

Supplier Optimization Model



Objective: To establish system and work for Supplier improvement in order to meet new frontiers.

Core Team Members

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B.Tech - Mechanical

Worked with automotive companies like Minda Corporation, Bright Brothers, Ranutrol Ltd Bony polymers. Dhiman Engineering Corporation
25 years of experience in various capacities

Rajan Sarin

Advance Diploma in Mechanical) from Indo Swiss Training Centre Chandigarh 1980.

Worked with companies PTL, Yamahaa Motor, Sandhar, Auto Ilnition, Hero exports, Hi tech Engineers
Production, quality, Lean manufacturing, New Product development and Material Management
37, years of experience in various capacities

Sandeep Handa *PMP®*

B.Tech, PGDBA RECW 1986

Techno-commercial professional with total 30+ years experience OEM, TIER-1, 2&3,
AUTOMOBILE & IT VERTICALS. Consulting in Business Solutions

Pawan Sharma B.Tech-Mechanical (MBA)

Worked with Eicher Motor, Shri ram Piston & Ring, Minda Corporation ,Salter India,Electrospark

23 years of experience , Specializations - Lead Auditor of ISO-9001 and certified Internal auditor for TS-16949 and ISO-14001.

Manish Shukla

BE (Mechanical PG Diploma in IT and Management (MBA Eqvlt)

Worked with Mahindra & Mahindra Limited, **Swaraj Division, Eicher Polaris, Tega Industries Ltd** ,

27 Years of Experience in various capacities

Our Valuable Customers

- Blue Star India
- Minda Corporation
- SKH Magneti Marelli
- ACMA
- Foundation for msme clusters (fmc)
- Talbros Magneti Marelli
- SAKET METAL TECHNOCRAFT
- CONSULT TECHNIQUE
- LAKSHYA ENTERPRISES
- KDR FORGING
- PANASONIC INDIA
- TECUMSEH INDIA PVT. LTD.
- Guru Amar Dass International Pvt Ltd .
- VISHWAS INDUSTRIAL AUTOTECH
- PARAMJYOTI MOVERS PVT.PTD> .
- SHIVAI ENTERPRISES.
- MAJESTIC SEATS (INDIA)
- TOSY AUTO PRODUCTS
- VISHAVKARMA ELECTRONICS(INDIA)
- SUMESH ENGINEERING
- Echelon Institute of Technology
- Delhi College of Technology & Management

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www.fmc.org.in

www.talbros.com

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www.consulttechnique.com

lakshyaaenterprises@yahoo.com

WWW.kdrforge.com

www.panasonic.com

www.tecumseh.com

www.guruamardass.com

www.vishwasautotech.com

www.paramjyoti.com

www.shivaienterprises.com

www.majesticseats.bizdir.co.in

www.tosyauto.com

www.guruswitch.com

www.sumeshengineering.in

www.echeloninstitute.org

<http://www.dctm.edu.in>

Our New Expected Customers

- Exide Industries
- Gati Infra

www.exideindustries.com

www.gatiinfra.com

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About

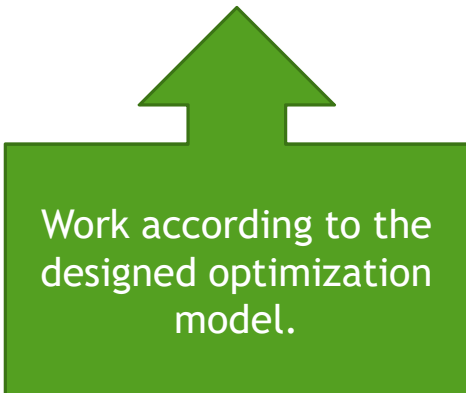
- ▶ VTPL group works as largest service and solutions provider to the leading OEM's and many other small organization. It aims to establish better relation between customer and supplier by understanding current position and providing trending solutions & service accordingly. Team VTPL proposed a complete optimization model with the help of which supplier & customer could possibly meet new frontiers.

WHAT WE DO..?



