

The Global Scorecard

A Global Commerce Initiative tool for Collaboration



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P&G Global Operations



4 Things I'd like to accomplish today..

1. What is the Global Scorecard?
2. Why is it important to CECRAL, to the Global Commerce initiative **and To you?**
3. How does it generate value for me?
4. How do I use it?

What is the Global Scorecard?

- **It is a tool that uses a common language and measurement system to enable**
 - Companies Internally
 - Trading Partners Collaboratively
 - And the Industry Collectively
- **To understand how well we are doing**
 - Relative to the capabilities we have built and the benefits we expect those capabilities to deliver



Capabilities?



Electronic Communication

Shopper loyalty management	Relationship based solutions
Category / brand management	Integrated value solutions

Category Management
Shopper Value Creation



Global Trade Identification Numbers



Global Data Synchronization



Collaborative Planning, Forecasting And Replenishment



The Global Scorecard

- It is free
- It measures 8 Globally Agreed and Defined “Core” Key Performance Indicators and 9 Standards Implementation Measures.
- Companies input their data
- Confidentiality is maintained
 - only you can see your data
 - Can not benchmark with less than 5 data points

8 “Core” Key Performance Indicators

- **Sales Growth Rate** – are sales growing?
- **Service Level / Unit Fill Rate** – Are all items being delivered as ordered?
- **On-Time Delivery** – Are goods arriving when expected?
- **Inventory** – Have we minimized the amount of inventory needed in the supply chain?
- **On-Shelf / Point-of-Sale availability** – Can the consumer purchase the product when they want it?
- **Order to Delivery Lead Time** – How responsive are we to changing consumer needs?
- **Distribution costs** – Have we optimized the cost of product transportation & storage?
- **Master Data Invoice Accuracy** – Do we efficiently get information flow right the first time?

Global Scorecard – A Capability Assessment Tool
Key Performance Indicators – Version 3.0 March 1, 2006

Comments:

1. For the purpose of this work, an “Enterprise” is defined as any one company or the collaborative effort of two or more companies.
2. If you / your company can not measure the KPI as defined – get as close as you can.
3. Be pragmatic. The value of KPI assessment is in the plans you (and your trading partner) develop to improve the KPI and the trend line of that improvement.
 The flexibility of the measurement methodology and benchmarking capability provide “directional” indications for participants.

KPI	Purpose / Comments	Measure	Definition	Timeframe of measure	Example	Where Measured
Service Level / Unit Fill Rate	To measure if the units / items being ordered are being delivered complete as measured by the recipient. This is a case/trading unit/volume measure. Over deliveries and back orders should not be included in this measure.	% Of cases / trading units / volume delivered as ordered	For all cases / trading units / items ordered, the % delivered as ordered. (A volume fill measure)	Use the data systems available from the enterprise. For benchmarking, report the average of these data points over the most recent 12-month period.	A fill measure. (E.g. if 50 cases of item “A” and 75 cases of item “B” were ordered but 50 cases of item “A” and 60 cases of item “B” were delivered. The service level would be 88% - 110/125)	<ol style="list-style-type: none"> 1. Manufacturer to retailer DC. (for DSD) manufacturer to store 2. Retailer to Store 3. (for make to order or consumer direct) Manufacturer to Consumer
On-Time Delivery	To measure order processing and distribution performance	% Of orders delivered on time.	# Of purchase orders delivered on time divided by the number of orders. “on-time” is based on the recipients agreed delivery window		1700 orders placed, 1560 delivered on-time (per final Purchase Order) = 91.1%	<ul style="list-style-type: none"> o Manufacturer to retailer DC. (for DSD) manufacturer to store o Retailer to Store o (for make to order or consumer direct) Manufacturer to Consumer
Inventory	Measure finished goods inventory in the supply chain. The participant decided how that inventory is “valued” (e.g. cost of goods or sales value) and uses that “value” in the numerator and denominator.	Days	“Value” of finished goods inventory divided by the “value” of average daily sales (calculated based on past 6 months history) of these products.		Finished goods inventory Value = \$1,000,000 Avg. daily sales = \$75,000 Inventory = 13.3 days (1000000/75000)	<ul style="list-style-type: none"> o Manufacturer DC o Retailer DC o Store

