Vroozi Sourcing

Comprehensive guide to the various *Vroozi Sourcing* workflows including enablement, roles and examples.

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Sourcing 3 Ways

Within Vroozi there are 3 ways buying organizations can review the materials and services requested by shoppers.

- **Sourcing Review:** Workflow enabled to require review of PRs based on sourcing rules created by a buying organization.
- **Buy Route:** Workflow enabled through the use of 'buyers.' who can determine the best price for requested goods and services.
- **Quotes:** Requests for services or goods are submitted to multiple suppliers who can then submit a quote which is either accepted or denied by the buying organization.

Sourcing Review
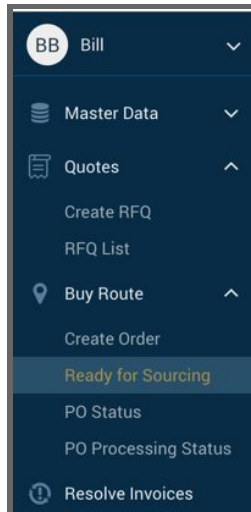
A Sourcing Review is the process of having a Purchase Requisition go through a special workflow (reviewed by the Sourcing Approver) to ensure the company is receiving the best price on any item being purchased.

Since not all orders need to go through this kind of review; the company's Admin can set rules that would trigger the review of a purchase request or change request. The company's Admin will set these tables dependent upon the direction of the Company's Sourcing team. Once the sourcing workflow is activated, all PR's will be checked against the rules set on the tables explained below.

The rules that determine if a change request is subject to sourcing review or not, are the same as the rules applied to purchase requests. The PO audit trail will capture the details of a change request going through sourcing review. The audit trail can capture when a sourcing reviewer approves, rejects or edits a change request.

Sourcing rules including workflow, exempt suppliers and product types are set in Vroozi Purchase by a buying organization's Vroozi Administrator. Please see the Vroozi Purchase Administrator Guide for configuration details.

KEY ROLES

Sourcing Approver

Review PR documentation *before* financial approval.
- Applies to Sourcing outside of Buy Route

Employee

The traditional requester/employee role can have 2 sourcing specific permissions added to their user role.

Additional Permissions:
- Submit Request Forms: Ability to submit requests for products or services to a buyer within the organization for bidding.
- Submit RFQs to Suppliers: Ability to submit requests for Quote directly to suppliers. If an employee doesn't have RFQ enabled, the Request Forms turns into an RFQ that is sent to the supplier from the Buyer.
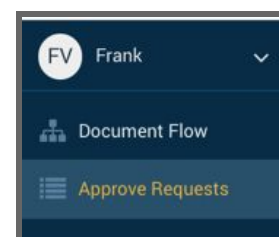
Sourcing Workflow Enablement

1. Toggle on "Editable PR" to allow all Sourcing Approvers access to Edit Purchase Requests.
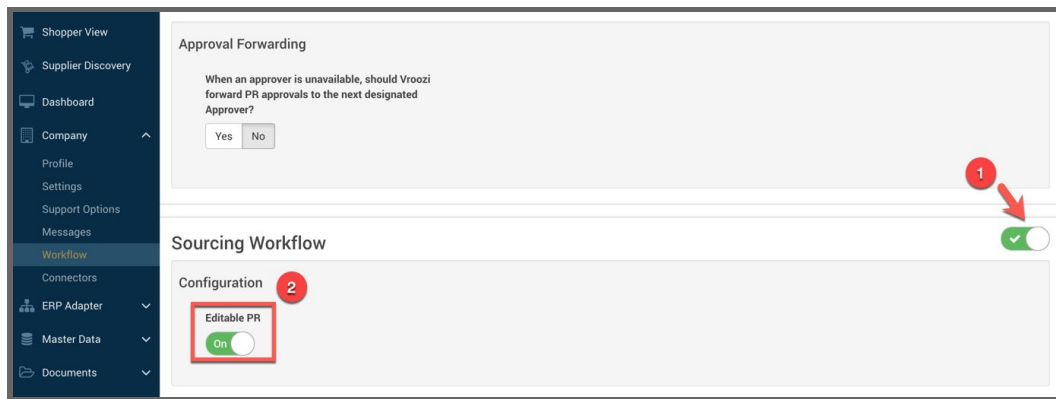
SOURCING RULES

A Logic Rule Table sets the rules at which the PR is flagged for sourcing review and determines when the special workflow is activated. Through this feature Admins can activate/ deactivate items, search and filter or add a new Sourcing Rule.

