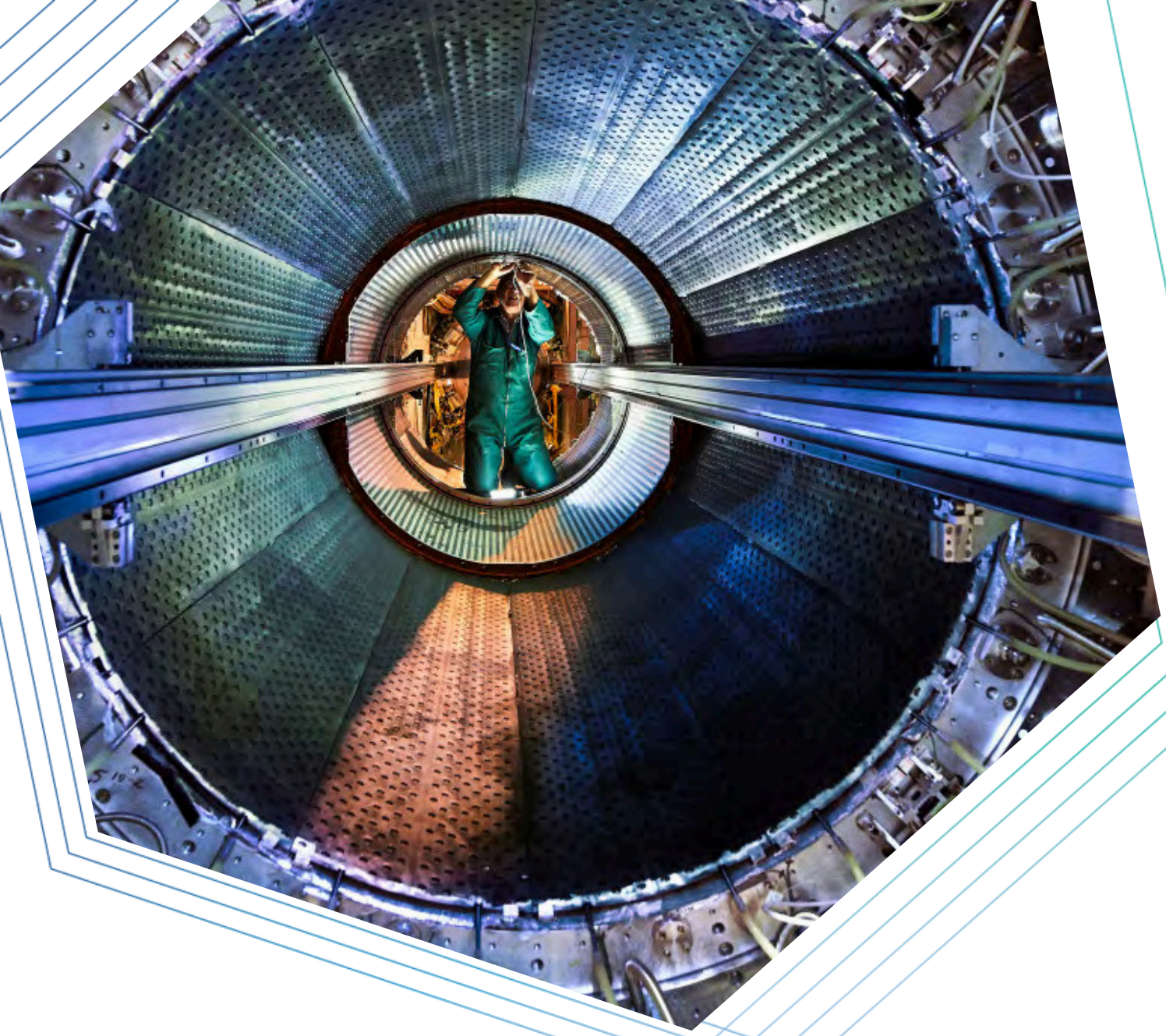
CERN's supplier impact survey report



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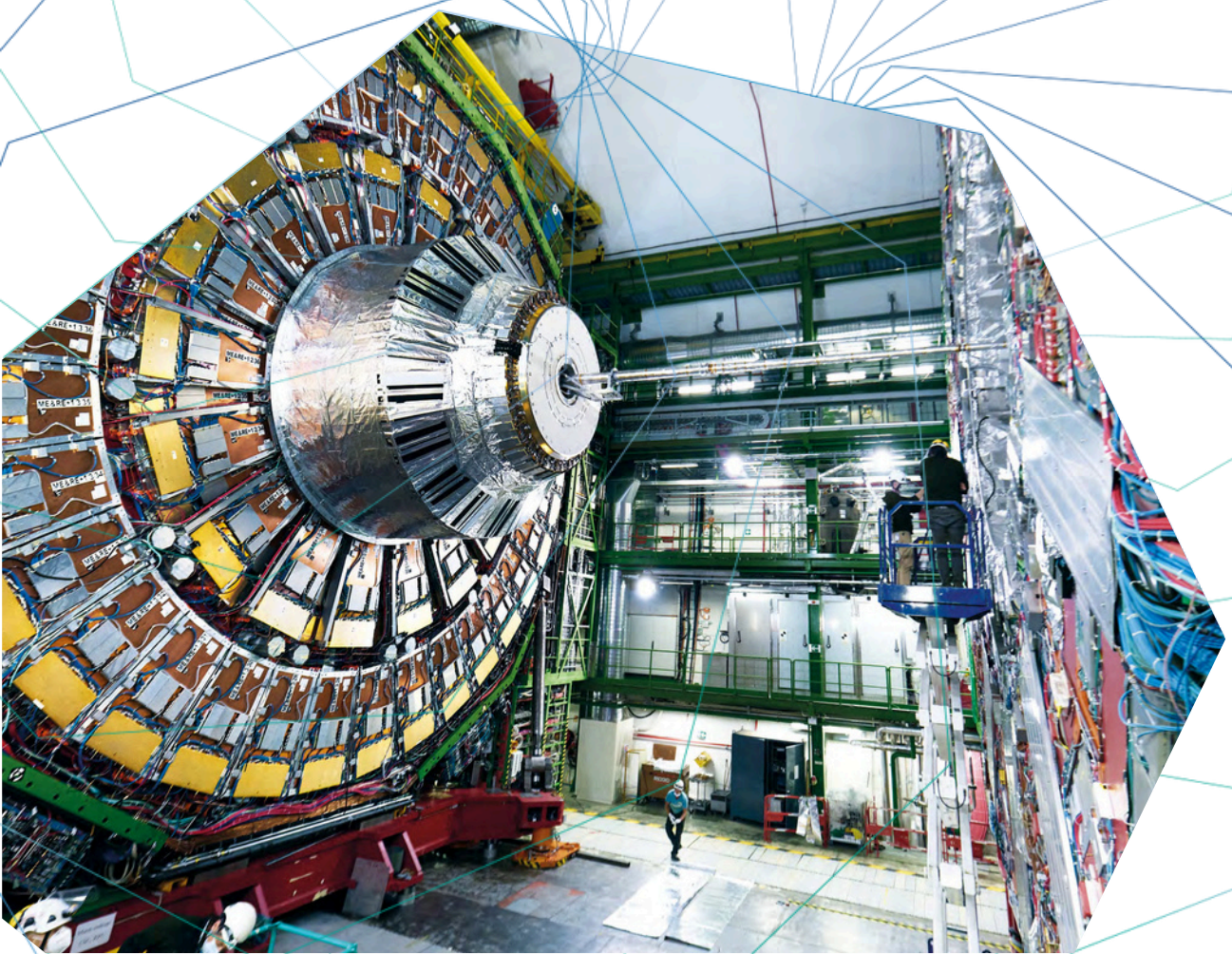


Executive Summary

CERN's supplier impact survey

Objective of the Survey

The Procurement Service conducted a survey to assess CERN's impact on suppliers and to identify their perception of strengths and weaknesses within their collaboration. Based on the findings, Procurement will identify suitable areas for improvement and take action to improve.

Scope of the survey

The survey was sent to CERN suppliers to which more than 50,000 CHF were paid in 2022 and 2023. In total, 1569 suppliers were contacted.

The survey consisted of 15 questions:

- 13 closed-ended questions, including yes/no and value list options;
- Two open questions to collect verbatim feedback.

The survey was launched in November 2024, and was open for a period of one month. As a result, 502 responses were received, representing a response rate of 32%.

Key Findings

Following the submission of suppliers' responses, the Procurement Service conducted a thorough data analysis. This analysis identified several observations and trends. The key finding aligns with CERN's reputation as an organisation with which suppliers like to work, underlined by 98% of the respondents recommending CERN as a client. Furthermore, suppliers provided feedback on positive aspects of working with CERN and potential areas for improvement.

Conclusions

Overall, the survey's responses indicate that suppliers working with CERN have an extremely positive view about their collaboration with the Organization. The survey results allowed the Procurement Service to highlight the importance to its suppliers of working with CERN and how this impacts their products and personnel. It also allowed the Organization to identify improvement opportunities for future needs.

