

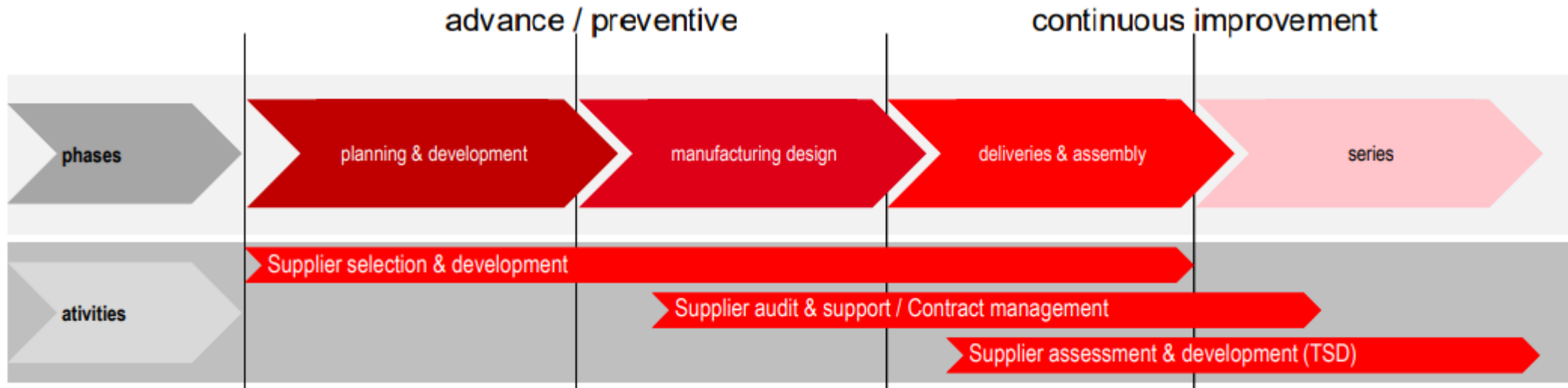


Total Supplier Development (TSD) at a glance

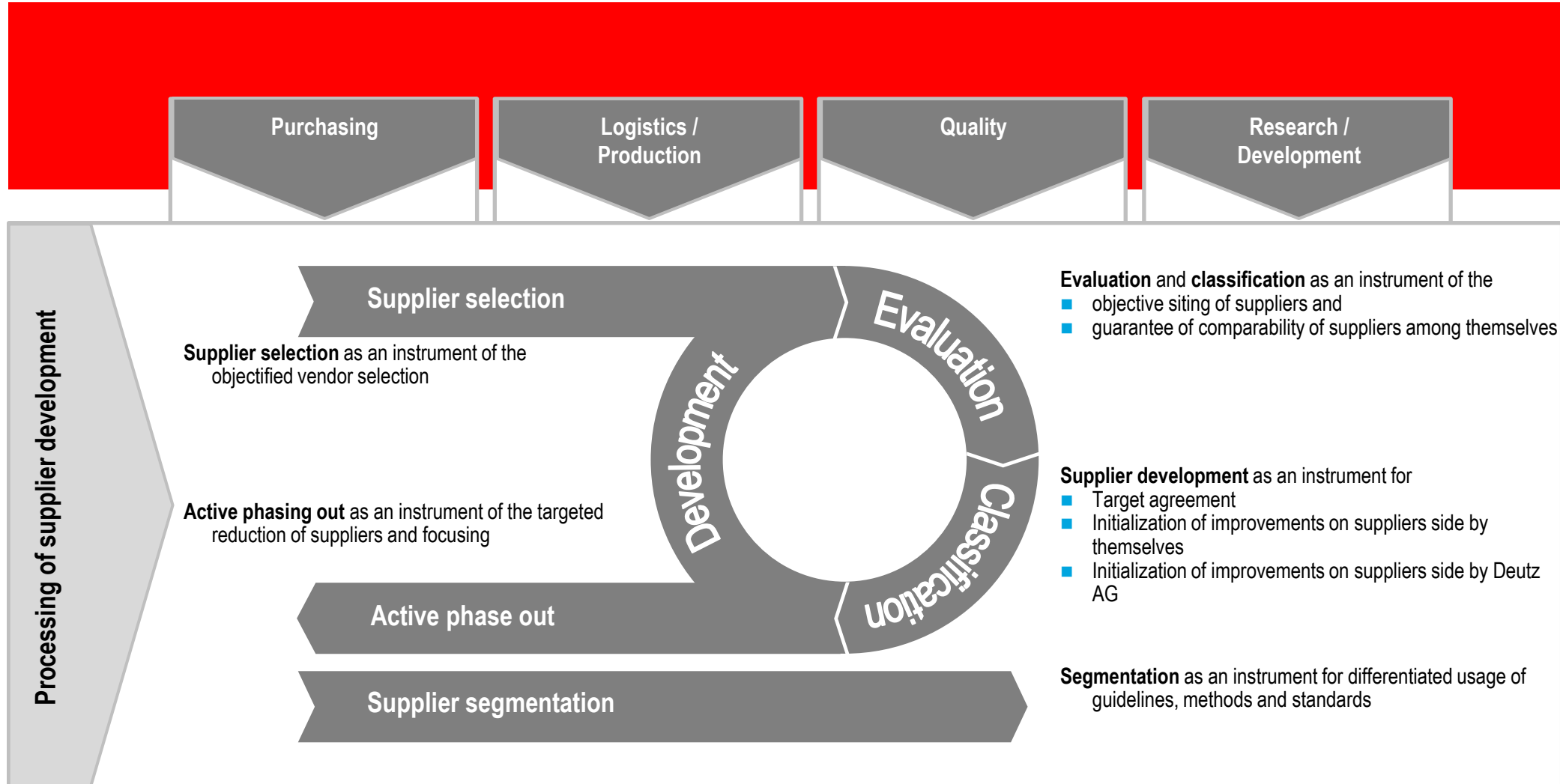
Stakeholder / Processes / Methods / Tools

