

PODCAST

**PROCUREMENT
BLOCK
PODCAST**

SEASON 1 EPISODE 2

SUSAN WALSH 

Common Issues with Supplier Data -
"If you're not having fun, you're not doing it right."



April Harrison 0:03

Welcome to Procurement Block, a podcast all about digital transformation in procurement and supply chain and how blockchain risk management and change management all factor in. I'm your host April Harrison, Marketing Director for Trust Your Supplier. I'm a procurement novice eager to learn more from the people who are at the forefront of procurement innovation. On today's episode, I am being schooled by Susan Walsh, the Classification Guru. Susan also goes by many other names such as fixer of dirty data, creator of COAT, MD, mistress of data expert and spin data classification, supplier normalization and taxonomy customization, TEDx speaker, and author of "Between the Spreadsheets", coming out in September. Susan and I discuss common issues with supplier data and how lip synching ties into her philosophy of "if you're not having fun, you're not doing it right". Susan, welcome to the podcast. Can you tell us a bit more about yourself?

Susan Walsh 1:07

Yeah, thanks for having me. And so I am the self appointed classification guru. I have been classifying stained data in procurement for a decade now. I also normalize suppliers, and build customized taxonomies for procurement teams. And

in addition to that, I have now started helping with supplier cleansing for SP P2P implementations, and a little bit of database cleansing as well. So basically, any dirty data that needs fixed, I am your lady.

April Harrison 1:41

And I do want to start with just a really fun question. If you had one superpower, what would that be?

Susan Walsh 1:50

Oh, what would it be? I think mind reading.

April Harrison 1:58

Yeah. That's that's an interesting one. Because I'm not sure I would want to know what's in some people's mind.

Susan Walsh 2:06

So I think you'd really see how true people really are. Yeah, I think that'd be interesting. From an experimental point of view. I mean, flying would be pretty cool as well.

April Harrison 2:21

Yeah. Yeah. You could be really efficient, though, with the mind reading. So for example, like with a co worker or a partner or something, you wouldn't have to do a lot of talking. You would just,

Susan Walsh 2:30

yeah, yeah. You know, preempt the questions and in a negotiation. Oh, there you go to the game. Yeah. See?

April Harrison 2:38

Oh yes. So I'm with you on the flying, too. I feel like mine would be some sort of either flying or transporting myself in some way. Like, how did they do it in the Harry Potter? I can't remember the term where they can transport. But anyway, I would be interested in that.

Susan Walsh 3:00

Yeah. But then time travel would also be pretty cool. I would love to go back in time and see how it used to be. Yeah, I would be not so interested in the future, but I'd love to see where we've come from.

April Harrison 3:15

Yeah, yeah, I think we're both fans of Outlander. So on to our more serious topics, although I don't know it's gonna be completely serious. So as you know, I'm a procurement novice. So I need you to school me a bit on supplier data. And I'm gonna start with a question that really shows how green I am to procurement. As you mentioned, telling us a bit about yourself that you are the classification guru, and you mentioned things like taxonomy and those types of things. Can you help me understand that a bit? Because I don't really understand what all those are.

Susan Walsh 3:59

Yeah, sure. And actually, you know, take advantage of being the newbie in procurement Ask all the questions that people who've been in procurement for a while are scared to ask now because they've been in procurement for a while. And there's still a lot of people out there in procurement with a lot of questions. They just don't want anyone to know that they don't know the answers. Yeah, so the first thing is with a taxonomy It can also be called a category tree. And that is what I use to classify my data. So it might have a level one or level two or level three. Level One might be at level two might be hardware and then level three might be laptop, desktop or tablet. But if you were to think about it in a more everyday setting, then

if you are doing any kind of online shopping, there are taxonomies used to categorize the products like if it's clothing, if you have a you know, you have clothing then it might be under lady Then it might be under dresses, and then you might have summer dresses, evening dresses, that that's all a hierarchy and a categorization as well. So it's, it's, it's a kind of an intimidating word, but actually it's probably used a lot in everyday life and we don't even realize it.