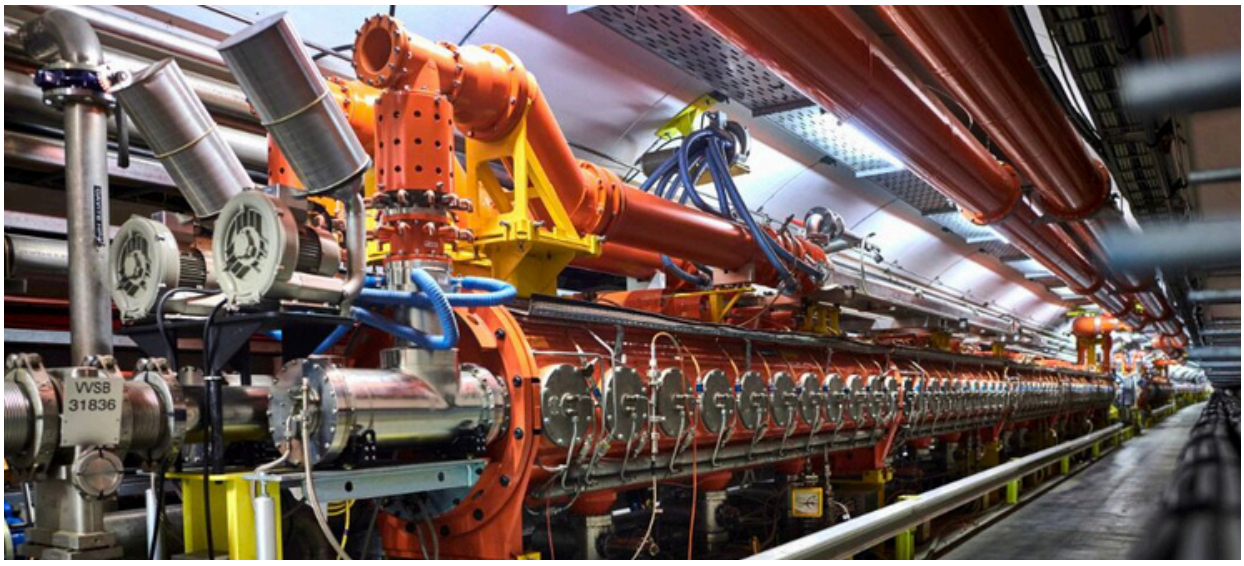
1. Introduction

CERN Procurement Service conducted an impact survey to assess how doing business with CERN impacts its suppliers. The objective of this survey has been to collect responses from suppliers to analyse and measure different areas of the Procurement Service's activity, as well as collecting tangible feedback on positive impacts and improvement areas.

The first questions in the survey sought to gather information about respondents' companies, such as the country of their main office and their size of personnel. Next, the survey sought to understand the impact of collaboration between CERN and its suppliers in terms of developing new products, extending market reach and hiring new personnel. The survey also included open questions allowing suppliers to give their opinion on the positive and negative aspects of their collaboration with CERN.

The survey was sent to CERN providers of supplies or services with order value above 50,000 CHF in 2022 and 2023. In total, 1569 suppliers were consulted. The survey was open for a duration of one month, in November 2024. 502 suppliers completed the questionnaire, representing a response rate of 32%. It is considered that the response rate achieved is satisfactory, and that the results will allow conclusions to be drawn that reflect CERN's current impact on its suppliers.

A similar impact survey[1] was conducted by the University of Milan in 2017 and proved particularly useful in understanding CERN's socio-economic impact. The results of both surveys will be compared to highlight the change in CERN's suppliers' perception in the last seven years. However, it should be noted that the survey carried out in 2017 contacted firms having contributed to the construction of the LHC and that since then, CERN has welcomed one new Member State and six new Associate Member States, meaning CERN's expenditure is now spread over a higher number of countries. Therefore the list of suppliers contacted is not identical between the two surveys.



[1] Big science, learning, and innovation: evidence from CERN procurement. Massimo Florio, Francesco Giffoni, Anna Giunta, and Emanuela Sirtori.

2. Results and Interpretation

2.1 Response rate analysis

The 502 respondents are located across 33 countries, mainly in CERN's Member States. Interestingly, the countries with the highest response rates correspond to the seven highest contributing countries to the CERN budget.

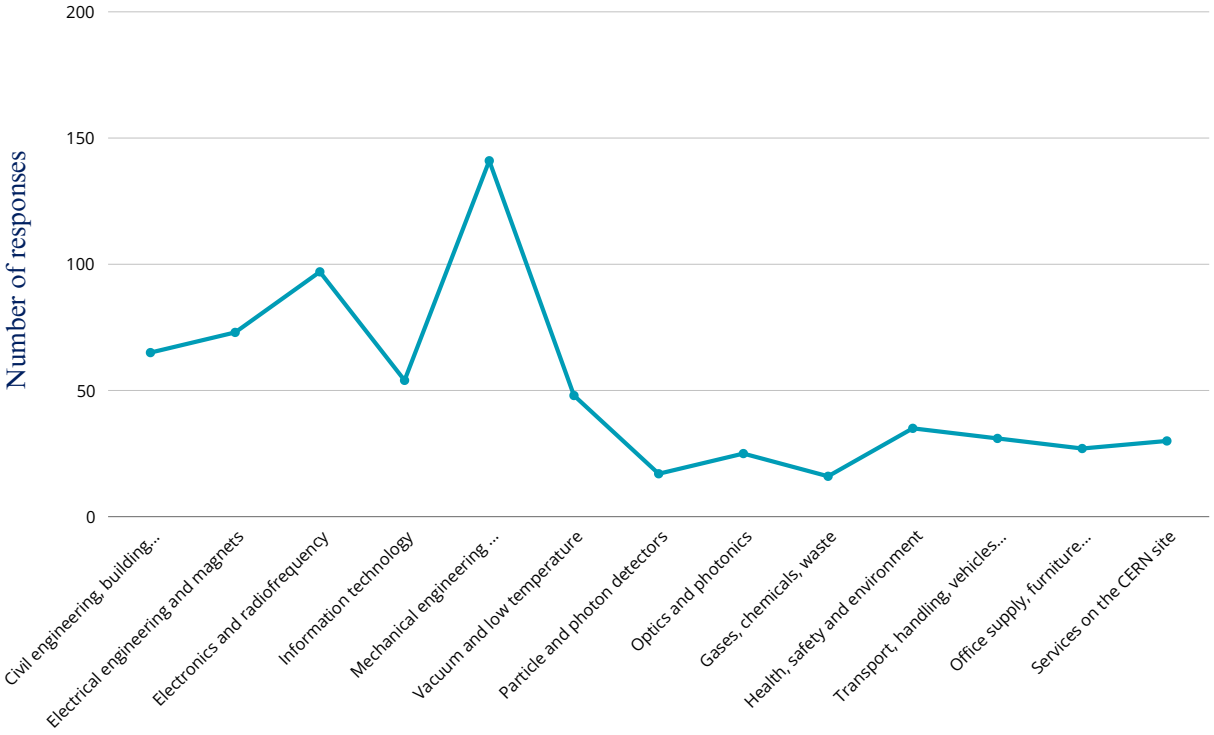
In the table below you will find the breakdown of responses by country and the score per nationality attributed to CERN as a client. The average score is 4.53, out of a maximum score of 5. In the following tables, the same score is presented by area of expertise declared by the respondent and by size of supplier.

