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# IATF DATA ANALYTICS – SUPPLIER BREAK OUT

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# Introduction

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## **MS. CHERIE REICHE**

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## Customer Performance is Key

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- **Customer performance data is a key input into IATF 16949 audit planning**
- **Before every audit, Certification Bodies (CBs) ask their clients for customer scorecards, if available**
  - Evaluate performance as measured by their customer
  - Help focus the process-based audit approach
- **Customer performance is reported against an organization's assigned manufacturing supplier code(s)**
- **Customer performance can change at any time between audits**





## What is the problem / solution?

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IATF certification does NOT always guarantee product or service quality

Supplier performance is not always evident to the Certification Body (CB) between regularly scheduled audits

Certified organizations do NOT always notify their CB when customer satisfaction issues exist (CSRs)



Use **data analytic tools** to publish supplier performance information to the IATF contracted Certification Bodies (CBs)

### End Goal:

To raise awareness that a problem with the quality management system may exist in between regular audits, **thus giving CBs and their clients opportunities to respond quickly to resolve the customer performance issues.**



## How does it work?

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- **North American IATF OEMs provide a monthly performance report to the IAOB Oversight Office**
  - For each Tier 1 supplier shipping production and/or service part(s)
  - By supplier code(s)
  - Performance rating
- **Performance rating is based on each OEM's defined criteria (e.g. GM BIQS score, Ford Q1 score, etc.)**
- **Rating identifies:**
  - **Red (R)** = not meeting performance expectations
  - **Green (G)** = achieving performance expectations
- **No information/details on what triggered the red or green rating are provided by the IATF OEM**



## How does it work?

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- **The North America IATF OEM supplier performance report is joined with the IATF certificate data from the IATF Database**
  - Supplier code accuracy in the IATF Db is critical!
- **Joined data is published to a dashboard for the OEM, CB, and Oversight offices**
- **Dashboard displays the data in a variety of charts and is updated monthly when new information is available from the IATF OEM**
  - Ability to compare supplier's performance across multiple OEMs
  - Focus on suppliers with changing performance (e.g. green → red; changed to red)
- **Also, a detailed data report is available, as well as, a historical report for past rolling 12 months for each supplier**





# CB Dashboard - Prototype

North American IATF OEMs - CB view

- Red Suppliers for Multiple OEMs
- FCA Supplier Performance Change
- Ford Supplier Performance Change
- GM Supplier Performance Change

No. of Suppliers Red for more than 1 OEM

2



% Suppliers Red for more than 1 OEM

0.740%

OEM 3

Total Suppliers	Performance Level (Green)	Performance Level (Red)
2	50.0%	50.0%



The status Green or Red is based on the criteria provided by the OEM

OEM 1

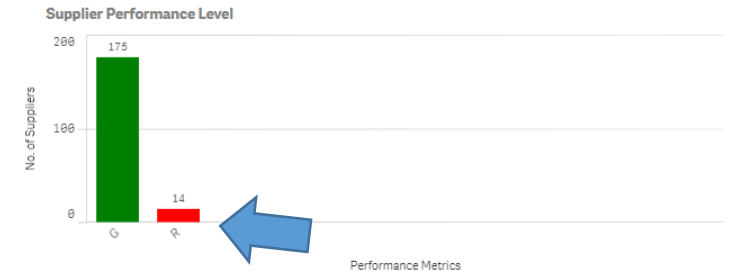
Total Suppliers	Performance Level (Green)	Performance Level (Red)
183	94.5%	5.5%



The status Green or Red is based on the criteria provided by the OEM

OEM 2

Total Suppliers	Performance Level (Green)	Performance Level (Red)
189	92.6%	7.4%



The status Green or Red is based on the criteria provided by the OEM



# CB Data Report - Prototype

- Data Report includes information about the supplier (i.e. supplier name, full address), including their performance level and certificate status

