

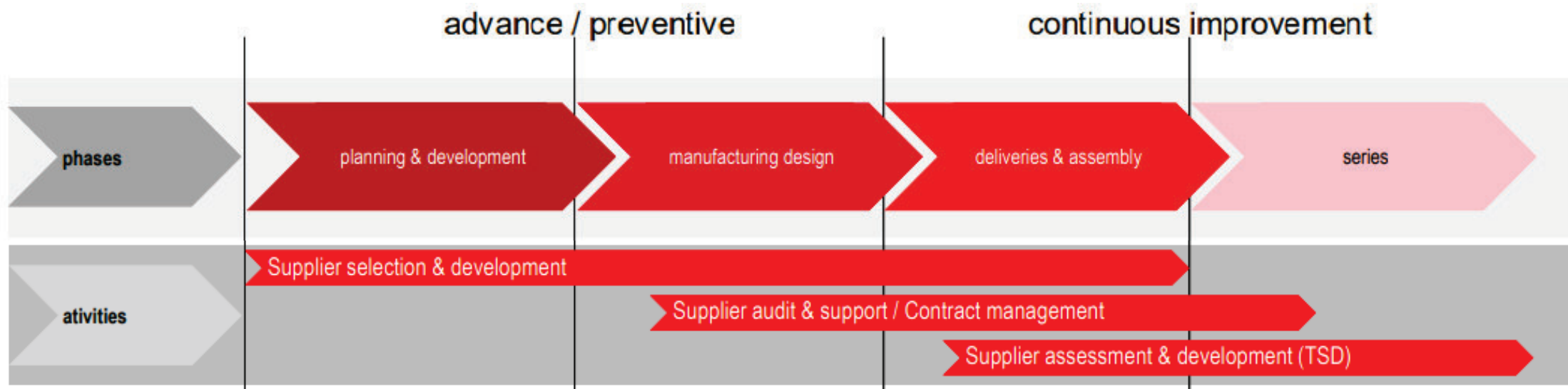


Total Supplier Development (TSD) at a glance