Country	Responses	% Total	Score
Austria	8	1.59%	4.88
Belgium	12	2.39%	4.27
Bulgaria	2	0.40%	5
Croatia	3	0.60%	5
Cyprus	1	0.20%	4
Czech Republic	6	1.20%	4.83
Denmark	18	3.59%	4.59
Estonia	2	0.40%	5
Finland	6	1.20%	3.67
France	79	15.74%	4.49
Germany	57	11.35%	4.56
Greece	8	1.59%	5
India	6	1.20%	4.83
Ireland	2	0.40%	5
Israel	1	0.20%	5
Italy	42	8.37%	4.56

Country	Responses	% Total	Score
Japan	2	0.40%	4
Luxembourg	1	0.20%	4
Netherlands	20	3.98%	4.22
Norway	12	2.39%	4.33
Poland	4	0.80%	4.25
Portugal	4	0.80%	4.75
Romania	3	0.60%	5
Serbia	3	0.60%	4.67
Slovak Republic	1	0.20%	5
Slovenia	2	0.40%	5
Spain	21	4.18%	4.47
Sweden	6	1.20%	4.50
Switzerland	124	24.70%	4.53
Türkiye	4	0.80%	4.75
United Kingdom	30	5.98%	4.60
United States	8	1.59%	4.71
Unknown	4	0.80%	

The distribution of the responses by the supplier's area of expertise is displayed below according to CERN's procurement family codes. This distribution reflects CERN's spend landscape, with a concentration of respondents (46%) with technical expertise related to "Mechanical Engineering and Raw Materials" (141), "Electronics and Radiofrequency" (97) and Electrical Engineering and Magnets" (73). This results from the fact that highest number of contracts and orders have been placed in these 3 categories during the reference period.

Distribution of respondents by area of expertise



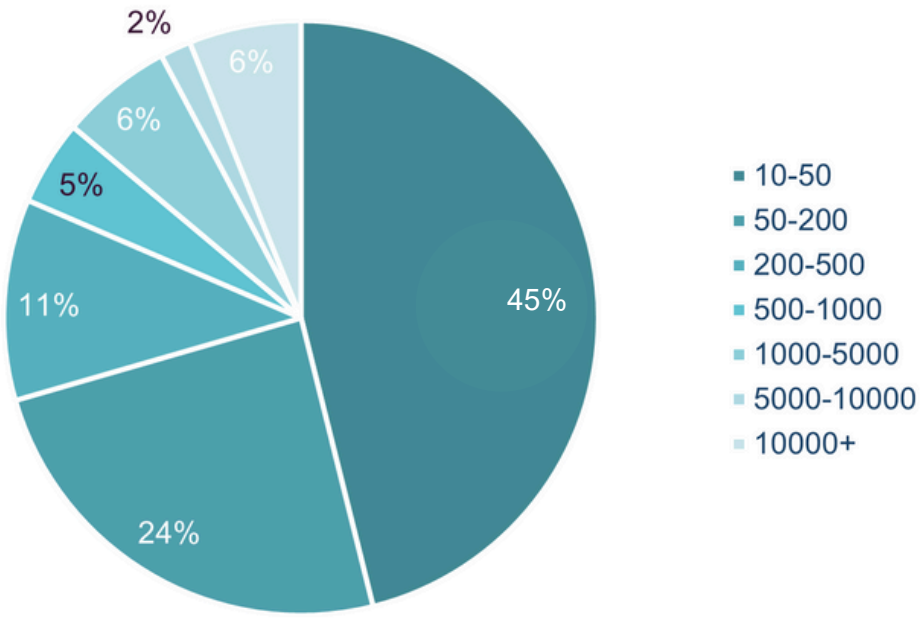
Rating by area of expertise

Area of Expertise	% Total	Score
Civil engineering, building and technical services	10%	4.52
Electrical Engineering and magnets	11%	**4.55**
Electronics and radiofrequency	14%	4.48
Information technology	8%	**4.69**
Mechanical engineering and raw materials	21%	4.54
Vacuum and low temperature	7%	4.38
Particle and photon detectors	3%	4.31
Optics and photonics	4%	4.46
Gases, chemicals, waste collection and radiation equipment	2%	4.25
Health, safety and environment	5%	**4.69**
Transport, handling, vehicles and access equipment	5%	**4.61**
Office supply, furniture, communication and training	4%	**4.76**
Services on the CERN site	4%	4.46
Unknown	3%	4.44

Additionally, among the 1569 suppliers consulted, around 70% of respondents have a size between 10 and 200 employees, while larger companies with more than one thousand employees only represent 13% of the respondents.

This observation reflects the diminution of size of firms registered in the CERN supplier database.

Distribution of respondents by number of employees



Rating by number of employees

Number of Employees	Responses	% Total	Score
10-50	226	45.02%	4.49
50-200	121	24.10%	4.52
200-500	53	10.56%	**4.64**
500-1000	23	4.58%	4.57
1000-5000	32	6.37%	**4.69**
5000-1000	8	1.59%	**4.88**
+10000	29	5.78%	4.50
Unknown	10	1.99%	4.33

2.2 How is CERN perceived by suppliers in terms of importance and attractiveness?

To evaluate CERN's importance and attractiveness towards its suppliers, five different questions were included in the survey.

