

Domestic Vendor Evaluation Survey

Vendor: _____

Date of Survey: _____

Vendor #: _____

Buyer #: _____

Commodity: _____

Surveyor(s): _____

Factory Name & Address: _____

Business Structure Profile

Management Team

Support Questions:

1. Secure updated organization chart for suppliers business.
2. Identify key staff members and responsibilities along with experience levels
3. Outline responsibilities of key staff relative to operational objectives.

Scoring:

0. Limited organization with roles of key players not clearly defined. Company would have difficulty supporting a new program start up without significant staffing and/or plant and equipment expenditures,
2. Organization appropriate for scope of current business. Roles are clearly defined and key players have ability to grow, but would have to expand staff and facilities to accommodate.
3. Organization is currently staffed to handle additional business. Roles are clearly defined and top positions are staffed with leaders capable of successfully growing the company. Company is capable and willing to make expenditures to grow business.

Comments: _____

Score: _____

Mission Statement & Goals

Support Questions

1. What is suppliers company mission? Key measurements?
2. What are the supplier's current year business objectives?

3. Compare current year objectives to historical performance
4. Discuss business reinvestment
5. Discuss suppliers long term business strategy
6. Are there any outstanding legal issues facing the supplier that could potentially hamper their ability to supply product under quoted circumstances?

Scoring:

0. Key measurements are neither defined nor communicated beyond staff level. Individual roles and responsibilities not defined to include accountability for meeting objectives. Goals are limited to short term with little long term planning evident.
2. Key measurements are defined and communicated to all levels, and there is clear accountability for all key measurements. Long and short term strategic planning is part of total business plan.
3. Key measurements are defined in detail and communicated and integrated into work plan of each employee. Progress toward goals are updated on regular basis to entire business. Strategic long term growth is an important part of business plan.

Comments:

Score: _____

Market Position

Support Questions:

1. Describe supplier major competencies
2. Is supplier an industry leader in sales and product positioning? Is Home Furnishings a major core market?
3. Where are the suppliers growth opportunities?
4. What are the suppliers plans to capitalize on these opportunities?
5. What are vendor's secondary products and/or services available?

Scoring:

0. Business positioned to maintain small share of total market or niche business, with little funding for planning for future growth or acquisition. Current product offerings provide limited growth potential.
2. Business is positioned well relative to others in industry. However they are not the industry leader. Products are well positioned to provided growth. Funding exists for future growth.
3. Company is clearly an industry leader and accounts for an above average proportion of the total industry output. Product line offerings are innovative and varied enough to assure their market place leadership.

Comments:

Score: _____

Supplier/Customer/Interface

Support Questions

1. Who are the suppliers major customers? Where does Springs rank on existing or potential business?
2. Does supplier's customers measure them? How?
3. Who are the supplier's major sources of supply?
4. How does supplier measure its sources?
5. Do key managers speak, read, and write English?

Scoring:

0. Springs ranks low on suppliers customer list. Sources of supply are limited and narrow. Minimal contact with customer and supplier base. No other major customers measuring
2. Springs is a mid major account. Good sources of supply. Company employs a representative who as the primary customer contact handles most quality, delivery, or customer questions. Customer/supplier relationships are recognized as being important and are handled in a professional manner.
3. Springs ranks in top 3 major customers. Professional sales representation who proactively looks for improvements to business. Quality management and customer service well tied to customer in support of sales. Company has established programs address customer satisfaction as well as supplier performance.

Comments:

Score: _____

Customer Service

Support Questions:

1. Are they EDI and Internet capable? (order acceptance, invoice, advance ship notice, e mail, on line catalogues) If not, are there plans to obtain capability?
2. Is customer service representative dedicated our account?
3. Does the supplier attempt to review the needs and expectations of the customer? By what method and how do they measure customer satisfaction? Is this reviewed by management?
4. Does the organization actively seek ways to keep all employees aware of customers and their role in meeting the customers needs? Do all employees view meeting customer needs as their primary task?
5. Is customer data and feedback used to improve products or services?

