APPENDIX 1

INSTRUMENT - PERSPECTIVE OF ORIGINAL EQUIPMENT MANUFACTURERS

A1.1 ENVIRONMENTAL UNCERTAINTY

A 1.1.1 Trading Partner Uncertainty

Extent to which key trading partners need to effectively respond to dynamically changing

1. Material requirements (i.e., volume, variety).
2. Delivery schedules.
3. Quality requirements.
4. Support services (pre, sale and post-sale services).

A 1.1.2 Customer Uncertainty

Extent to which there is uncertainty in customer requirements regarding

1. Quantity.
2. Product mix.
3. Delivery schedules.
4. Quality
A 1.1.3 Technology and Infrastructure Uncertainty

1. Extent to which technology changes is rapid and demanding in our type of organization.

Extent to which the following issues influence supply chain design and operations

2. Globalization.
3. Degree of privatization.
4. Statutory regulations (e.g. VAT, CST, Liability risks, WTO, Environmental norms, etc.).

Infrastructure in terms of

5. Transportation (i.e., Rail, Road connectivity).
6. Air and Seaport, inland water and coastal transport.
7. Communication network.

A 1.2 COMPETITIVE PRIORITIES

Extent to which the company’s strategy lays emphasis

1. On ensuring that products are readily available on the shelf in the market.
2. On reducing the lead-time in the supply chain (in terms of supply of raw material/components/ parts to OEM, Production and delivery of products to customer).
3. On offering returns management solutions (i.e. repair, recycle, rejects, etc.) to customers.
4. On producing innovative and technologically superior products.
5. On offering products with the best quality and yet with minimum price.

A 1.3 TOP MANAGEMENT COMMITMENT

Extent to which the top management

1. Commits adequate resources (financial, time, personnel, etc.) for effective SCM.
2. Has very clear customer and shareholder focus.
3. Ensures having a good internal communication and dialogue process.
4. Supports acquisition and implementation of appropriate information systems (e.g., ERP, VMI, WMS, etc.) across departments and across supply chain.
5. Ensures performance measures are in alignment with SCM strategy.
6. Aligns SCM strategy (e.g., strategic purchasing, long term relationship with trading partners, supply chain design, etc.) with organization's overall business strategy.
7. Ensures recognition and rewarding systems are transparent and are in line with supply chain strategy.
8. Ensures that employees are adequately trained to improve organizations' and supply chain performance.
9. Believes that benchmarking and continual improvement of various activities result in competitive advantage.
A 1.4 CUSTOMER ORIENTATION AND INVOLVEMENT OF EMPLOYEES

Extent to which

1. Customers are ranked and categorized based on their requirements.
2. Organization takes cognizance of formal and informal customer complaints.
3. Organization has a methodology for logging customer complaints.
4. Organization has long-term relationship with customers.
5. Customer feedback is regularly sought and utilized for the purpose of improvement of products and processes.

Extent to which employees of the organization

6. Instill confidence in the customers during interaction with them.
7. Are capable of making alternative arrangements of service during times of exigencies.
8. Are involved in establishing the policies and strategies of the organization in respect of supply chain management.
9. Meet regularly and offer suggestions for improvement in performance of the organization and the supply chain.
A 1.5 STRATEGIC PURCHASING

Extent to which

1. Purchasing activity is guided by a progressive supplier service policy.
2. Purchasing function is given due importance in the strategic supply chain planning process.
3. Purchasing personnel are imparted training to handle the challenges in the supply chain.
4. Purchasing department plays an important role in having long-term relationship with suppliers.

A 1.6 TRADING PARTNER MANAGEMENT

A 1.6.1 Selection

Extent to which selection of the trading partners is based on

1. Their financial capability and management creativity.
2. Their consistency in adhering to quality, cost, manufacturing and delivery schedules, and environmental norms.
3. Their willingness to share key information.
4. Their trustworthiness, integrity and commitment to meeting organizational needs and requirements.