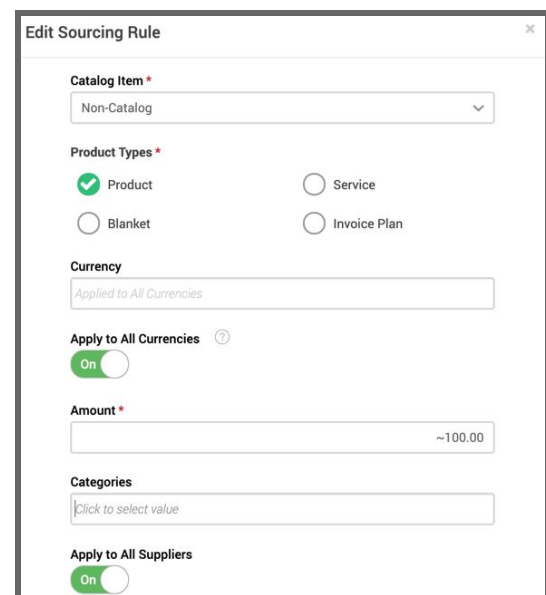When editing this page, fill out all the required fields and click 'Save Sourcing Rule' button.

Catalog Type
Can be set for Catalog or Non-Catalog Items.

Currency
Sourcing Workflows can be defined based on the currency being used. The system will convert the Requester spend threshold, the approval limit and/or the PR total value to the default currency based on the exchange rate configured for currency type in the master data table.

Rules can be applied to All Currencies or a specific currency. ('Apply to All Currencies' shown on right) If the latter setting is chosen, only Requisitions with items containing the currency specified will be applied to the workflow.

If 'Apply to All Currencies' is selected, the currency symbol will be removed from the 'Amount' field. All previous Sourcing Rule configurations remain.

Categories

Select from existing Category(s) to apply the Sourcing Rule to.

SOURCING WORKFLOW

Once a Sourcing rule is configured, requisitions with items identified in that sourcing rule will be flagged. Requesters will be notified that the requisition will go through Sourcing Review while the Requisition is still in draft.

While awaiting review, the PR's status will be displayed as 'Sourcing Review'.

SOURCING APPROVER

Upon login Sourcing Approvers will be immediately directed to any 'Pending' requests.

Once the requisition is opened, Sourcing Approvers will have several options.

- Reject
- Edit (if the global editing option is enabled as shown above)
- Forward: Assign to another approver.
- Approve

Edit a Requisition

Click on the line item to view the General, company, accounting and tax information. Make changes as needed

'Save Item'.

Once changes have been made a new message will appear below the navigation option. If changes are incorrect, select 'Revert all Changes' to return to the originally submitted requisition.

Forward

Select another Approver to review the requisition.

- ***Note:*** This step can also be done after Editing has been completed.

Reject/Approve

Select 'Reject' or 'Approve' and enter a Note for the Requester.
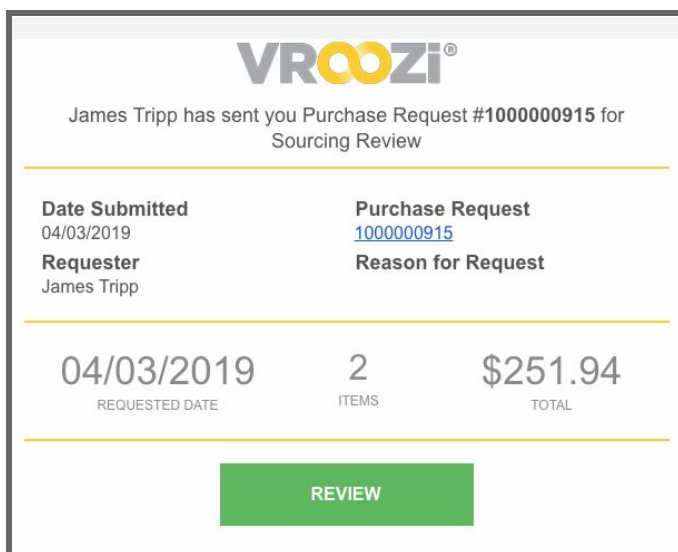
- Complete of a note is optional
- Any notes will be viewable from the rejection/approval email notification the Requester will receive.

NOTIFICATIONS

Sourcing Approvers will receive email notification when a requisition is ready for review.

