

Supplier Performance Scorecard

Purpose: Stanley Healthcare Supplier Performance Scorecard will measure supplier performance on a quarterly basis. Supplier performance data will be collected and used for periodic supplier business reviews and decision making in the following areas:

- Continuation of supply
- Extension of supply (additional business)
- Termination of supply

Scope: The scope of the scorecard includes purchased materials, primarily focused on direct materials. One scorecard per supplier will be generated* encompassing all parts procured on a quarterly basis.

**Stanley Healthcare reviews supplier performance and determines which supplier will receive a scorecards on an annual basis. Selection is dependent on regulatory requirements of product procured, previous supplier performance, current level of spend with supplier and criticality of purchased product within Stanley product or system designs.*

Scorecard Categories	Points	Weight
Quality		60
Defective PPM	20	
SCARs - Count	15	
Response Time	15	
Supplier Nonconformance Reports - Count	5	
Response Time	5	
On-Time Delivery		40
On-Time Percentage	40	
Total Points	100	

Overall Performance Ratings	
Score Range	Rating
89-100	Exceeding Expectations
79-88	Meeting Expectations
69-78	Needs Improvement
<68	Improvement Action Required

Quality - Includes three parts:

1. Defective Parts Per Million (DPPM)
2. Count of Supplier Corrective Action Requests (SCARs) initiated during the current scorecard period,
 - An evaluation of the supplier's responsiveness to the SCARs including new and open from previous periods and then closed during the current period that had remained open from previous period.
 - Priority of Supplier Corrective Action Requests (SCARs) initiated during the current scorecard period.
3. Count of Supplier Nonconformance Reports (SNCRs) initiated during the current scorecard period,
 - An evaluation of the supplier's responsiveness to the SNCR(s) initiated during current scorecard period.

On Time Delivery - Includes one part:

1. Percentage of on-time deliveries per purchase order line within scorecard period.

Quality

Defective Parts Per Million (DPPM) Scoring- 20 Pts

DPPM is defined by Supplier Category which is indicated on the top of each scorecard.

Distributor			Manufacturer			Contract Mfg.			Plastic Injection		
PPM Scoring Parameters			PPM Scoring Parameters			PPM Scoring Parameters			PPM Scoring Parameters		
Range		Points	Range		Points	Range		Points	Range		Points
< or =	500	20	< or =	250	20	< or =	500	20	< or =	500	20
< or =	750	15	< or =	500	15	< or =	750	15	< or =	1000	15
< or =	1000	10	< or =	750	10	< or =	1000	10	< or =	2000	10
> or =	1250	0	> or =	1000	0	> or =	1250	0	> or =	4000	0

Supplier Corrective Action Requests (SCAR) Scoring- 30 Pts

Number of SCARs – 15 Points			SCAR Response Time – 15 Points		
Count	# of SCARs	Points	Response	Total Possible Points	15
	0	15		- Average number of days past due	0
	1	10		= SCAR Response Score	15
	2 or Greater	0	Ex: 15 – 4 (avg. days past due) = 11 SCAR Response Pts		

SCAR Priority Level	Definition	Consequence to Supplier
Urgent	Immediate Containment with Rapid Response root cause and interim CA Plan required. (Used for line stoppage, risk of shutdown, patient security risk, etc.)	Quarterly SCAR count points drop to 0
Standard	1 day ACK + Containment, 3-5 Day RC, Interim CA	Standard scoring parameters

Supplier Nonconformance Reports (SNCR) Scoring- 10 Pts

Number of SNCRs – 5 Points			SNCR Response Time – 5 Points		
Count	# of SNCRs	Points	Response	Total Possible Points	5
	0	5		- Average number of days over 3 days.	0
	1 - 2	4		= SNCR Response Score	5
	3	2	Ex: 15 – 7 (avg. days over 3 days) = 8 SNCR Response Pts		
	4 Or Greater	0			

On-Time Delivery

On Time Delivery Scoring - 40 Pts

OTD Scoring Parameters		
	Range	Points
> or =	95%	40
> or =	90%	30
> or =	85%	20
> or =	80%	10
< or =	79%	0