Extent to which

5. Ongoing effort on rationalization and consolidation of supplier base is to minimize the number of suppliers while satisfying quality and cost considerations.
6. Organization relies on small number of high quality and responsive trading partners.
A 1.6.2 Trust and Commitment

Extent to which trading partners

1. Keep their oral and written agreements and promises, while dealing with the organization during times of need and exigency.

2. Are open, honest and trustworthy in their dealings.

3. Regularly make direct supplies to the point of use in without inspection (supplier certification).

4. Regularly supply materials and components in time.

5. Trading partners understand the benefits of information sharing, collaboration and coordination with the organization.

A 1.6.3 Cross Functional Teams

Extent to which

1. The Organization encourages formation of cross-functional teams with trading partners.

2. Trading partners are involved in cross-functional teams for formulating and implementing supply chain objectives and goals (including environmental issues).

3. Formation of task force teams with trading partners is encouraged to solve specific problems.

4. Information is mutually exchanged with trading partners through cross-functional teams.

5. Useful information is provided to trading partners to improving their performance.
A 1.6.4 Long Term Relationship

Extent to which

1. Trading partners participate in the organisation’s various project teams.
2. Trading partners are involved during the planning, design and development stages of new products and services.
3. Sensitive, proprietary and critical information are mutually exchanged with key trading partners in a timely manner.
4. Regular meetings and interactions take place with related departments of trading partners.
5. The effort is to maintain a long-term relationship with trading partners.
6. The organization views trading partners as a virtual part of the extended organization.
7. A comprehensive dispute resolution management system is formed with trading partners to address contingencies.
8. The organization share risks and rewards with the trading partners in a transparent manner.

A 1.7 INFORMATION TECHNOLOGY

Extent to which

1. Trading partners have access to organisation’s real-time dynamic information through secure extranet sites.
2. Various departments, offices and branches are electronically linked for better coordination.
3. All functions and activities in the supply chain are integrated by utilizing IT to improve monitoring and control.

4. Information systems are regularly updated with accurate and timely information.

5. Information system is periodically reviewed and technologically updated to respond to ever increasing requirements.

A 1.8 SUPPLY CHAIN DESIGN, STRUCTURE AND OPERATIONS

A 1.8.1 SCM Techniques

Extent to which

1. The location and capacity of the manufacturing, storage and assembly operations in the supply chain are decided based on critical and effective evaluation of related information such as availability of resources, government/statutory regulations, market conditions, etc.

2. Products and manufacturing systems are “designed for overall efficiency of SCM” (design for SCM i.e., the concept of modular design, standardization of parts design, etc. are implemented).

3. Environmental criteria are taken into consideration for designing as well as operating the supply chain.

4. Non-core requirements of the organization are outsourced.

5. Facilities are unbundled (e.g., offer our excess capacity to others) to gain leverage of intangible and tangible assets.
6. Principle of product customization is adopted in the supply chain (e.g., postponement).

7. Common platforms across product lines are developed to simplify product design (i.e., having common components across product lines) and compress product development time and costs.

8. Retailing system is effectively designed to gain competitive advantage.

A 1.8.2 SCM Supporting Tools

Extent to which

1. Appropriate IT tools and decision support systems are used for designing the supply network structure and operations.

2. Availability of sufficient components/spares/materials is ensured simultaneously in the market while releasing the new products.

3. Material order policies in the supply chain are clearly defined to reduce inventory and its costs.

4. Customer specific and location specific information (e.g., purchase patterns, inventory, etc..) can be retrieved from our comprehensive database.

5. Accounting system focuses on providing inter-organizational reports (e.g., costs of holding inventory, product flow, transportation, etc.).

6. Performance metrics are in alignment with the supply chain strategy.
7. The organization structure and supply chain structure are properly integrated for better coordination and fine tuning of distribution and logistics.

A 1.9 EXTERNAL LOGISTICS INTEGRATION

Extent to which

1. Design of the logistics activity helps in identifying root causes of material and information flow problems in the supply chain.

2. Various product characteristics such as volume to weight ratio, value to weight ratio, different brand of goods, perishable, hazardous, fragile, etc., are considered while planning the logistics activity.