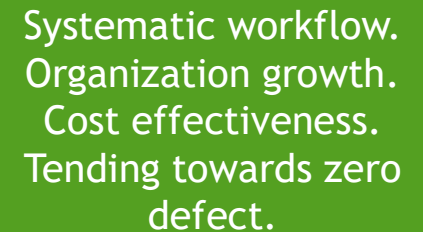
Providing solutions & services

HOW WE DO..?



Work according to the designed optimization model.

WHAT YOU GET..?



Systematic workflow.
Organization growth.
Cost effectiveness.
Tending towards zero defect.

Road Map

Plan

- Look out for negatives & analyzing problems
- Defining Target
- Complete process and tool audit
- Categorization and scoring of Suppliers Property

Do

- Developing Solutions and implementation of technology
- New & innovative formats
- Engineering methodology and reverse engineering solutions
- Impart training services and supplier consolidation

Check

- New and innovative approach
- Trials of every possible essentials for categorization improvement
- Evaluation of system, process and property

Action

- Regular Implementation of assigned system
- Follow up of New Development and Loop Holes solutions
- VPR Monitoring
- Focus should be laid on process standardization

System Improvement

System Improvement planned to work in three phases as we look out for negative in our first phase and define target to provide solutions in our next phases as mentioned below.

Overview

POLICING

PHASE-I

Looking for negatives and understanding system requirement. Policing cover every necessary essentials (system & tools)

SYSTEM IMPROVEMENT

PHASE-II

Designing new & innovative formats to cover loop holes. Developing better supplier & customer relations. Training Sessions.

TECHNICAL IMPROVEMENT

PHASE-III

Reverse Engineering & Design solutions. 5S, 4M, TQM, Lean Manufacturing, Kaizen, Poka Yoke implementation. Tool cost effectiveness.

Scoring & Categorization

After complete tool inspection and system & process audit, each and every aspects gets categorize according to the defined format with the help of which one can easily determine status & condition of Supplier. Therefore, one can layout the plan for its improvement.

Categorization usually done as:

A



- *Tool observed to be in good condition.
- *Whatever present in tool data is same as is present in tool
- *Scoring lies more than 80%

B



- *Focus should be laid on preventive maintenance.
- *Tool Life monitoring consideration.
- *Scoring Lies between 50-80%

C

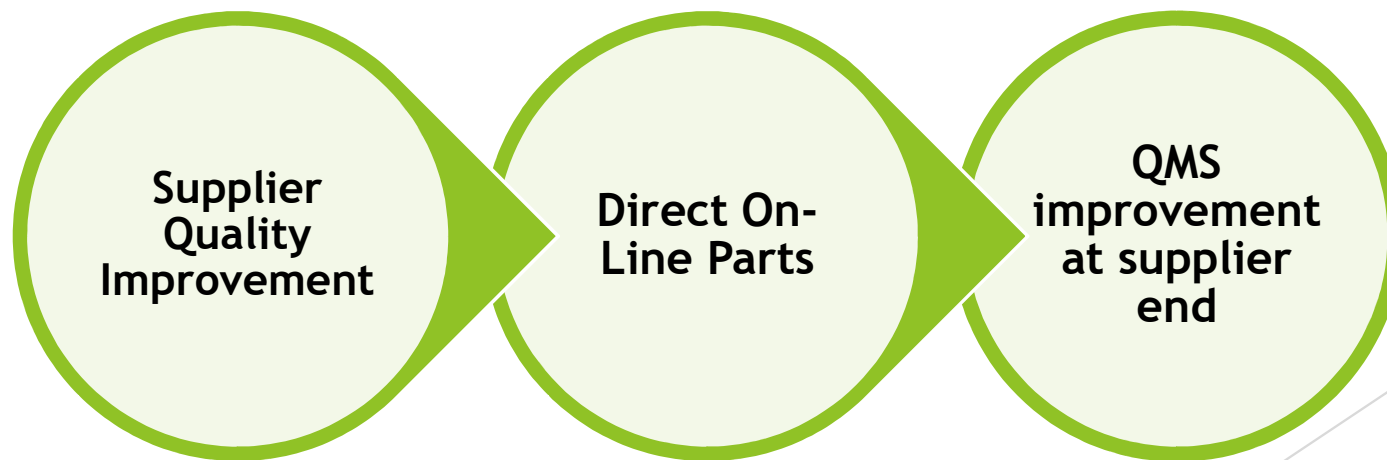


- *Need Replacement
- *Tool observed in bad condition
- *No data present.
- *Scoring lies less than 50%