Scoring:

0. No EDI or Internet capability, customer service rep.s are randomly assigned. Low or no customer contact or awareness from design, purchasing, processing, inspection, QC, training, etc.
2. Possess one but not both EDI and Internet capabilities. Customer Service Rep. dedicated to the account. Customer involvement and proactive determination of

customer needs is evident in most functional areas. Personnel in these areas demonstrate awareness and response to customer needs.

3. Possess full EDI and Internet capability. Customer contact and involvement prevalent throughout the organization. All personnel understand and respond to customer needs as primary task. Proactive communication is common place.

Comments:

Score:

Global Positioning

Support Questions

1. What % of sales are international?
2. What are the plans for expanding into international markets?
3. What competition do you see from international markets?
4. Are you willing to share your cost structure with your customers

Scoring:

0. Company competes primarily in local/regional markets, or supplies a niche product
Limited focus with little plans to expand. Limited competition.
2. Company competes nationally for business with some international markets served primarily North America). Current infrastructure could not support a large export business
3. Customer base is world wide due to ability to provide pricing competitive with anyone. Pricing has allowed them to develop a substantial international market base to complement domestic sales.

Comments:

Score:

Supplier's Sources of Supply

Support Questions

1. Provide Organizational chart for Purchasing and Quality - define responsibilities.
2. What is the supplier survey schedule?
3. Does an approved supplier list exist?
4. How do you evaluate and record suppliers quality control plan?
5. Is supplier quality performance evaluated and fed back to suppliers?
6. Are there any imported materials used to manufacture our product?
7. Do you require your suppliers to have a cost reduction/productivity program?
8. Are you EDI capable for scheduling with your suppliers?
9. Identify and list all subcontractors used to manufacture the product we buy.

Scoring:

0. Limited resources, no supplier measurements.
2. Some supplier measurements and reports on file. Limited feedback to customer regarding supplier performance.
3. Outstanding - Fully staffed for supplier monitoring. All suppliers measured and kept on file. Communication to customers regarding supplier performance.

Comments:

Score: _____

Finance

Support Questions:

1. Copy of latest Balance Sheet provided
2. Copy of latest Income Statement provided
3. How is accounting handled? internal, external
4. Company privately or publicly held. If private, list major ownership.
5. Bank address and references: _____

6. What type of payment terms does vendor commonly work under with their sources: (ie. net terms or letters of credit)

Scoring:

0. Privately held and will share very limited financial information.
2. Most financial information shared. Company is financially strong but has limited resources of investment capital.
3. All financial information available. Company is financially strong and can support all Springs requirements.

Comments:

Score: _____

Environmental, Health and Safety, Human Rights

Support Questions

1. What is the minimum age requirement for employment? How documented?
2. Are they paying the required minimum wage? What is it? How documented?
3. Do they limit the # of hours worked as required by law?
4. Do they limit overtime hours as required by law?
5. Is prison or slave labor used in any areas of the company?
6. Are there formal documented health and safety policies?
7. How are the employees notified of the health and safety policies?
8. How is the compliance to the health and safety policies measured?
9. Are there dedicated individuals to manage the health and safety programs?
10. Are health and safety audits performed? If yes, how often?
11. Has the vendor ever been cited for noncompliance to health and safety requirements?
12. Are they paying social benefits as required by law?

Scoring:

0. little or no compliance with benefits, minimum wage, hours worked etc. Poor working conditions, no audits etc.
2. compliance with at least the minimum required benefits, wages and hours worked.
3. full compliance in all areas.

Comments:

Score: _____

Quality Control

Management Responsibility

1. What is the quality policy, and how is it communicated throughout the organization? Is there a Quality Mgr.? If yes, describe responsibilities. If no, describe how program is administered.
2. Are you ISO Certified? If yes, at what level?
3. Describe level of freedom line operators have in stopping production if quality issue is suspected.
4. What are the goals of the quality program? How is compliance tracked?
5. Describe the level of involvement the management team has in quality issues and program vision. How are product specifications passed on to the employees?