The results extracted from these questions are extremely positive as CERN scored **an average rating of 4.53/5, with 98% of suppliers recommending CERN as a client.**

Additionally, a large majority of the respondents (68%) find their collaboration with CERN important for their business. This result is particularly relevant for suppliers providing "Mechanical engineering and raw materials", "Electronics and radiofrequency" and "Electrical Engineering and magnets".

Moreover, 63% of the respondents indicate that they leverage their collaboration with **CERN as a marketing reference**. CERN suppliers have the possibility to request use of the CERN supplier logo on their website.

2.3 What are the main effects of collaborating with CERN for suppliers?

The impact survey included multiple questions about the effects of collaborating with CERN. This part of the survey allowed the Procurement Service to identify CERN's social, economic and technology impact on its suppliers.

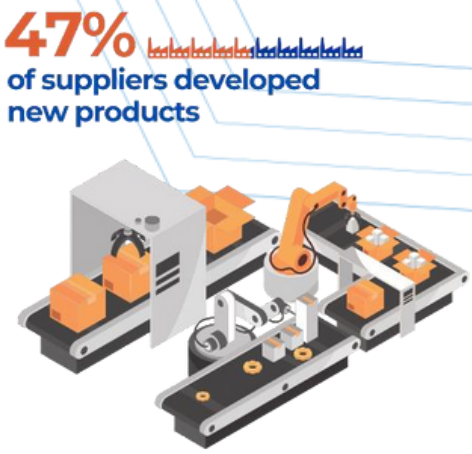
Improvement of products or services sold

A large majority of the respondents (65.3%) indicate that **they improved the products or services sold** while working with CERN.

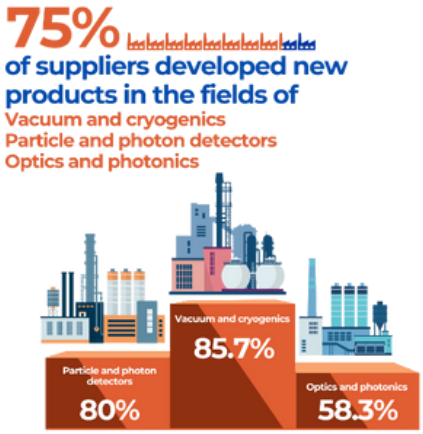
These results are especially relevant for suppliers providing: "Information technology", "Particle and photon detectors" and "Transport, handling, vehicles and access equipment".

In comparison to the 2017 survey conducted by the University of Milan, the score has made an important leap, increasing by 17.3 points on average, up from 48%.

Development of new products



46.6% of the respondents indicate that **they developed new products** while working with CERN.
Compared to the previous survey, their score has increased by 4.6 points on average, compared to 42% in 2017.



Additionally, in the fields of vacuum and low temperature products, particle and photon detectors, and optics and photonic instruments, 75% of suppliers indicated that **they developed new products in their specific field**. This observation reflects the specificity of CERN's requirements, especially for running physics experiments such as particle accelerators and colliders, thus creating opportunities for suppliers to develop new products and technologies in their area of expertise.

Improvement of technical knowledge

Over two thirds of the respondents (70%) indicate that t**hey improved their technical knowledge** in their respective fields while working with CERN.

These results are especially relevant for suppliers providing: "Particle and photon detectors", "Transport, handling, vehicles and access equipment", and finally "Health, safety and environment".

Compared to the 2017 survey, the score experienced significant growth, increasing by 15 points on average, up from 55%.

Impact on sales

A large majority of the respondents (71%) indicate that they have seen **a positive impact on sales attributable to business with CERN**. These results are especially relevant for suppliers providing: "Information technology", "Gases, chemicals, waste collection and radiation equipment" and "Mechanical engineering and raw materials". These results highlight CERN's positive impact in driving market opportunities and revenue growth.

Finding or opening new markets

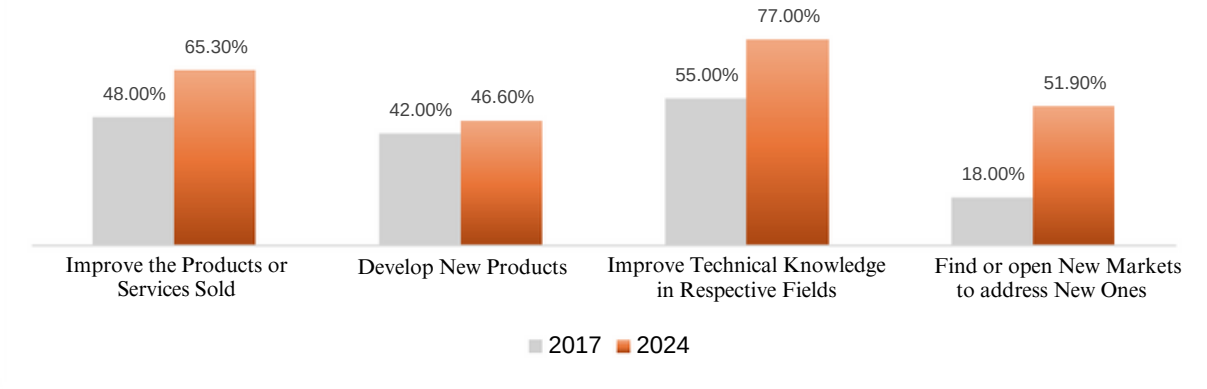
52% of the respondents indicate that **they found or opened new markets** while working with CERN.
These results are especially relevant for suppliers providing: "Vacuum and low temperature", "Particle and photon detectors", and "Mechanical engineering and raw materials".
Compared to the 2017 survey, the score has improved considerably, increasing by 33.9 points on average, up from 18%.

