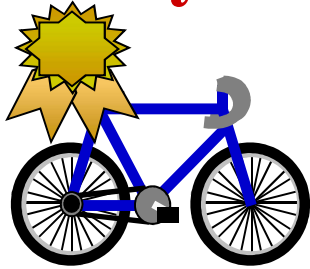
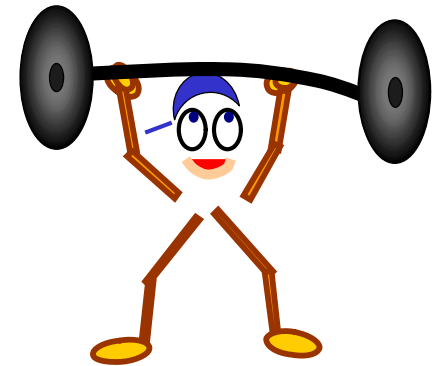


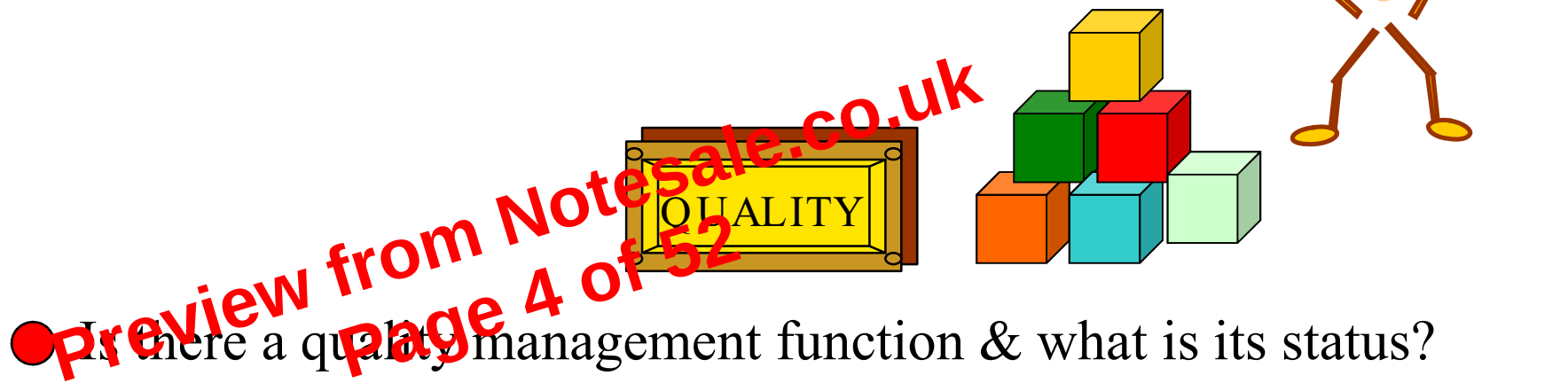
Quality - Capability assessment criteria for standard items



- Can your specifications be met?
- Flexibility and capacity to tailor specifications
- Reject rates
- Percentage of items returned during the first year
- Maintenance intervals required
- Consumption levels of replacement parts
- Mean time between failures & outage rate
- Durability
- Comprehensiveness of warranty



Quality - Building blocks



● Is there a quality management function & what is its status?

Is quality mentioned in the supplier's mission or goal

● statement?

Are investments being made or planned

● to improve quality?



Appraising supplier responsiveness

- Which of the criteria for assessing supplier responsiveness listed previously have you used the least frequently when appraising a supplier?

Preview from Notesale.co.uk
Page 17 of 52

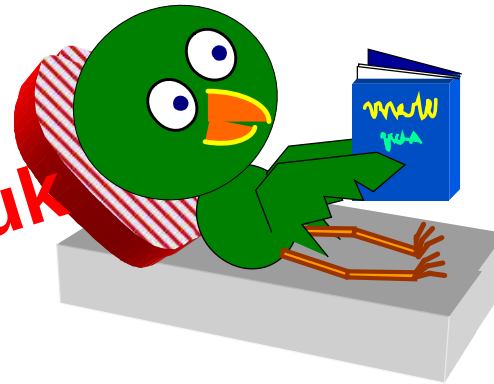
- Why is this the case? List any particular problems or difficulties that you have had in using these criteria, and how you might solve these problems?



Appraising general supplier capabilities and business attitudes

- Which of the criteria for assessing general supplier capabilities and business attitudes listed previously have you used the least frequently when appraising a supplier?
- Why is this the case? List any particular problems or difficulties that you have had in using these criteria, and how you might solve these problems?

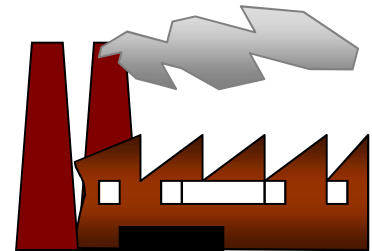
Criteria for Routine items (I):



- What is the product range?
- How many related items could you buy from one and the same supplier?
- Could you use the same supplier for many years?
- Does the supplier offer long-term contracts?
- Will the supplier solve problems & respond to queries quickly?
- What about delivery speed & reliability?

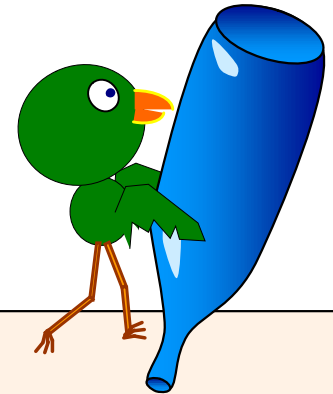
More criteria ...

- Use of purchasing cards?
- Use of e-commerce?
- Possibility of providing consolidated billing?
- Will the supplier provide a customer account manager?
- Can the supplier handle delegated call-off responsibility?



Bottleneck items...

...are low value & high risk so your main concern is to reduce risk



Supply strategy for continuous bottleneck items

Number of suppliers:	One (possibly two)
Nature of relationship:	Be a “good customer”
Type of contract:	Term contract (probably for a significant period)

Type of supplier

- ◆ Must be particularly capable in the areas which pose the greatest risk to your company.
- ◆ Will not exploit its strong bargaining position with your company.
- ◆ Will continue to supply the required products for the long term.



Appraising criteria for bottleneck items

- Identify one bottleneck item that you are purchasing:
- Type of supply relationship you have would like to have for this item
- Which of those criteria listed above would you use for appraising a new supplier of this item?
- Which of the criteria would you not use, and why not?
- Which additional supplier appraisal criteria would you use?