Buying Groups

A Buying Group identifies categories that require buyer assistance and specific buyers to provide that oversight.

You can use buying groups regardless of whether your organization is using BuyRoute.

For further details regarding Buyer Groups, see the Administrator Guide.

Request for Quote

Requests for Quote enables Purchase Requesters with the assistance of 'Buyers' to obtain quotes for their desired services/products. Once submitted by the Requester, a Sourcing Approver(s) verifies the details of the request including suggested suppliers. Details and suppliers may be updated by the Sourcing Approver who submits a 'Request for Quote' (RFQ) to the selected suppliers. The suppliers can then reply to the request with a bid that is either accepted or rejected. Once the best price and/or terms are obtained, the Sourcing Approver will return the request to the original Requester to complete their workflow.

KEY ROLES

Buyer

(Buy Route & Request for Quote Role)

Has access to both Vroozi Catalog and Vroozi Purchase. Allowed to create POs, add non-catalog items, add line items from approved PRs and release POs associated with their assigned buyer group.

- Access to Catalog content in smartOCI, is based on assigned Content Views
- Unable to administer, create, update or delete any catalogs in the Content Manager

Additional Permissions:
- Ability to code/edit a PR/PO may be restricted at user creation.
- Manage Suppliers
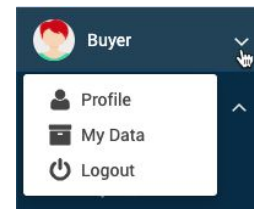
Alternate Buyer Setting

Similar to the 'Out of Office' functionality for Financial Approvers, Buyers may set an **Alternate Buyer** to act on their behalf. When configured, in the Buyer's Profile the *Alternate Buyer* can be selected from a pre-populated list of all users with the *Buyer* role. (shown below)
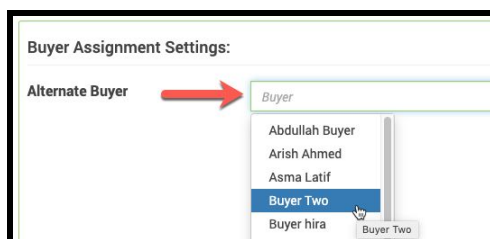
In this scenario, when an RFQ form is submitted by a Requester, both the original Buyer and designated Alternate Buyer will receive email notification of the form. Both Buyers can take the appropriate actions against it. Once one Buyer opens the form, the RFQ is then assigned to them and will be removed from the other Buyer's 'Submitted Requests' view.

RFQ WORKFLOW

The following workflow shows an RFQ process initiated by an employee who has permission to create RFQs. The buyer role in this case is also being used to review the request before it is sent to Supplier.

