

PROCUREMENT TALK SERIES 7, EPISODE 10

WHAT IS A GOOD SUPPLIER?

Date: 9 September, 2025



"Welcome to Procurement Talk and this is your host David Byrne. Procurement Talk is for procurement and business professionals, where we provide insights and solutions to your procurement challenges.

Hello and welcome to Procurement Talk. This is your host David Byrne. Great to be back for another episode. This episode is entitled What is a Good Supplier? Suppliers are critical for all organisations, so what is the difference? What really separates the wheat from the chaff and what really makes a good supplier step up?

Your supplier is as important to you as you are to them. When you find a good supplier, do not take them for granted, establish and maintain a good relationship which is beneficial to you both. The success of both businesses is reliant on each other, and that is so true. You really need this partnership to work, to come together so that both organisations can grow and flourish.

Only recently have people begun to recognise that working with suppliers is just as important as listening to customers. And that's really a step change for organisations. Some companies introduce rating systems for their suppliers. You see that, the classic platinum, gold, silver, bronze, and you get classed, as depending on the different criteria that you get measured at, from a large organisation, puts you into this different category. This has some challenges around it. First of all, those systems are good, but... they really need to be workable, and that's the key here. It needs to be a system that is workable so that if you are classified as a bronze supplier, for example, and you want to make that leap to being a silver or a gold supplier, what's the process around that? Is it easy? Is it workable? Can you achieve it? What happens if the representative you're working with leaves that organisation? Do you have to start again? Or is there a strong process behind that tiering that allows you to move and progress up the ladder if that's what you're choosing to do?

You could also look at the classic 80-20 rule when setting up your suppliers. You spend 80% of the money with your top 20 suppliers, and you could look at setting up a charter with those key suppliers at the executive level to make sure that you learn and work together. You might look at joint initiatives or other opportunities that you could come together. That's a different option too.

But more and more companies are reaching out to their suppliers to work on issues such as sustainability, environmental responsibility, ethics and compliance. Why are they doing this? They're doing this because it brings value, plain and simple. It just brings really good value to your organisation. So how do you look at it? What's the right thing for the supplier? The right supplier

will bring you new technologies, new products, new ideas and efficiencies that help you stay ahead of the game. And that's what the right supplier does.

The wrong supplier can lead to lost revenue, lower profit and damage to your reputation. It does happen. It's not as odd as you think, but you need to be really clear about what you're looking for from that good supplier up the front. And that's really the critical part. When you start the process, you need to be really clear on what's important to you. Is it quality and reliability now and in the longer term? Does the product really meet the industry standards or regulations that your organisations operating in? Or are you a bit cornered in that there's only a few suppliers that are operating within those regulations, so you're a bit challenged in who you could select? Is it providing you with up-to-date products, equipment and methods. Price is always an issue and it's consistency and long term. It's the best value that you should really look for. And that's one of the key drivers, of course. If you're an organisation that manages a stock, well, then you've got that availability issue. Are there minimum quantities required? What's the lead time? What's the production capabilities to deliver to you if you need to scale up or scale down? We all remember the challenges that we faced when COVID and the borders closed, but now we're having challenges that are stirring up international trade by events in the US, which are being thrust upon us. Challenges will always come and they're going to continually happen.

Communication, what a key issue. It's got to be clear and it's got to be thorough and they need to be responsive. That's really important. Having that good communication, a good supplier, you can pick up the phone on a four o'clock on a Friday afternoon when something's gone astray, you don't have to reach for the contract. You just pick up the phone to a good supplier and say, I need you to fix this and it gets done. That's the importance about having good communication, clear and they're responsive. Relationships, flexibility, also important because friends be professional and also being accountable. And lastly, ethics are important. Considerations, environmental, labour, ethics, compliance. These are all critical things around having a good relationship and a good supplier.

I know what we've discussed today has introduced the idea to you that suppliers are very important to your business if you weren't thinking about it already, but I'm sure most of you have been. But what's important is to remember that each business will have a different idea on what's important qualities of a supplier. Speed might be completely irrelevant to you, whereas it will be crucial for another business. Have a good think about what's important to you and make sure that you put in place those requirements when you're choosing your next supplier.

If you would like assistance in defining your needs and ensuring you get what you are after, then please don't hesitate to reach out to us at BWD Consulting through our website and we'll be able to help you. Well, there you have it. That's all about being and finding a good supplier. All the very best and bye for now.

This concludes this episode of Procurement Talk. Thank you for listening. Procurement Talk is brought to you by David Byrne and BWD Consulting. We're helping organisations transform procurement. Talk to you again soon. Bye for now."