

6. Current performance

Analysis and diagnosis phase

For a full overview of the tools see:

Stentoft, J., Freytag, P. V. & Mikkelsen, O. S. (2019), *Improved Competitiveness through Implementation of Sales & Operations Planning*, Department of Entrepreneurship and Relationship Management, University of Southern Denmark.

Purpose, participants and application

- **Purpose**

- To identify and create an overview of what is measured today.
- To create awareness on whether there is alignment between the different performance measures and with the corporate strategy.
- To identify possible missing performance measures to support the corporate strategy.
- To identify possible data quality challenges.

- **Participants**

- Top management, relevant middle managers and key-employees corresponding to the Sales & Operations Planning (S&OP) project.

- **Application**

- In the analysis and diagnosis phase.



Approach

- Before the list of measures, it is recommended that management and the employees have the necessary knowledge of the corporate strategy.
- The performance measures that are applied today are listed.
- Each performance measure is described regarding:
 - Importance with respect to corporate strategy.
 - Facts based on objective data or qualitative statements.
 - Challenges with data quality (reliability, validity, real-time etc.).
- When the list has been developed and an overall evaluation has taken place to judge whether there is a need for other performance measures to follow and support the corporate strategy.



Examples of an overview of current performance in the supply chain

Performance focus	Exists today (Y/N)	Importance for strategy (1-5)	Facts/ qualitative	Challenge with data
1. Time				
a. Lead-time customers				
b. Flexibility				
2. Cost				
a. Price development				
b. Total Cost of Ownership				
3. Quality				
a. Number of complaints				
b. Costs of complaints				
4. On Time (delivery) In Full (OTIF)				
5.				