Note: RFQ process can be initiated by the Buyer. The workflow below would then omit the Employee role.
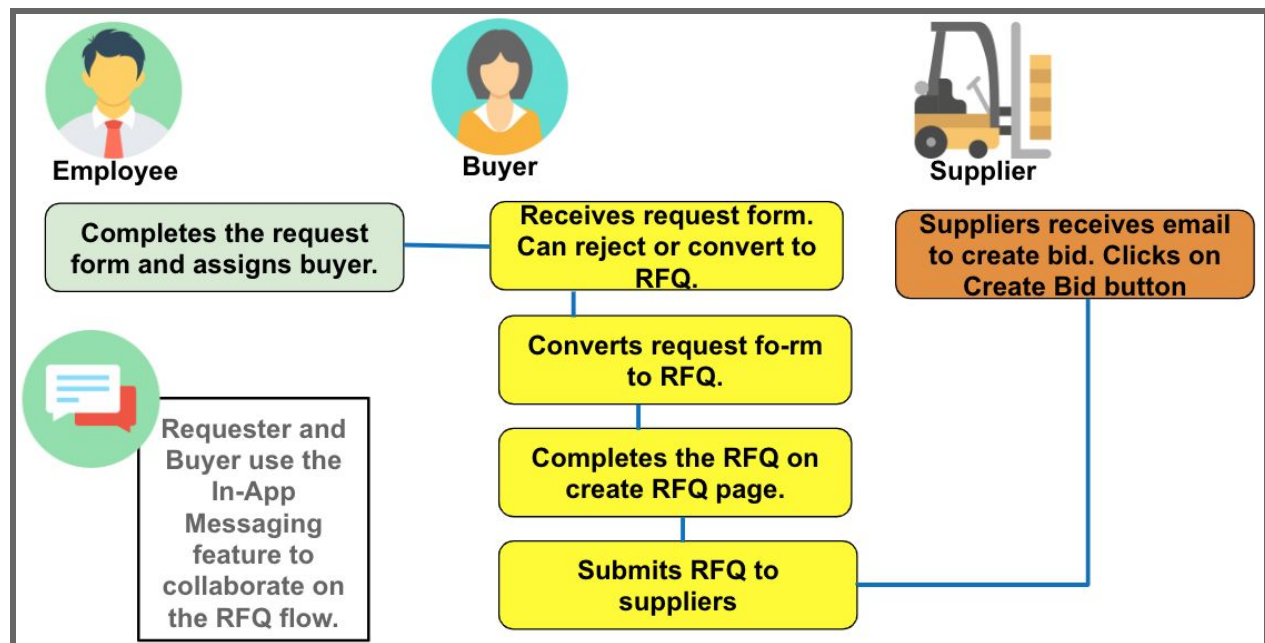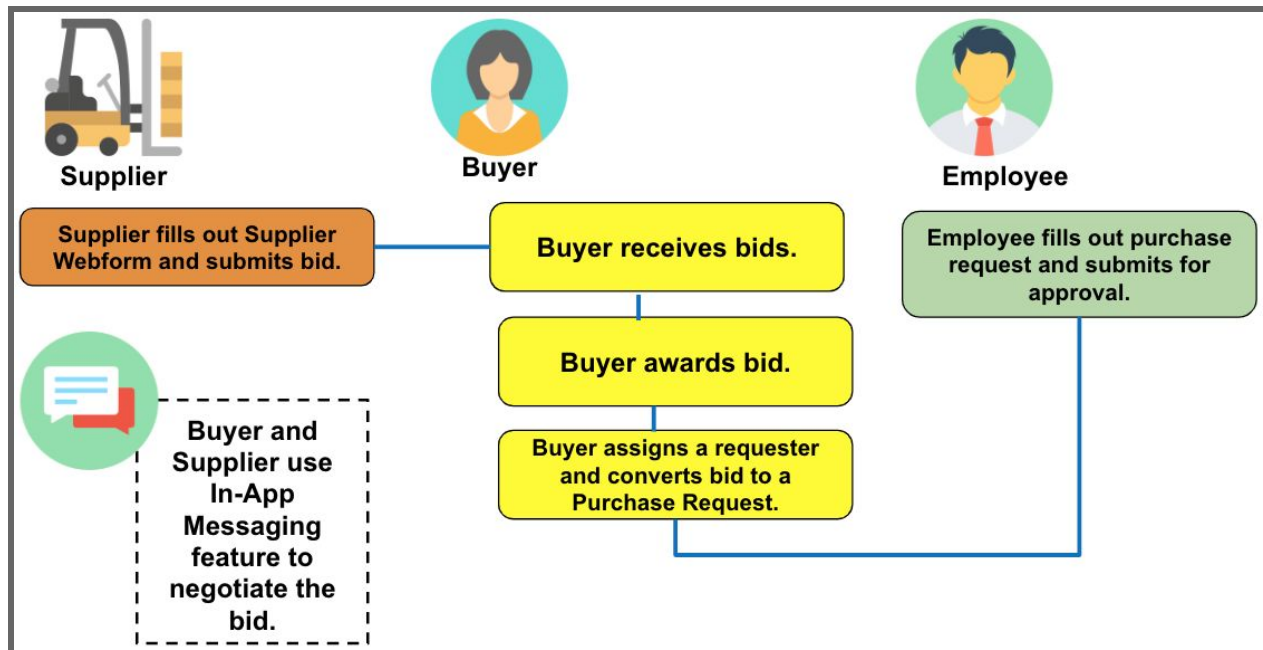
WORKFLOW - STEP BY STEP

Employee: Creates Request Form

1. Name your request.
2. For each line item added, select Product or Service.
3. Provide a Description.

> **Tip:** Be as specific as possible. Any additional requests about price, etc can be added in the comments field at the bottom of the RFQ.

4. Enter needed Quantify
5. Select UOM
6. Desired Delivery
7. Choose suppliers to recommend.
   - This can be left empty if Employee does not have any.

8. If needed, add new recommended supplier (shown below)

9. Assign a Buyer
10. Add additional message (optional)
11. Submit

Buyer: Receives email notification of the Employee's Request. The email will include the Request Form Number the subject line and all pertinent details in the body of the email.