OS-CP
01/2024

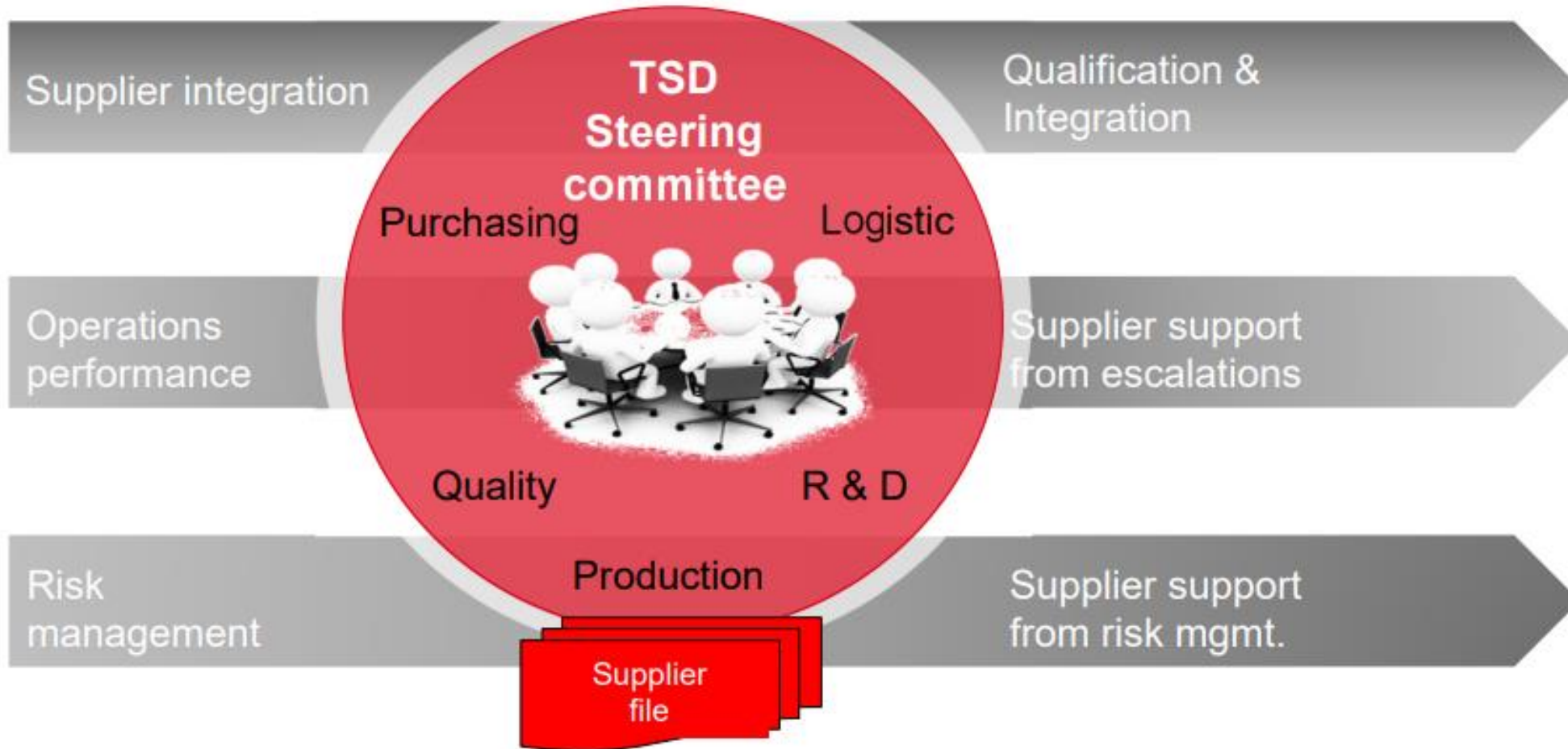
Total supplier development part of continuous improvement process