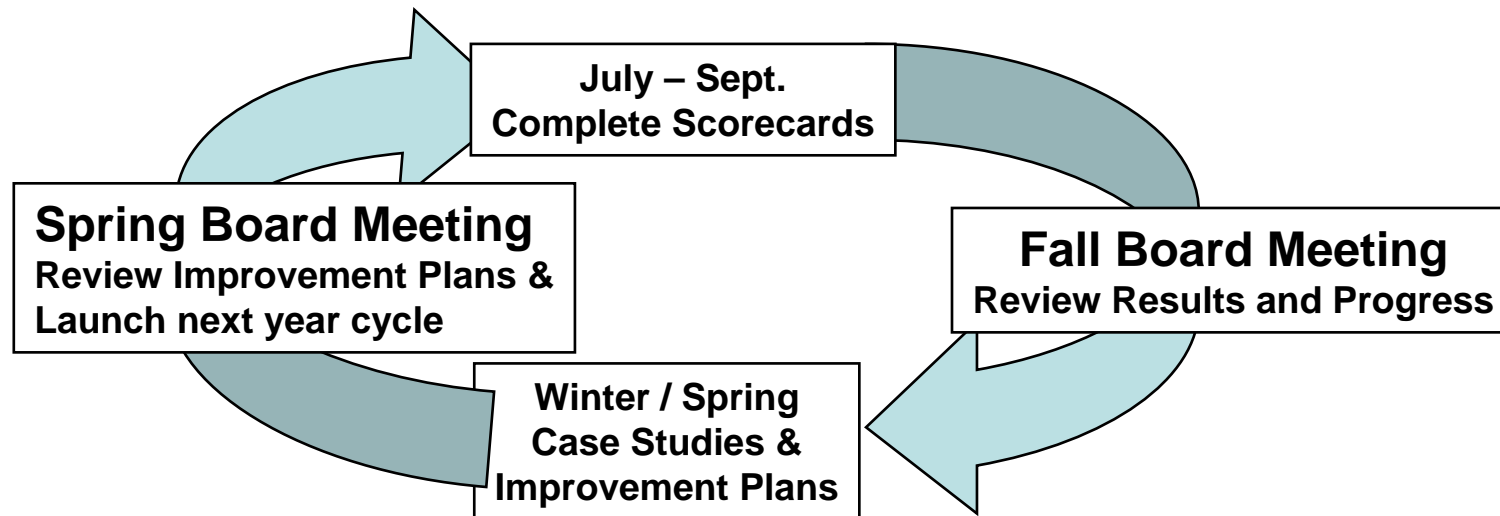


12 Implementation Measures

- Use of Global Trade Identification Numbers (GTIN's or barcodes) at the Unit, Case / Carton and Pallet levels
- Adherence to the GTIN allocation guidelines
- Use of Global Location Numbers (GLN)
- Use of EDI for orders, invoices, despatch and receipt of goods
- Use of the Global Data Synchronization Network (GDSN) to synchronize Master Data between trading partners % of SKUs registered in the GlobalRegistry
- Use of the Global Registry
- Implementation of Global Product Classification Standards

Global Commerce Initiative Annual Compliance Scorecard Effort

The Value of a Common Language and Measurement System



The Value of a Common Language and Measurement System

- **The Global Scorecard enables**
 - Companies- Internally
 - Trading Partners – Collaboratively
 - The Industry – Collectively.
- **To understand how well we are doing**
 - Relative to the capabilities we have built and the benefits we expect those capabilities to deliver

Let's go to.....
www.globalscorecard.net



The Value of a Common Language and Measurement System

- The Global Scorecard enables us to understand what we need to improve....
- For Companies- Internally
 - In 2005, 27 different P&G Business Units (Countries, Business Units) participated.
 - For some countries, this is their 4th consecutive year – so there are strong trend lines to examine.
 - IT IS A 2-3 YEAR LEARNING CURVE
 - Year #1- do it because I have been told to do it
 - Year #2 – this wasn't as hard as I thought last year - and now I'm beginning to see the value in benchmarking.
 - Year #3 – I don't even have to push anymore – it is integrated in the Country / Business Unit's planning cycle

JOINT VALUE CREATION

Value is Jointly Created when the Industry as a Whole and Individual Trading Partners have aligned strategies, experiences, capabilities and competencies so that we meet the needs of our shoppers better than any individual company could do on their own.

