

smartAlloc overview

JULY 2008

Benefits

- Cost reduction
- SLA compliance
- Management information
- Process efficiency
- Process compliance
- Better outcomes
- Eliminate panel leakage
- Optimal supplier performance

Our mission

River Dynamics helps organisations to optimise the price performance of their service providers and maximise the efficiency of the business processes required for supplier interaction. Our supplier management and optimisation system, smartAlloc, can be used to manage any type of service provider.

Our approach

The key assumptions which underpin our approach to managing suppliers on the system can be applied across all supplier types. These are:

- The performance of suppliers (against any set of performance indicators) is variable, with some suppliers outperforming others.
- If performance indicators are clearly stated, and allocation decisions are substantially based on performance against the performance indicators, then suppliers will improve their performance in order to receive more work.
- This approach will only be accepted by suppliers if the complexity of individual jobs is considered when assessing supplier performance.

Intelligent Allocation

Intelligent allocation rewards better performing suppliers with more job allocations. Intelligent allocation uses customer weighted performance scores (common performance metrics used are cost, timeliness, quality and business outcome) to make supplier recommendations at the point of work allocation. The normal business process is for the purchaser to reward the highest scoring supplier by allocating more work to them (although they can allocate the job to any qualifying supplier and enter a reason for doing so).

A supplier performance dashboard is available to both the purchaser and suppliers to allow all parties to view relative supplier performance. The dashboard quickly highlights where suppliers need to improve their performance in order to receive more jobs. When suppliers view the dashboard, the names of the other supplier companies are de-identified.

Expectation Management

Some supplier jobs types are highly standardised which makes the use of absolute performance measures appropriate. However many supplier job types are highly complex and variable. For these job types suppliers cannot be compared fairly on absolute measures of performance such as average cost or average duration. A supplier might well argue (quite reasonably) that, on average, they are more expensive and take longer to complete jobs because they receive the most complex jobs.

Expectation management allows the purchaser and supplier to negotiate agreed outcome constraints for a job. The performance of the supplier is then compared to the relative performance against these outcome goals. In this way, jobs of differing complexity can be compared to each other and absolute metrics do not need to be used as the sole measures of performance.

Our solution

smartAlloc is a highly secure web-based system that connects purchasers of services with their service providers. The entire business process, from allocating jobs to submitting and approving invoices, is conducted online. There are a number of system functions that are common to most implementations and which deliver enhanced process efficiency and compliance, and substantially better management information including:

- A task based workflow capability that tells users when all key deliverables are due.
- A document repository that allows any file to be uploaded and shared by users connected to a job.
- A messaging system that allows secure messaging between users.
- The ability for suppliers to provide regular updates on the status of long running jobs which feed into "red flag" reports highlighting "at risk" jobs that need review.
- Online invoicing capability that validates invoices at the point of entry (ensuring that the invoices do not breach the purchaser's business rules).
- A management reporting system.
- A supplier discount management module that allows suppliers to offer discounts against their normal fee rates, in return for a greater proportion of allocations.
- The ability for the purchaser to perform qualitative assessments of the work performed by the suppliers.
- The ability for a supplier to enter a plan for the actions that they will complete as part of the job with reminder tasks being created as required.
- A panel management capability that allows the purchaser to maintain supplier panels and ensure that jobs are only allocated to suppliers who are on the appropriate panels thereby enforcing procurement compliance.
- A complete set of configuration tools that lets the customer maintain the system once implemented.

Contact details



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