



Causeway



Common Pitfalls with Supplier Management and How to Solve Them

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Introduction

In today's competitive and rapidly evolving business landscape, effective supplier management is more crucial than ever. As global supply chains become more complex, companies face challenges in managing relationships—from inconsistent data and manual processes to limited performance visibility and compliance demands. These issues intensify as organisations grow, leading to operational inefficiencies, poor supplier performance, and missed expansion opportunities. The UK construction sector, for instance, employs around **2.2 million people** and generated **£132.9 billion** in new work in 2022, underscoring the need for robust supply chains.

This eBook delves into common supply chain challenges, the pitfalls of outdated approaches, and the transformative potential of digital supplier management solutions.



The challenges of supply chain management

Managing a supply chain is a multifaceted responsibility, particularly for companies with a large and diverse supplier base. Some of the most common challenges include:

Inconsistent information

For many organisations, supplier information is scattered across different systems, locations, and even departments. This fragmentation results in inconsistencies that can affect the accuracy and timeliness of supplier data, leading to outdated data and inefficiencies. 56% of UK construction companies reported material shortages as a key constraint (RICS), highlighting the necessity of accurate and timely supplier information to mitigate delays.

Manual processes

Even in today's digital age, many companies still rely on manual processes for tasks like supplier onboarding,

performance tracking, and data entry. These manual operations are not only time-consuming but also increase the risk of mistakes, duplication of data, and inefficiencies. This is particularly true for an industry as large as UK construction, which comprises over **374,000 VAT-registered firms** ([Office of National Statistics](#)).

Limited performance tracking

Without a systematic way to monitor and evaluate supplier performance, companies lack the ability to identify areas for improvement, hold suppliers accountable, or encourage long-term relationship development.

Performance tracking is crucial for ensuring high-quality deliveries, on-time shipments, and reliable supplier performance.



56%

of UK construction companies reported material shortages as a key constraint ([RICS](#))



Compliance and regulatory issues

Ensuring compliance with industry standards, such as ISO 45001 for workplace safety or ISO 14001 for environmental management, requires stringent documentation, regular audits, and thorough supplier vetting. Without a centralised system, managing compliance can become overwhelming. As the industry recovers from the pandemic, compliance with regulations remains critical for ensuring smooth operation ([ONS Blog](#)).

Expansion challenges

Expanding into new markets or regions often comes with the difficulty of sourcing and vetting reliable suppliers. This process can be time-intensive and resource-heavy, especially for companies entering unfamiliar territories with different regulatory requirements, market conditions, and cultural norms.





Common pitfalls of supplier management

Inefficient supplier management not only adds to operational complexities but can also expose companies to significant risks. Below are some of the most common pitfalls that companies experience:

Data fragmentation

When supplier data is spread across different spreadsheets or systems, inconsistencies and errors become inevitable. Fragmented data affects supplier evaluations, communication between departments, and decision-making, which can slow down operations and hinder collaboration.

This is further compounded by ongoing labour shortages, as **64% of firms** report financial constraints exacerbating operational issues ([RICS](#)).

Slow decision-making

Without real-time access to up-to-date supplier information, decision-making processes become slow and inefficient. Delayed responses to supplier performance issues or changes in the supply chain can result in missed opportunities and lower profitability.



6%

For a sector contributing 6% to the UK GDP, ensuring real-time access to accurate supplier data is critical.





Inefficient manual tasks

Manual supplier management processes—such as updating records, tracking supplier compliance, or processing pre-qualification forms—are not only time-consuming but also highly inefficient. Human error can result in inaccurate data, which may lead to poor supplier selections or missed compliance audits.

Limited visibility into supplier performance

When supplier performance is not tracked effectively, it becomes difficult to ensure that suppliers meet the company's standards for quality, timeliness, and reliability. Lack of transparency can lead to recurring issues with unreliable suppliers, ultimately impacting the entire supply chain.

Compliance gaps

Adhering to regulatory and industry standards requires a thorough, ongoing process of managing supplier certifications, conducting audits, and tracking documentation. With decentralised systems, businesses are at higher risk of failing to meet these standards, which could result in fines, project delays, or reputational damage.





Fixing the issues with digital supplier management solutions

A digital supplier management solution can address these challenges head-on, offering a comprehensive, scalable approach that transforms supplier relationships and operational efficiency. Here's how a digital solution can make a difference:

Centralised database for accurate supplier information

A cloud-based digital supplier management system consolidates supplier data into one central repository, making it accessible across the organisation. By ensuring data consistency, businesses can prevent the inaccuracies and inefficiencies associated with fragmented systems.

Automated workflows for reduced manual effort

Digital systems enable the automation of repetitive tasks, such as supplier onboarding, performance reviews, and compliance tracking. This not only reduces manual data entry but also ensures faster, error-free processing.

As workloads continue to rise in sectors like infrastructure, which posted a +23% net balance in early 2023 (RICS), automation is key to staying ahead of demand.

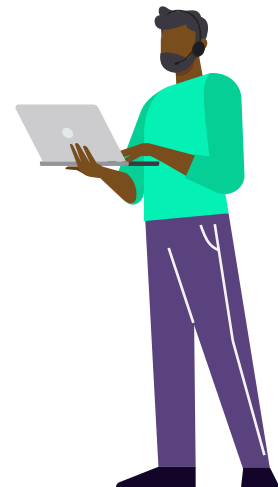
Real-time performance tracking and reporting

One of the most powerful features of a digital supplier management platform is the ability to track and analyse supplier performance in real-time. Businesses can monitor key performance indicators (KPIs) such as delivery timelines, quality control metrics, and compliance status.



+23%

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Conclusion: Why a digital solution is worth considering

Common Pitfalls with Supplier Management and How to Solve Them

In today's global economy, businesses cannot afford to rely on outdated, manual systems to manage their supply chain. A digital supplier management solution offers significant advantages, including increased efficiency, real-time visibility into supplier performance, and streamlined compliance management. By centralising data, automating workflows, and enhancing decision-making, businesses can not only resolve common supply chain challenges but also unlock new opportunities for growth and innovation.

For companies looking to improve their supply chain performance and stay ahead in a dynamic business environment, adopting a digital supplier management system is no longer an option—it's a necessity.



Implementing Causeway Supplier Management has transformed our supply chain processes. We now have a centralised, efficient system that saves us time and helps us maintain high standards of supplier performance.

Fran Barnard, Business Improvement Manager, MiTek





Causeway

**Causeway makes
construction and
maintenance flow**

Trusted across the globe, Causeway offers leading digital solutions for anyone in the built environment sector.

We support positive change by enhancing efficiency, connecting the supply chain, and improving the impact of the construction and maintenance industries on our world.



To learn more about how Causeway Supplier Management can help streamline your supply chain processes, get in touch today.

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