3. Inter-modal concept is adopted in the containers, handling and transporting equipments, for moving materials such as general cargo, bulk-liquids and solids, refrigerated goods, etc. in the supply chain.

4. Inadequacies in the transport operations (such as low productivity, delays in check points and in transit, complex procedures, etc.) Have been effectively evaluated.

5. In-bound and out-bound logistics activities are well integrated.

6. Inter-organizational logistics activities are well coordinated.
A 1.10 MANUFACTURING MANAGEMENT

Extent to which

1. Lean / agile manufacturing and supply system is followed in our manufacturing plant.
2. Equipment and instrument maintenance policies and procedures are defined.
3. Manufacturing planning and scheduling are done based on the information shared between the organization and the associated trading partner (i.e., mitigating ‘Bull-whip” effect).
4. Quality Improvement programs at all levels in the organization are defined.
5. Manufacturing lead-time reduction is an important criterion in the planning process.
6. Manufacturing plans and operations are adaptable to dynamically changing material and product requirements.

A 1.11 RETURNS MANAGEMENT

Extent to which

1. Policies and procedures on reverse supply chain are derived from environmental concerns as well as from the critical analysis of the desired outcomes of operating the reverse supply chain.
2. Reverse logistics programs have been provided with adequate IT systems for individually tracking and tracing
product returns, planning and control of product recovery activities, etc. And to achieve reverse logistics efficiency.

3. Forward and reverse logistics operations are linked to each other (e.g., coca-cola combining the operations of delivery of products and collecting reusable containers and pallets).

4. Trading partners as well as customers are aware of the organization’s reverse supply chain objectives.

5. Reverse logistics concerns are considered as major input right from the design stage of products.

6. Information from reverse logistics is utilized to improve forward logistics programs.

7. Organization has a good network of asset recovery, repair, service, segregation and disposal of hazardous materials.

A 1.12 BENCHMARKING OF SUPPLY CHAIN ACTIVITIES

Extent to which emphasis is on benchmarking the following with those of best-in-class organizations

1. Customer focus
2. Supply chain design
3. Performance metrics
4. Managing information
5. Trading partner management
6. Inventory management
7. Manufacturing
8. Returns management
9. Employee training and management
A 1.13 MEASURES OF PERFORMANCE
A 1.13.1 Financial Performance

Extent to which

1. Profitability has increased.
2. Return on Investment has increased.
3. Market share has increased.
4. Cash-to-cash cycle time has decreased.

A 1.13.2 Trading Partner Performance

Extent to which

1. On time delivery by trading partners has increased.
2. Product conforming to specifications has increased.
3. Cost effectiveness of products/ service offered by trading partners has improved.
4. Number of orders delivered in full has increased.

A 1.13.3 Business Performance

Extent to which

1. New product development time has decreased.
2. Production lead time has reduced
3. Order fulfillment lead-time has decreased.
4. Inventory days of supply have decreased.
A 1.13.4 Customer Related Performance

Extent to which

1. Delivery lead-time has reduced.
2. Rapid confirmation of customer orders has improved.
3. Rapid handling of customer complaints has improved.
4. Customer service level has increased.
APPENDIX 2

INSTRUMENT: PERSPECTIVE OF SUPPLIER

A 2.1 TOP MANAGEMENT COMMITMENT

Extent to which the Top Management

1. Ensures that the organization’s business strategy is aligned with the customer’s supply chain strategy to serve the ultimate customer.
2. Commits adequate resources for effective supply chain management.
3. Supports acquisition and implementation of appropriate information systems across departments and across supply chain.
4. Emphasizes on having appropriate performance measures for the various functions and activities in the organization.
5. Ensures that employees are adequately trained to improve performance of the organization and supply chain.
6. Believes in having long-term collaborative relationships with the customers as well as with our trading partners.
7. Lays emphasis in ensuring a good internal communication and dialogue process.
8. Ensures recognition and rewarding systems are transparent and are in line with supply chain strategy.
9. Believes that benchmarking and continual improvement of various activities and process result in competitive advantage.
A 2.2 SUPPLY MANAGEMENT

Extent to which

1. The purchasing activity is guided by a progressive supplier service policy (i.e., having a set of guidelines for choosing suppliers, monitoring performance etc.,) that is aligned with the requirements of the customer.

