5 KEY METRICS TO INCREASE CONTROL OF YOUR SUPPLY CHAIN

Just how well does your supply chain perform? How reliable and cost-effective is it? And what is the environmental impact? Are your suppliers delivering what they promise? WWL recommends five key metrics to help you increase control of your supply chain.

1 COLLECTION PRECISION

Time is money. Passive time increases costs, risk of damage and potential for customer dissatisfaction. The collection precision metric manages a supplier's performance in collecting units within the agreed-upon target. By monitoring multiple locations and suppliers across your network, you can proactively manage weak performance. Actively managing collection performance drives continuous improvement and reduces inventory costs.

2 CO_2 PER UNIT

Green is the new black. Whereas supply chain decisions have long been based on cost, time and quality, environmental impact is an increasingly important driver today. Analysing the grammes of CO_2 per unit for a planned route gives you a clear picture of the carbon footprint of your operations. This enables you to build a network that meets environmental as well as cost, time, and quality ambitions.

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BUSINESS MEASUREMENT

3 DELIVERY PRECISION

Everyone strives for a seamless supply chain. Reliable performance is how you create one. Continually pushing providers for reduced lead times can increase fuel costs, damages, and environmental impact. Agree to delivery targets with providers and hold them accountable for delivery precision. The delivery precision metric measures a service provider's ability to deliver a unit within the agreed time. The more reliable they are, the smoother the handoff will be, resulting in a happy end customer.

4 COST PER UNIT

Money talks – and in the current economic climate, more than ever. You may have found a way to reduce costs by changing port locations or providers, but by saving money in one place you may actually be increasing your total costs in the overall supply chain. The cost per unit metric provides the end-to-end cost average and can help monitor and manage the impact of individual decisions on total costs.

5 DAMAGE PRECISION

Accidents may happen, but zero tolerance against damage is the goal. How do you consistently measure and manage locations and suppliers? Whether it is loading and unloading, shunting or extreme weather, each second of active or passive time is an opportunity for potential damage. The damage precision metric calculates the percentage of damage-free units out of the total number of units, allowing you to monitor performance across locations, suppliers, and activities.

WOULD YOU LIKE TO DISCOVER THE IMPROVEMENTS THESE FIVE METRICS CAN BRING TO YOUR SUPPLY CHAIN? CONTACT YOUR WWL ACCOUNT MANAGER.