Stakeholder of Supplier Development



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



Supplier KPI evaluation via Suppliers Cockpit



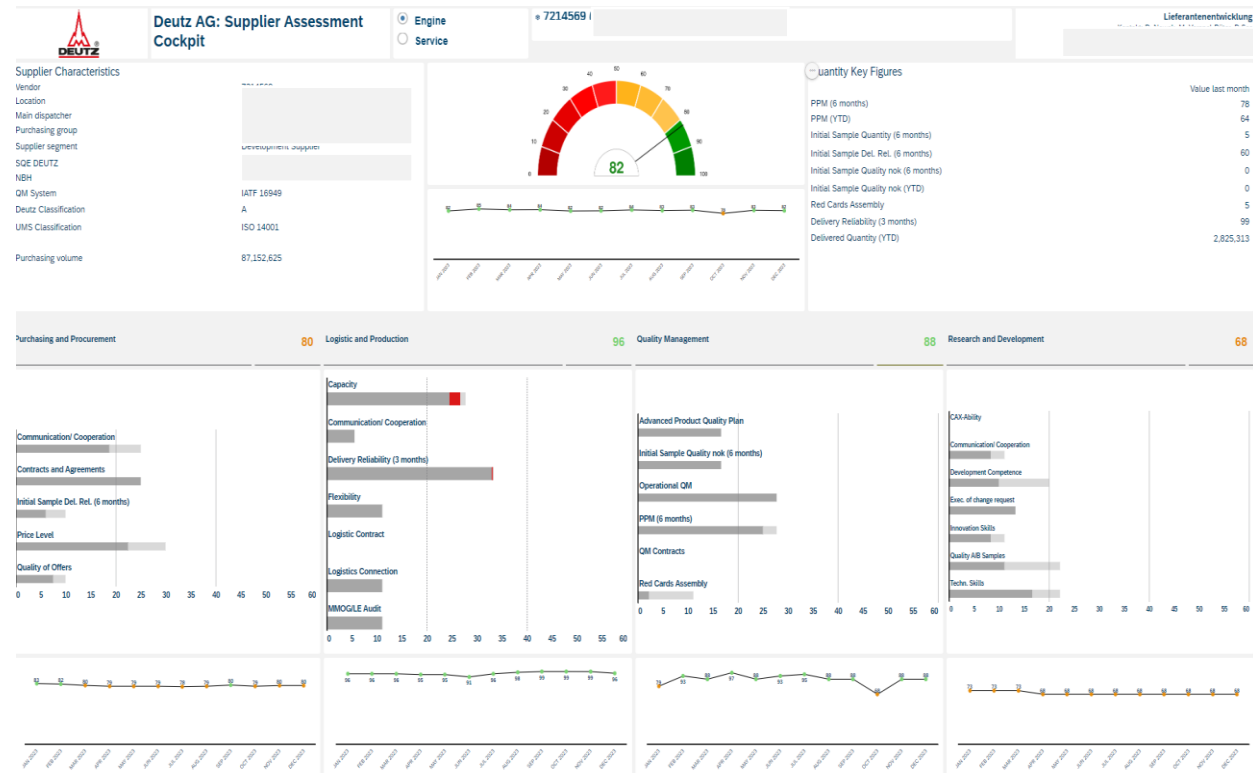
Dimensions of suppliers evaluation

Measurement of past performances

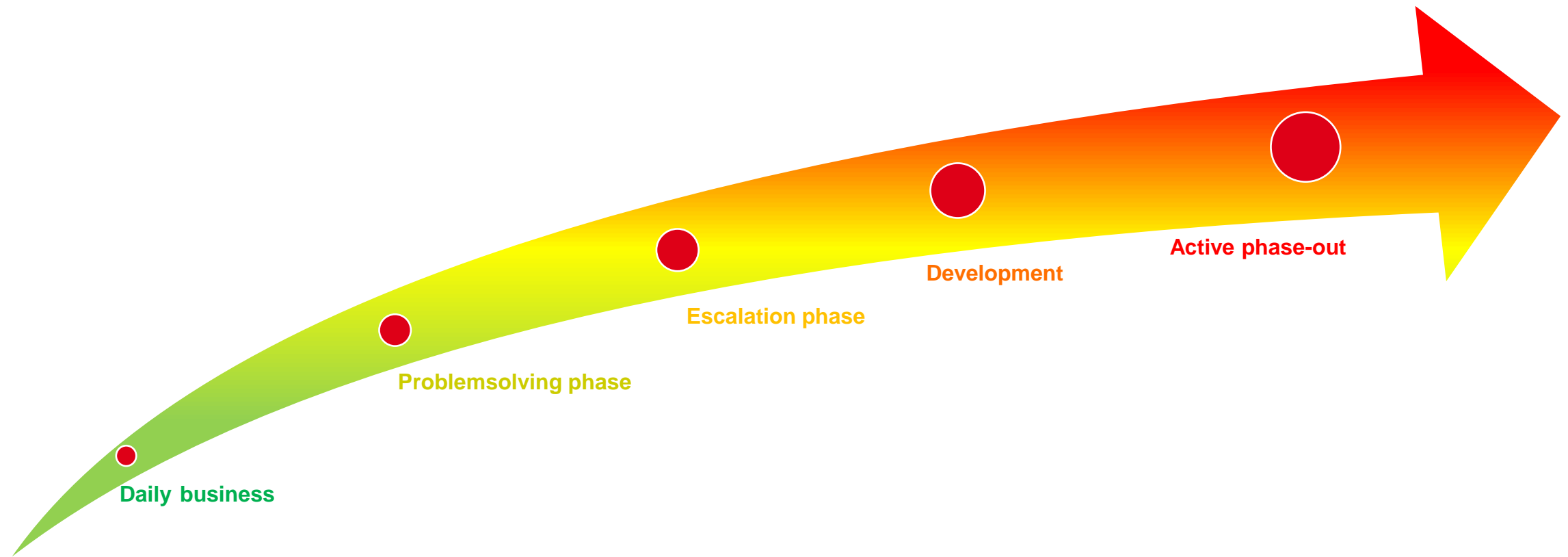
Performance evaluation							
Purchasing		Logistics		Quality		Research & Development	
Criteria	Weight	Criteria	Weight	Criteria	Weight	Criteria	Weight
Price level	30 %	Delivery Reliability	30 %	Operational QM	25 %	Techn. Skills	23 %
Contracts and Agreements	25 %	Demand Capacity	25 %	PPM (6 months)	25 %	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