2. Sensitive and critical information are regularly and mutually exchanged with our key suppliers.

3. Suppliers/ vendors are open, honest and trustworthy in their dealings with us.

4. The organization has long-term relationships with the suppliers.

5. Suppliers are encouraged to work in our cross-functional teams to design, develop and improve products, processes and services in line with our customer’s requirement.

6. Suppliers help us in delivering our commitment to our customer.

Extent to which selection of suppliers is based on

7. Their willingness to share key information.

8. Their capacity to adapt and comply with dynamically changing short and long term needs.
A 2.3 SUPPLY CHAIN ORIENTATION

Extent to which

1. In-bound and out-bound logistics activities are well coordinated and integrated in enhancing fleet utilization and turnover of goods.

2. Timeliness of delivery and ownership of delivery (e.g. Milk – run concept, supply consolidation) is emphasized in the supply chain.

3. Materials are supplied to the customer’s point of use without their inspection (i.e., implementing the concept of self certification).

4. Organization continuously monitors and replenishes stock in our customer’s premises (VMI).

5. Organization understands the benefit of collaboration, coordination and information sharing with our customer

6. Organization/warehouse is strategically close to the customer’s premises.

A 2.4 INFORMATION TECHNOLOGY

Extent to which

1. Our organization has access to the OEM’s real time dynamic information through secure extranet sites.

2. Our different departments, offices and branches are linked electronically for better coordination.
3. Our organization has electronic links with our suppliers.

4. Information systems are periodically updated with accurate and timely information to assist in proper decision-making.

5. Customer specific and location specific information can be retrieved from the comprehensive date-base.

A 2.5 CUSTOMER ORIENTATION AND INVOLVEMENT OF EMPLOYEES

Extent to which

1. Organization has a comprehensive Dispute Resolution Management system with the customer to address exigencies.

2. Customer transaction procedures and processes are standardized and simplified to facilitate easy handling of activities.

3. Organization has a methodology for logging customer complaints.

4. Our organization takes cognizance of formal and informal customer complaints.

5. Customer feedback is regularly sought and utilized for the purpose of improvement of our products and processes.

6. Our organization has a long-term relationship with our customers.

7. Our organization has a reliable system for handling customer’s property (material, information and documents) under specified conditions with utmost regard to safety and security.
8. Our employees are part of our customer’s cross-functional teams for the purpose of planning, design and development of new products.

9. Trained and empowered employees instill confidence in our customers during interactions with them.

10. Our employees are capable of making alternative arrangements of service in times of exigencies.

A 2.6 MANUFACTURING MANAGEMENT

Extent to which

1. Organization ensures simultaneous availability of spares/components/materials in the market when oem releases new product.

2. Lean / agile manufacturing and supply system is followed in our manufacturing plant.

3. Equipment and instrument maintenance policies and procedures are defined.

4. Manufacturing planning and scheduling are done based on the information shared between our organization and the associated trading partner (i.e., mitigating ‘Bull-whip” effect).

5. Quality Improvement programs at all levels in our organization are defined.

6. Manufacturing lead-time reduction is an important criterion in our planning process.

7. Manufacturing plans and operations are adaptable to dynamically changing material and product requirements.
8. Logistics activities within our manufacturing plant are well planned, coordinated, integrated and executed.

9. Environmental criteria are considered while designing and operating the various functions of our organization.

A 2.7 RETURNS MANAGEMENT

Extent to which

1. Our returns management policy and processes are in alignment with our customer’s returns strategy.

2. Our forward and reverse logistics operations are linked to each other (e.g., Coca-cola combining the operations of delivery of products and collecting reusable containers and pallets).

3. Our organization has a good network of asset recovery, segregation, disposal of hazardous and obsolete material, remanufacturing and re-distribution facilities that are strategically located.

