1. Assessment system

1.1. Criteria and weighting

Hardfact	Weighting
Quantity Compliance	5%
Delivery Compliance	20%
Delivery Reminder	5%
Quality (Complaints)	65%
Reminder Complaints	5%
Total	100%

1.2. Hardfacts

1.2.1. Quantity Compliance

Object of Evaluation:

- sanctioning of under-delivery (delivered quantity < comparing quantity)

- over-delivery is allowed

- Evaluated is the percentage of deviation between delivered quantity and comparing quantity. The comparing quantity is the confirmed quantity (if existing), else the ordered quantity.

Level of Evaluation:

Evaluation takes place on the level of sublines because the order quantity is defined on this level. (There can be more than one goods receiving per subline, therefore it would be wrong to compare the quantities on the level of goods receiving.)

Grading of Deduction Points:

Delivered Quantity ≥ [%]	Delivered Quantity < [%]	Deduction Points
95	100	0
90	95	25
85	90	50
80	85	75
0	80	100

Exceptions:	Examples:
none	assumption: ordered quantity = 100 1. reported quantity = 120 => 0 DP 2. reported quantity = 95 => 0 DP 3. reported quantity = 93 => 25 DP 4. reported quantity = 85 => 50 DP

1.2.2. Delivery compliance

Object of Evaluation:

Evaluated is the deviation between date of delivery and comparing date, measured in working days. The comparing date is the deviating confirmed date (if existing), else the confirmed date (if existing), else the requested delivery date.

Level of Evaluation:

The evaluation takes place on the level of goods receiving due to the fact that there can be more than one intake per subline and these goods receiving might have different dates of delivery.

Exceptions:

Grading of Deduction Points:

From ≥ [Working days]	To < [Working days]	Deduction Points
-9999	-36	100
-36	-34	75
-34	-32	50
-32	-30	25
-30	3	0
3	4	25
4	5	50
5	6	75
6	9999	100

Examples:

1. delivery 2 days late => 0 DP

2. delivery 4 days late => 50 DP

3. delivery 30 days early => 75 DP

1.2.3. Delivery Reminder

Object of Evaluation:

Evaluated is the number of delivery reminders.

Level of Evaluation:

Delivery reminder are set on the level of sublines, therefore the evaluation takes place on this level.

Exceptions:

Grading of Deduction Points:

Number ≥	Number <	Deduction Points
0	1	0
1	2	25
2	3	50
3	4	75
4	9999	100

Examples:

1. one reminder => 25 DP

2. five reminders => 100 DP

1.2.4. Quality

Object of Evaluation:

Evaluated are the result of the incoming quality control as well as subsequent complaints, caused by defects that are discovered in production or returns from customers.
The evaluation takes place in the month of the capture of the complaint.

Grading of Deduction Points:

Description	Deduction Points
no complaint	0
complaint	100

Level of Evaluation:

Subsequent Complaints can occur at any time and cannot be assigned to a specific PO or intake. So at first glance there is a lack of any reference-incident for which the 100 points could be given, from which the deduction points can be subtracted.
Therefore the number of POs was chosen to be this reference-incident. Every PO in a period counts 100 points, the deduction points for the subsequent complaints are subtracted from this sum.

Exceptions:

When a subsequent complaint occurs in a month, in which there is not a single PO, the subtraction of deduction points cannot be executed. In lack of a better solution the negative evaluation lapses in this case.

IMPORTANT: Delivery Compliance for complained deliveries

If a part of the delivered quantity is complained after quality control, a new subline is created (because this quantity should normally be replaced by the supplier). For this new subline a new delivery date has to be defined and has to be entered in as deviating confirmed date. Otherwise the sub-sequent delivery of the complained items would be compared with the original requested delivery date (what leads to not-justified deduction points).

Examples:

assumption: delivery quantity= 100

1. 100 ok => 0 DP

2. 99 ok => 100 DP

3. 3 ok => 100 DP

4. 0 ok => 100 DP

1.2.5. Reminder Complaints

Object of Evaluation:

Evaluated is the number of reminders for complaints. A reminder occurs, when a supplier does not react within the defined time after a complaint.

Level of Evaluation:

See complaints

Exceptions:

See complaints

Grading of Deduction Points:

Description	Deduction Points
1 reminder	25
2 reminder	100

1.3   Escalation Levels

Escalation Level and Action	
1	Written information to supplier about performance evaluation
2	Discussion about immediate corrective actions between buyer and supplier
3	Invitation of the supplier to a discussion at P+F
4	Supplier audit on-site
5	Active search for and qualification of an alternative supplier and termination of the business relationship