Similarly, Process categorization is followed same as tool categorization and overall supplier rating can be calculated

Proposed Model

- ▶ After working for leading groups of nation and many other small organization team VTPL proposed a model. This Optimization Model consists of layers of improvement activities which progressively helps supplier economically and raising their standards according to the competitive environment.



Supplier Quality Improvement

- ▶ In this phase, Tool and Process Audit conduct in an organization with the help of which categorization of tool gets done by inspecting each and every aspects of tool. This classification helps in making plan for preventive and new development tools.

Process Audit

- Inspect process for each department
- Tool life monitoring data
- Tool preventive maintenance sheet
- Material test report
- Calibration certificates
- Preventive Maintenance cost
- FIFO System
- Kaizen and Poka Yoke Encouragement
- Tool Design Data
- Component Drawings & PDQA
- APQP, PPAP File Maintenance
- Inprocess Inspection sheet
- Work instructions and maintenance of reference sample

Tool Audit

- Inspect tools according to design data
- Categorization of tools according to designed format.
- Inspect for tool life.
- Detailed review report and meetings
- New proposal and poka yoke implementation
- Reverse Engineering design solutions
- Review Report
- Inspect for any tool duplication
- Verification of inhouse development tool.

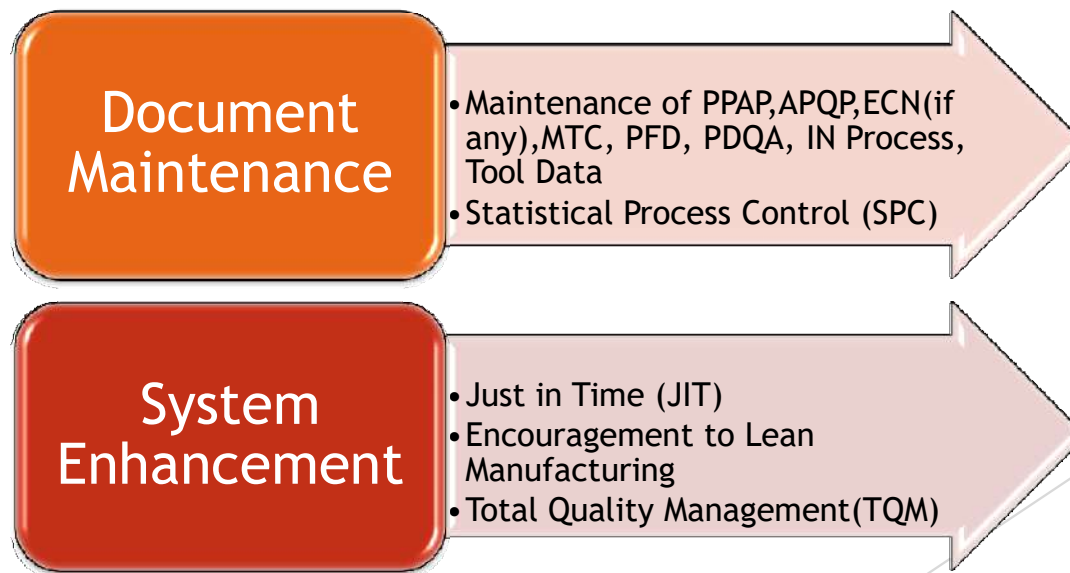
Training Sessions

- Operator level training sessions
- Staff member training sessions
- 4M & 5S implementation
- Kaizen Encouragement
- Lean Manufacturing
- TQM
- New and current Innovative format implementation
- Tooling system implementation

Direct On-Line Parts

- ▶ Main objective of our group is to make supplier tending towards Zero Defect and in order to achieve this target primary focus should be laid on part quality and every necessary aspects linked with it.