4. Our reverse logistics programs have been provided with adequate IT systems for individually tracking and tracing product returns, planning and control of product recovery activities, etc., and to achieve reverse logistics efficiency.

5. Information from reverse logistics is utilized to improve our forward logistics programs.
A 2.8 BENCHMARKING OF SUPPLY CHAIN ACTIVITIES

Extent to which emphasis is laid on benchmarking the following with those of best-in-class organizations.

1. Our key operations and functions such as manufacturing, etc.,
2. Our product(s).
3. Information management
4. Supply chain orientation (including customer focus)
5. Performance measures
6. Supplier selection and management
7. Returns management
8. Employee training and management

A 2.9 MEASURES OF PERFORMANCE
A 2.9.1 Financial Performance

Extent to which

1. Profitability has increased.
2. Return on Investment has increased.
3. Market share has increased.
4. Cost effectiveness of products offered has increased.
A 2.9.2 Business Performance

Extent to which

1. New product development time has decreased.
2. Scheduling flexibility has improved.
3. Production lead-time has reduced.
4. Product conforming to specifications has increased.

A 2.9.3 CUSTOMER RELATED PERFORMANCE

Extent to which

1. On time delivery has increased.
2. Delivery lead-time has reduced
3. Rapid confirmation of customer orders has improved.
4. Rapid handling of customer complaints has improved.
APPENDIX 3

INSTRUMENT- PERSPECTIVE OF LOGISTICS SERVICE PROVIDER

A 3.1 TOP MANAGEMENT COMMITMENT

Extent to which the top management

1. Ensures that the organization’s business strategy is aligned with the customer’s supply chain strategy to serve the ultimate customer.

2. Commits adequate resources for effective supply chain management.

3. Supports acquisition and implementation of appropriate information systems across departments and across supply chain.

4. Emphasizes on having appropriate performance measures for the various functions and activities in the organization.

5. Ensures that employees are adequately trained to improve performance of the organization and supply chain.

6. Believes in having long-term collaborative relationships with the customers as well as with our trading partners.

7. Lays emphasis in ensuring a good internal communication and dialogue process.

8. Ensures recognition and rewarding systems are transparent and are in line with supply chain strategy.
9. Believes that benchmarking and continual improvement of various activities and process result in competitive advantage.

A 3.2 CUSTOMER ORIENTATION AND INVOLVEMENT OF EMPLOYEES

Extent to which

1. Our employees are part of our customer’s cross-functional teams for formulating and implementing logistic/supply chain objectives and plans.
2. Our trained and empowered employees (including drivers) instill confidence in customers i.e., shippers and consignees during interactions with them.
3. Our employees are capable of making alternative arrangements of service in times of exigencies.
4. Our organization takes cognizance of formal and informal customer complaints.
5. Customer feedback is regularly sought and utilized for the purpose of improvement of our products and processes.
6. Our organization has a methodology for logging customer complaints.
7. Our organization has a long-term relationship with our customers.
8. Our customers are provided information regularly regarding our performance, status of inventory, alternative routing, market conditions, etc.
9. Our customer transaction procedures and documentation related to services offered are standardized and simplified.
A 3.3 INFORMATION TECHNOLOGY

Extent to which

1. Our various departments, offices and branches are linked electronically to support business operations and facilitate customer service.

2. Information Technology (e.g. RFID, EDI, CFAR, Vehicle tracing, etc.) is used to enable real time connectivity.

3. Our organization’s Information System is interfaced with our customer’s computer systems (e.g., having access to customer’s secure extranet sites).

4. Information systems are periodically updated with accurate and timely information.

5. Our organization has access to data at point of sale (EPOS) to enable QR/ECR.

6. Comprehensive database maintained in our organization helps us to retrieve customer specific purchase patterns and inventory positions.

A 3.4 SUPPLY CHAIN ORIENTATION

Extent to which

1. Our organization has global network and reach connecting places of our customer’s interest.

2. Cargo and documents are cleared with local offices and agencies in a timely manner.
3. A comprehensive dispute resolution management system is available to address contingencies.