Note: Screenshot is only an excerpt of fields from the Data Report

Organisation	Metric Performance Change	OEM 1 Performance Metrics	OEM 1 Suppli... Code	OEM 2 Metrics Perfor...	OEM 2 Suppli... Code	OEM 1 Metric Performance Status Change	OEM 2 Metric Performance Status Change	IATF Cert No.	Cert. Statu...	Last Update
	Yes	G	CE6PA	R	840208362	-	Changed to Red		issued	August 2019
	Yes	R	GRQLA	G	871402524	Changed to Red	-		issued	August 2019
	No	G	GNXAA	-	-	-	-		issued	August 2019
	No	-	-	G	495634673	-	-		issued	August 2019
	No	G	BARCA	G	812391142	-	-		issued	August 2019
	No	R	P5MTA	G	2024482	-	-		issued	August 2019
	No	G	U2VSA	-	-	-	-		issued	August 2019
	No	G	Q9T0J	-	-	-	-		issued	August 2019





## CB History Report - Prototype

- History Report shows performance of each supplier by month, by OEM
- CB can see if performance is consistent and can track changes in performance

Note: Screenshot is only an excerpt of fields from the Data Report

Organisation	Org. Country	Metrics Perfor...	OEM 1 Suppli... Code	IATF Cert No.	Cert. Status	Last Update	CB Action Plan
	United States	G	B379J	302280	issued	April 2019	
	United States	G	B379J	302280	issued	June 2019	
	United States	G	B379J	302280	issued	May 2019	
	United States	R	B379J	302280	issued	August 2019	
	United States	R	B379J	302280	issued	July 2019	



## What can I expect?

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- **The CB will be notified by the relevant Oversight office when one of their clients is NOT meeting the OEMs performance criteria (i.e. red)**
- **CB will contact the client to submit the customer scorecard information (past 12 months) along with any additional relevant information**
  - This request may come outside of a regularly scheduled audit
  - Scorecards allow the CB to identify specific metrics which led to the “red” rating
  - Appreciate your cooperation with the CB requests
- **CB will conduct an analysis of the received information**
  - Determine risk (e.g. high, medium, or low) based on information provided



## What can I expect?

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- **CB will also determine the actions required, which may include:**
  - No action
  - Continual monthly monitoring of performance
  - Need for a special on-site audit
  - Issuance of a major nonconformity
  - Additional audit time at the upcoming audit
  - Change in audit frequency (i.e. reduce from 12 month → 6 months)
  - ...etc.
- **If a major nonconformance is issued, the certificate is suspended which starts the de-certification process**
  - Supplier shall submit a corrective action plan to CB within required timeframe
  - May lead to certificate withdrawal if demonstrable improvement is not realized
- **CB also provides a specific action plan to the relevant Oversight Office**



## What can I expect?

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- **CB action plan is uploaded in the Data Report portion of the dashboard**
  - Includes the date of each significant step
  - Visible for OEM and Oversight review
- **Confidentiality of the information**
  - Information will not be divulged to anyone outside of the relevant Oversight Office, the relevant OEM(s) you supply to, and the CB that you contract with for IATF 16949 certification
- **Regular follow up from your CB**
  - Emails, conference calls, etc. will be conducted by the CB to understand your organization's risk to your customer(s)
- **Regular follow up from the OEM(s)**
  - Participating OEMs will be able to review action plans and may elect to reach out to the supplier for further inputs



## What is the status of this initiative?

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- **Piloted with IAOB contracted CBs first**
  - SMMT and ANFIA contracted CBs also started participating in the pilot
- **Pilot started at end of Q1 2019 with GM Tier 1 suppliers**
  - This also included improvements to supplier code accuracy in the IATF Database
- **Ford joined the pilot in Q2 2019 and FCA US will join in Q4**
  - This also included improvements to supplier code accuracy in the IATF Database
- **Expect other IATF OEMs to provide their Tier 1 supplier performance information as this initiative grows**



## Questions

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1. HOW MANY OF YOU SHIP TO FORD, GM, OR FCA US?
2. HAVE ANY OF YOU HEARD ABOUT THIS INITIATIVE FROM YOUR CB?
3. HAVE ANY OF YOU PARTICIPATED IN THE PILOT?
4. ANY CONCERNS?
5. ANY ADDITIONAL POSITIVE POINTS?
6. WHAT IS THE BEST WAY TO COMMUNICATE AWARENESS OF THIS INITIATIVE TO THE TIER 1 SUPPLY BASE?