

SOURCING AND SUPPLIER DECISION DEMO

Reviewing supplier performance, risk and commercial terms together.

This example shows how performance, capacity, commercial conditions, risk, ownership and next actions can be organised for review. All supplier codes, values and percentages are illustrative. The documented evidence behind the model includes 30+ suppliers, 2,000+ ERP records and one commercial-data issue affecting 100+ items.

4

sourcing areas reviewed

4

supplier exceptions

6

decision actions

1

structured review model

1. SOURCING VIEW: EVIDENCE TO DECISION

Area	Relative share	Supply & commercial signal	Decision input
Materials & components	High	High concentration; lead time rising; quality stable	Dual-source recurring items and validate capacity before peak demand.
Surface and special processes	Medium	OTIF 86%; variable capacity; framework coverage 58%	Rebalance volume and negotiate capacity and call-off structure.
Testing and inspection	Medium	Specialist capability; documentation-sensitive	Validate approved capability, evidence requirements and turnaround time.
Recurring production needs	Low	Stable service; excess stock exposure	Adjust order cadence and minimum-stock logic.

2. EXCEPTION-BASED SUPPLIER REVIEW

Supplier	OTIF	Lead	Cost signal	Risk & next action	Owner & due
SUP-A01	96%	8 wks	slight rise	Stable. Review contract coverage at renewal.	Buyer · 14 Aug
SUP-B07	82%	12 wks	material rise	Capacity risk. Validate alternative and recovery plan.	Buyer + Ops · 7 Aug
SUP-C03	90%	6 wks	small decline	Quality deviation open. Hold volume shift pending closure.	Quality · 5 Aug
SUP-D11	98%	4 wks	stable	Potential preferred source for recurring low-risk demand.	Buyer · 21 Aug

DECISION QUESTIONS

What changed? Is the source reliable? What is the impact? What must be decided? Who owns the action and by when?

CONTROL PRINCIPLE

A dashboard does not decide. It brings evidence, assumptions, exceptions, ownership and approval status into one place for review.

HOW ASSETIQ CAN SUPPORT CATEGORY WORK

Use data and AssetIQ to support the work. Keep commercial ownership clear.

AssetIQ can bring asset, contract, supplier and operating information together to support preparation, comparison and category decisions. From the category-user side, I would validate approved inputs, test normal and unusual sourcing scenarios and challenge outputs that do not fit operational reality before anything becomes an action.

SIMPLE DECISION CONTROLS

01 Purpose

Define the task, decision and expected benefit.

02 Approved inputs

Use current asset, ERP, contract, supplier and operational information plus named assumptions.

03 Data limits

Check date, owner, units and completeness; keep restricted data in approved systems.

04 Analysis

Calculate spend, performance, concentration, coverage, utilisation/lifecycle signals and scenario impacts.

05 Workflow validation

Use approved inputs to test normal and unusual scenarios, compare exceptions with operating reality and prepare decision support.

06 Commercial decision

The responsible decision owner validates facts, challenges assumptions, approves within authority and records the action.

CONTROL BOUNDARIES

Technology may support

Data preparation, classification, calculations, first-pass comparisons, anomaly prompts and draft summaries using approved information.

Decision ownership stays clear

Source acceptance, commercial assumptions, negotiation position, supplier recommendation, risk acceptance, contractual commitment and final approval remain with the responsible decision owner and any required approvers.

ILLUSTRATIVE MANAGEMENT DECISION NOTE

SITUATION

Supplier B07 lead time and delivery reliability deteriorated while short-term coverage fell below the agreed buffer.

EVIDENCE

OTIF 82%, lead time 12 weeks, three open delays, 68% short-term coverage and one technically credible alternative.

RECOMMENDATION

Protect immediate demand with a controlled split allocation; validate the alternative; negotiate a capacity and call-off recovery plan; avoid full transfer until qualification and total-cost assumptions are confirmed.

DECISION REQUIRED

Approve validation cost, temporary allocation range and negotiation mandate.

FOLLOW-UP

Named owners, due dates, assumptions, approvals and supplier communication recorded.

WORKING RULE

I do not start with the tool. I start with the problem. First get the facts, know who owns the decision and agree how it will be reviewed.

APPLYING THE SAME SOURCING LOGIC TO MHE AND ASSETIQ

The sourcing fundamentals are the same. MHE adds asset lifecycle and fleet economics.

My documented base is technical buying, supplier follow-up, RFQs, negotiation and ERP/data work. For MHE, I would add asset population, utilisation, service, downtime, lifecycle and ownership economics, and use real category decisions to validate and pressure-test AssetIQ workflows from the category-user side.

SOURCING DECISION LOGIC

01 Requirement

Confirm technical, safety/compliance and operating requirements as gates before commercial comparison; then clarify outcome, site constraints, owner and what can be challenged.

02 Current position

Spend, demand/volume, agreements, supplier performance, asset population, utilisation and fleet/service data.

03 Market & risk

Capability, capacity, competition, market/index movement where relevant, dependency, service coverage and switching risk.

04 Total value

Total cost, delivery, quality, service/spares, downtime, working capital and risk; add lifecycle, ownership, residual value and redeployment.

05 Sourcing route

RFQ/tender, consolidation, dual source, framework/call-off, supplier development, justified local exception or exit.

06 Follow performance

Terms, KPIs, owners and review rhythm; track cost, delivery, quality, service, risk and agreed actions.

APPLYING THE LOGIC TO MHE, GLOBAL DEMAND AND ASSETIQ

LIFECYCLE & TCO

Operating fit, utilisation, buy, lease or rental model, maintenance, service and spare parts, downtime, energy/infrastructure, expected life, residual value and redeployment.

ASSETIQ & SCALE

Connect asset, contract, supplier and operational data. Aggregate demand where requirements are common, keep justified local exceptions visible, and test workflows against normal and unusual sourcing scenarios before scaling them.

EXPERIENCE BOUNDARY

I have warehouse/MHE operating context but no direct MHE sourcing or global fleet ownership. What I already bring is sourcing judgement, supplier follow-up, operational understanding and ERP/data experience. I would learn the OEM, dealer, service and fleet economics from the team and the available data.