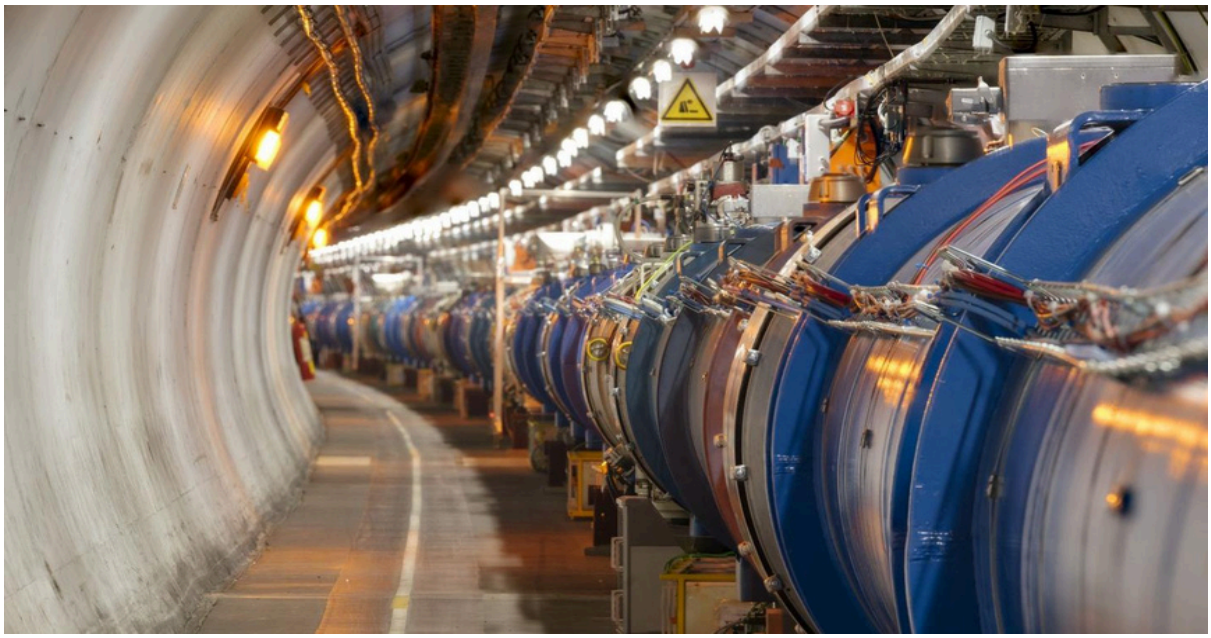
Hiring of new personnel

On average, 25% of the respondents state that **they hired new personnel attributable to business with CERN.** These results are especially relevant for suppliers providing: "Gases, chemicals, waste collection and radiation equipment", "Services on the CERN site", and "Health, safety and environment".
These results show that CERN is having both a social and economic impact by creating opportunities for suppliers to extend their workforce.

Overall comparison with the 2017 survey from the University of Milan

The 2017 survey from University of Milan "Big science, learning, and innovation: evidence from CERN procurement" collected 669 responses from suppliers located across 33 countries. The survey conducted in 2024 by CERN Procurement service shows a clear positive trend. More specifically, CERN has increased its impact by helping suppliers "find or open new markets to address new ones", which is reflected by a jump of 33.9 points. Additionally, improving both products or services sold and improving technical knowledge appear to have significantly increased in the past seven years.





2.4 How can CERN improve its collaboration with suppliers in the future?

Two questions of the survey have been dedicated to collecting supplier's feedback regarding their collaboration with CERN.

2.4.1 What is CERN doing well and should continue doing?

Among the positive feedback received, the most frequent positive aspects about the collaboration with CERN were "Reputation" (21,5%), "Learning, innovative and challenging projects" (20,2%), and "Good Communication" (18,6%). Other key aspects such as "Trust", "Professionalism" and "Positive financial impact" were also highlighted in the free text feedback with smaller percentages.

The following figure illustrates these results with selected quotes from suppliers:

CERN supplier's feedback
The positive aspects

"I like the **standard of the work** required for CERN and it gives us the ability to keep up our higher end product range."

"Very **open and transparent communication** from both sides, enabling a real partnership with common goals."

"High degree of **professionalism** on both sides leads to constructive results although not every tender can be won."

"**Trust** and **respect**."

"Our collaboration with CERN has help us to **grow our market share** in wireless due to the size of your campus and facilities."

"Through our collaboration, we were given the opportunity to **acquire know-how and state-of-the-art equipment**."

"It is **very impressive** to everyone (both clients and employees) **to have CERN as a client** even though we were working on the administrative IT projects, not directly related with science and physics in particular."

