

<div>Module 6</div> <div>Section B: Supplier and Supply Chain Relationships</div> <div>Term</div> <div>Alliance development</div> <div>APICS CSCP Learning System © 2025</div>	<div>Strengthening the capabilities of a key supplier.</div>
<div>Module 6</div> <div>Section B: Supplier and Supply Chain Relationships</div> <div>Term</div> <div>Communication management plan</div> <div>APICS CSCP Learning System © 2025</div>	<div>A document that describes the communications needs and expectations within a project, including format, dates, locations, and responsibilities.</div>
<div>Module 6</div> <div>Section B: Supplier and Supply Chain Relationships</div> <div>Term</div> <div>Joint venture</div> <div>APICS CSCP Learning System © 2025</div>	<div>An agreement between two or more firms to risk equity capital to attempt a specific business objective.</div>
<div>Module 6</div> <div>Section B: Supplier and Supply Chain Relationships</div> <div>Term</div> <div>Multisourcing</div> <div>APICS CSCP Learning System © 2025</div>	<div>Procurement of a good or service from more than one independent supplier. Syn.: multiple sourcing. Ant: single sourcing. See: dual sourcing.</div>

**Module 6**

*Section B: Supplier and Supply Chain Relationships*

**Term**

Single-source supplier

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A company that is selected to have 100 percent of the business for a part although alternate suppliers are available. See: sole-source supplier.

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**Term**

Sole source

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The situation where the supply of a product is available from only one organization. Usually technical barriers such as patents preclude other suppliers from offering the product. See: single sourcing.

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**Term**

Stakeholder relationship management

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Addressing and managing the competing priorities, needs, and concerns of internal and external stakeholders in a proactive and sustained manner, resulting in decreased cost and enhanced stakeholder acceptance or buy-in.

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**Term**

Strategic alliance

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A relationship formed by two or more organizations that share information (proprietary), participate in joint investments, and develop linked and common processes to increase the performance of both companies. Many organizations form [these] to increase the performance of their common supply chain.

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Strategic sourcing

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A comprehensive approach for locating and sourcing key material suppliers, which often includes the business process of analyzing total-spend-for-material spend categories. Includes a focus on the development of long-term relationships with trading partners who can help the purchaser meet profitability and customer satisfaction goals. From an information technology applications perspective, includes automation of requests for quote (RFQ), requests for proposal (RFP), electronic auctioning (e-auction or reverse auction), and contract management processes.

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Supplier certification

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Certification procedures verifying that a supplier operates, maintains, improves, and documents effective procedures that relate to the customer's requirements. Such requirements can include cost, quality, delivery, flexibility, maintenance, safety, and ISO quality and environmental standards.

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Supplier relationship management (SRM)

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A comprehensive approach to managing an enterprise's interactions with the organizations that supply the goods and services the enterprise uses. The goal of [this] is to streamline and make more effective the processes between an enterprise and its suppliers. [It] is often associated with automating procure-to-pay business processes, evaluating supplier performance, and exchanging information with suppliers. An e-procurement system is often an example of [this type of] family of applications.

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Tactical buying

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The purchasing process focused on transactions and nonstrategic material buying. Closely aligned with the "ordering" portion of executing the purchasing transaction process. Its characteristics include stable, limited fluctuations; defined standard specifications noncritical to production; no delivery issues; and high reliability concerning quality-standard material with very little concern for rejects. See: strategic sourcing.

## Module 6

### *Section B: Supplier and Supply Chain Relationships*

#### **Term**

Virtual organization

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Short-term alliances between independent organizations in a potentially long-term relationship to design, produce, and distribute a product. Organizations cooperate based on mutual values and act as a single entity to third parties.