Scoring:

0. No organized quality control system exists or quality program exists, but no evidence of well defined administration, management involvement/vision or strong tie to total business measurements.
2. Appropriate quality goals in place with administration, but not properly tracked and communicated.
3. A well defined, effectively managed, well tracked, well communicated quality program is in place. All levels of employee involvement exists. Progress is well communicated and tied to total business measurement.

Comments:

Score: _____

Quality Control Documentation

- 1. Is there a quality manual? Is it complete and up to date? Is it accessible to all employees and approved by upper management?
- 2. Are there detailed quality instructions posted at work stations? Are they easily understood?
- 3. What is the process for change control?
- 4. How are shop floor drawings/work order documents etc. controlled and updated? Is there a master listing?

Scoring:

- 0. No Quality Manual exists.
- 2. Manual documentation exists, but is not complete. Does not cover all areas.
- 3. All documentation is in place for all areas, current and up to date. No non conformities.

Comments:

Score: _____

Quality Planning

Support Questions:

- 1. Are all new contracts reviewed prior to acceptance by appropriate personnel to ensure customer requirements are understood?
- 2. Do reviews address supplier capability to customer requirements and resolution of incapacibilities?
- 3. Are critical processes identified and quality plans developed to ensure conformity to customer requirements?
- 4. Are these plans reviewed with customer?

Scoring:

- 0. No procedure exists for the application of the quality program to customer requirements. Many Key personnel in sales, engineering, purchasing or other key people are unaware of or excluded from quality planning activities.
- 2. Procedure for quality planning exists where customer requirements are defined, documented and receive a capability assessment. Most key functional areas are aware and involved in process.
- 3. All customer requirements are addressed with sound capability assessment. Corrective actions consistently investigate and improve contract review effectiveness to address non compliance or customer customer complaints. All functional areas are fully aware and involved in the process.

Comments:

Score: _____

Inspection & Testing

Support Questions:

1. Does the inspection & test plan include acceptance criteria, equipment, and documentation requirements?
2. Is incoming material held until the required inspections/tests are completed or necessary inspection/test reports are received and verified?
3. Is material inspected and identified from raw material to finished product as required by the inspection test plan?
4. Are traceability records kept from finished product to raw material?
5. Are calibration records complete for measuring and testing equipment? What are the frequency of checks and corrective action to address non conformity.
6. Are outside organizations such as buying agents used to aid customers with quality inspections?

Scoring:

0. Traceability exists only with production process, but not to raw material. No inspection & test plan exists.
2. Traceability exists from finished product to raw material, but no documented procedure exists. Inspection & test plan exists, and a record of results/status accompanies material throughout the production process.
3. Procedures are documented and maintained such that product can be traced from finished to raw material. Specification & test plan exists including acceptance criteria, equipment, and documentation and a record of results/status accompanies material throughout the production process.

Comments:

Score: _____

Process Control

Support Questions:

1. Have procedures been established and maintained for monitoring the variation in processes?
2. Does the control plan include:
 - Commitment to Quality characteristics
 - Who does the monitoring
 - How often is the characteristic monitored (sample size/frequency)
 - Tools required
 - Type of monitoring (SPC)

If out of control, what actions taken
Date and latest revision of control plan

3. Area appearance standards in place?
4. Have short term and long term capability studies been performed?
5. Are special cause variations in process investigated and corrected?

Scoring:

0. Little or no evidence of process control
2. Operators understand and work to station instructions
3. Extensive evidence of statistical control of critical processes

Comments: _____

Score: _____

Corrective Action:

Support questions:

1. Is control provided for identification, documentation, evaluation, segregation and disposition of non conforming product?
2. Are records on non conformance maintained for customer review?
3. Does a written formal procedure exist for problem solving that defines root cause?
4. Do corrective actions have date of permanent fix and owner?
5. Is corrective and preventative action reviewed by senior management for effectiveness?

