

Frequently Asked Questions

To help you secure the most value from your SCORmark benchmarking effort, please review the following list of frequently asked questions which cover topics ranging from getting started and understanding the data and metrics, to learning about PwC's PMG and reviewing the methodology. SCORmark is a member-only benchmarking portal available for all current members of the Supply-Chain Council (SCC). SCORmark benchmarking was built to directly support the Phase 2: Analyze activities of the SCOR®-Model (Supply-Chain Operations Reference Model) implementations. All terms, definitions, metrics and reporting integrate within the SCOR 11.0 Model for ease of use and consistency in benchmarking.

Who do I contact if I need help or have questions?

Email scormark@us.pwc.com or call 617-530-7767 from 8AM - 5PM Eastern Time zone, Monday-Friday.

What are the steps to complete the benchmarking?

1. PwC's PMG will validate your eligibility: Participation is limited to non academic organization and non consultancy SCC members and affiliated organizations.
2. Identify Supply Chain(s): SCORmark benchmarking is accomplished by supply chain. The benchmarking tutorial clarifies how supply chains are identified within a business, line-of-business, or division. For each performance attribute, determine the strategic performance targets (superior, advantage, or parity) most appropriate to your organization based on your competitive strategy.
3. Determine strategic objectives: For each performance attribute determine the strategic target to calculate the relative distance to the objectives the supply chain needs to support. Enter and submit the relevant data into the secure benchmarking portal.
4. Collect metrics data: This will likely be your most time-consuming step. Determine how to interpret SCOR® definitions for your supply chain. Check your ERP system for SCOR® metrics—for example, SAP and Oracle are SCC members and have integrated (or are integrating) SCOR® metrics in their reporting tools.
5. Enter the data and submit: Access your survey and enter data. The questionnaire starts with gathering the demographic information collected in step 2.
6. PwC's PMG will validate your submission: PwC's PMG will review data with the survey coordinator for benchmarking relevance to avoid distorted results and ensure consistent interpretations of each question.
7. Receive the final report: Within two weeks after your data has been submitted online and accepted, PwC's PMG will email you a PDF final report and the data will be added to the SCORmark database.

How long will it take to complete a SCORmark survey?

For organizations that are currently in the Phase Two: Analyze portion of a SCOR implementation, you should have already completed your prioritizations and identified internal data sources. The time to complete the survey will vary based on the number of metrics and ease of access to the data required. Organizations have completed the benchmarking in as few as 2 hours with the average taking 8-10 hours.

What is the difference between the new PwC's PMG SCORmark survey and the old SCORmark benchmarking survey? Why is it shorter?

The new survey is compliant with SCOR version 11 and it covers different metrics. We made sure that the survey is comprehensive of all the SCOR 11 metrics and thus provides a full view of your supply chain. The new survey is streamlined and easier to complete as we've made an effort to group metrics in tables vs. having each question be its own separate line item.

How is SCORmark benchmarking different from the other supply chain benchmarking that PwC's PMG conducts?

PwC's PMG does a broad range of supply chain benchmarking work for a variety of clients and research purposes. All of our work in this area is based on the SCOR framework. The SCORmark offering is a sub-set of our larger benchmarking capability which includes far greater depth and



breadth of detail, more custom population consideration, and significant insight into best practices. PMG Benchmarking is frequently offered with the supply chain assessment and improvement implementation services of PwC advisory, creating a significant value proposition for our clients.

Can PwC's PMG provide materials on the SCOR 11 framework?

SCOR 11 materials are handled and distributed by the Supply Chain Council only.

What tools are available to aid me in completing the benchmarking?

SCORmark benchmarking integrates directly into Phase Two: Analyze of SCOR, so the benchmarking approach and terms taught in the SCOR Framework and Implementation training courses will correspond to the benchmarking portal. The SCORmark participant web site also contains links to a common glossary of terms. PwC's PMG can be reached via e-mail to scormark@us.pwc.com if you have any additional questions.