The request can be accessed via email by clicking 'Review Request Form' This will take the Buyer to the RFQ which will be housed under 'RFQ List' → 'Submitted Request'

- *Submitted:* Employee has submitted the Request to Buyer
- *Converted:* Buyer has converted the Request to an RFQ

Buyer: Views all details of the Request. If ready to move forward, selects 'Convert to RFQ.' (shown below)

Completes required details for RFQ and edit all other details as needed.

1. End due dates for Supplier Bids
2. Select a category for each requested line item.
3. Add notes to the Supplier. (While this field is optional, this is a good location to include any pricing specifications)
4. Submit for bidding.

Buyer: Once submitted the RFQ will be viewable in the 'Submitted RFQs' tab within the 'RFQ List' category.

Employee: Receives email notification that the request has been submitted to Supplier(s). The email notification will include the Sourcing Approver's name and RFQ number.

Supplier: Views request for quote & submits a bid. RFQ status changes from 'Submitted' to 'Accepted' Buyer:

After selecting 'Create Bid' the supplier will be directed to the Quote draft where they can complete the required details. *(shown below)*

Buyer: Views bids by clicking on the bid number. If appropriate awards or rejects the bids.

- *Awarded bid* = Award status
- *Rejected bid* = Rejected status
- *Acknowledged* = Supplier has received and opened the supplier webform but not submitted it

- *See Compare Bids section.*

- Status of bid converts from 'Submitted' to 'Awarded'

- RFQs with Awarded bids can be retrieved in the Awarded Bids tab of the 'RFQ List' category.

Buyer: The awarded bid is assigned back to the Requester to complete the PR.

- This action creates the Purchase Request draft and is reflected in the status.

Employee: Retrieves the PR in 'draft' status

- Completes all required details and submits PR for approval.
- The completed Purchase Request will go through an approval workflow per the buying organization's configuration.

CREATE AN RFQ FROM 'READY FOR SOURCING'

From 'Ready for Sourcing, Buyers can create an RFQ from the Ready for Sourcing screen.

- Once the PO(s) are selected for Sourcing. Click the ellipses to select 'Prepare RFQ'
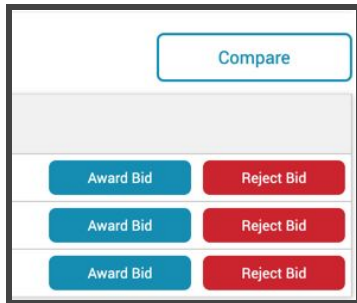

COMPARE BIDS

Once bids have been submitted by suppliers, use the 'Compare' feature to view bids side by side before awarding one.

From the 'Bid Overview' portion of the RFQ Draft, check the box next to each Bid.

Select 'Compare.'

Before acceptance, bids can be compared side by side. Once comparison is complete, close the 'Bid Comparison' screen and select your bid.

RFQ LIST

As seen by *Employees* with Permission to Submit Request Forms

Provides visibility to your company's Request for Quote (RFQ) process. Within the RFQ List, the system will sort all RFQs based on their Status. Select each Status in the top tabs to review the RFQs in various stages.

Requests in Draft

This section shows all the requests that are currently open and in draft by users. These forms have not yet been submitted to the buyers for processing.

1. **Request #:** Unique number associated with each draft.

2. **Request Name:** Naming convention given at time of creation
3. **Requester Name:** User who created the drafted Request.
4. **Created Date:** Date Request draft was initiated.

Submitted Requests

This section shows all requests submitted from users to buyers to convert into Request for Quotes which are then submitted to specific suppliers.

1. **Request Name:** Name Requester has attached to the RFQ
2. **Status:**
   - Converted
   - Submitted

Note: 'Submitted Requests' and 'Submitted RFQs' will include a Status update.

RFQs in Draft

This section shows all Request for Quotes (RFQs) that buyers are currently working and have not yet been submitted to any suppliers.

1. **RFQ #:** Unique number associated with each RFQ.
2. **RFQ Name:** Naming convention entered at the time of creation
3. **Requester Name:** User who submitted the RFQ.
4. **Created Date:** Date request was initiated.

Submitted RFQs

This section shows all Request for quotes (RFQs) that buyers have submitted to suppliers for bidding. In this section the Bids will have multiple statuses (Submitted, Accepted, Cancelled, Closed), depending on the action taken by both the buyer and supplier.