April Harrison 5:19

Yeah, I mean, that makes a lot of sense when you talk about online shopping. I definitely get that. So yeah, so it's breaking things down into their smaller groups.

Susan Walsh 5:31

Yeah. So that then you can do things like analysis or reporting. So you might want to know, how many suppliers do I have in it? Or how much am I spending on laptops? And when you have your cap classified data, you can start to answer those questions.

April Harrison 5:52

Yeah, okay, that makes sense. For sure. So that there's a lot of analysis involved.

Susan Walsh 5:59

Analysis can be a scary word, it's just ordering your data in a way that makes more sense. To look for cost savings, or better negotiations with your suppliers, and supplier rationalization opportunities, you know, you might have 50 suppliers for office supplies, you only need two or three. And that knock on effect of the cost of having that supplier on the system processing invoices. You know, now, that's all unaccounted costs that nobody ever really thinks about.

April Harrison 6:36

Yeah, well, at my local staples post-its are quite expensive. So it does help to get down to, you know, even the smaller things, rights?

Susan Walsh 6:48

It's a really great example. Because, you know, you might be as a single person going off to staples to buy some post it notes, but as an organization, you could be buying them at half the price from a different supplier. Or you could have different suppliers charging different prices for the same thing, but without categorizing your data, like, you know, categorizing your post it notes into office supplies, or even more detail, like sticky notes. You wouldn't know that.

April Harrison 7:21

Yeah, okay. Well, good. I'm glad I came up with a good example. So it sounds like you spend a lot of time with data. And based on your experience, how healthy do you think the current state of supplier data is in general.

Susan Walsh 7:43

So it's not very good and has not been probably for decades, you hear the people talking about how people have been claimed, complaining about the same issues for a long time. And I think the biggest mistake that people are making is they might pay to cleanse their data, get it fixed, but then they don't maintain it. And so within 12 months, it's back to the state it was before you fixed it. Or there are quite a few companies out there who are aware that they have a data problem, but they're not willing to invest in it or spend any money to fix it, they're happy to just have wrong information. And what they don't really realize is that they could be making the wrong decisions based on that information.

April Harrison 8:30

Right? Because the information may now be stale.

Susan Walsh 8:34

Well, and it's incorrect. And so you know, it could be Oh, we think we're going to do 50k this year with the supplier. But actually, that's because the data said that, but there was some missing data that hadn't been classified. And actually, it's closer to 100k, that can make a huge difference in the price you pay for a service or a product. So it's, it's really important to have that visibility.

April Harrison 9:04

Right. Are most of this information is kept in like spreadsheets, like how are they working with them?

Susan Walsh 9:14

It's all over the place. And it's quite often in more than one system as well. A lot of global companies will tell you that there may be half. I mean, I've heard up to 40, odd ERP CRM systems and one company, you know, different countries, different rules, different procedures, different standards. And to get that all together and get a true picture of what's going on. You know, a lot of businesses still don't have that.

April Harrison 9:42

Especially I would assume smaller businesses as well.

Yeah, I think it's probably not such a big problem for smaller businesses because they are closer to their data and their clients and know what's going on. And you know, I would know for example, Pull how much I'm spending with supplier ABC. But in a large organization, like with global presence, you can ping hugely different prices for a laptop in different countries. But you know, until you have all the data in one place together, and the other thing is, you know, you can have different column names and each data set for the same thing. So, you know, supplier name, vendor name, supplier, or vendor. Yeah, you know, it's all the same thing. So you have to standardize all that before you put it together so that you really get a true picture of what's going on. It's like, it's like, a jigsaw, really, until you put everything

together, you're only ever seeing a part of the puzzle, you're not seeing the whole picture.

Yeah, yeah, that makes a lot of sense. And I've noticed that in other areas, too, where it's... terminology matters, right? So if you're two different things, I imagine also, businesses can go by different names as well. Right? So yeah, for example, IBM probably has several different names, depending on what country you are in.

