



Checklist 17: How To Choose Which Supplier Is Best

Project Name: _____

Date: _____

Yes No

If you are starting up a new business and you produce some goods, or even for providing certain services, you might need certain materials for making this possible. Here is how you can choose the best supplier to meet your needs:

- 1 Set your requirements: You need to make a list of everything you want in your supplier, this can include things like their payment policy, credit services, return policy, storage facilities, minimum and maximum order limits etc.
- 2 You can then use two methods actually to find suppliers. First of all, you can put up an advert in a newspaper where you can put up the list of requirements you need and ask the suppliers of the relevant materials to send in their information.
- 3 The second method is searching the internet yourself, looking for suppliers, or finding them through contacts, and then approaching each and every one yourself to obtain the relevant information.
- 4 Then announce a call for bids, according to whichever process you choose. Make a form and ask relevant buyers to fill them out and return them to you.
- 5 Evaluating the bid submissions is a crucial part of this whole process. Look at all the bids that you have gotten, assess them all in terms of whether or not the supplier's policy meets the requirements you had in mind, e.g. if you had wanted that the maximum order for paper that a paper supplier should have accepted to be 50 reams of paper, which supplier's maximum order limit was the same or very near?
- 6 Choose the supplier according to the previous steps. However, throughout your business interaction with the supplier, assess their performance as even the best of them can get complacent and their

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quality could be suffering. Don't be reluctant to come out of something that might be detrimental for your business.

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