1. **Bid Overview:** A unique Bid number is created for each Supplier Bid.
2. **Due Date:** Deadline set by the Requestor for Supplier(s) to submit bids.
3. **Status:**
   ○ Closed - Bidding has ceased
   ○ Submitted - RFQ has been submitted and is now awaiting Supplier(s) bid.
   ○ Expired - Bid due date has passed
4. **Submitted Date:** Date the RFQ was submitted for quotes. Does not indicate when RFQ was viewed by Supplier.

Awarded Bids

This section shows all RFQs that have been 'Awarded' to a supplier or 'Converted' into requisitions for approval and PO creation.

1. **Bid #:** A unique Bid number is created for each Supplier Bid.

2. **RFQ #:** The original RFQ from which the Bid is produced. In many cases there will be multiple Bids from the same RFQ number.

3. **Requester Name:** User who submitted the RFQ.

4. **Supplier:** Name of Supplier included in bid.

5. **Status:** Indicates whether the Bid has been Awarded or a PR has been created

6. **Awarded Date:** Date bid was converted into a PO.

Copy RFQs

Copy RFQ document functionality: Users can copy the RFQ document either from the display RFQ page or the RFQ list page by clicking on the ellipsis and selecting "Copy RFQ."

Extend Bid due Date and Time: Users have the ability to extend the bid due date/time on an RFQ after an RFQ has been submitted to suppliers. This gives users the flexibility to allow for ample time for the bidding process to complete, ensuring they get the best value with each Quote they receive.

When you click on the Pencil (edit) icon, the user will receive the following modal which will allow him/her to change the bid Due Date for the selected RFQ.

Buy Route

Where buyers can create purchase orders, convert PR line items into PO's, view PO statuses, resubmit failed PO's, and schedule the Purchase Order Activity report.

Buy Route workflow should be enabled through the creation of Buying Groups.

Buy Route settings can be configured for Catalog and Non-catalog items. Client default is automatically set to route only non-Catalog Requisitions.

BUY ROUTE CONFIGURATION

Vroozi Purchase Administrators can configure the behavior of the BuyRoute feature for their organization. They can determine which types of items are sent to BuyRoute, Catalog and/or non-Catalog. By enabling the toggle below, any items being requested by an employee can be reviewed and sourced appropriately by a Buyer.

This can be set up in the Administrator navigation panel *BuyRoute -> Settings* then enabling the "Catalog Items" toggle.
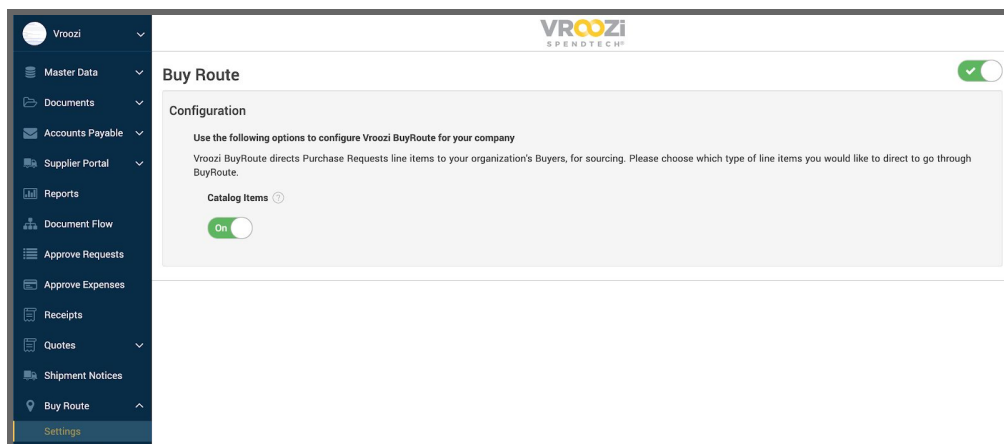
Once this toggle is enabled, all items included in PRs, whether they are catalog items, or free text items; will be sent into BuyRoute. Where a Buyer with access to the appropriate Buyer Group, will be able to see the items on their "Ready for Sourcing" screen upon logging into the system. From here, Buyers can review the items and add them to a PO.

CREATE ORDER

Buyers can bypass PR workflow and create a rush PO via Buy Route.