Scoring:

0. No procedures exist for corrective action or control of non conforming material
2. Procedures exist, but a few non conformances were found.
3. Total control of non conforming products. Structured problem solving is used to develop containment action, define root cause, verify corrective action and make system change to prevent recurrence.

Comments: _____

Score: _____

Handling, Packaging, Delivery

Support Questions:

1. Are procedures documented and carried out for each element?
2. Do procedures specify who is authorized to receive and dispatch product?

3. Is material examined upon receipt to check quantity, identity, transit damage?
4. Is material examined prior to shipment to check quantity, identity, proper packaging?

Scoring:

0. Product at risk for non conformance in one or more of the elements due to lack of documented procedures
2. Procedures in place in all elements. Minor non conformances to customers requirements
3. There are written procedures for each element. The compliance to these procedures results in conformance to customer requirements.

Comments:

Score: _____

Training

Support Questions:

1. How are training needs identified?
2. Who is responsible for ensuring training is documented, accurate, complete and up to date?
3. Are class participants tested for accurate application of the training? Are follow up sessions scheduled to ensure knowledge retention?
4. What action is taken if class participants are not able to complete the training

Scoring:

0. Training programs very limited. Small number of personnel involved
2. Training programs available for all personnel, participation required for operators, optional for others.
3. Comprehensive training program required for all employees (hourly and salaried) with schedules and needs clearly defined for all positions and people.

Comments:

Score: _____

Cost of Quality

Support Questions:

1. Does supplier identify and track cost associated with non conformance to quality (internal: waste, rehandling, off grade, etc, external: customer returns, complaints, claims etc.)
2. Is corrective action taken to reduce costs associated with non conformance?
3. Is cost of quality data reviewed and measured against goals?

4. What is the trend for the cost of quality?

Scoring:

0. Total cost of quality is not tracked or measured.
2. Total cost of quality is tracked and trends are stable
3. Total cost of quality (waste, rehandle, non conformance, external failure costs) are tracked, charted, reviewed, and corrective actions to reduce costs are implemented.

Comments:

Score: _____

Continuous Process Improvement

Support Questions

1. Are the key production/business process flows charted?
2. Is there evidence of process improvement in cost, time or quality?
3. Is defect data used to set priorities for process improvements?
4. Do process improvement teams exist and include all levels of the organization?
5. Does the supplier train all employees in problems solving and other quality improvement tools?

Scoring:

0. No mechanism exists for the continuous ID and implementation of process improvements. Process improvements are totally reactionary to product non-conformance
2. Positive evidence of effective continuous improvement activities exist. Participation in improvement teams at all levels except for a few employees who are not involved with or aware of improvements.
3. A comprehensive, continuous mechanism exists to promote improvement initiatives through awareness, incentives, and improvement. Resources are allocated to ensure that process improvements are implemented effectively to elevate product quality and promote customer satisfaction.

Comments:

Score: _____

Production Support

Inventory Management

Support Questions:

1. How is inventory measured and tracked?
2. What is the return policy for rejected material?
3. What is supplier's customer on time delivery rate? How measured?
4. What programs are in place to manage sub tier suppliers? (delivery, quality, productivity)
5. What level of staffing supports the above programs?

Scoring:

0. No inventory control measures in place, cannot locate or quantify inventory easily. Poor or no on time delivery measures to customers. No purchasing programs in place. Very little manpower to support materials management effort.
2. Some inventory measures used, inventory in well marked areas. Satisfactory track record of on time delivery to other customers. Purchasing programs adequate to support current sub tier suppliers. Staffing is sufficient to handle current workload.
3. World class inventory control evident, on line retrieval system. On time delivery to customers near 100%. Excellent purchasing programs in place to develop sub tier suppliers. Supplier is staffed in materials arena to serve Springs in any capacity needed.

Comments:

Score: _____

Scheduling

Support Questions

1. What mechanisms are used to schedule the shop? What software packages are used, if any?
2. How is schedule attainment measured?
3. How flexible is the shop? Is quick setup utilized in the shop?
4. How flexible is the supplier over time for a volume and mix standpoint? One week, Two weeks, Three weeks, Four weeks?

