

arcplan-Powered Quality Dashboard and Supplier Scorecard Save Millions and Revolutionize Supplier Management

SAP Analyst Eric Glenn explains, “SAP eliminated some of the troublesome data collection and infrastructure issues, yet we needed a simple and intuitive way to access it. It was too difficult for the Quality Team to create reports and dashboards that contained SAP data along with data from some of the company’s other vital systems, such as Hyperion. We needed a more robust – yet user-empowering – front end.”

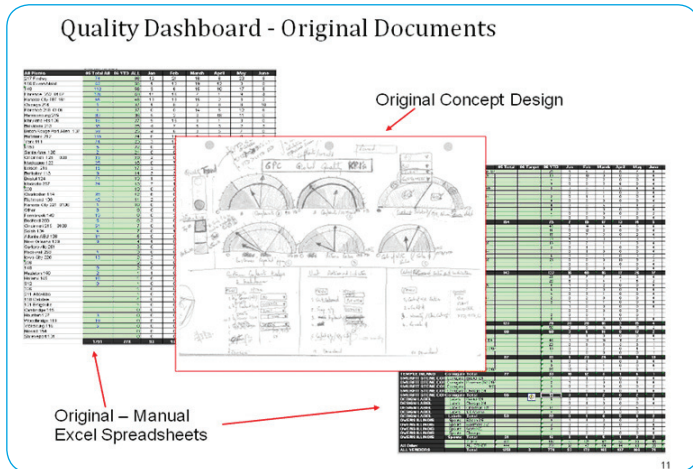


Figure 1: Prior to the arcplan Quality Dashboard and Supplier Scorecard, manual spreadsheets were populated by users in all 81 plants in order to generate monthly Microsoft Excel-based reports. The process took more than a week; data were difficult to view and could not be displayed or analyzed in meaningful, contextual ways.

The company’s Supplier Quality team worked closed with IT to implement an arcplan-powered Supplier Quality Dashboard and Scorecard that has saved millions and vastly improved supplier performance. “We knew we had supplier issues, but we could not quantify them,” recalls Tara Holloway, Manager of Global Supplier Quality. “The aggregate view of quality could not be created in Excel so no one could analyze overall performance. We could only see individual plants. Without concrete information about supplier performance, we did not have the leverage we now have to take action with suppliers. As a result, the plants stopped complaining and worked through supplier quality issue, which cost us real dollars in waste and reduced productivity.”

About arcplan

arcplan is an established independent business intelligence solution provider delivering timely, contextual and actionable information that empowers businesses to improve business performance while leveraging existing infrastructure. Since 1993, arcplan has enabled more than 2,800 customers worldwide to achieve organizational efficiency through the powerful combination of information and analysis proving beneficial to the bottom line.

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The dashboard and scorecard gave the Global Supplier Quality team a reliable tool with which to consolidate data and compare vendors in a standardized way using a uniform scoring system. It allows the team to identify sub-par vendors and see the actual cost of suppliers’ products, considering both the initial price and the cost of re-work or identified quality defects. “SAP was capturing the data, but we needed a usable, intuitive way to extract and view it so that we could start managing vendors based on fact, not emotion or memory,” she said.

Graham Packaging’s Eric Glenn, SAP Analyst, continues, “from a hierarchy perspective, the arcplan application also helps manage data. The vendor hierarchy is automatically created daily, which helps us to consolidate suppliers with multiple vendor numbers and allows us to group suppliers by commodity type or category. This allows Tara’s team to focus on the results, not the administration of vendors in the system.”

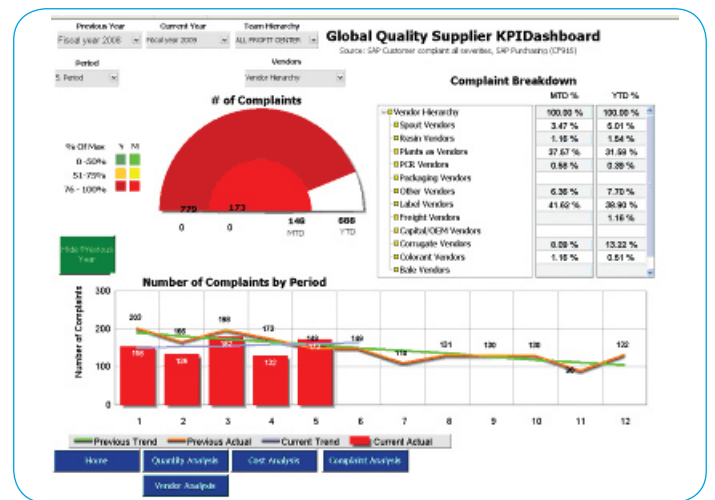


Figure 2: The Global Quality Supplier KPI Dashboard provides a high level view of supplier quality and enables the Graham Packaging team to see trends. From here, they can drill down into the individual Supplier Score Card. The Supplier Score Card is used to make purchasing decisions and assists in price negotiations. It is often shared with the supplier to encourage self-monitoring or is used as a part of a Graham Packaging-driven performance improvement program.

Conclusion

Graham Packaging credits its arcplan dashboard for complementing its SAP implementation and generating substantial benefits.

- Fact-based supplier management yields cost reductions in price negotiations, eliminates sub-par suppliers and improves delivered quality
- Elimination of spreadsheet use among quality team, plant managers and executives for data collection and analysis
- Rapid application deployment and modifications because data access is direct and the development environment is intuitive