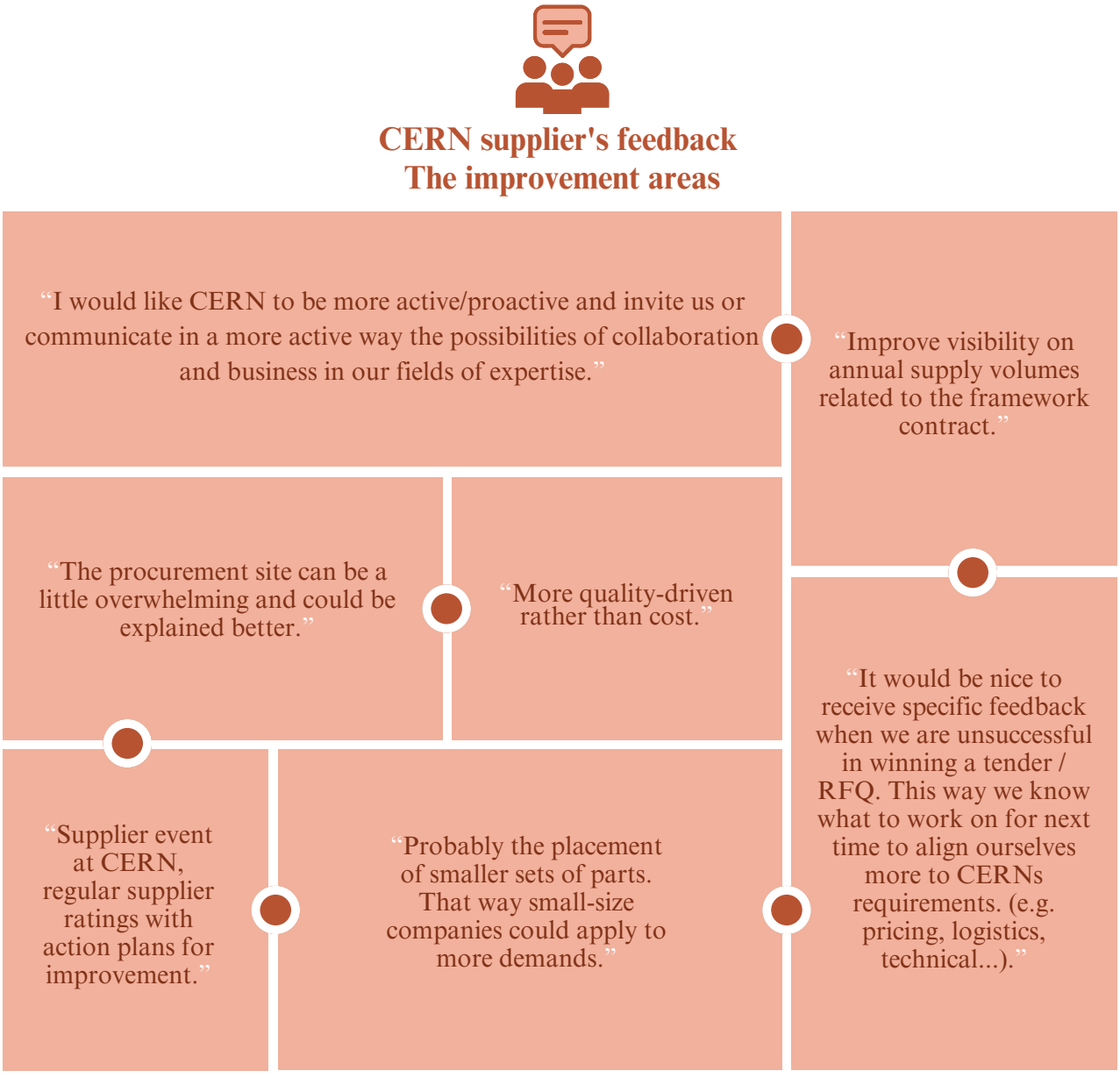
2.4.2 Where can CERN improve for future collaboration?

Among the improvement feedback shared, the most frequent improvement area that has been raised about the collaboration with CERN is linked to "Communication and Collaboration" (44%) regarding future requirements or results following a tendering process. The second most frequent request is the "Simplification of procedures" (18%), closely followed by "Pricing and selection criteria". These areas are related to suppliers' perception of CERN and give an indication of where CERN could focus future projects in order to improve communication and understanding of the Organization's procurement procedures.

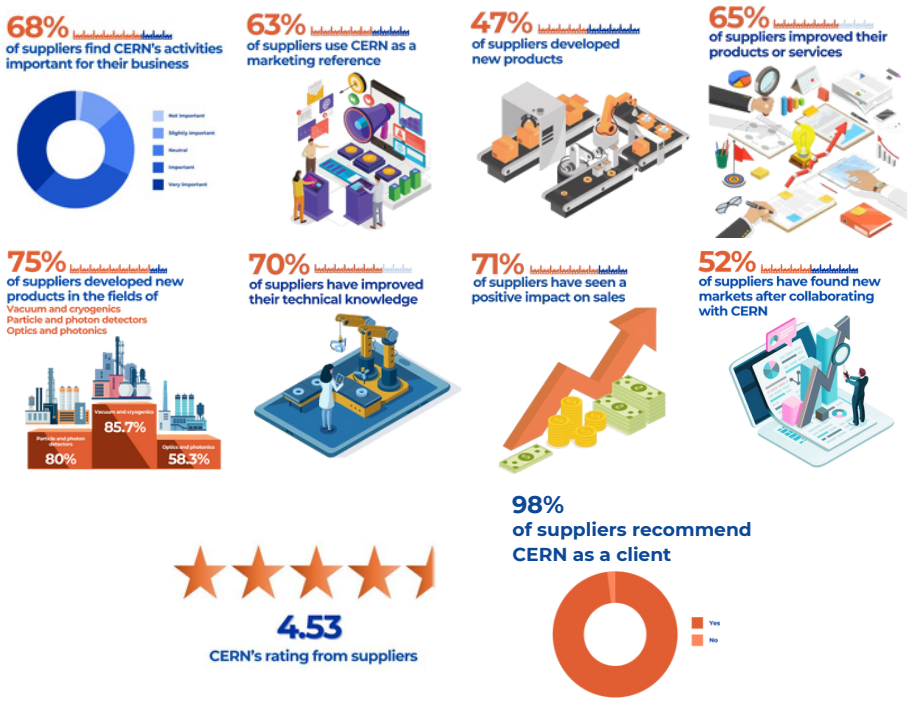
The Procurement Service had anticipated some of the areas of improvement and has already been working to improve the service provided prior to the results of the survey. Some of the examples are:

