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## How Strong Are Your Relationships with Your Suppliers?

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Have you ever heard the phrase “You catch more bees with honey than with vinegar?” Of course you have, but did you ever think of using that theory when managing your supply chain?

In order to have a really successful supply chain you need to have a good relationship with your company’s critical partners and suppliers to ensure not only are you going to get what you’re ordering, but to make sure that the philosophies between your company and your suppliers are similar. Both sides understanding and agreeing on the expectations is critical to the success of your company. If your company is planning to grow at a 15% rate, do your suppliers have the capacity to grow with your company? Unless you have high-level relationships with your critical suppliers, you really don’t know if those suppliers are going to be with you in the future. The last thing you want to replace is a critical supplier when your company is in a growth mode.



Here are a few helpful hints to help manage your supply chain:

- 1) Set clear expectations so your company and your suppliers know where they stand
  - a. Share growth goals with your suppliers
  - b. Set expectations with your suppliers
  - c. Measure those expectations on a regular basis
  - d. Communicate the results of those measurements to your supplier
- 2) Make sure you have the right ethical standards and treat your suppliers as you would treat your employees
  - a. Partner with suppliers that have similar philosophies
  - b. Develop the quality of people and business ethics to allow everyone the opportunity to win
  - c. Develop solid working relationships between your employees and your suppliers’ employees
- 3) Maintain good relationships with senior executives
  - a. Make sure you’re partnering with the decision makers
  - b. Discuss plans for the future of your company and the supply companies
  - c. Share ideas to help efficiency
  - d. Go beyond the commodity approach and add a service approach
- 4) Celebrate success
  - a. Recognize and reward your suppliers for doing a great job

Having the right business partners in a supply chain is critical to the success of your business, so investing time and effort in developing relationships with your suppliers should prove to time well spent.

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**Author:**  
Scott Runyan, CPA