

# Strategic Supplier Management Pinnacle Model® Analysis 2021

May 2021: Complimentary Abstract / Table of Contents



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- Pinnacle Model® reports
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- Virtual Roundtables
- Workshops

### Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

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# Pinnacle Model® research methodology

## Definition of Pinnacle Enterprises™

Everest Group Pinnacle Model® assessments identify Pinnacle Enterprises™, companies that are achieving superior business outcomes because of their supplier management capabilities. The journeys of these best-of-the-best companies provide insights into the key enablers needed to achieve desired outcomes and point to the investments required for the greatest speed to impact. Whether companies want to make incremental changes or achieve major transformations, Pinnacle Enterprises exemplify the way to success.



**Define the topic**

We evaluate multiple subjects to identify hot topics that will resonate globally with sourcing leaders. We work with internal and external SMEs to define the topic and set boundaries.



**Survey enterprises**

We use surveys, RFIs, and other data collection methods to gather information from enterprises on capabilities and outcomes associated with the topic under evaluation.



**Interview participants**

We then conduct interviews/roundtables with a subset of participants to gain deeper perspectives on their experiences, challenges, and journeys.



**Form hypotheses**

We form an emerging point of view on the correlations between capabilities and outcomes, adoption trends, and key success factors.



**Validate and refine**

A cross-section of SMEs from various practices debates and refines the emerging hypotheses.



**Publish and educate**

We compile and share final results with participants, our members, and other stakeholders in the global services sector. Participants also receive a high-level customized analysis.



In the current Pinnacle Model analysis, we look at practices in managing strategic suppliers to compare outcomes with associated capabilities



Pinnacle Enterprise differentiators



Accelerating your supplier management journey



Implications for enterprises

# Supplier management is an ongoing process to maximize the value from the supply base

## Supplier relationship management



-  Supply base stratification
-  Supply base governance
-  Technology
-  Supplier performance management
-  Supply base risk management
-  Supplier-driven innovation



This research focuses on the top tier of suppliers – those with the most strategic role in business success

Source: Strategic Supplier Management Pinnacle Model Assessment 2021  
Unless otherwise noted, all data from this assessment is from Everest Group's Strategic Supplier Management Pinnacle Model Assessment 2021



## We measured multiple aspects of supplier relationship management through specific factors in our research



### Supply base stratification

Maturity of supply base stratification and frequency of re-evaluation



### Supply base governance

Strategy for supplier management activities; role of procurement, VMOs, and business



### Technology

Technologies adopted for strategic supplier management and level of technology implementation for strategic activities such as demand, contract, and performance management



### Performance management

Frequency of measurement, customer satisfaction, strategies for supplier improvement



### Risk management

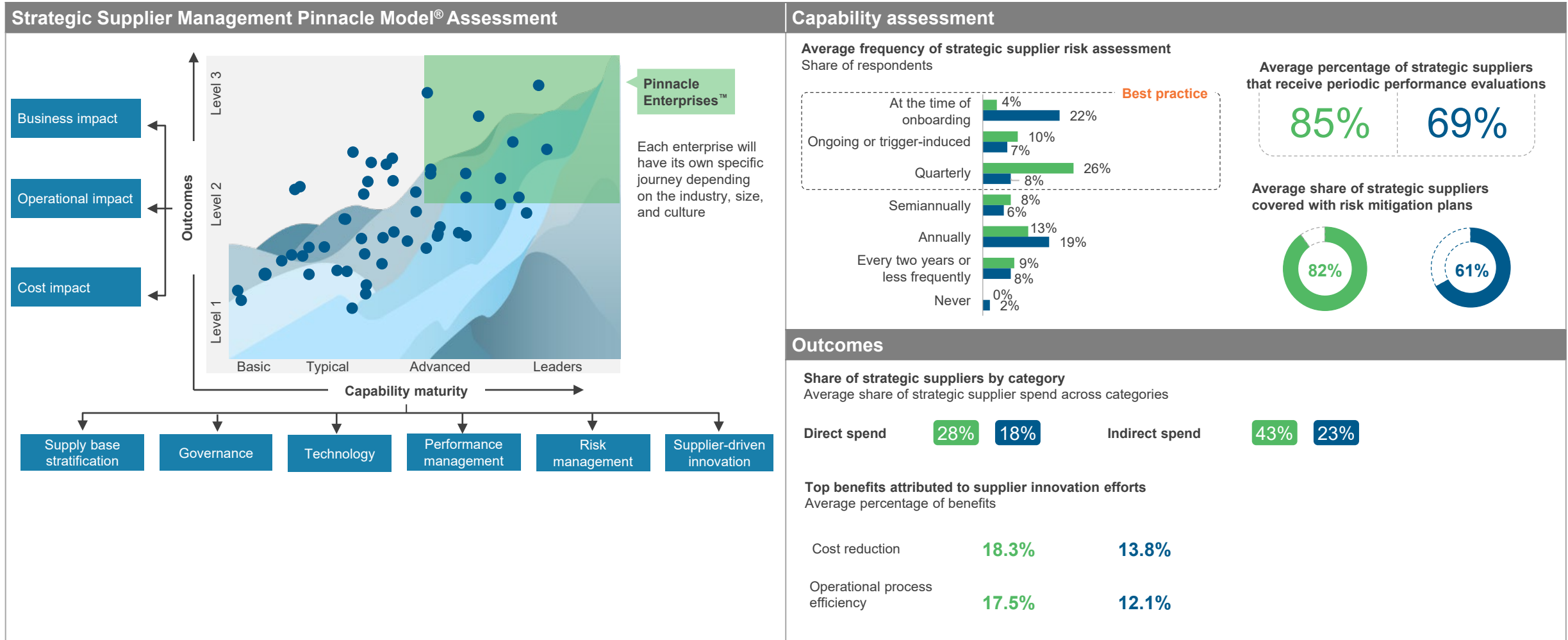
Frequency of risk measurement, risk mitigation of strategic suppliers, and supply continuity strategies



### Supplier-driven innovation

Approaches to improve outcomes through supplier-driven innovation

# This study offers distinct chapters providing a deep dive into key aspects into strategic supplier management; below are three charts to illustrate the depth of the report





Everest Group is a research firm focused on strategic IT, business services, engineering services, and sourcing. Our clients include leading global companies, service providers, and investors. Clients use our services to guide their journeys to achieve heightened operational and financial performance, accelerated value delivery, and high-impact business outcomes. Details and in-depth content are available at [www.everestgrp.com](http://www.everestgrp.com).

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