

Master purchasing in a complex global market with IFS Applications



Purchasing, whether it is for a million dollars in production inventory or a case of copy paper, is central to most business processes. IFS Applications includes software that addresses the entire purchasing value chain and integrates it tightly with other vital areas of your business in ways that reduce non-value-added work, provide real-time insights and delivers greater operational agility in your relationships with suppliers.

IFS Supplier Relationship Management (SRM) & Procurement™ lets you track your supplier interactions, including formal RFI/RFQ processes that result in Supplier Agreements or Purchase Orders. The solution addresses requisitions to order through delivery monitoring and goods arrival. Direct and indirect material are both managed including support for authorizations. Users can use supplier schedules to facilitate forecasts and call-offs in repetitive environments.

Centralized, under control

This holistic approach gives you the timely information you need to negotiate with and make better decisions about your vendors, which is important in a rapidly changing global trade environment. It is also a good fit for multisite companies operating in a global environment.

The software does a few things for a supply chain team, including letting them manage by exception. They can configure the system to let most purchases proceed with minimal interventions. But they may opt to subject certain purchases to greater review including:

- Those with no default supplier
- Purchases above a certain dollar threshold
- Purchases that align with specific projects or other cost centers that may have their own rules or processes
- Any purchases that are not for production raw material



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As part of an overall enterprise solution, IFS purchasing software enforces segregation of duties and roles. For regulatory and risk management purposes, business processes are often split up between different people in the business. This lets IFS Applications prevent a single person from creating a supplier record, approving a purchase order to them and then receiving the product. These preventive integrity controls can be automated using data on each user's security roles.

What is supplier relationship management (SRM)?

Imagine having a customer relationship management (CRM) application to streamline and record high-frequency and complex interactions with your suppliers. And all of that communication was connected to appropriate supplier quotations and agreements through business activities? This is exactly what IFS Applications delivers. Our customers can easily achieve this because we configured our powerful back office CRM functionality to also support purchasing and supply chain management.

Part management by supplier

IFS also manages part information by supplier, allowing you to make better decisions. Can we expedite the part by choosing a different ship method? Can we obtain the same part from a different supplier for a shorter lead time and at a lower cost but perform inspections internally? You stand to gain several benefits:

- Materials requirement planning (MRP) and required lead times in the schedule by part and supplier
- Supplier splits
- Project- or progress-based billing
- Costing including landed cost

Supply chains and trade policy

Global business needs to adjust to rapid changes in trade policy, which can restrict supply and increase landed cost. IFS's SRM approach prepares you for this by bringing purchasing, the supplier and the end customer together into a single view. Using SRM, you may decide to lock in longer-term pricing agreements with suppliers in regions potentially affected by protectionist trade policy. You may also collaborate with your supply chain partners to divide up the pain caused by tariffs or non-tariff barriers. Is the vendor is going to absorb that added cost, or is it going to be passed onto the customer or divided up among the supplier, the buyer and their customer? Because all of the necessary information is captured in IFS Applications, we can calculate the landed cost of the item, put it into inventory value and then, looking at basic cost realities, decide what we will do.

Part of the fabric of the business

More than most other business disciplines, purchasing is interwoven with the fabric of the business. The tight, enterprise-wide integration and pure-play nature of IFS Applications lets purchasing and supply chain professionals drive more value for their associates around the company. And it automates or streamlines much of the administrative overhead associated with purchasing.

IFS develops and delivers enterprise software for companies around the world who manufacture and distribute goods, build and maintain assets, and manage service-focused operations. The industry expertise of our people and of our growing ecosystem, together with a commitment to deliver value at every single step, has made IFS a recognized leader and the most recommended supplier in our sector.

Learn more about how our enterprise software solutions can help your business today at ifs.com.