But it starts with Internal Company Readiness...

2005 Results in North America

Key Performance Indicators - Benchmark Results

Criterion	Units	Sample total revenue	# Records	Sample Wtd Avg
Core Key Performance Indicators				
Nivel de Servicio del Punto de Venta / Tasa de Llenado de Unidad (Service Level)	%	\$271.5	38	96.4
Entrega a tiempo On-Time Delivery	%	\$269.2	37	88.2
Abarque del Inventario de bienes terminados del Fabricante / Proveedor (Manufacturer)	days	\$128.5	32	35.7
Abarque del Inventario del Centro de Distribución del Detallista (DC)	days	\$194.9	22	25.3
Abarque del Inventario del Punto de Venta del Detallista (Store)	days	\$235.9	20	20.0
En-Anaquelel / Punto de Venta , Faltantes (Out-of-Stock)	%	\$232.8	24	9.6
Tiempo de entrega (Lead Time)	hours	\$270.7	34	84.5
Costos de Distribución (% del valor de ventas)	%	\$263.6	31	6.1
Exactitud de factura - Datos Maestros (Accuracy - Master Data)	%	\$242.9	23	88.9
Implementation Measures				
% de unidades del consumidor con GTIN asignado	%	\$299.5	42	90.8
% de cajas / cartones / partes interiores que cuentan con un GTIN asignado	%	\$299.7	43	69.6
% de plataformas / unidades de carga etiquetadas con SSCC	%	\$299.4	42	56.1
% de excepciones de artículos a las pautas de asignación de GTIN	%	\$234.9	37	7.1
% de ubicaciones de embarque o recibimiento que se les ha asignado un GLN	%	\$288.1	39	10.7
% de órdenes tramitadas vía EDI o XML	%	\$258.4	41	84.6
% de facturas tramitadas vía EDI o XML	%	\$256.4	40	82.5
% de ventas con datos maestros sincronizados entre socios comerciales vía la Red Global de Sincronización de Datos (GDSN)	%	\$299.7	42	12.3
% de GTINs que han sido catalogados consistentemente con los Estándares Globales de Clasificación del Producto	%	\$299.7	42	33.0

2005 Results in North America

Key Performance Indicators - Benchmark Results

Criterion	Units	Sample total revenue	# Records	Sample Wtd Avg	My illustrated Average
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Nivel de Servicio del Punto de Venta / Tasa de Llenado de Unidad (Service Level)	%	\$271.5	38	96.4	98.6
Entrega a tiempo On-Time Delivery	%	\$269.2	37	88.2	91.4
Abarque del Inventario de bienes terminados del Fabricante / Proveedor (Manufacturer)	days	\$128.5	32	35.7	65.8
Abarque del Inventario del Centro de Distribución del Detallista (DC)	days	\$194.9	22	25.3	28
Abarque del Inventario del Punto de Venta del Detallista (Store)	days	\$235.9	20	20.0	15.7
En-Anaque / Punto de Venta , Faltantes (Out-of-Stock)	%	\$232.8	24	9.6	6.2
Tiempo de entrega (Lead Time)	hours	\$270.7	34	84.5	175.8
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% de plataformas / unidades de carga etiquetadas con SSCC	%	\$299.4	42	56.1	30.3
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2005 Results in North America

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Implementation Measures					
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% de cajas / cartones / partes interiores que cuentan con un GTIN asignado	%	\$299.7	43	69.6	59.5
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Redes de

The Value of a Common Language and Measurement System

- Scorecards enable us to understand what we need to improve.....
- For Companies- Internally
- For Trading Partners – Collaboratively

