

Elevating supplier quality compliance

Business goals

- Develop dashboards managing automated processes across all indirect suppliers and supplies
- Allow single verification source for indirect supplier data
- Create tight integration with suppliers for process accountability, non-conformance notifications, and countermeasures

Results

- 60% material change cycle reduction, from 25 to less than 10 days
 - Improved supplier compliance
 - Rolled out to all suppliers
-
- Multi-system integration: manufacturer purchasing, inventory, and financial systems; supplier contact database; etc.
 - Secure, confidential communications with suppliers

“ I had high expectations for Pega, and they have been met. ”

Quality Division, Vice President, Leading Global Auto Manufacturer

Challenge and vision:
Integrating indirect supplier communication and quality processes

This leading global auto manufacturer was looking for a way to effectively manage multiple processes involving indirect suppliers. The materials sourced from indirect suppliers include fluids, lubricants, machine parts, and other items used in the manufacturing process.

The company had historically managed these suppliers and supplies manually, a labor-intensive process yielding inconsistent and hard-to-measure results. A common platform was needed to automate material changes, purchase order changes, centralized contact information, supplier KPIs, order metrics, and more.

How Pega helped:
Building a sophisticated indirect supplier communication portal

Because this auto giant manages hundreds of indirect suppliers, the design of its indirect supplier application had to take into consideration many requirements – defined processes for material changes, new vendors, PO changes, vendor KPIs, material handling changes, and material quality assurance.

Pega's partner, Cognizant, worked onsite with the manufacturer to create the Indirect Supplier Communication Portal, using Pega Cloud to automate critical processes. With the portal, the auto manufacturer and its suppliers now have a common platform supporting material changes, purchase order changes, centralized contact information, supplier KPIs, order metrics, and more.

Outcome:
Fast track to revolutionary system capabilities

As with other Pega projects completed or in progress at this auto manufacturer, the portal project demonstrates a major advancement in application development, showing how rapid and iterative development techniques can significantly improve turnaround of new systems capabilities. Cognizant developed the portal application in approximately four months, with ad hoc support from the onsite Pega Consulting team.

Users from both sides – manufacturer and suppliers – have responded favorably to the new supplier portal application.

Leading global auto manufacturer

This auto industry giant has designed, engineered, and assembled over 36 million cars and trucks in North America, where it operates 14 manufacturing plants. Its 1,800 North American dealerships sold more than 2.7 million cars and trucks in 2017 – and about 87 percent of all vehicles sold over the past 15 years are still on the road today.