Scoring:

0. Scheduling by hand only. No current EDI capability. Supplier does not appear to have flexibility to react to customer schedule changes.
2. Adequate scheduling methods for the shop. Supplier can react to schedule changes, but with disruption in the shop and at a high internal cost. Schedule achievement is measured but needs improvement.
3. World class scheduling techniques in place. Flexibility in shop allows quick schedule changes with minimal disruption. Schedule achievement performance is visible and near 100%.

Comments:

Score: _____

Productivity

Support Questions:

- 1. What are the on going plans for cost take out for other customers?
- 2. What is the productivity vs plan for the last two years?
- 3. How are productivity projects generated?
- 4. Are employees rewarded for productivity? How?

Scoring:

- 0. Supplier has no cost take out plans for other major customers. Has demonstrated little or no productivity in the last two years and has no plan in place to achieve or measure. Only a few employees are responsible for initiating productivity with no suggestion programs in place. Internal productivity not a business initiative.
- 2. Supplier has adequate cost take out plans for other customers. Has demonstrated average productivity in last two years. Productivity suggestion programs are in place, but not a source of measurable productivity.
- 3. Supplier has a successfully executed cost take out plan for customers. Has achieved solid productivity gains in the last two years. Embraces employee input.

Comments:

Score: _____

Facility, Equipment, Layout, Capacity

Support Questions:

- 1. Walk a particular part. Note material flow, handling inefficiencies, unnecessary costs etc.
- 2. Rate the factory cleanliness, lighting, and work environment.
- 3. What expansion capabilities does the supplier have?
- 4. What are the current production constraints or bottlenecks?
- 5. Are any of the supplier's products for other customers seasonal?
- 6. Does the supplier have a documented capacity plan which includes overtime capability and production limitations?
- 7. Has the supplier identified tooling, equipment, and labor constraints relative to capacity?
- 8. How much production is/will be allotted to Springs?
- 9. Is equipment up to date and modern? Do they possess CAM equipment? Does equipment and facilities bear witness to vendor's commitment to reinvestment of capital in the business?
- 10. How many production shifts per day?
- 11. What is the production level per shift?
- 12. How many employees per shift?
- 13. How many days production days per week?
- 14. What is the square footage of facility?

15. Is the work force unionized? If yes, what is the contract expiration date?
16. What is the inventory turns per year?
17. At what percent of full capacity is facility operating currently?

Scoring:

0. Serious material handling efficiencies and flow problems evident. Factory appears dirty, dark, and unorganized. No real expansion capabilities or capacity to handle influx of new business
2. Adequate material flow and factory layout. Improvements can be made in the area of factory lighting and cleanliness. Supplier could handle additional business by adding shifts or expanding.
3. State of the art material handling, material flow, and factory layout. Excellent factory organization, cleanliness, and well lit work environment. Supplier can absorb new business without difficulty.

Comments:

Score: _____

Obsolescence Management

Support Questions:

1. What is the procedure for product revisions? Process revisions?
2. How is obsolescence managed? What are the additional communication procedures in place?

Scoring:

0. No formal change implementation procedure. No evidence of plans/procedures to control obsolete material.
2. Change implementation procedures for in house changes only. Obsolete material monitored but not well controlled.
3. Well defined process for handling process and product changes driven by suppliers, customers, or internally, Obsolescence of material is tightly managed with good controls and communication channels in place.

Comments:

Score: _____

Packaging

Support Questions:

1. Are there any packaging engineering resources available?
2. Does the supplier have capability to handle returnable containers (in terms of space and handling)?
3. What type of ship test capabilities does supplier have?

Scoring:

0. No packaging resources available. No experience or capability to handle returnable containers.
2. Packaging engineering contract labor available. Limited capability to handle returnable containers.
3. Technical, competent packaging engineering resources resident on staff. No issues with handling returnable containers.