Market Strengths / Trading Partner Opportunities Mapped

Key Performance Indicators - Benchmark Results

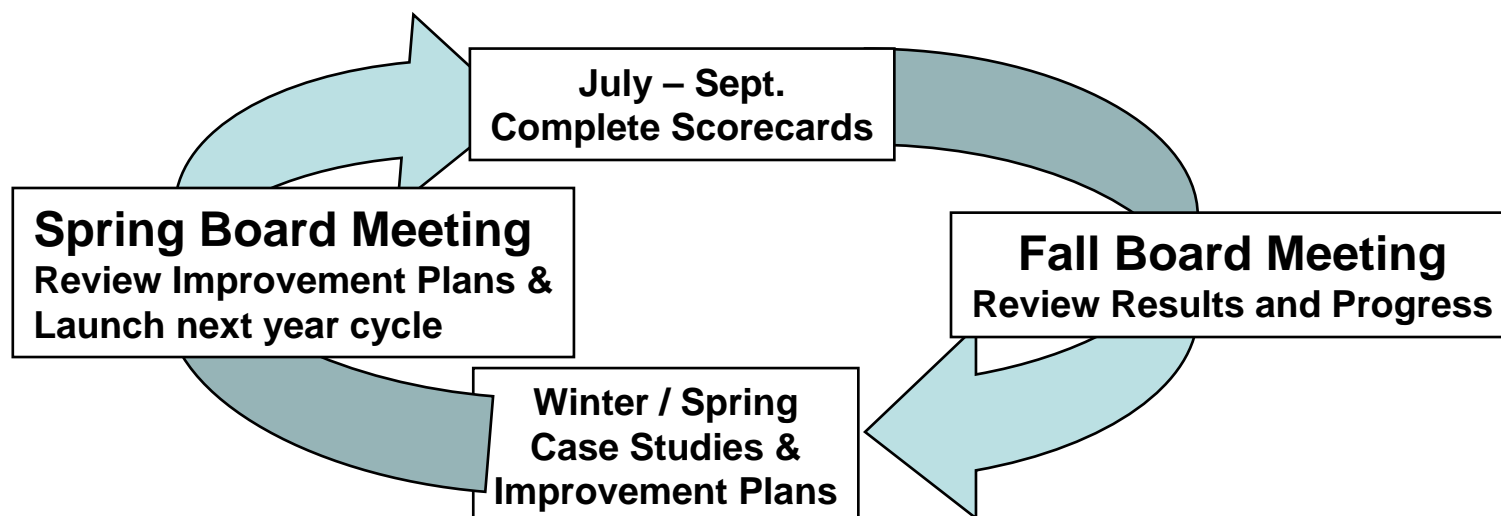
Criterion	Units	Sample Weighted Avg	# Records	My Weighted Avg	Cust. A
Core Key Performance Indicators					
Service Level / Unit Fill Rate	%	97.2	134	99.2	98.5
On-Time Delivery	%	86.8	119	92.5	93.5
Manufacturer/Supplier's Finished Goods Inventory Cover	days	32.6	84	59.1	59.1
Retail Distribution Centre Inventory Cover	days	18.9	77	25.1	20.0
Retail Store Inventory Cover	days	14.9	86	26.0	15.1
On-Shelf/Point-of-Sale Out-of-Stocks	%	5.0	83	6.0	12.0
Lead Time	hours	72.9	131	112.6	136
Distribution Costs (% of sales value)	%	6.3	108	6.6	2.4
Invoice Accuracy - Master Data	%	93.2	66	99.7	71.2
Implementation Measures					
% of consumer units allocated GTIN	%	98.9	137	99.7	100
% of cases/cartons/inneres allocated a GTIN	%	89.9	140	99.3	100
% of pallets/unit loads labeled with SSCC	%	36.4	137	95.9	100
% of item exceptions to GTIN allocation guidelines	%	2.1	120	1.5	1.0
% of shipping or receiving locations that have been allocated a GLN	%	71.5	139	15.1	100
% of orders transacted via EDI or XML	%	89.2	139	93.2	100
% of invoices transacted via EDI or XML	%	27.8	138	89.4	100
% of sales with synchronized master data between trading partners via the Global Data Synchronization Network	%	5.3	136	43.1	2.0
% of GTINs that are catalogued consistently with Global Product Classification Standards	%	13.7	134	93.4	90.0

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Global Commerce Initiative

The Value of a Common Language and Measurement System



Compliance Scorecard
2005 Benchmark Results

So How Did We Do?