Susan Walsh 11:13

Yeah, but not just that, I mean, I have still seen it. So you get your IBM your IB Inc, IBM limited A dot B dot m, but then I've seen International Business Machines. I mean, I'm pretty sure that's not been used for at least 20 years under that guise. And same with EDP is a payroll company. And, you know, their, their full name is automatic data processing. You know, that, you know, that people still have that in their system. Because if you've been working with the same supplier for a number of years, they, you know, they might have gone through a rebrand or name change, but you still have the original name on your system. Yeah, yeah. And then that means it's open to multiple versions of the same thing. So because someone has put International Business Machines, someone searches for IBM and can't find it. So they set up a new record, then somebody else searches for IBM limited, they can't find that. So they set up a new record. And it goes on and on and on.

April Harrison 12:13

Yeah, I have that same issue when I'm searching through my, you know, Word documents, if I don't know exactly what I named it, it's not going to pull up what I need. Susan, are there any other like common issues that you've seen in terms of supplier data?

Susan Walsh 12:33

That there's a real issue with ownership of it, who's responsible for it. I think a lot people who worked with it are not necessarily detail people. And so there's a bit of

intimidation, involved, because they feel like it's too big and too scary. In terms of the point of entry of the data, that's always a big issue, people putting in the wrong information. I mean, most of the time, data problems are people problems, that stems from somebody put the wrong zero in or the wrong space or missed something. And then that causes a lot of problems.

April Harrison 13:14

And I'm assuming that they may have to, because it seems sort of tedious that would kind of lend itself to a lot of these kind of errors.

Susan Walsh 13:23

Yeah, and nobody really wants to deal with it, fix it, look after it. And so that's why I'm here really, because I love it.

April Harrison 13:32

That is awesome. And you make it seem so fun.

Susan Walsh 13:36

I mean, there's some really awful, awful datasets out there. But there's a lot that are fun as well. And enjoyable.

April Harrison 13:43

I noticed on LinkedIn that your header looks a little bit like my closet, dirty clothes included. It says that you're the creator of COAT, can you tell me what COAT is?

Susan Walsh 13:55

Yes. So like I was saying, a lot of people that work with data are not necessarily due to people and they find it intimidating, and they don't want to get involved. So I

created caught to you know, be stumped for something organizations can use with everybody in the company that could understand it, and it makes sense to them. So C is for consistency. So that's making sure that you're all talking in the same language and the same units of measure. You know, in the same currency, you know, quite often litres is spelt differently in Europe versus the US so you know, decide on which version you'd like to go with dates as a problem especially we know that we're all global. it you know, if you're not aware of which date are Yeah, which date format, your your spreadsheet is for, so is it us is it UK, because it could be two different, very different months and then things might No, no add up, then you've got all four organization. So that is basically and this is what you've seen on my, my LinkedIn banner, it's think about a messy closet. And you know, you have thrown your favorite top in there. And when you go back together, you know, it's in there somewhere, but you have to, you know, rummage around. And it might be creased in a bit, that unkempt. If you had organized that closet into trousers, dresses, tops, etc. And even by color, if you want to go that extra level, then you would be able to just go in pick up that top, it would be nice and creased, free and ready to wear. And you could just off you go and you've saved time you sift effort. And you've just given yourself an easier life. So that is the same with data. You know, organize it by country, by region, by department, by business unit, there's loads of different ways that you can start to slice and dice it, then, of course, you have to have accurate data. So that is not necessarily always that it's correct. But it could be fit for purpose. And that will depend on on what your business is and what it's doing. And then once you have those three things, you finally have trustworthy data. And that means you can start to make better business decisions, you're more confident in your data and you know, you're doing the right thing for yourself and your team.

April Harrison 16:24

That makes so much sense. And I'm also now feeling the urge to go clean my closet. So I can do more online shopping.

Susan Walsh 16:34

Yeah, well, the other thing is as well, I found it really hard to explain to people what I actually do. So by showing them messy clothes and tidy chords as an analogy, people are like, okay, I get that.

