

# Strategic Performance Measurement of Suppliers at HTC

**Measuring the Return on Quality**  
Balancing the quality cost against expected revenue gains

- Quality is an investment.
- Quality efforts must be made financially accountable.
- It is possible to spend too much quality.
- Not all quality expenditures are equally valid.

**Managing Information and Knowledge Assets**

Simply collecting data is not enough. Companies must ensure that data are accurate and available, that the hardware and software systems that process the data are reliable, and that data and information are available to all who need them in a timely and secure way.



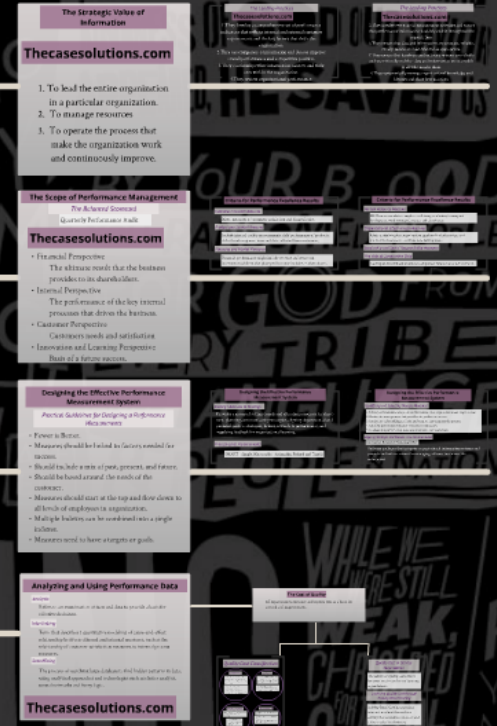
**Overview**  
**Thecasesolutions.com**

**What is Data?**  
The representation of facts that come from some type of measurement process.

**What is Measurement?**  
The act of quantifying the performance dimensions of products, services, processes, and other business activities.

**Measures and Indicators**  
Refers to the Numerical Information that results from measurement.

**Information**  
Derived from the analysis of data.



Thecasesolutions.com

# Strategic Performance Measurement of Suppliers at HTC

**Measuring the Return on Quality**  
Balancing the quality cost against expected revenue gains

- Quality is an investment.
- Quality efforts must be made financially accountable.
- It is possible to spend too much quality.
- Not all quality expenditures are equally valid.

**Managing Information and Knowledge Assets**

Simply collecting data is not enough. Companies must invest that data and make it accessible and accurate. The hardware and software systems that process the data are reliable, and the data and information are available to all who need them. It is a business and source, for these two should not have access to them.



**Overview**  
**Thecasesolutions.com**

**What is Data?**  
The representation of facts that come from some type of measurement process.

**Measures and Indicators**  
Refers to the Numerical Information that results from measurement.

**Information**  
Derived from the analysis of data.

**What is Measurement?**  
The act of quantifying the performance dimensions of products, services, processes, and another business activities.

**The Strategic Value of Information**  
**Thecasesolutions.com**

- To lead the entire organization in a particular organization.
- To manage resources
- To operate the process that make the organization work and continuously improve.

**The Scope of Performance Management**  
The Balanced Scorecard

**Thecasesolutions.com**

- Financial Perspective
- Customer Perspective
- Internal Perspective
- Learning and Growth Perspective

**Designing the Effective Performance Measurement System**  
Practical Guidelines for Designing a Performance Measurement System

- Focus is Better
- Measures should be linked to factors essential for success
- Should include a mix of past, present, and future
- Should be based around the needs of the customer
- Measures should start at the top and flow down to all levels of employees in organization
- Multiple Metrics can be used based on a single business
- Measures need to have a targets or goals

**Analyzing and Using Performance Data**

**Thecasesolutions.com**

**Thecasesolutions.com**

## *What is Data?*

The representation of facts that come from some type of measurement process.

**Thecasesolutions.com**

## *What is Measurement?*

The act of quantifying the performance dimensions of products, services, processes, and another business activities.

## *Measures and Indicators*

Refers to the Numerical Information that results from measurement.

**Thecasesolutions.com**

## *Information*

Derived from the analysis of data.

## The Strategic Value of Information

**Thecasesolutions.com**

1. To lead the entire organization in a particular organization.
2. To manage resources
3. To operate the process that make the organization work and continuously improve.

## *The Leading Practices*

**Thecasesolutions.com**

1. They develop a comprehensive set of performance indicators that reflects internal and external customer requirements and the key factors that drive the organization.
2. They use comparative information and data to improve overall performance and competitive position.
3. They continually refine information sources and their uses within the organization.
4. They review organizational performance.

## *The Leading Practices*

**Thecasesolutions.com**

5. They involve everyone in measurement activities and ensure that performance information is widely visible throughout the organization.
6. They ensure that data and information are accurate, reliable, timely, secure, and confidential as appropriate.
7. They ensure that hardware and software systems are reliable and user-friendly and that data and information are accessible to all who need it them.
8. They systematically manage organizational knowledge and identify and share best practices.

# The Scope of Performance Management

## *The Balanced Scorecard*

### Quarterly Performance Audit

## Thecasesolutions.com

- Financial Perspective  
The ultimate result that the business provides to its shareholders.
- Internal Perspective  
The performance of the key internal processes that drives the business.
- Customer Perspective  
Customers needs and satisfaction
- Innovation and Learning Perspective  
Basis of a future success.



# Analyzing and Using Performance Data

## *Analysis*

Refers to an examination of facts and data to provide a basis for effective decisions.

## *Interlinking*

Term that describes the quantitative modeling of cause-and-effect relationship between external and internal measures, such as the relationship of customer satisfaction measures to internal process measures.

## *Data Mining*

The process of searching large database to find hidden patterns in data, using analytical approaches and technologies such as cluster analysis, neural networks and fuzzy logic.

**Thecasesolutions.com**