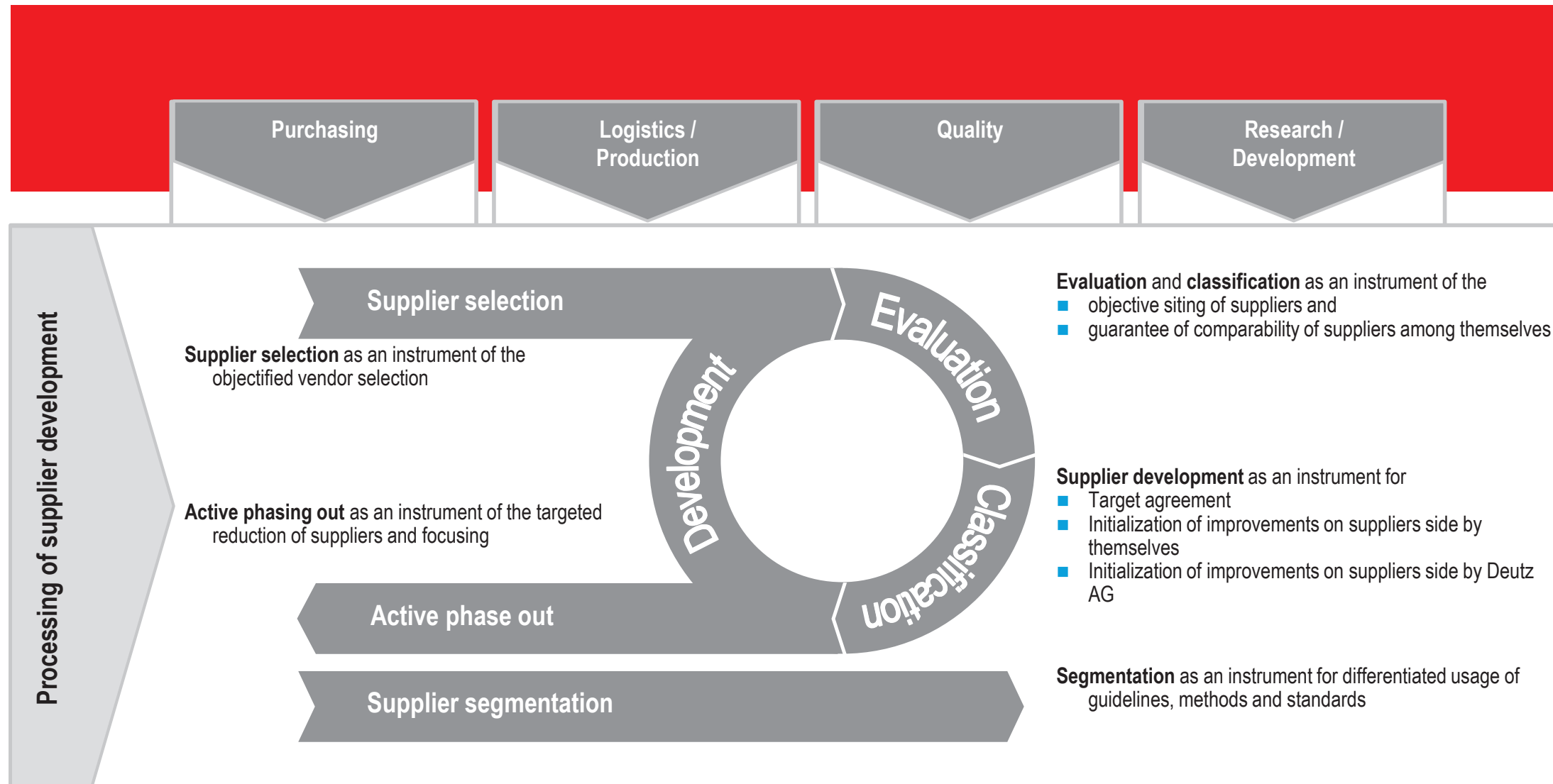
Stakeholder / Processes / Methods / Tools