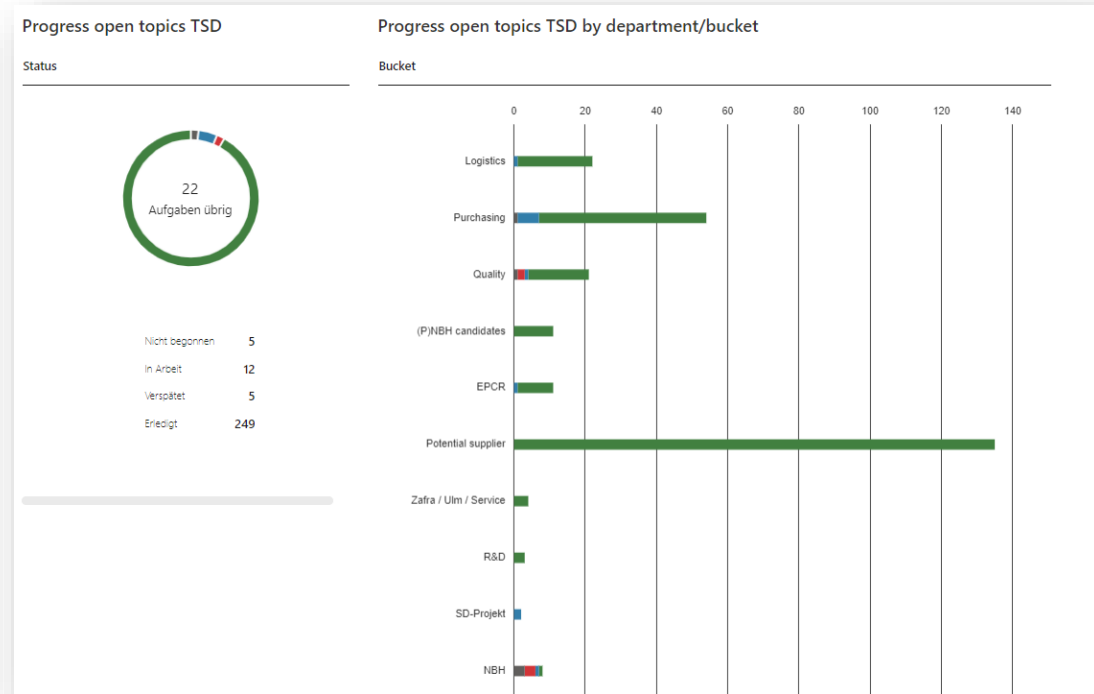
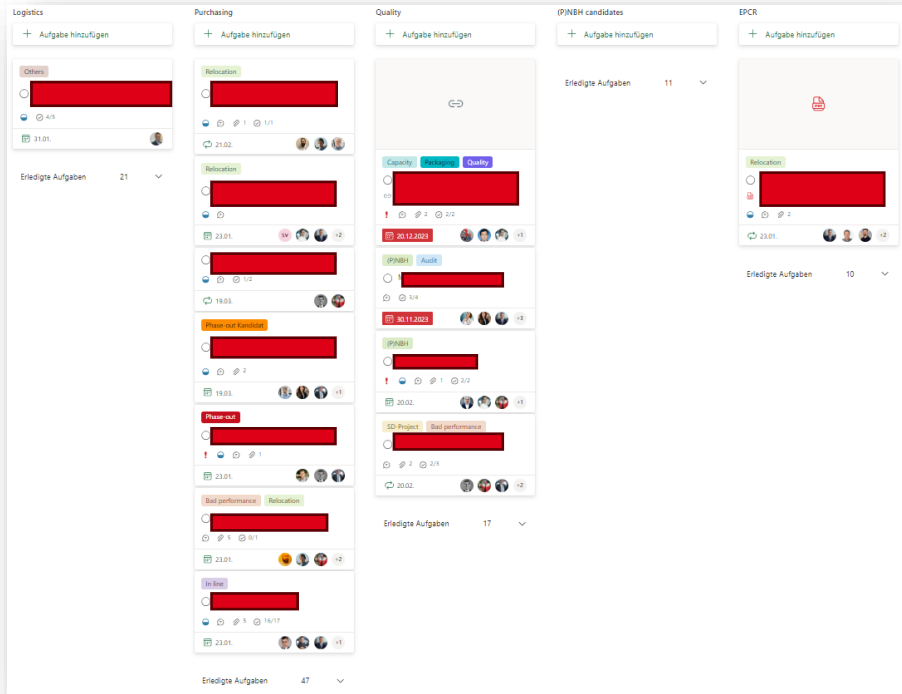