Participation	2002	2003	2004	2005	
# of Scorecards	159	183	326	305 (93.5)	
Cum. Participant Value (Billion \$US)			\$625.1B	\$828.7B (132.6)	
# of Companies	56	60	71	77 (108)	
Countries					
NA	25	20	45 \$461.2B	63 (140) \$634.0B (138)	
EMEA	85	110	185 \$160.0B	181 (98) \$177.0B (111)	
LA	25	25	29 \$5.5B	25 (87) \$4.3B (78)	
Asia	25	25	67 \$16.0B	40 (67) \$13.4B (83)	

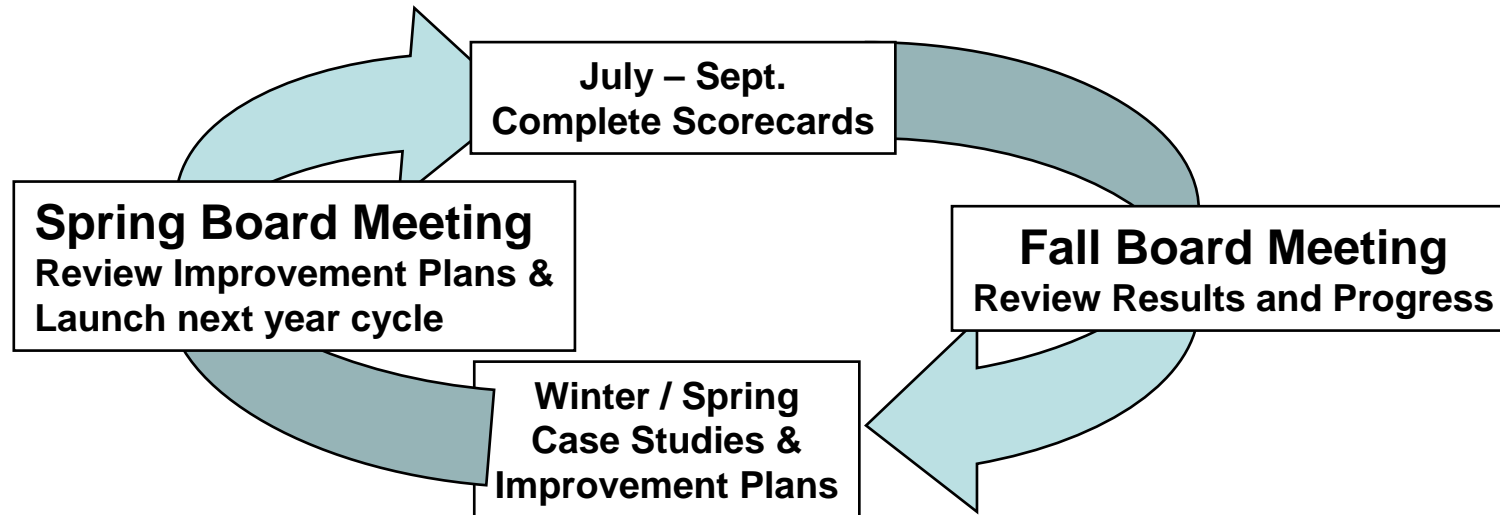


2004 to 2005 Progress versus North American Objectives

Implementation Measures		2004 Benchmark	2005 Result	Goal	Time-Frame	Comment
% of consumer units allocated GTIN	%	90.1	98.4	95	2008	Achieved
% of cases/cartons/inneres allocated a GTIN	%	69.4	85.2	80	2007	Achieved
% of pallets/unit loads labeled with SSCC	%	74.0	85.2	80	2007	Manuf. Opportunity
% of item exceptions to GTIN allocation guidelines	%	3.5	5.5	<1	2006	No Progress (just starting to measure)
% of shipping or receiving locations that have been allocated a GLN	%	62.8	64.6	80	2007 Duns to GLN)	Retailer driven progress (Manuf = 23.8%)
% of orders transacted via EDI	%	94.6	95.3	85		Achieved
% of invoices transacted via EDI	%	91.2	95.0	85		Achieved
% of sales with synchronized master data between trading partners via GS1 certified data pool	%	9.9	43.3	50	20% by 2006 50% by 2007	Retailer Driven Progress (manuf = 27.9%, up from 18.4% in '04)
% of GTINs that are catalogued consistently with Global Product Classification Standards	%	9.9	36.2	50	2007	Manuf. driven progress