OS-CP
01/2024

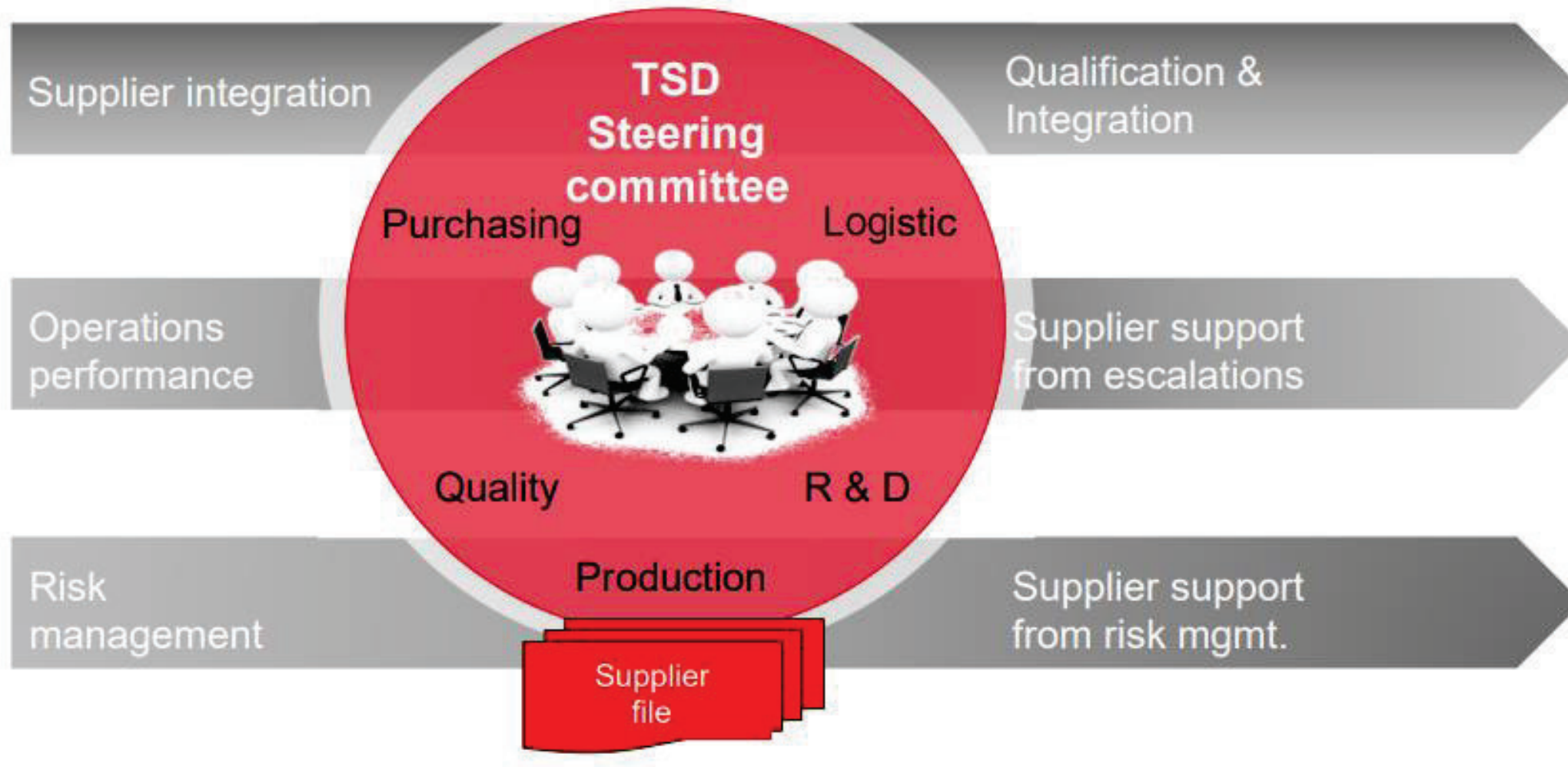
Total supplier development part of continuous improvement process