Necessary aspects:-



QMS Improvement

Quality Management System Principles:-

- 1) Customer Focus
- 2) Leadership
- 3) Engagement of people
- 4) Process approach
- 5) Improvement
- 6) Evidence based decision making
- 7) Relationship Management

What **YOU** get on implementation:-

- ▶ Set out standards in organization and helps businesses to be more efficient and improve customer satisfaction.
- ▶ Assess overall context and state out objective and identify new business opportunities.
- ▶ Increase productivity and efficiency making internal cost down.
- ▶ Meeting necessary statutory and regulatory requirement.
- ▶ Expand into new market.
- ▶ Identify and address risk associated with organization

Technical Solutions

- ▶ In order to meet the challenges in this Industrial era, team from past years also laid its focus on solving many critical problems by providing:-
 - Reverse Engineering Design Solutions
 - In field of Automation
 - Training and Services Programs
 - New and Innovative format implementation
 - In field of Cost Effectiveness

Positive atmosphere lead people to think out of the box, team always encourages new and innovative ideas for validation and implementation in organization.

General Solutions

- ▶ VTPL Group also helps in evaluation of new suppliers by looking out their strength, capacity and many other factors so that they could truly meet the demand of customers.
- ▶ Group also helps in recommending contractor based skilled employees according to [AWR \(Agency Work Regulations\)](#)
- ▶ It also helps in providing additional services from well established linked sources.

Methodology Implementation

S.No.	Activity	Output	Responsibility
1	Kick off meeting with suppliers top management and awareness about this activity	Supplier top management commitment for this program	Customer
2	Provide details of supplier covered under this program	List of suppliers alongwith person responsible for coordination from supplier end for this project	Customer
3	Appointment of audit/project team (10 auditors covering 100 suppliers - providing 02 visits / month to supplier)	List of persons appointed	VTPL
4	Audits to be planned at supplier end	Supplier wise audit plan	VTPL
5	Sharing of audit findings	Audit report and current supplier rating	VTPL
6	Identification of top issues	List of issues - supplier wise	VTPL
7	Consolidation of major issues and list out the top issues for horizontal deployment across all the suppliers in initial phase.	List of issues like non availability of latest drg / PDQA, samples etc.	Customer/ VTPL
8	Collect actual data ,Identify the root cause and define actions alongwith targets	List of actions to be implemented	Supplier / VTPL
9	Implementation of actions	Monthly Status report - Plan vs actual	Supplier / VTPL
10	Impart trainings on Zero defect approach, New technology, Quality systems	Training record	Supplier / VTPL
11	Upgradation of supplier level	List of A, B and C grade suppliers	VTPL
12	Identify specific weak areas of supplier	List of weakness / supplier wise , suggestion for consolidation of 'C' grade suppliers	VTPL
13	Decide action plan and work closely with supplier to improve their rating	List of issues and improvement plan	Supplier / VTPL / Customer
14	Re-Audits for checking effectiveness	Supllier rating	VTPL
15	Monitoring	VPR at Customer	Customer

Result

- ▶ In order to overcome the challenges faced by an organization, necessary action plan need to be implemented for its performance optimization. By following the proposed “Supplier Optimization Model” one would possibly get:-
 - ✓ Tending towards Zero PPM
 - ✓ Control on Excess inventory and operational cost
 - ✓ Production, Planning and Control
 - ✓ Part Quality
 - ✓ Documentation Fulfillment
 - ✓ Better Customer Relation
 - ✓ Cost Effectiveness
 - ✓ Continuous Improvement
 - ✓ Poka Yoke Implementation in Process
 - ✓ Kaizen Encouragement
 - ✓ Skilled staff members and operators
 - ✓ 5S & 4M implementation
 - ✓ System Proficiency
 - ✓ Organization growth
 - ✓ Competitive environment

“Have no fear of perfection, You’ll never reach it”.

THANK YOU..!