

Standard Operating Procedure (SOP)

Vendor and Supplier Coordination

This SOP defines the process for **vendor and supplier coordination**, covering vendor selection and evaluation, communication protocols, order placement and tracking, quality assurance of supplied goods, timely delivery management, issue resolution, and maintaining strong supplier relationships to ensure the consistent supply of materials and services that meet organizational standards and requirements.

1. Purpose

To establish a standardized process for effectively selecting, managing, and communicating with vendors and suppliers to ensure quality and timely supply of required materials and services.

2. Scope

This SOP applies to all departments and personnel involved in the procurement, evaluation, and management of external vendors and suppliers.

3. Responsibilities

- **Procurement Team:** Lead vendor selection, evaluation, ordering, and communication.
- **Department Managers:** Communicate material/service requirements and support issue resolution.
- **Quality Assurance:** Inspect supplied goods/services for compliance.
- **Finance Team:** Support vendor payment processing.

4. Procedure

1. **Vendor Selection and Evaluation**
 - Identify need for materials/services.
 - Source potential vendors based on organizational requirements.
 - Request quotations (RFQs) and evaluate on quality, price, delivery timelines, and credibility.
 - Perform due diligence (background checks, references, certifications).
 - Document selection rationale and obtain approval from relevant authorities.
2. **Communication Protocols**
 - Designate official points of contact for communication with vendors/suppliers.
 - All communications must be documented in writing (email or approved platform).
 - Establish frequency for regular updates and reviews.
3. **Order Placement and Tracking**
 - Raise and approve purchase orders as per company policy.
 - Share purchase order details with selected vendor.
 - Track order progress and keep stakeholders informed of status.
4. **Quality Assurance of Supplied Goods/Services**
 - Inspect delivered materials/services against agreed specifications.
 - Document findings and address deviations immediately with vendors.
 - Maintain inspection and acceptance records for audit purposes.
5. **Delivery Management**
 - Monitor delivery schedules to ensure timely receipt.
 - Coordinate with suppliers to resolve expected delays or logistical issues.
 - Record all delivery issues and resolutions.
6. **Issue Resolution**
 - Record all complaints and issues relating to vendors/suppliers.
 - Develop corrective actions with the vendor and monitor implementation.
 - Escalate unresolved issues to management as per escalation matrix.
7. **Maintaining Supplier Relationships**
 - Conduct regular performance reviews with key suppliers.
 - Offer constructive feedback and work collaboratively on improvements.
 - Update approved supplier list based on performance and organizational needs.

5. Documentation and Records

- Vendor evaluations, approvals, and contracts
- Purchase orders and communication records
- Delivery and inspection reports
- Issue logs and resolution documents
- Supplier performance reviews

6. Review and Revision

This SOP shall be reviewed annually or as required to reflect changes in procurement practices or organizational policy.