4. Our organization understands the benefit of collaboration, coordination and information sharing with our customer.

5. Key deliverables are clearly defined at the time of entering into contract with the customers.

A 3.5 LOGISTICS DESIGN

Extent to which

1. Design of our logistics activity helps in identifying root causes of material and information flow problems in the supply chain.

2. Various product characteristics such as volume to weight ratio, value to weight ratio, different brand of goods, perishable, hazardous, fragile, etc., are considered while planning the logistics activity.

3. Inter-modal concept has been adopted in the containers, handling and transporting equipments, for moving various types of materials such as general cargo, bulk-liquids and solids, etc. in the supply chain.

4. Our organization has a reliable system for handling customer’s property (material, information and documents) under specified conditions with utmost regard to safety and security.

5. Environmental criteria are considered while designing and operating the various functions of the organization.
A 3.6 INTEGRATION OF SUPPLY CHAIN LOGISTICS

A 3.6.1 Freight Forwarding

Extent to which

1. Our organization has facilities /alliance and support from various carriers (i.e. air, surface and sea carriers).

2. Cargo Arrival Notices (CAN) are provided to our customers, immediately on arrival of the cargo.

3. Our organization provides facilities such as Multi Country Consolidation (MCC), Stuffing and De-stuffing services for sea imports/exports.

4. Our organization offers innovative services such as buyer consolidation; merge in transit, cross docking, postponement hubs, repacking and re-labeling, pick and pack, and storage and sort, to serve wider range of customers and to enhance customer satisfaction.

5. Shipment documents such as Bill of Lading, Shipping Bills, ARE-1, EP (Export Performance) copy, etc. are provided to customers in time, with desired correctness and completeness.

6. Our organization provides greater number of options to shippers and consignees for transporting of materials (e.g., cost effective, partial container loads, alternative routing convenient, bulk, oversize and restricted materials).
A 3.6.2 Distribution / Warehousing

Extent to which

1. Location of our warehouse is based on weighing the related tangible and intangible factors such as customer proximity, access to transportation, labour availability, costs related to land and labour, taxes, state incentives and laws, JIT requirements, etc.

2. Ambient conditions of storage/Stacking are maintained in the warehouse.

3. The warehouses have sufficient storage and handling equipment to cater to the varying material specifications.

4. The warehouses are designed for further expansion and to accommodate new products.

5. The warehouse is designed to handle more traffic i.e. having appropriate storage layout and the dock being designed for handling all modes of transport.

6. Inventory is monitored in the warehouse and feedback provided regularly to customer.

7. Information Technology is utilized in our warehouse to scientifically locate, store and retrieve materials.

8. Maintenance policies for our storage and handling equipments are defined.

9. Trained, skilled and knowledgeable employees handle storage and retrieval activities with accuracy in picking and minimizing damages to materials.

10. Materials in the warehouse are handled on FIFO basis.
A 3.6.3 Transportation

Extent to which

1. Ambient conditions of storage in transit are continuously monitored and maintained in the vehicles.
2. Wide varieties of services such as transshipment, pick and pack, etc., are offered to customers.
3. Vehicles are placed in time for material collection and delivery.
4. Vehicle routing and scheduling are scientifically planned to enhance productivity and customer satisfaction.
5. Transportation solutions such as supply consolidation, milk run concepts are offered to our customers to enhance operational efficiency and customer satisfaction.
6. Our organization has a wide range of vehicles in terms of capacity and type to suit varied requirements of customers.
7. Our organization has clearly defined maintenance policy for transport vehicles.
8. Skilled, trained and certified drivers handle our transport vehicles.

A 3.7 RETURNS MANAGEMENT

Extent to which

1. Our reverse logistics policies and programs are in alignment with our Customer’s Returns Strategy.
2. Forward and reverse logistics operations are linked to each other (e.g., Milk van supplying milk in new crates and collects the old ones).

3. Our reverse logistics systems have been provided with adequate information systems to offer services such as planning and control of product recovery, tracking and tracing returns, inventory management, etc. To our customers.