NOTE: Only users assigned to the 'Buyer' role will be able to create these types of direct purchase orders.
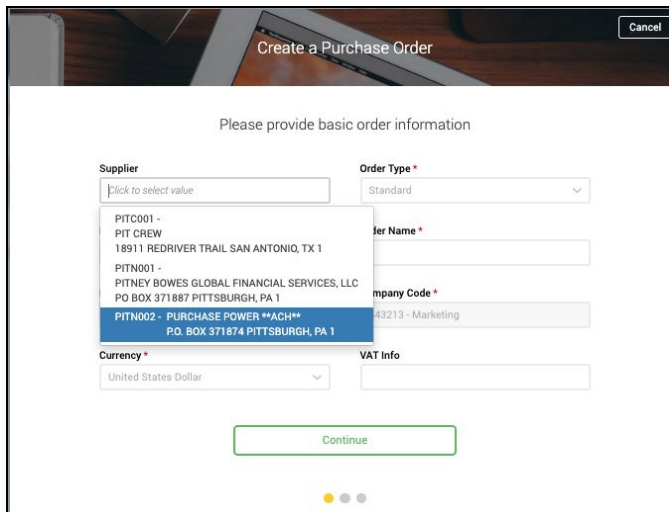
Step 1:

- Login to Vroozi using your buyer role credentials.

Step 2:

- From the navigation panel on the left side of the screen, select the 'Create Order' option.

Step 3:

- The 'Create Purchase Order' window will appear.

- Fill in the required information fields:
    - Supplier Name
    - Order Type
    - Payment Terms
    - Order Name
    - FOB Terms (Optional)
    - Company Code
    - Currency

Step 4:

- Click the green 'Continue' button to proceed with the order.

Step 5:

- Click the blue 'Add Item' button to add line items to the order.

Step 6:

- Fill in the required line item fields, same as you would to submit a free text or non-catalog purchase request.
    1. Type (select product or service)
    2. Category (use the drop down menu or search to select the category which best classifies the line item)
    3. Description
    4. Unit price (cost)
    5. Currency (defaults to USD)
    6. Quantity
    7. UoM (unit of measure)
    8. Supplier
    9. Service Period or Delivery Date depending on 'Type' selected.

Step 7:

- Enter the appropriate accounting information for the line item.

Step 8:

- Enter the company information for the Purchasing Organization and Plant fields. Select the correct tax option from the drop down menu (i.e. taxable, tax exempt, etc.)

NOTE: Requirements will vary based on your organization's configurations.

- Click the green 'Save Item' button to save the line item to the purchase order.

Step 9:

- Repeat steps 5-8 as needed until all line items have been added to the purchase order. Click the green 'Continue' button to proceed once all line items have been added.
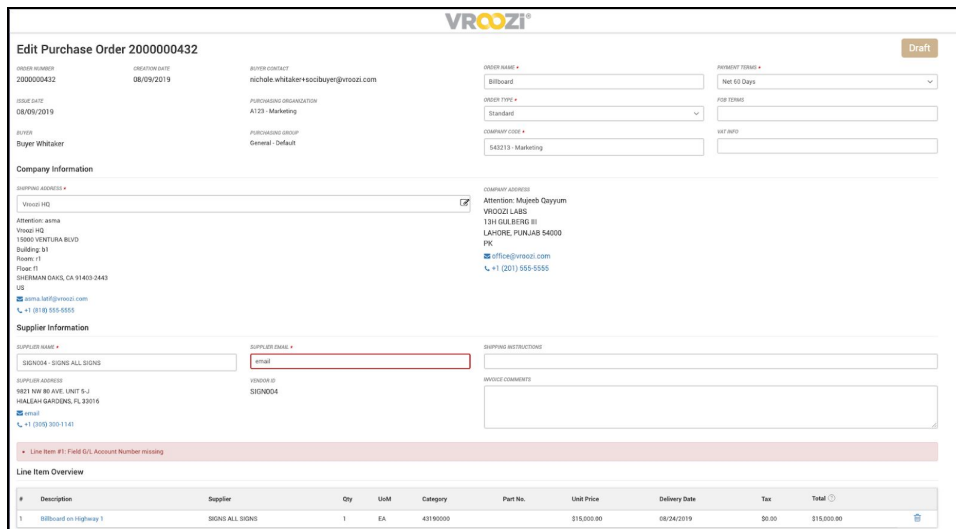

Step 10:

- Click the shipping address field and select the appropriate address from the dropdown menu. Add any internal comments regarding the purchase order and any notes or instructions for the supplier into the appropriate fields.