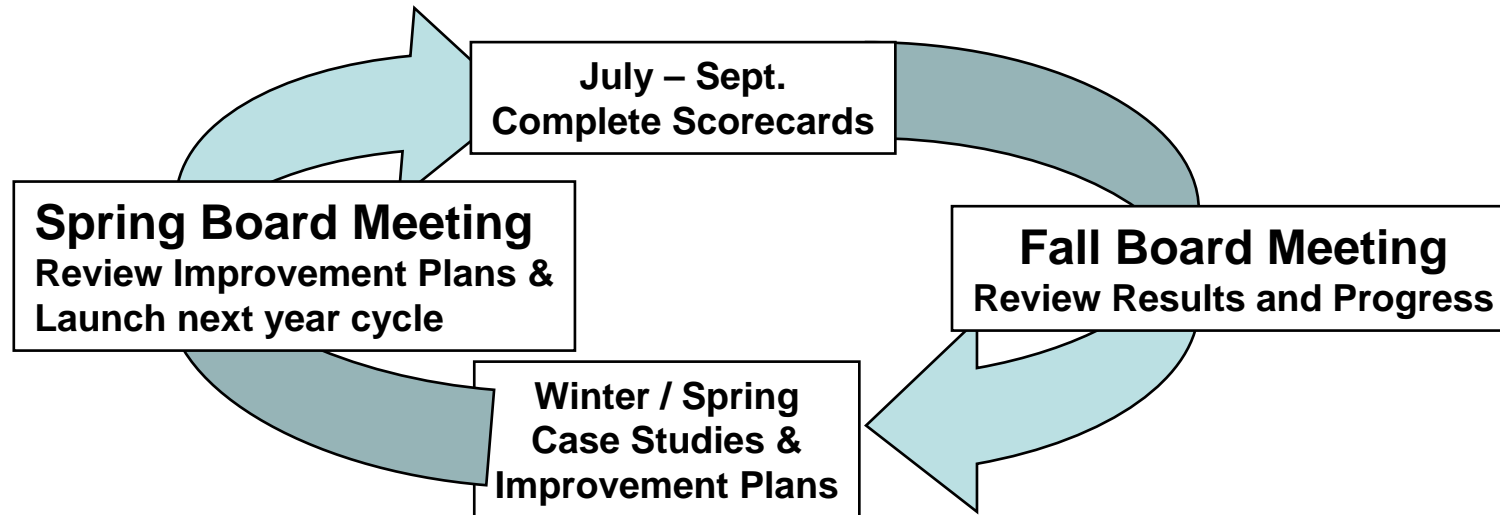


The 2006 Compliance Scorecard Exercise is Underway



Your participation will help....

Your Company, your trading partners, the Industry



Redes de Valor
LATINOAMÉRICA • 2006
CECRAL Consejo ECR Latinoamericano

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- Relative to the capabilities we have built and the benefits we expect those capabilities to deliver



Thank You...

- WWW.GLOBALSCORECARD.NET

gci Site owned by Global Commerce Initiative

Global Scorecard.net

Español Go

Color Coding Explained

Empezando

Guía de conceptos ECR

Descargas

Ligas

Contacte a los patrocinadores

Tablero de Indicadores

Recuperar datos

Agregar nuevos datos

Benchmarking

Editar su perfil de usuario

Registro de Usuarios

Cerrar Sesión

Las marcas IBM y e-business son TMs de IBM Corp

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Bienvenido a globalscorecard.net

El Global Scorecard - una Herramienta de Evaluación de Capacidades ha sido diseñada para darle a usted un entendimiento detallado de su capacidad ECR y para resaltar oportunidades específicas de mejora para su compañía.

el Qué
Indicadores Clave de Desempeño Globales
Enfoque en Medidas Cuantitativas

el Dónde
Herramientas de Evaluación más profunda
Enfoque en Diagnóstico de Glosup

el Cómo
Herramientas de Evaluación de Capacidades
Enfoque de Evaluación Cualitativa

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