

## ICARE BENCHMARKING SURVEY

### ANNEX

#### DEFINITION OF THE OPERATING BUSINESS PERFORMANCES MEASURES:

##### 1 Customer Returns:

- Unit: p.p.m. (**P**arts **P**er **M**illion)
- Definition: total quantity of unacceptable products rejected by the customers during the last three months and acknowledged as such by the Supplier, divided by the total quantity of components delivered to all customers during the same period, multiplied by 1 million.

##### 2 Customer Delivery Achievement:

- Unit : % - *percentage*
- Definition : total quantities delivered on-time\* during the last three months, in acceptable quality, divided by the total quantity delivered during the same period, multiplied by 100.
  - On-time = +2 days to -7 days of the due date.

##### 3 Added Value per Employee:

- Unit : K€/person
- Definition : sales value of all products manufactured excluding trading, less cost of raw materials, purchase of components and overheads for the year, divided by the total number of employees including interim and temporary hired people.

##### 4 Turnover per Employee:

- Unit : K€/person
- Definition: sales value of all products manufactured excluding trading, divided by the total number of employees, including interim and temporary hired people.

##### 5 Cost of Waste, Scraps & Reworks:

- Unit : % - *percentage* of Turnover
- Definition: total annual costs of internal waste, scrap & internal rework divided by the total annual cost of goods sold, excluding trading, and multiplied by 100.

## 6 Suppliers under evaluation :

- Unit : % - *percentage*
- Definition : Number of suppliers under evaluation\* divided by total number of suppliers.  
\* OTD and/or quality achievement of their own suppliers

## 7 Inventory Turns:

- Unit: *number*
- Definition : Annual cost of goods sold divided by the appropriate value of total inventory (raw materials, work in-progress and finished goods). This indicator should be calculated on a calendar year basis i.e. from 1<sup>st</sup> January to 31<sup>st</sup> December. All products owned or controlled should be taken into account even if they are not physically located on-site e.g. consignment stocks held at customers.

## 8 Space Utilization:

- Unit : K€/m<sup>2</sup>
- Definition: Annual cost of goods sold divided by the total production floor space including all storages and production offices areas, but excluding specialist R&D facilities.
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