SUPPLY CHAIN & LOGISTICS

Supplier Performance Scorecard

A supplier performance scorecard rates suppliers on a few weighted dimensions, typically quality, delivery, cost and risk, to steer reviews, development and sourcing decisions.

01 THE CORE MODEL

WEIGHTED DASHBOARD · FOUR DIMENSIONS

DIMENSION	WEIGHT	SUPPLIER A	SUPPLIER B	SUPPLIER C
Quality · defect rate	35 %	4	3	5
Delivery · on time	30 %	5	3	4
Cost · price and terms	20 %	3	5	3
Risk · financial, single source	15 %	4	2	3
Weighted score (1-5)	100 %	**4.10**	**3.25**	**4.00**

Dimensions

Quality, delivery, cost and risk, each with clear metrics.

Weights

Reflect what matters most for this category of parts.

Score scale

1 to 5 per dimension, with thresholds defined in advance.

02 USING THE SCORECARD

A scorecard starts a conversation with suppliers; it is not a verdict.

POLICING — DEVELOPMENT

SCORECARD AS A STICK

- Scores sent without discussion
- Only price really counts
- Suppliers learn to game the metrics

SCORECARD AS A TOOL

+ Reviewed together every quarter
+ Weak scores lead to joint actions
+ Strong performers win more business

03 WORKED EXAMPLE

CASTING SUPPLIERS · QUARTERLY REVIEW OF THE TABLE ABOVE

SUPPLIER A
4.10
best overall

·

SUPPLIER B
3.25
cheapest, weak quality

→

ACTION
Joint 8D
on casting porosity

→

RULE
Volume follows score
agreed in contracts

04 MANAGEMENT TAKEAWAYS

01
Keep few, clear metrics
Four dimensions with one or two metrics each are enough.

02
Review together
Share results with suppliers and agree on actions.

03
Link scores to business
Award future volume based on sustained performance.

05 COMMON MISTAKE

LIMITATION
Weighting price too high
When cost dominates the weights, quality and delivery problems stay hidden until they hit production.