4. Information from reverse logistics is utilized to improve our forward logistics programs.

5. Our organization has a good network of asset recovery, segregation, disposal of hazardous and obsolete material, remanufacturing and re-distribution facilities that are strategically located in order to minimize returns and recycling costs.

A 3.8 BENCHMARKING OF SUPPLY CHAIN ACTIVITIES

Extent to which emphasis is laid on benchmarking the following with those of best-in-class organizations.

1. Information management

2. Supply chain orientation (i.e., relationship with customers, etc.)

3. Returns management

4. Performance measures

5. Services offered such as Warehousing, Freight forwarding, etc.

6. Employee training and management
A 3.9 MEASURES OF PERFORMANCE

A 3.9.1 Financial Performance

Extent to which

1. Our market share has increased.
2. Profitability of our organization has improved.
3. Total logistic cost has decreased (total response cost+ total inventory costs+ total supply costs+ total transportation costs + total warehousing costs).
4. Inventory carrying costs have decreased.

A 3.9.2 Business Performance

Extent to which

1. Damage free shipment percentage has increased.
2. On-time arrival percentage has increased.
3. Warehouse order cycle time has reduced (elapsed time from when an order is released to the warehouse floor until it is picked, packed and ready for shipping).
4. Customer service level has increased.
APPENDIX 4

INSTRUMENT- PERSPECTIVE OF RETAILER

A 4.1 TOP MANAGEMENT COMMITMENT

Extent to which the Top Management

1. Aligns our retail business strategy with the OEM’s/Supplier’s supply chain strategy to serve the ultimate customer (consumer).

2. Commits adequate resources (financial, time personnel, etc.) for effective supply chain management.

3. Believes in having long-term collaborative relationships with our OEM/Supplier as well as with our logistics service providers.

4. Lays emphasis in ensuring a good internal communication and dialogue process.

5. Supports acquisition and implementation of appropriate information systems (e.g. EDI, VMI, Barcode, etc) across departments and across supply chain.

6. Emphasizes on having appropriate performance measures for the various functions and activities within our organization.

7. Ensures that employees in our organization are adequately trained to improve performance of our organization and supply chain.
8. Ensures recognition and rewarding systems are transparent and are in line with supply chain strategy.

9. Believes that benchmarking and continual improvement of various activities and process result in competitive advantage.

A 4.2 STORE MANAGEMENT

Extent to which

1. Location of retail store is decided after considering the effect of competition, degree of urbanization, accessibility, and number of commuters and socio-demographic data of the inhabitants.

2. Quality level of products stored is as per expectation of the customer.

3. Prices are comparable with product quality.

4. Outside appearance of the building attracts potential customers

5. Vehicle Parking (e.g., getting into parking lot, parking space availability, width of aisles, adequate visibility, pedestrian space, etc) is convenient for customers.

6. Our organization considers the attributes such as merchandising, store atmospherics, in-store service, etc. For better customer service and organizational performance.

7. Ambient conditions such as lighting, colors, music, signs, graphics, scents, etc. Are given importance to enhance customer perceptions about the products.

8. Technology is utilized (e.g Kiosks) is utilized to reduce waiting time of customers is sales floor.
9. Sufficient and competent customer service personnel are available to assist customers in the sales area.

10. Environmental criteria are considered in designing and operating the various functions of our organization.

### A 4.3 INFORMATION TECHNOLOGY

#### Extent to which

1. Standardized product identification systems such as Uniform Product Code (UPC) /barcode are utilized for classifying products at the detailed stock keeping unit (SKU) levels.

2. Strategies such as EDI, Collaborative Planning, Forecasting and Replenishment (CFAR) to transmit stock and order levels (real time connectivity) are utilized in the supply.

3. Our various department, offices and branches are linked electronically to support business operations and facilitate customer service.