Stakeholder of Supplier Development



TSD as highest decision-making committee @ DEUTZ AG for suppliers



Supplier KPI evaluation via Suppliers Cockpit



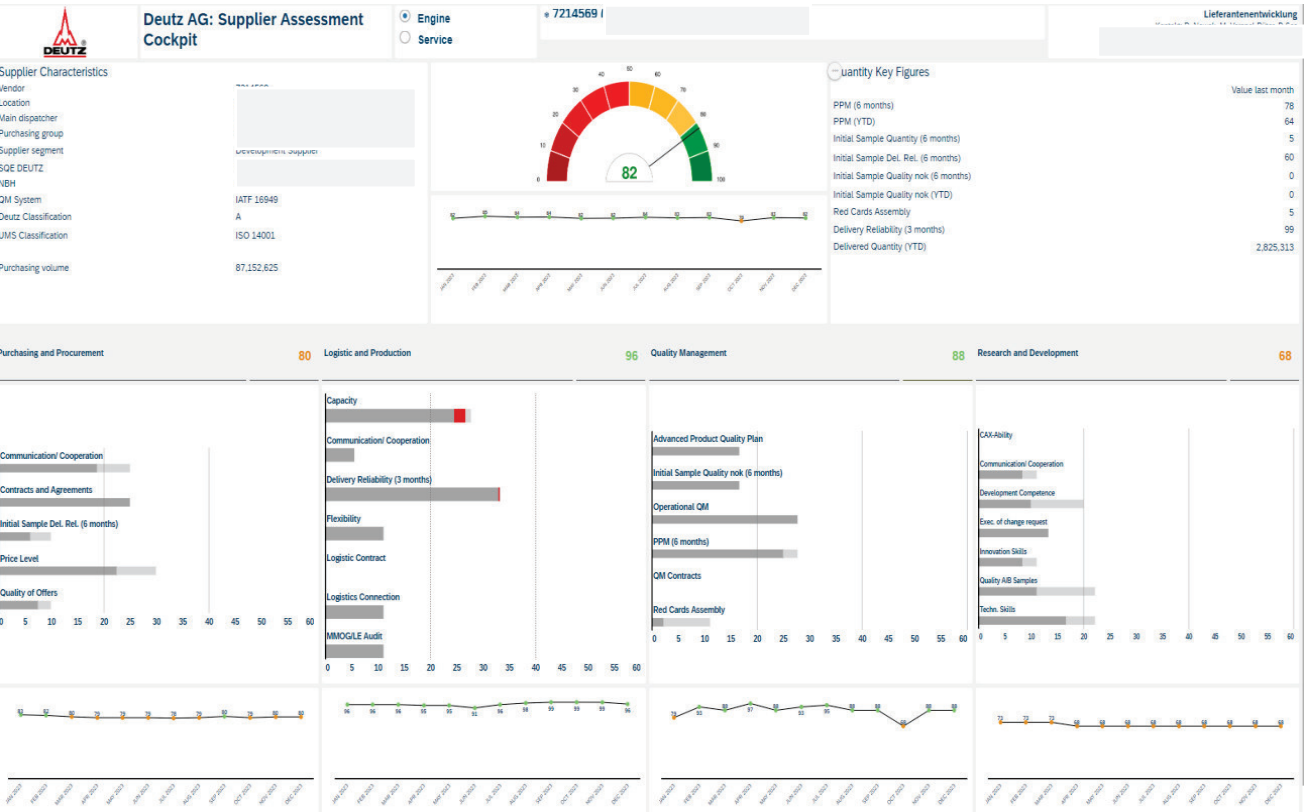
Dimensions of suppliers evaluation

Measurement of past performances

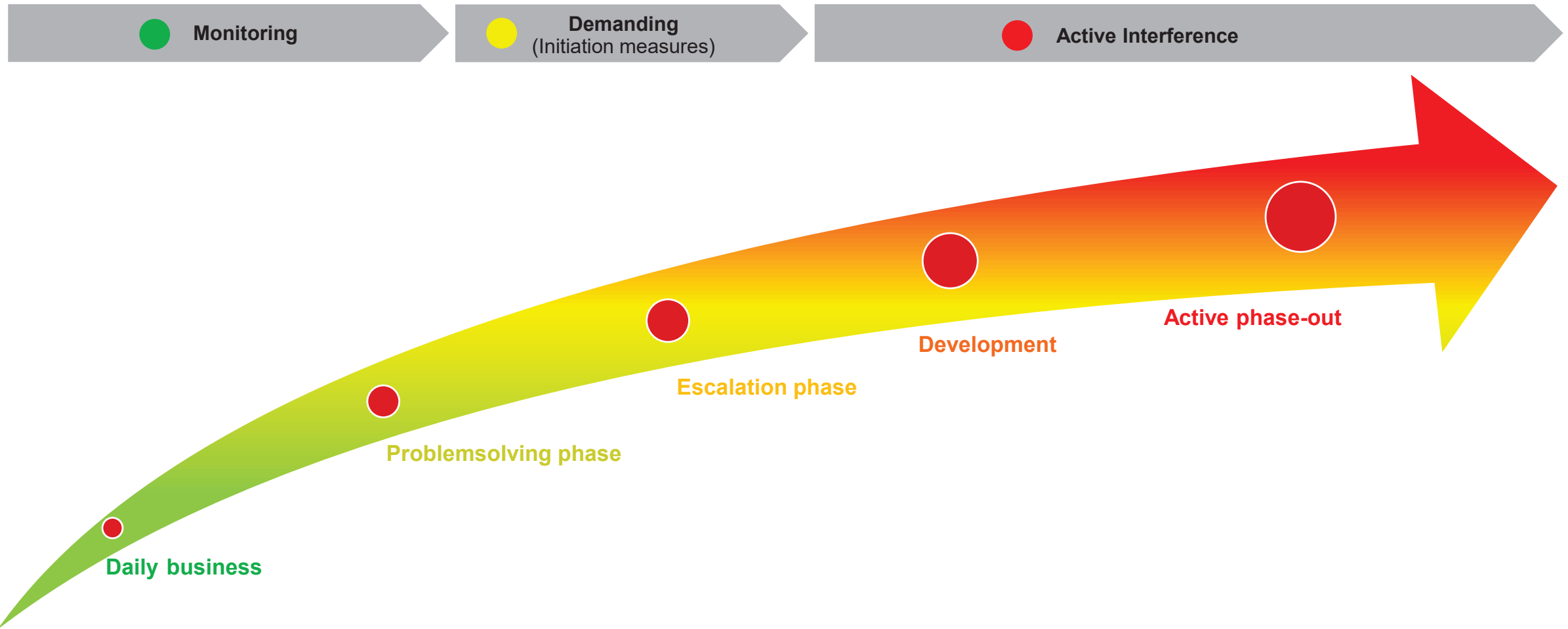
Performance evaluation							
Purchasing		Logistics		Quality		Research & Development	
Criteria	Weight	Criteria	Weight	Criteria	Weight	Criteria	Weight
Price level	30 %	Delivery Reliability	30 %	Operational QM	25 %	Techn. Skills	23 %
Contracts and Agreements	25 %	Demand Capacity	25 %	PPM (6 months)	25 %	Quality A/B Samples	23 %
Communication/Cooperation	25 %	G MMOGLE Audit	10 %	Advanced quality planning	15 %	Development competence	20 %
Quality of Offers	10 %	Logistic connection	10 %	Initial sample (6 mon) nok	15 %	Exec. of change requests	14 %
Initial sample reliability (6 months) nok	10 %	Flexibility	10 %	QM - contracts	10 %	Innovation Skills	10 %
		Logistic Contract	10 %	Red Card Assembly	10 %	CAX capacity	10 %
		Communication/Cooperation	5 %			Communication/Cooperation	10 %

- Automatic, monthly measurement of the quantitative criteria in SAP BW
- regular annual evaluation of the qualitative criteria made by speciality departments alternatively evaluation caused by changes

