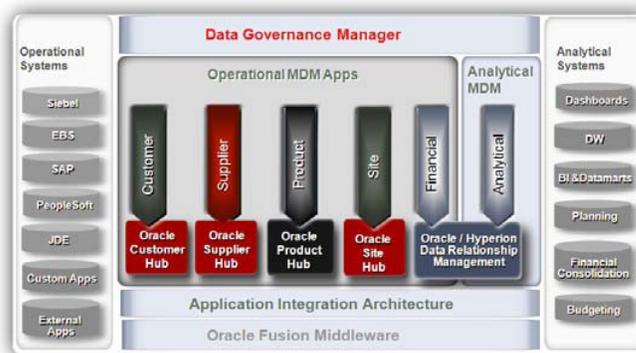
Lastly, Oracle Advanced Data Quality offers four different servers to clean up, enrich, standardize, and validate data above and beyond the standard use case. Oracle Advanced DQ supports the existing functionality of the Hub and SLM.

Effective Supplier Analysis that Drives Better Decision Making, Risk Management, and Streamlined Supplier Relationship Activity

Oracle Supplier Management’s feature set and technical solution translate to tremendous business advantages – chiefly, its enabling of spend tracking and of supplier risk management.

Supplier information sits in different procurement systems across different geographies, divisions, and marketplaces. Senior-level management will have a better window into enterprise-wide spend if all of that information is consolidated into one repository. Simply put, centralized, clean data creates visibility into spend. Visibility into spend 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. Furthermore, they can create opportunities by running reports on particular attributes. For example, if a user consolidates their data and then sees they have been procuring computer monitors in different regions from 3 different suppliers, they may opt for a sole-source contract with just one of them in order to drive their costs down.

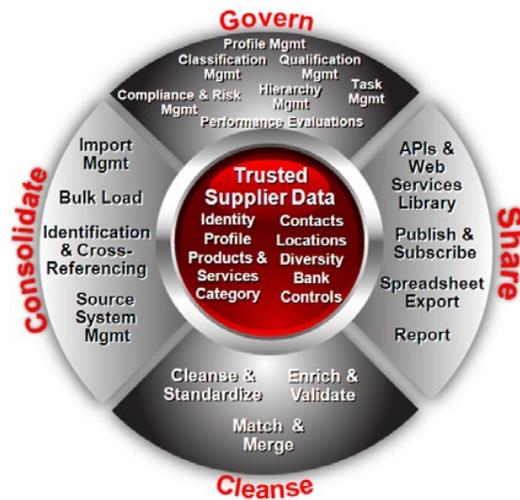
Beyond that, Supplier Management enables supplier risk management. According to AMR research¹, it costs companies between \$500 and \$1000 to manage each supplier annually. Employing a technology solution can reduce that cost by upwards of 80%. By enabling suppliers to register their own selves and to 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 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.



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. 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.

How does it master suppliers? With 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 automatically identified by setting weights for different attributes. This merging can be done automatically if duplicates are deemed similar enough as well, and so long as the match rules are appropriately set, merges are set to occur largely automatically without the need of a steward’s manual work. 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 who may want their sense of truth to reflect the master’s source of truth.

Although Supplier Management comes pre-seeded with a rich set of attributes, the business administrator might wish to extend the supplier’s profile in order to track additional attributes. User Defined Attributes (UDAs) allow business administrators to define and categorize new attributes for every supplier and their sites. Business users can then use personalized search criteria to search the master and to view results that include both standard and extended attributes. 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.



The Supplier Management 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 Lifecycle Management

Supplier Lifecycle Management offers functionality that aids supplier administrators in managing their suppliers. Before an administrator on-boards suppliers, they can designate an approval management flow to assure that the supplier requests are evaluated by specified people within the organization prior to the suppliers' approval.

Also, suppliers have the ability to self-register and send requests for approval to the buyer organization. Furthermore, they can maintain their own information on a rolling basis. Through the supplier-side portal, suppliers can also exchange documents in addition to new profile, banking, location, and other information. Supplier Hub administrators can specify here, too, a flow for checking changes in supplier information, and those changes can be registered in the master.

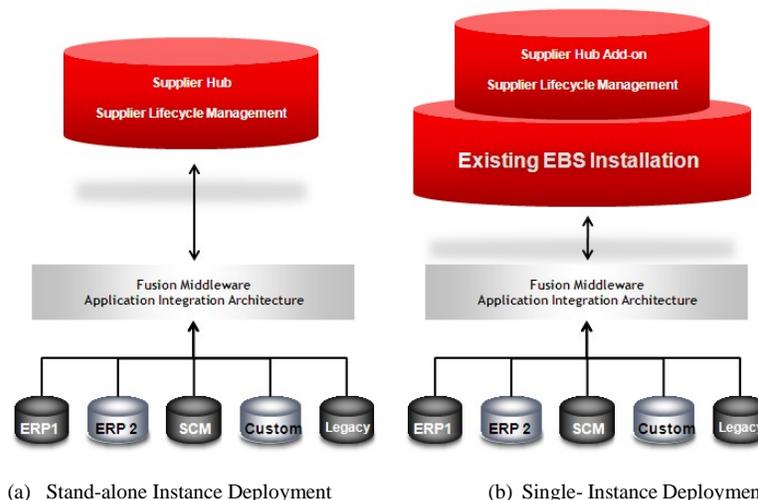
Furthermore, Supplier Lifecycle Management administrators can generate supplier evaluation questionnaires, send them to internal stakeholders within the organization for supplier performance review or to suppliers themselves for data gathering, evaluation, or profile updating.

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. Supplier Hub 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" deployment. Supplier Lifecycle Management is installed on an existing EBS Suite instance.

RELATED PRODUCTS AND SOLUTIONS

- Sourcing
- iSupplier Portal
- Product Hub
- Customer Hub
- Site Hub
- Accounts Payable
- Purchasing
- Procurement Contracts
- Oracle Fusion Middleware
- Oracle Advanced Data Quality
- OBIA and OBIEE (Analytics)



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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Hardware and Software, Engineered to Work Together