Step 11:

- Click the green 'Finish' button to create a draft of your purchase order. Review and verify all information entered into the purchase order is accurate. Add any shipping instructions if necessary.
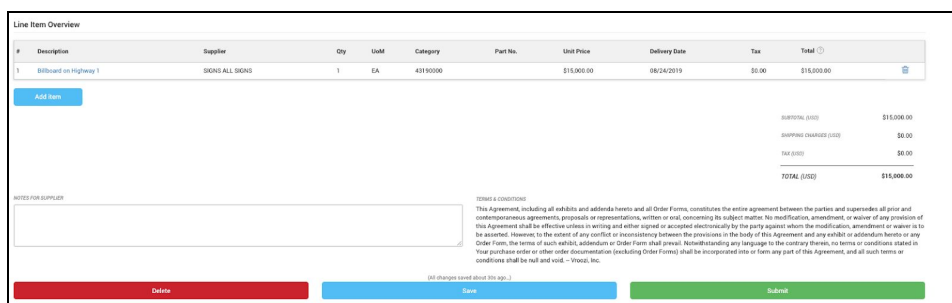
Step 12:

- Click the green 'Submit' button to send the Purchase Order to the supplier.
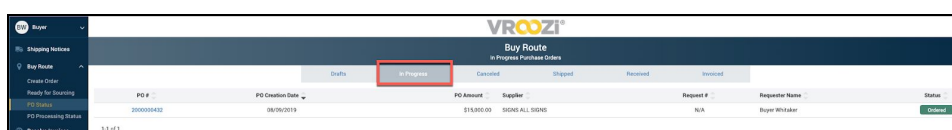
Step 13:

- The Order can then be found in 'PO Status' under 'In Progress'. This status will remain until the Supplier confirms shipment of the item(s).

READY FOR SOURCING

Displays all Requests which have been financially approved and are awaiting to be converted into a PO which is then submitted to a supplier.

CONVERTING A PR INTO A PO:

These are the steps the Buyers will take to move a request line item into a Purchase Order:

Purchase Request Submitted: The Buyer receives an email notification each time a Purchase Request has been Approved and is now awaiting Sourcing. The Buyer can view the Purchase Request via the 'View Purchase Request' option.

Search for a Request

1. In the Search bar enter the associated keywords or request number.

2. Select a specific Request by clicking the box to the left of the row.

3. Click 'Prepare PO' to move forward with the process.

4. Confirm preselected supplier
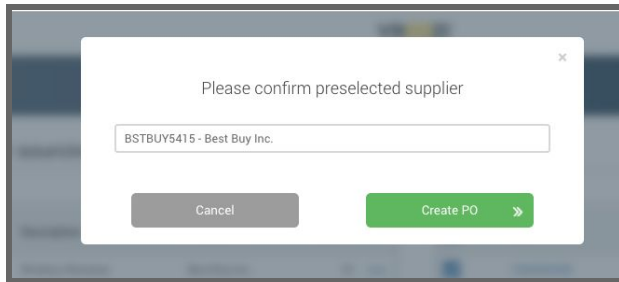
- ○ Request will move from 'Ready for sourcing' list to the the 'Selected for sourcing' list on the right side of the field.

5. Confirm all Order details are correct, paying particular attention to the Payment Terms and Shipping Address.

- Edit or Remove Line Item and/or add 'Add Item'.
- Click 'Submit' to send request to the Supplier

PO Status

Use the Tabs at the top of the Buy Route screen to view POs in various statuses of the procurement process.

- Drafts: Not yet submitted to supplier

- InProgress: PO Data enroute to supplier

- Ordered: Supplier has PO and is process

- Cancelled: PO cancelled by internal user

- Received: Supplier has sent the items and internal user has verified receipt and provided a Goods Receipt.

- Invoiced: Invoice processed.

PO PROCESSING STATUS

Repository for any Purchase Orders that have failed in the order process. You can click the number to view and review what changes need to be made. The Vroozi support team is notified if a PO fails and will reach out with details.

Buy Route Notifications

Buyers:

Will receive email notification when a PR requires Buy Route review. Selecting 'View Purchase Request' will navigate the Buyer to the specific PR within Vroozi.

Requesters:

Will receive email notification as the PR progresses through the Buy Route flow:

1. The Requisition review is complete
2. The PR has converted to a Purchase Order. (shown below)
   - Select View Purchase Order to see if any changes have been made.

3. The P0 has been submitted to the Supplier.

Your Purchase Order has been submitted to **B & H PHOTO - VIDEO, INC.**

04/08/19	1	$1,099.00
DELIVERY DATE	ITEMS	TOTAL

View Purchase Order