Consolidation in one Supplier's Cockpit



Eskalation steps Supplier Development Process

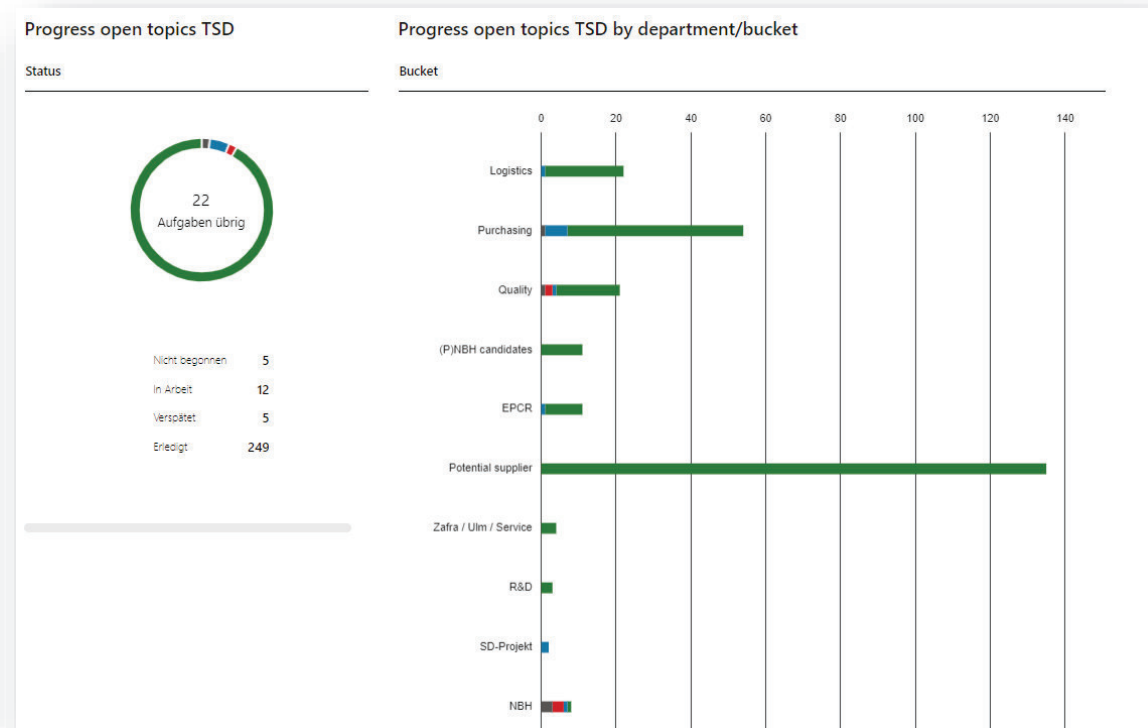
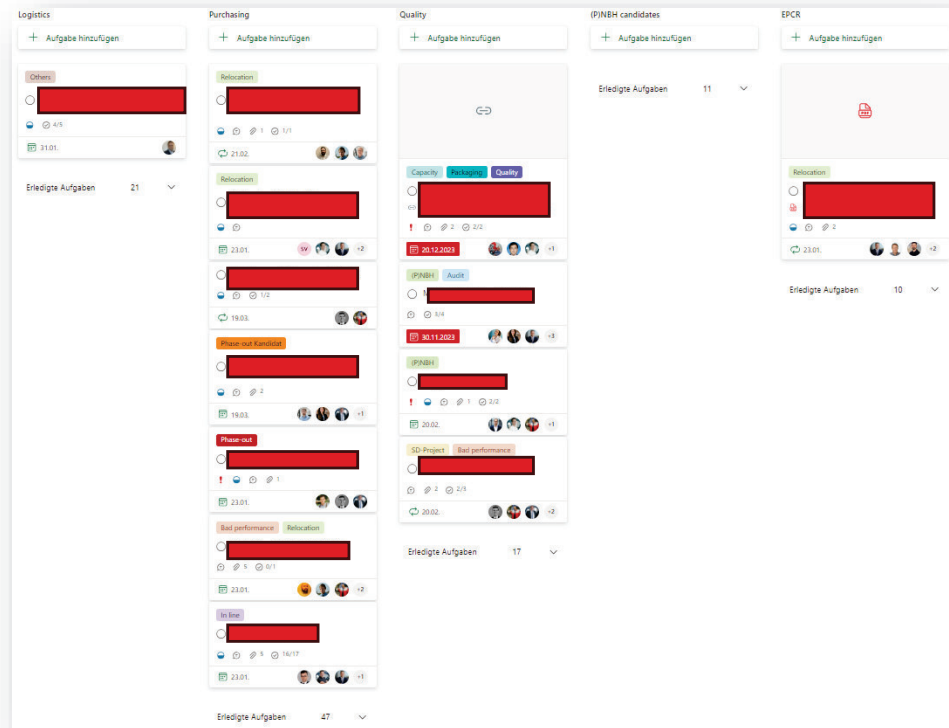