April Harrison 16:46

Yeah, it certainly helps with me as well. So I appreciate it. I noticed it right away. I was like, that is something that I can relate to. Yeah, and the maintenance, you were talking about, like your clothes, you have to maintain them, right, you've got to wash them and, make sure that they're not wrinkled, and that kind of thing. So yeah, that's a really good analogy. Thank you for that. From the bit of research I've done, it seems like suppliers are often asked to complete a lot of questionnaires to provide the procurement teams this visibility into their compliance with areas like GDPR, or diversity is a big one right now. Yeah, um, do you see any scope of improvements that could be done to this area?

Susan Walsh 17:35

So certainly, within the whole diversity arena, I'm getting asked a lot about if I can categorize diverse suppliers. People want to know and start measuring - that is a huge hot topic. But the thing is, with data, you can track anything you want, if you have the information. So you have to just think about at the start of your project, when you're collecting information, what's your end objective? And make sure that you're collecting the data you need for that. So if you're setting up a supplier, you know, are they marking themselves as diverse as sustainable? As whatever. And then you can start to track that. And it's, it's in the US, it's quite easy, or easier to track these these diverse companies, but it's pretty hard in the UK.

April Harrison 18:24

Yeah, I have heard that there's new laws coming into effect. I believe in August in the UK, I think.

Susan Walsh 18:32

I've heard people are talking about it a lot. So that would make sense.

April Harrison 18:36

Yeah, I'd love to have you back on to discuss that later. So do you think it would be a value to engage vendors who can help certify this data? You know, so that you have trustworthiness in these areas such as diversity or sustainability?

Susan Walsh 18:54

I think as a smaller as a smaller business, it's it's my responsibility to get myself out there and register in the right places. But I think, yeah, they need to make it easier for me to register somewhere centrally, rather than loads of different organizations. And there, you know, there are a lot of companies out there who want that information, they just don't know where to find it.

April Harrison 19:17

I want to do what I call extra credit time. So this is the same question I'm asking at the end of each episode. Do you have any advice or hacks, tips that you would like to share with our audience who may be like me, a new kid on the procurement block?

Susan Walsh 19:39

Yeah, so ask lots of questions. Don't be afraid to ask all the questions. And learn as much as you can. And take it in small chunks. You know, don't try to learn everything at once. If you are working with data, then the best tip I can give you apart from making sure your data has it's caught on is to maintain it. So once you get it into a nice state and it's usable, keep it that way, look at it monthly or quarterly, make sure that you know, nobody has accidentally deleted something or cut and paste over something, or you know, someone just has a different idea about what something should be, you know, by regularly doing that, you get the benefit of getting to know your data better, which means things that are regular spend, or that jump out, will come to you much quicker if you look at your data on a

regular basis. So you're really helping make your workload easier by kind of doing it like smaller and more often. So that would be my tip.

April Harrison 20:47

I love that make sure your data has its coat on. And that sounds like it needs regular trips to the dry cleaners.

Susan Walsh 20:55

Well, yes, it does. Yeah, definitely. And I'm also I also call myself Susan, the tailor, because you know, data is unique to each organization. It's not an off the shelf, kind of off the rack, piece of clothing that you can buy, it needs to be tailored to your organization's needs. So that's where I come in and make sure that you get the perfect fit when you get your data clean.

April Harrison 21:26

That is fabulous. I love your analogies.

Susan Walsh 21:30

Oh, I've got so many of them.

April Harrison 21:33

Well, before we wrap, I must also mention that I find your lip sync Sunday videos. I watched one and then it was like Okay, one more. And then one more. And one more. So, and spoiler alert here. I laughed really hard when you pulled the cork out on Big Spender.

Susan Walsh 21:55

Yeah, I had so much fun doing that one. And I can't believe that hadn't thought about it before. But it just I think it was on a TV program or something. I was like, Yes, I have to do this song. Yeah. So if anyone has, yeah, anyone has any suggestions? I'm open to requests?

