Fulterer Consulting Ltd - Supply Chain Management papers **PART 1 – RISK & REWARD** Effective, data-led Supply Chain Management for the Built Environment. Where risks and opportunities are many, but resources are few.



Introduction

What does a modern Supply Chain Management team look like in 2025? How can you stay on top of all the risks, nevermind deliver value to your business? Where should you focus the limited internal resources you have when there is a flood of external information vying for your attention? How do you do MUCH MORE, with less and less?

Areas of Influence

Understanding where your influence currently extends and knowing ideally where you need to get to will be critical in becoming a successful and trusted team. The aim is to move the perception as far from "painful" and "procedural" and as close to "critical" and "efficient" as possible. Whilst continuing to push for more and better solutions.

This doesn't mean Procurement or Supply Chain need to own every relevant process or every supplier relationship. In fact, to be a truly effective and efficient team, much of this should be owned as close to the "action" as possible. Knowing that what you have in place guardrails, data sharing, upskilling of the supply chain and performance reporting - will mean resources can be focussed away from the transactional and to the truly strategic.

We can finally move away from the question of should procurement be "centralised" or "decentralised" and realise that it doesn't need to matter. If you get the above right!

Not meant as an exhaustive list, but a good place to start in an assessment of current strength of influence would include the following areas:

Risk Management

The team owns or develops the processes, systems and strategy to efficiently manage supply chain risks providing a solution that means project teams are not weighed down with time-consuming due diligence that needs to be carried out repeatedly to stay current and therefore worthwhile.

Time and resource is focussed on escalation of risks where the above highlights further investigation is needed rather than continually checking and rechecking all risks for all suppliers or, worse, believing a one-time check at the start of the process was sufficient.

Relationship Management

The team understands the company's critical suppliers - not just spend values - and how they help (or hinder) delivery of wider company goals (including client expectations and reporting requirements). Focus on upskilling critical suppliers and their understanding of key needs to the business and clients. Include, Share, Require, Manage, Measure.

Leverage

Whoever owns a supplier relationship - and typically it will be multi-tiered and responsibility of many - the processes and systems need to deliver a live view at all stages of supplier engagement to realise the greatest opportunities from leveraging spend.

Leverage and opportunity maximisation aim: Enable the business to leverage its position through clear data on past, current and future spend across the supply chain.

Bid winning

Be clear how SCM, understanding compliance, data management and reporting is critical to gaining an advantage with potential clients to show how their goals can be delivered - and proven to be delivered - across safety, sustainability, quality and ethical & social impacts.

Bidding may be out of the sphere of control of a procurement team, but the right input, especially in the qualification stage could demonstrate a clear advantage over the competition in how compliance, data and reporting is efficiently adapted to specific needs.

Process vs Data

It may seem a little dull, but getting the processes and procedures right and, more importantly, consistent will be the only way the benefits of data can be realised. Maximising the impact of data won't be possible without first getting the process and compliance in place . But once it is, adapting to an ever changing risk environment will become much easier and much more effective.

What is the ideal outcome?

Only through industry-leading processes, systems, data management and a focus on continuous improvement will a company be able to adapt and stay ahead of the competition. Get this right and the Supply Chain team can enable the most efficient procurement of subcontracts, management of risks and delivery of business, client and project objectives.

Data, but well managed

Through focused and flexible use of data for reporting, dashboards and integrated solutions to feed business what it needs, when it needs it. Success relies on high quality, well organised data.

Data-led management of risk and opportunity, prioritises where time is spent to maximise value whilst keeping day to day project procurement efficient and effective. Accelerate procurement decisions and automate where possible.

Software Solutions

External or Internal Data Solutions

The quick answer is both are very much a necessity. Harnessing internal spend, safety, ESG and performance data and combining it with external sources of company, industry and economic data to deliver meaningful information to decision makers is the goal.

Beware external solutions that promise to do everything for you. Flexibility and integration is the aim for this modern data-lead fast moving economy where risks keep building and expectations keep rising and you have fewer resources to manage them.

Flexible and Adaptable Solutions

Focus on making data work for you and enabling decision makers to quickly assess the information relevant to them to make the best decisions. Pushing the responsibility to where it can be managed and measured, whilst giving them the tools required to take that responsibility.

The Supply Chain Management function will then be seen, not as one putting up road blocks to slow the business down, but as one that enables quick, informed decision making, with its efficient guide rails that manage risk and flexible data solutions that inform the business. Areas of influence will naturally grow from here, with the increased reach further feeding the data model and expanding the value added to the business, its clients and supply chain partners.

Conclusion

Business goals and deliverables, whether safety, financial, quality, sustainability, or social and ethical goals are all dependent on the wider supply chain. Relationships, requirements, data, reporting and measurement of impact need to align with these goals to firstly understand and then begin to deliver against them. A modern supply chain strategy is not about achieving the team's own objectives, but enabling others and ensuring the supply chain understands and can deliver against the wider business objectives.

Teams are asked to achieve more with smaller budgets and fewer resources. The number of risks that need to be mitigated, managed and avoided are not only increasing but also have bigger potential impacts. Automation allows limited resources to concentrate on higher value work.

There has, in my opinion, never been a better time to be in a Supply Chain Management or Procurement Team. Good procurement has always been about good information being available at the right time to the right people so good decisions are made. And we have never had so much access to so much information or easier tools to deliver it effectively. Much of it free or relatively cheap and very accessible.

Embed intelligence. Get the policy, process, systems, relationship management, reporting and data management right and it will do the hard work without the need for huge resources or expensive new solutions.

NEXT TIME: PART 2 – IMPACT IS AN OPPORTUNITY

Social, Ethical & Sustainable Procurement can improve all 3 'P's' of your triple bottom line

NEED HELP?

WANT TO EXPLORE FURTHER FOR YOUR ORGANISATION, TEAM or SUPPLY CHAIN?

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