Assignments and goals of the TSD



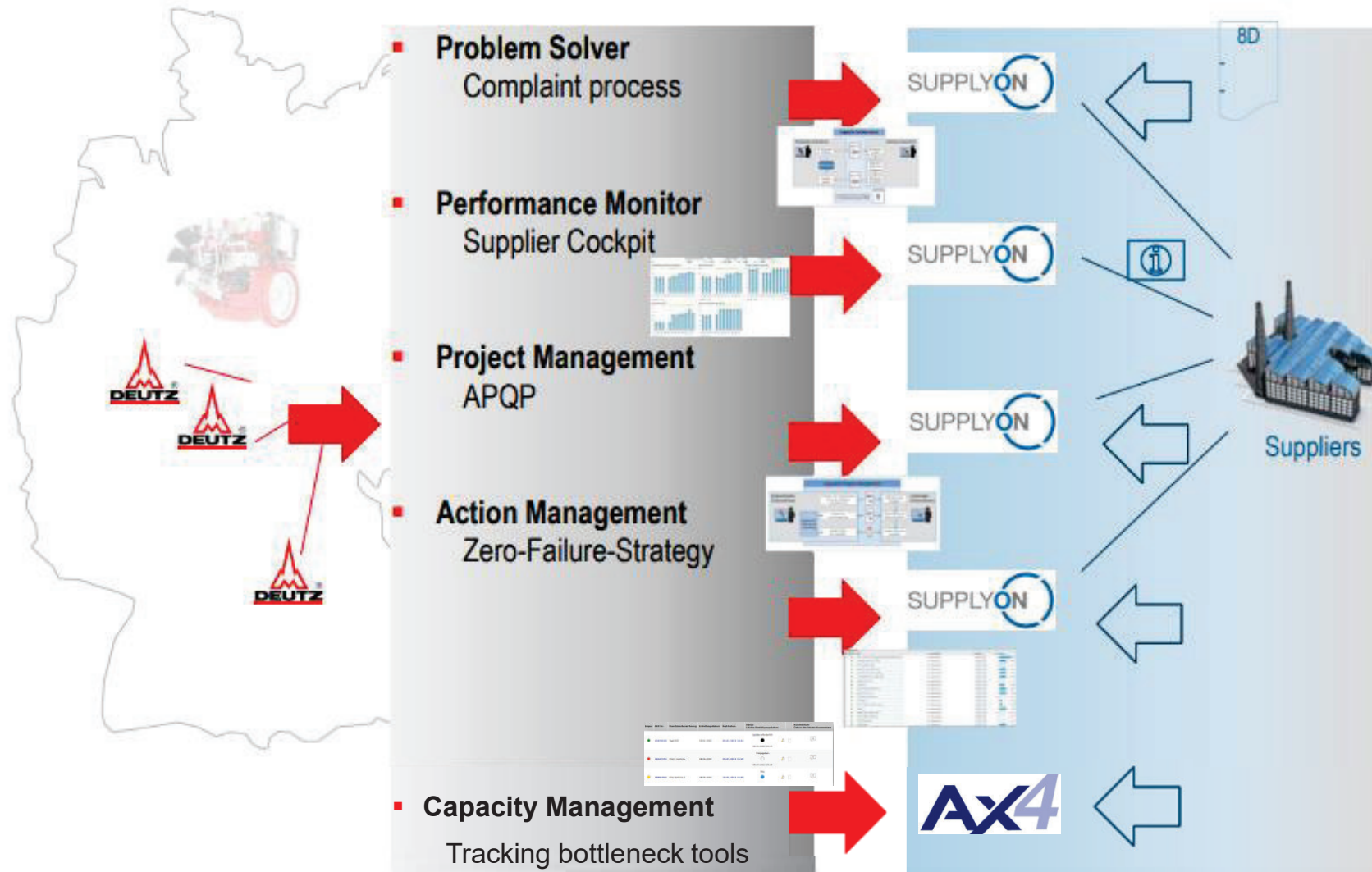
- Monitoring of Key Performance Indicators
- Tracking of the in-house production
- Decision on:
 - the implementation of **supplier development projects**
 - Carrying out **supplier audits**
 - **Onsite invitation** of supplier meetings for de-escalation
 - Decision on status „**Prestage** –“ or „**New business on hold**“ (PNBH or NBH)
 - **Phase - in** and **phase - out** suppliers

TSD: Planning, Control, Reporting



- Report in TSD steering committee on management level
- Tracking of all global supplier development topics

TSD: Communication platform with suppliers





Thank you!



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