What are the benefits of using the SCORmark benchmarking portal?

With SCORmark benchmarking, SCC members have access to one common resource to compare and contrast supply chain performance worldwide using SCOR Model metrics and to create an individual roadmap for supply chain competitive success, all at no additional fee. Some advantages include the ability to:

- dramatically shorten benchmarking cycle time,
- access data that has traditionally been costly to obtain,
- align performance improvement plans and implement changes quickly, and
- receive a custom benchmarking report leveraging SCOR frameworks and definitions.

Why should I care about benchmarking and the SCORmark service?

To make timely, well-informed decisions organizations must have a window into the operational health of their business. Effective benchmarking is necessary for organizations to proactively monitor trends and gain early warning of any constraints or excesses in the real-time supply chain. To support SCOR implementations it is critical for an organization to not only identify its metrics but more importantly to be able compare with other organizations to understand and give meaning to their performance in a given area. The resulting reports help an organization set the direction to develop its supply chain strategy.

The SCORmark service was developed specifically to support organizations implementing the SCOR model with the metrics, language, and reporting designed to seamlessly integrate into the SCOR model. It is being offered as a member-benefit in support of supply chain benchmarking and to establish an open standard for performance measurement.

What is the SCORmark survey scope?

This survey covers the SCOR model Level One and Two metrics. Participating in this survey implies that you have assessed the key supply chain performance priorities for your business entity. This is the process of assigning Superior, Advantage, and Parity objectives to the SCOR performance attributes.

Do I have to provide a NAICS industry code like I did in the old survey?

You don't have to enter a NAICS industry code. Just select your supply chain's industry from the dropdown in the Industry Segmentation and Financials section.

What if my industry isn't listed in the drop-down?

Please select the industry that most closely resembles that of your supply chain.

How do I define the geographic scope of my supply chain(s)?

Geographic scope refers to the scope of your end-to-end supply chain. Include all regions in which your supply chain operates (i.e. wherever you Plan, Source, Make, and Deliver).

What do the terms "superior," "advantage," and "parity" mean when prioritizing desired performance targets?

The SCOR methodology identifies a need to prioritize attributes (groups of metrics) to estimate your target level of performance given your business entity's performance goal for competitive advantage.

For each of the five supply chain attributes, you may select one as superior; two as advantage and two as parity.

For each supply chain, only one group of metrics can be assigned an S for Superior position desired. Superior indicates the 90th percentile of companies in the database. Two metrics groups (attributes) can be assigned A for Advantage and the remaining groups get a P for Parity target. Parity indicates the 50th percentile of performance in the SCORmark database. Advantage is the performance level halfway between Parity and Superior (i.e., 70th percentile).

What are the five supply chain attributes used in SCOR?

The attributes are used to help an organization determine which supply chain characteristics it views as most important to its competitive positioning. The attributes are:

- Supply chain reliability is an indicator of the ability to deliver on time, in full, in the right condition, in the right packaging, with the right documentation, to the right customer. Reliability is an indicator that describes the predictability of a supply-chain.
- Supply chain responsiveness is an indicator of a supply chain's ability to respond to customer requests. It indicates the continuous average response time to events.
- Supply chain adaptability indicates a supply chain's ability to respond to changing (market) conditions.
- Supply chain costs indicate an organization's ability to manage the costs associated with operating the supply chain.
- Supply chain asset management indicates the effectiveness of an organization in managing assets to support demand satisfaction. This includes the management of all supply chain assets: fixed and working capital.

Can I submit surveys for multiple supply chains?

You can certainly submit multiple submissions to us. If you let us know the names of the divisions/supply chains you'd like to benchmark, we can get you set up appropriately.

Do I have to answer all of the questions?

To receive the full value of the benchmarking exercise, we encourage you to complete the entire survey. However, if you cannot complete the entire survey, you may complete the following three required sections plus at least one other section. You will not receive data for sections you do not submit.