a) the introduction of industry webinars and thematic webinars during which future opportunities are presented and the creation of a LinkedIn channel to promote future procurement needs;
b) the analysis of response rates to CERN's tendering procedures;
c) the possibility to adjudicate supply contracts on a best-value-for-money basis.

The following figure illustrates these results with selected quotes from suppliers:

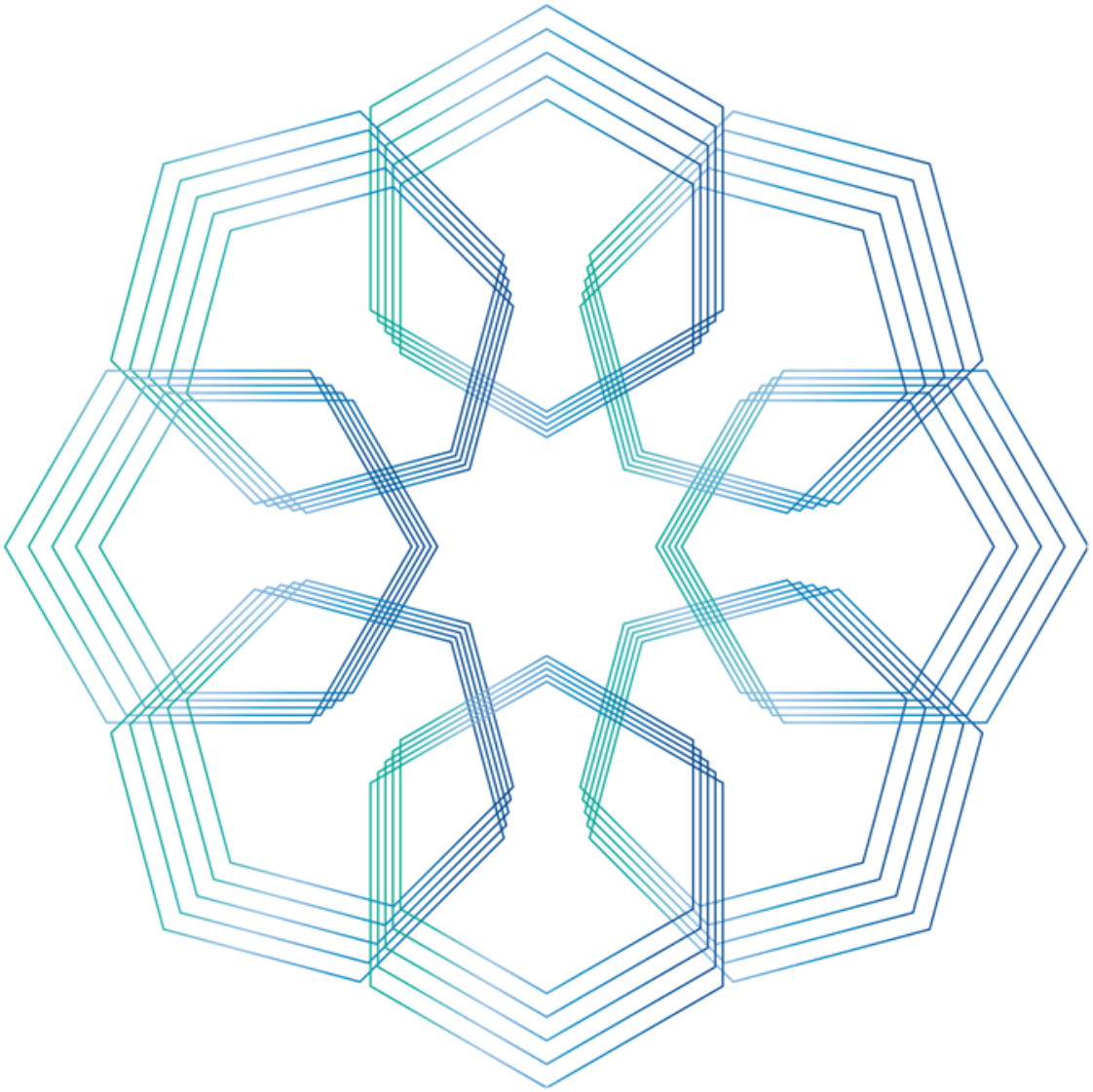


3. Conclusion



The survey has shown an extremely good overall score of CERN's perception from its suppliers which has improved considerably since 2017. Qualitative and quantitative analysis provided evidence that the benefits of collaboration with CERN go beyond a transactional procurement process.

The impact survey also provided a range of tangible insights on why working with CERN is interesting and beneficial. The survey helped identify potential areas of improvement for CERN to become a best-in-class organisation in terms of its supplier impact.



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