Comments:

Score: _____

Technology

Technical Capability

Support Questions:

1. What is the design capability of the supplier? To what degree has the supplier been involved in the design of the current products? Are the designers trained in CAD systems?
2. What are the technical and process specific qualifications of the engineering staff?

Scoring:

0. No CAD system is used. No design capability/experience. Produce simple parts/products to customer drawings. Engineering staff lacks adequate training/ qualifications or is non existent.
2. Uses a CAD system. Design experience/capability limited to simple parts or minor changes to existing customer designed parts. Moderate number of degreed engineers. Some training available in design tools and process technology.
3. Uses up to date CAD systems. Excellent design capability. Extensive experience designing complex parts or products. Degreed engineers have extensive experience in process technology and use of latest design tools. Extensive opportunities for ongoing technical training.

Comments:

Score: _____

Procedures

Support Questions:

1. What is suppliers design review procedure?
2. What is your change implementation procedure?

Scoring:

0. Has no design review or change implementation procedure. Has no formal program management structure. Has little experience with major projects.
2. Some procedures exist, but documentation is lacking. Limited experience with major projects.
3. Has documented, traceable design review procedure which includes cross functional sign offs as appropriate. Assigns a dedicated program manager to lead a cross functional team.

Comments:

Score: _____

Qualification/Reliability Testing

Support Questions:

1. What is suppliers qualification procedure for tooling and processes?
2. What types of reliability testing are performed?
3. What is suppliers design review procedure?

Scoring:

0. Has no formal process for tooling qualification. Has no in house testing capability applicable to the proposed Springs business.
2. Has qualification procedure, but lacks documentation on some tooling/parts. Does some testing, but has no formal reliability testing procedures. In house test capability not adequate for proposed Springs business.
3. Has documented tooling qualification procedures with evidence of statistical capability prior to production. Has a well equipped test lab and detailed test procedures which meet or exceed the requirements of the proposed Springs business.

Comments:

Score: _____

Equipment/Tooling/Design

Support Questions

1. What is supplier tooling design and build capability?
2. What design and build capability does supplier have for assembly equipment and fixtures?
3. Obtain a list of major equipment including manufacturer, model number, production capacity, and age of equipment.

Scoring

0. No in-house tooling design or build capability. No equipment and fixture design capabilities.
2. Design tooling in house but subcontracts tooling work to reputable toolmakers. Designs simple fixturing and/or equipment.
3. Designs and builds complex tooling in house. Experience designing complex assembly equipment and fixtures.

Comments:

Score: _____

Maintenance

Support Questions:

1. Does supplier have a comprehensive preventative maintenance program? Are records kept of maintenance repairs/modifications?
2. What is suppliers plan to invest in new/updated equipment? What is the age/condition of existing equipment?

Scoring:

0. Has no PM program for equipment or tooling. Equipment is old and poorly maintained. No plans to invest/upgrade.
2. PM plan exists for some tooling/equipment, but lacks documentation. Equipment aging (10-15 yrs)
3. Has a comprehensive PM program for tooling and equipment with documentation available for all repairs. Has new, state of the art equipment (< 5 yrs old) and has plans/history of continually investing in updated equipment.

Comments:

Score: _____

Storage Capabilities

Support Questions:

1. Is sufficient storage space available for raw materials to insure production schedules will not be interrupted?
2. Is sufficient storage space available for vendor to keep a level of finished product to be used as a “safety stock” for emergency needs?
3. Is sufficient storage space available for packaging materials to insure delivery schedules will not be missed?
4. Is sufficient storage space available to allow vendor to build up full container loads of finished product before they send goods to the port?

Scoring:

0. Has insufficient storage space available for raw materials, finished product, and packaging supplies
2. Has minimum amount of storage space available for raw materials, finished product, and packaging supplies.
3. Has abundant storage space available for raw materials, finished product, and packaging supplies

Comments:

Score: _____

Total Point Score: _____ 0 of 93

% Score: _____ 0