April Harrison 22:13

Well, my request is because I'm a new kid on the procurement block that you do something for New Kids on the Block.

Susan Walsh 22:19

Okay, I'll have a look and see what i can i can find.

April Harrison 22:22

And real quickly, for our audience that might not be familiar with your YouTube channel. Can you tell us kind of how your lip sync videos came about?

Susan Walsh 22:32

Yeah, absolutely. It was about just over a year ago, just when lockdown started and someone challenged me to lip sync off and it kind of just spiraled from there. I did one and then I thought, Oh, you know what, people are bored. Let's do another one. And then it was like maybe once every month I was doing it. And then suddenly it became lipsync. Sunday, and now I'm posting like every Sunday or lip sync. And people really look forward to them. So I have a I feel like I have a huge responsibility to to make sure that the song right is right. And the entertainment level is funny enough.

April Harrison 23:12

Right? Well, I I am now looking forward to Sunday. I can't wait to see what's next. Yeah, season this has been such a surprisingly fun conversation about supplier data.

Susan Walsh 23:25

See, I can I'm gonna convert you yet.

You are.? What projects do you have on the horizon? And how can our audience find you to follow and connect with you?

So first of all, you can find me on LinkedIn, Susan Walsh, the Classification Guru, you'll find me pretty quickly, you'll recognize me by the banner with the messy clothes, and the coat reference to COAT. And I'm also on Twitter, YouTube, Instagram, if you Google it, you will find me. And then project wise, I have like this impending tsunami of work that looks like it's coming over the horizon, which is, you know, obviously really great. But also slightly worrying because you know, it's never timed perfectly. You know, it's like a bust, you know, you wait for one for ages and then to come along. So I am working with things like classification projects, I'm doing potentially more supplier cleansing for PHP implementations. I'm also doing quite a few database cleanses. So there's plenty to keep in my team and I have trouble.

April Harrison 24:37

And you also, am I correct that you have a book coming out?

Susan Walsh 24:41

Why can I forget about that? Yeah, so so that is coming out mid September that's called between the spreadsheets classifying and fixing dirty data. And again, that is, I decided to write that not because I particularly wanted to write a book. I don't even really read books, but really felt like there's a whole area of procurement and actually, to an extent data as well, that is neglected. And that's the cleansing part. And also the classification and the normalization in the taxonomy. There's, there's very little training out there where people can go and unlearn how to do it, everyone's just kind of making it up as they go along are expected to know how to

do it. So I've written this book, and it's kind of gonna set some standards on how to do things. And hopefully, you know, is whether you are completely new to procurement or data, or you are already working in it, or whether you're a decision maker, there's something in this book for you.

April Harrison 25:43

That's fantastic. And my you know, I already want to read it just because the title.

Susan Walsh 25:48

Well, that's what I really, I really wanted to fun title that reflected my personality. And I really want non data people as much as data and procurement people to pick it up and go "wow that's really interesting". You know, there's probably something in it even for non Procurement Data people as well. There's some really good stories in there.

April Harrison 26:08

Well, if it's anything like you, it's going to be an interesting reads.

Susan Walsh 26:14

So I kept the essence of me, which, which I was really pleased about I The last thing I wanted was to lose my tone in the book. And become just another formal book. So yeah, there's definitely a lot of fun and entertainment in there.

April Harrison 26:32

Well, I look forward to reading that. And Susan, and thank you so much for schooling me on supplier data. And I would love to have you on again in the future.

Susan Walsh 26:42

My pleasure. Thank you so much.

April Harrison 26:44

You're welcome. Take care. Thank you. That's it for this episode of Procurement Block. I'd like to thank our guest Susan Walsh for joining me on the show. Procurement Block is produced by Trust Your Supplier. You can reach us at procurementblock.com. Show notes are available on our website, and you can leave your questions and comments via the listener comment form. Thank you for learning with me today. I'll leave you with wise words from Benjamin Franklin, "An investment knowledge pays the best interest."

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