Required:

- Demographic Information
- Industry Segmentation & Financials
- Cost

Plus at least one of the following:

- Responsiveness
- Agility
- Asset Management Efficiency
- Reliability

What metrics are included in SCORmark benchmarking?

SCORmark covers approximately 20 key Level 1 and Level 2 metrics such as perfect order fulfillment, cycle time, upside and downside adaptability, total cost to serve, cash-to-cash, inventory days of supply, and days payables outstanding.

What are the difference in Level One and Level Two metrics within the SCOR model?

Level One metrics provide a high-level look at performance for the supply chain organization in a specific attribute area, such as flexibility or responsiveness. This metric level highlights any problem areas. Level Two metrics provide an operational viewpoint and help an organization identify the root cause of the Level One metrics. In essence the Level Two metrics provide the roadmap by pinpointing which metrics need improvement and thus, which processes.

**What do I do if I make a mistake?**

If you have yet to submit your benchmarking survey, you may change the answer at any time. If you find an error after submission, please contact PwC's PMG at scormark@us.pwc.com and we will be able to correct the error on your behalf or provide additional guidance.

How will I know that the benchmarking data is valid?

PwC's Performance Measurement Group will review all data to determine if it is reasonable and remove any exceptions or inaccuracies that distort results. Prior to removing exceptions or inaccuracies, we will contact the survey coordinator to resolve any inconsistencies. This review helps to ensure that respondents have used consistent interpretations of each question.

How long will it take to receive my SCORmark report?

Within two weeks after your data has been submitted online and accepted, PwC's PMG will email you a PDF final report and the data will be added to the SCORmark database.

What type of information is included in a SCORmark benchmarking report?

The report includes four main slides. The first shows the demographics breakdown of the industry you are being compared against. The second slide shows Level 1 metrics results in a scorecard format. The third shows Level 2 metrics results details in a data table format. The fourth shows supply chain complexity results in a scorecard format. The report is designed to provide actionable data in a language and format that readily integrates in Phase Three of the SCOR model.

How do I know the benchmarks reported are reliable?

Three main points support the quality of benchmarks reported by PwC's PMG: SCOR standard metric definitions, rigorous validation, and unblemished system security and accuracy. PwC's PMG has more than 15 years of history providing SCOR based benchmarking with industry standard metric definitions and calculations. We have proven methodologies for validation, both built into the system and provided through professional judgment and experience. Finally, our system architecture and unyielding attention to protocol has provided exceptionally reliable results to our clients.

It is usually expensive to get this kind of data. How are you offering the SCORmark service for no additional cost?

The relationship between PwC's PMG and The Supply Chain Council is a mutually advantageous one. The Council wants to offer its members a quality service as a benefit of membership towards the integration and implementation of SCOR based process improvement. PwC's PMG has the infrastructure in place to provide this service and has been so doing for its own clients for over 15 years. PwC's PMG can grow its own intellectual property through providing the service on behalf of the council and is uniquely positioned to do so through years of collaboration.

Will the SCORmark service continue to be offered as an SCC member-benefit?

At this time it is SCC's intent to offer SCORmark benchmarking as an ongoing member-benefit. The use of the portal and adoption rate among members will be reviewed annually to ensure that SCC members find value in the portal.

Who will we be compared against?

You will be compared against your industry*

**Assumes there are enough data points to calculate benchmark numbers*

What companies are in your database?Supply Chain Industry Segments

- Aerospace & Defense
- Automotive & Industrial
- Computers
- Consumer Goods
- Electronic Equipment
- Energy, Chemicals & Applied Materials
- Medical Devices & Equipment
- Semiconductors
- Telecom & Network Equipment

Partial Supply Chain Participant List

PMG's supply chain benchmarking database is the most comprehensive in the world, containing over 750 companies/1000 supply chains.

