



Selection Criteria – Supplier RISK Program

What percentage of companies use the following criteria?

Source: *Managing Supplier Risk*, CAPS Research, July 2015.



Critical categories/
spend areas



Annual spend



Sole- or single-source
suppliers



New supplier (never
used before)



Certain geographic
locations



How Do You Decide Who's In and Who's Out?

Global companies with large, extended supply chains continue to invest time and money in formal risk management programs. However, with thousands of suppliers, it's nearly impossible with current capabilities to keep an eye on all of them. That's why most companies carefully "screen" their suppliers using the criteria above to determine which ones are included in the supplier risk program. And, once they've selected suppliers for a risk program, 77 percent of companies apply additional criteria to categorize suppliers or place them in risk tiers or levels.

Source: *Managing Supplier Risk*, CAPS Research, July 2015.

Measure up. Move Forward.

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