- Monitoring of Key Performance Indicators

- Tracking of the in-house production

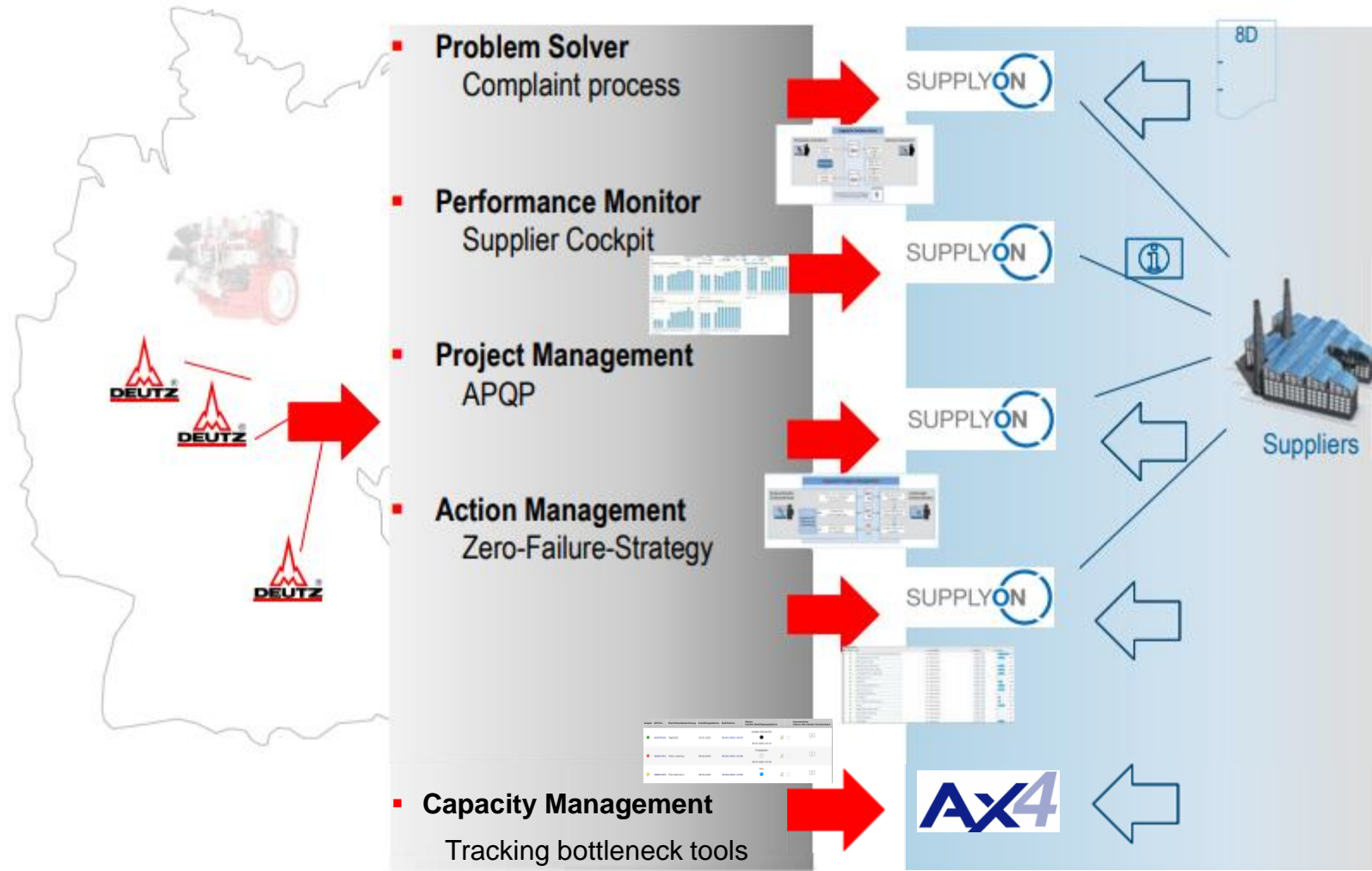
- Decision on:
 - the implementation of **supplier development projects**
 - Carrying out **supplier audits**
 - **Onsite invitation** of supplier meetings for de-escalation
 - Decision on status „**Prestage** –“ or „**New business on hold**“ (PNBH or NBH)
 - **Phase - in** and **phase - out** suppliers

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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