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|--------------------------|-------------------------|-------------------|-----------------|---------------|
| 3Com | Caterpillar | General Motors | Mitsubishi | Samsung |
| ADC | Church & Dwight | Hewlett Packard | Motorola | Shell |
| Agilent Technologies | Cisco | Honeywell | NCR | Siemens |
| Analog Devices | Coca-Cola | Huawei | NEC | Snap-on Tools |
| Avon Products | Colgate-Palmolive | IBM | Nokia | Solotron |
| BASF Corporation | Dow Chemical | Johnson & Johnson | Nortel Networks | Sony |
| Bausch & Lomb | Eastman Kodak | Lexmark | Palm | Toshiba |
| Bayer | ExxonMobil | Medtronic | Philip Morris | Unilever |
| Bristol-Myers Squibb | Fairchild Semiconductor | Merck | Philips | UTStarcom |
| British American Tobacco | Fujitsu | Michelin | Pitney Bowes | Xerox |
| Campbell Soup | General Mills | Millipore | Raytheon | Yamaha |

Is the Industry comparison population data recent?

Yes, data has been submitted within the last 5 years

Will you provide the company names that comprise the Industry comparison population?

SCORmark participants will see population demographics which include industry, revenue, and capability model breakdowns, but not the names of the companies. If you would like to know the names of the companies in the comparison population and/or would like to choose a custom set of criteria for the comparison population, please contact Glenn Heywood at 617-530-6103 or glenn.heywood@us.pwc.com to understand costs.

Can PwC's PMG provide a readout of my benchmarking results, make recommendations for improvement, and create value propositions?

Yes, at an additional cost. This is highly encouraged to maximize the value that you are investing in the benchmarking process and will help you gain executive buy-in to the results. In order to provide back a valuable readout of results, we also look at the maturity of your supply chain practices, your supply chain complexity, as well as conduct interviews with operations personnel to gain a balanced outside-in and inside-out view of the "as-is" and "to-be" state of your supply chain and understand the key levers that are influencing performance. Your readout of results and recommendations for improvement is typically delivered on-site. Please contact Glenn Heywood at 617-530-6103 or glenn.heywood@us.pwc.com to learn more.

How often may I refresh my data?

SCC and PwC's PMG recommend conducting SCORmark benchmarking annually to assess improvements from the prior year and to aid in budgeting and planning for the upcoming year. During a current year's report, most organizations use internal reporting to track progress monthly.

What level of input did SCC have in the process and what metrics are included?

SCC leadership and members of its Technical Development Steering Committee provided the guiding direction for the SCORmark benchmarking portal and to ensure alignment with SCOR. SCC is the final decision maker about which metrics to collect and how the calculations are made.

Who is PwC's PMG?

The Performance Measurement Group (PMG), formerly a PRTM company, was formed in 1998 and is a strategic operations performance measurement and management services firm. Today, PMG is a wholly owned subsidiary of PricewaterhouseCoopers, LLC (PwC). PMG helps companies target and achieve breakthrough business goals by providing comprehensive visibility into their operational performance. As a leader in operational performance measurement and management, PMG provides industry specific benchmarks and proven practices for the most critical aspects of core business operations. PMG concentrates on supply chain and product development processes using a comprehensive suite of standards-based, industry specific performance measurement tools and performance benchmark databases available.

PwC offers a full suite of enterprise benchmarking services in addition to supply chain including innovation, human capital, finance effectiveness and more. More information regarding PwC Benchmarking can be found through PMGBenchmarking.com



What is PwC's PMG's role in this relationship?

PwC's PMG serves as a confidential, third-party repository for SCC members and will collect, validate, and report benchmarking data. PwC's PMG aided in the development of the survey instrument, testing, and online database creation.

Will PwC's PMG keep my data confidential?

Yes. Company-specific information submitted remains highly confidential in PwC's PMG secure benchmarking database. PwC's PMG will never disclose individual company data.