



SUPPLIER PARTNERING, SELECTION & RATING

Course : Total Quality Management

19ME514
Unit -2 TQM Principles
III Year /V Semester
Mechanical Engineering



TOPIC OF THE DAY





WHAT IS SUPPLIER PARTNERING?

- Partnering is defined as a continuing relationship, between a buying firm and supplying firm, involving a commitment over an extended time period, an exchange of information, and acknowledgement of the risks and rewards of the relationship. The relationship between customer and supplier should be based upon trust, dedication to common goals and objectives, and an understanding of each party's expectations and values.



BENEFITS AND ELEMENTS OF PARTNERING

Benefits

- a. Improved quality;
- b. reduced cost;
- c. Increased productivity;
- d. Increased efficiency;
- e. Increased market share;
- f. Increased opportunity for innovation; and
- g. Continuous improvement of products / services.

The three key elements to a partnership relationship are

1. Long term commitment
2. Trust
3. Shared Vision



SUPPLIER SOURCING

1. Sole sourcing
2. Multiple sourcing
3. Single sourcing



SUPPLIER SELECTION

1. The supplier should understand clearly the management philosophy of the organization.
2. The supplier should have stable management system.
3. The supplier should maintain high technical standards.
4. The supplier should provide the raw materials and parts which meet quality specifications required by the purchaser.
5. The supplier should have the required capability in terms of production.
6. The supplier should not leak out the corporate secrets.
7. The supplier should quote right price and should meet the delivery schedule. The supplier should be accessible with respect to transportation and communication.
8. The supplier should be sincere in implementing the contract provisions.
9. The supplier should have an effective quality system such as ISO / QS 9000.
10. The supplier should be renowned for customer satisfaction.



SUPPLIER RATING

1. To obtain an overall rating of supplier performance.
2. To communicate with suppliers regarding their performance.
3. To provide each supplier with a detailed and true record of problems for corrective action.
4. To enhance the relationship between the buyer and the supplier.



REFERENCES

1. Dale H. Besterfield, "Total Quality Management", Third Edition, Pearson Education Asia, Indian Reprint, 2016.
2. Dr S. Kumar, "Total Quality Management", Laxmi Publications Ltd., New Delhi 2006.

