**Supplier and Outsourcing Management Procedure**

**Purpose**

The purpose of this Supplier and Outsourcing Management Procedure is to establish a systematic approach for selecting, evaluating, and managing suppliers and outsourced service providers. This procedure ensures that all external parties meet NWF Facilities Ltd quality standards, legal requirements, and strategic objectives.

**Scope**

This procedure applies to all suppliers and outsourced service providers engaged by NWF Facilities Ltd. It covers the entire lifecycle of supplier and outsourcing relationships, from selection and evaluation to ongoing management and performance review.

**Objectives**

* Ensure that suppliers and outsourced service providers deliver high-quality products and services.
* Maintain compliance with legal, regulatory, and industry standards.
* Foster long-term, mutually beneficial relationships with key suppliers.
* Mitigate risks associated with outsourcing and supplier relationships.
* Support continuous improvement in the supply chain and outsourcing processes.

**Supplier and Outsourcing Management Process**

**1. Supplier and Service Provider Selection:**

**1.1 Identification:**

* Identify potential suppliers and service providers through market research, recommendations, and industry networks.

**1.2 Evaluation Criteria:**

* Quality of products and services
* Compliance with legal and regulatory requirements
* Financial stability
* Experience and reputation in the industry
* Capacity to meet NWF Facilities Ltd needs

**1.3 Pre-Qualification:**

* Request information on capabilities, certifications, and references.
* Conduct initial assessments and site visits if necessary.

**1.4 Approval:**

* Evaluate potential suppliers based on predefined criteria.
* Approve suppliers who meet all requirements and align with NWF Facilities Ltd strategic goals.

**2. Contracting and Onboarding:**

**2.1 Contract Negotiation:**

* Develop and negotiate contracts outlining terms, conditions, service levels, and performance metrics.
* Ensure contracts include clauses on confidentiality, data protection, and compliance.

**2.2 Onboarding:**

* Provide orientation and training to new suppliers and service providers.
* Communicate NWF Facilities Ltd expectations, standards, and policies.

**3. Performance Monitoring and Evaluation:**

**3.1 Regular Reviews:**

* Conduct regular performance reviews based on key performance indicators (KPIs) such as quality, delivery, and compliance.
* Schedule periodic meetings to discuss performance and address any issues.

**3.2 Audits and Inspections:**

* Perform audits and inspections to ensure compliance with contractual terms and quality standards.
* Document findings and take corrective actions as necessary.

**3.3 Feedback and Continuous Improvement:**

* Provide constructive feedback to suppliers and service providers.
* Work collaboratively to identify improvement opportunities and implement changes.

**4. Risk Management:**

**4.1 Risk Assessment:**

* Identify and assess risks associated with suppliers and outsourcing arrangements.
* Develop risk mitigation strategies for high-risk areas.

**4.2 Contingency Planning:**

* Establish contingency plans to address potential disruptions in the supply chain or service delivery.
* Ensure backup suppliers and alternative solutions are available.

**5. Communication and Relationship Management:**

**5.1 Open Communication:**

* Maintain open and transparent communication with suppliers and service providers.
* Use various communication channels such as meetings, emails, and reports.

**5.2 Relationship Building:**

* Foster positive relationships through regular interaction and collaboration.
* Recognize and reward high-performing suppliers.

**6. Record Keeping and Documentation:**

**6.1 Documentation:**

* Maintain accurate and up-to-date records of supplier evaluations, contracts, performance reviews, and communications.
* Ensure documentation is accessible and securely stored.

**6.2 Retention:**

* Retain records for a minimum of two years or as required by legal and regulatory standards.

**7. Legal and Regulatory Compliance:**

**7.1 Compliance Monitoring:**

* Ensure suppliers and service providers comply with all relevant laws, regulations, and industry standards.
* Include compliance requirements in contracts and monitor adherence.

**7.2 Data Protection:**

* Ensure suppliers and service providers adhere to data protection and confidentiality requirements.
* Include data protection clauses in contracts and conduct regular compliance checks.

**Key Responsibilities**

**Top Management:**

* Ensure the integration of supplier and outsourcing management into strategic planning.
* Approve key supplier selections and major contracts.
* Allocate resources for effective supplier management.

**Procurement Team:**

* Conduct supplier identification, evaluation, and selection.
* Manage contracts and performance reviews.
* Maintain records and documentation.

**Department Managers:**

* Monitor the performance of suppliers related to their departments.
* Provide feedback and collaborate on improvement initiatives.

**Employees:**

* Comply with supplier management procedures.
* Report any issues or concerns related to suppliers and service providers.

**Conclusion**

This Supplier and Outsourcing Management Procedure ensures that NWF Facilities Ltd effectively manages its suppliers and outsourced service providers, maintaining high standards of quality, compliance, and performance. By following this procedure, we can foster strong, reliable, and compliant supplier relationships that support our strategic objectives and operational excellence.