

DEUTZ Supplier Assessment

Supplier Cockpit

Quantitativ Key Performance Indicators

The quantitative key performance indicators (e.g. delivery reliability, demand capacity, PPM, initial sample quality, manufacturing complaints) are directly calculated from SAP.

Example PPM:

Target-PPM are defined by DEUTZ for each product group. If the supplier delivers into different product groups, the target-PPM is calculated based on the delivered quantity.

Product group	Target-PPM Product group	Delivered quantity [%]	Target-PPM supplier per product group	Sum
1	400	75	300	300
2	600	25	150	450

The current supplier PPM are compared to this target-PPM. In the above mentioned example if the supplier reaches 300 PPM he exceeds the goal (120% of target) and received 70% of max point. With 0 PPM the supplier gets 100% of the max. points.

Information about the KPI delivery performance can be found on the DEUTZ homepage (SUPPLIER).

Qualitative Key Performance Indicators

The qualitative key performance indicators are rated by the responsible employee regularly based on a scale from A – E.

Rating	A	B	C	C	E
%	100	75	50	25	0

A definition exists for each KPI (e.g. communication, cooperation) which is used as reference in the rating process.

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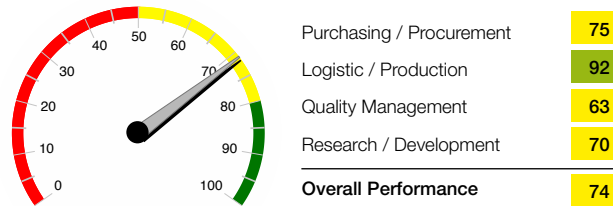


Principle

The DEUTZ Supplier Cockpit is the main tool for assessing, rating and developing the suppliers of DEUTZ.

Performance indicators are calculated for the four areas purchasing, logistics, quality management and R&D in the cockpit.

The four areas are weighted and result in the overall performance of the supplier.

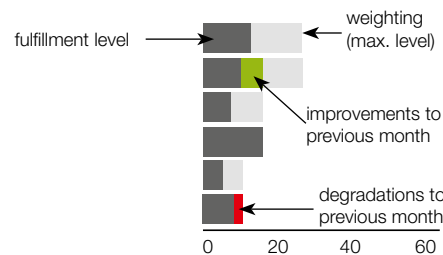


The performance indicators are provided via SupplyOn Performance Monitor.

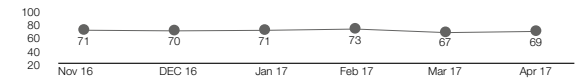


Details

For each area, different qualitative and quantitative key performance indicators (KPI) are defined. The KPIs are weighted. The max. bar length of a KPI shows the weighting of this KPI.



The grey area of the bar shows the current fulfillment level of the KPI (e.g. 50%). Improvements and degradations are shown in green or red.

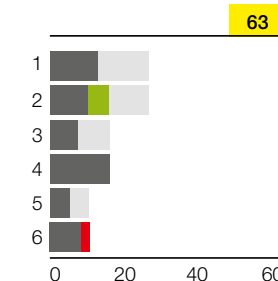


The performance over the last 6 month is shown under each area KPI.

Calculation

The individual KPIs for each area result in the area performance indicator.

Example:



KPI	Weighting (max. points)	Fulfillment level [%]	Reached points	Sum
1	25	50	12,5	12,5
2	25	60	15	27,5
3	15	50	7,5	35
4	15	100	15	50
5	10	50	5	55
6	10	80	8	63