4. Out organization has access to data at point of sale (EPOS) to enable QR/ECR.

5. Information systems are periodically updated with accurate and timely information.

6. Comprehensive database maintained in our organization helps us to retrieve customer specific purchase patterns and inventory positions.
A 4.4 CUSTOMER ORIENTATIONS AND INVOLVEMENT OF EMPLOYEES

Extent to which

1. Our customer (consumer) transaction procedures and documentation related to services offered are standardized and simplified.

2. Customers feel safe and secure in their transactions with us.

3. Our organization has a methodology for logging customer complaints.

4. Our organization takes cognizance of formal and informal customer complaints.

5. Customer feedback is utilized for the purpose of improvement of the products/services offered, and for the overall improvement of organizational performance.

6. Our organization involves in sales promotional activities such as Advertising, Personal Selling, Sales Promotion, Public Relations, Visual Merchandising, etc. to influence customer perception.

7. Post-transaction service is an important activity in our organization.

8. Our employees are consistently responsive and courteous to customer’s queries.

9. Our trained and empowered employees instill confidence in customers during interactions with them.

10. Our employees are capable of making alternative arrangements of service in times of exigencies.
12. Our employees are part of our OEM’s /Supplier’s cross functional teams for formulating and implementing supply chain objectives and plans.

A 4.5 MATERIALS MANAGEMENT

Extent to which

1. Inventory inaccuracy (due to theft, incorrect deliveries, etc.) is minimized in our organization through technology approaches such as RFID and other approaches such as benchmarking, awareness building, process improvements, etc.

2. Our organization stores wide variety of products of various brands or sufficient quantity of single brand (concept of retailing system design is followed).

3. Our organization has a reliable system for handling OEM/customer (consumer) property (i.e., material given for repair, information and documents) under specified conditions with utmost regard to safety and security.

4. Product type (e.g., size, weight, life, etc.) is considered and followed while planning for storage and transportation (Logistics Category Management).

5. Sufficient variety and stock of materials are available in the retail store
A 4.6  RETURNS MANAGEMENT

Extent to which

1. Our returns management policy and processes are in alignment with our manufacturer’s/OEM’s Returns Strategy.
2. Our organization has a good network of asset recovery, segregation, disposal of hazardous and obsolete material, and re-distribution facilities that are strategically located in order to minimize returns and recycling costs.
3. Forward and reverse logistics operations are linked to each other (e.g., Milk van supplying milk in new crates and collects the old ones).
4. Our reverse logistics systems have been provided with adequate information systems.

A 4.7  BENCHMARKING OF SUPPLY CHAIN ACTIVITIES

Extent to which emphasis is laid on benchmarking the following with other organizations

1. Store management activities
2. Key performance measures and metrics
3. Customer focus
4. Information management
5. Internal and external atmospherics
6. Logistics activities
7. Sales promotional activities
8. Employee focus
A 4.8 SUPPLY CHAIN ORIENTATION

Extent to which

1. Our organization has risk reducing policies (e.g. involving price, returns, stock keeping units, etc) with our OEM/Supplier for risks arising due to variations in political climate, prices, demand etc.

2. There is collaboration, coordination and information sharing with our suppliers and logistics service providers for demand forecasting, inventory management, planning supplies, etc.

3. A comprehensive dispute resolution management system is available with the supplier to address contingencies.

4. The concept of lean retailing is practiced in our organization, while maintaining the desired service level for the customer (consumer).

5. There is consistency between the manufacturer and us in understanding customer perceptions, while releasing product/service promotional activities

A 4.9 MEASURES OF PERFORMANCE

A 4.9.1 Financial Performance

Extent to which

1. Asset utilization (net sales/assets) has increased.

2. Gross margin return on space (Gross margin/Square feet of selling space) has improved.

3. Gross margin on labor (Gross margin/Employee payroll) has increased.
4. Average rate of stock turnover in rupees (Net yearly sales in rupees/ average inventory on hand in rupees) has increased.

A 4.9.2 Business Performance

Extent to which

1. Customer service level has improved.
2. Cash-to-cash cycle time has decreased.
3. Order fulfillment lead-time has decreased.
4. Rapid confirmation of customer orders has improved.
5. Rapid handling of customer complaints has improved.