

Welcome to the fourth lesson of the DoD Supply Chain Fundamentals module, SCOR Model Performance Section.

In this lesson you will learn to recognize the characteristics of the SCOR model performance section.

You will be given an opportunity to test out of this lesson. If you pass the test question, you can decide to continue, or skip to the next lesson.

Which of the following is a characteristic of the "SCOR Model performance section?"

- A Reference model for streamlining product development. >
- B Consists of performance attributes and metrics. >
- C Supports communication among design chain partners. >
- D Employs commercial off-the-shelf (COTS) software for operations simulation. >

Feedback:

The correct answer is "Consists of performance attributes and metrics".

How do you decide if an organization's efforts are effective? You can't make the right decision until you've measured the performance before and after.

How do you measure an organization's performance? Do you want lower cost, faster service, flexibility, reliability?

This lesson explains performance attributes and metrics which are the means for measuring organizational performance.

Learning Objective

- Recognize characteristics of SCOR® model performance section.

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Recall Prior Learning

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In the previous lessons, you read about the structure of the Supply Chain and the processes for managing this structure. In this lesson, you'll read how to measure the effectiveness of the Supply Chain structure by using attributes and metrics.

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Performance Attribute	Definition
Reliability	The ability to perform tasks as expected. Reliability focuses on the predictability of the outcome of a process. Typical metrics for the reliability attribute include: On-time, the right quantity, the right quality.
Responsiveness	The speed at which tasks are performed. The speed at which a supply chain provides products to the customer. Examples include cycle-time metrics.
Agility	The ability to respond to external influences, the ability to respond to marketplace changes to gain or maintain competitive advantage. SCOR® Agility metrics include Flexibility and Adaptability.
Cost	The cost of operating the supply chain processes. This includes labor costs, material costs, management and transportation costs. A typical cost metric is Cost of Goods Sold.
Assets	The ability to efficiently utilize assets. Asset management strategies in a supply chain include inventory reduction and in-sourcing vs. outsourcing. Metrics include: Inventory days of supply and capability utilization.

In the table, you will see performance attributes (grouping of metrics for strategic purposes) and a metric (measurement of an attribute of the supply chain).

Are you familiar with any of the metrics in a specific group (metrics will be reviewed later on in the lesson)? If you can name some metrics, try to relate them to a SCOR® defined metric.

The performance section of SCOR® consists of two types of elements, Performance Attributes and Metrics.

A performance attribute is a grouping of metrics used to express a strategy. An attribute itself cannot be measured; it is used to set strategic direction.

Metrics measure the ability of a supply chain to achieve these strategic attributes.

Shortened versions of the performance attributes shown on the slide:

- **Reliability:** the ability to deliver, on-time, complete, in the right condition, packaging and documentation to the right customer
- **Responsiveness:** the speed at which products and services are provided
- **Agility (Flexibility):** the ability to change (the supply-chain) in order to support changing (market) conditions
- **Cost:** the monetary and time expenditures associated with operating the supply chain
- **Assets:** the effectiveness in managing assets in support of demand satisfaction

Definitions:

- **Performance Attribute:** a characteristic to describe a strategy. Performance attributes serve as classification for KPIs and metrics
- **Key Performance Indicator (KPI):** a metric that is representative to measure the overall performance or state-of-affairs
- **Metric:** a standard for measurement
- **Measurement:** an observation that reduces the amount of uncertainty about the value of a quantity

SCOR® metrics:

- Serve as diagnostic metrics
- Linked to business objectives
- Highlight the gap in performance
- Change over time
- More valuable than a single sample

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Metric Defined

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Metric is the "how" of measurement, that is, the method by which we measure something.

The flaw in most performance measurement schemes is a failure to differentiate between metrics that measure overall process or value stream outcomes, and metrics of events and activities at isolated points along the value stream.

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Which of the following is a characteristic of the "SCOR Model performance section?"

- A Includes qualitative attributes and measures.
- B Consists of performance attributes and metrics.
- C Composed of process metrics and product attributes.
- D Contains measurable attributes and grouped measurements.

Feedback:

The SCOR model performance section describes performance attributes and metrics. Attributes are not measurable. The performance section does not contain product attributes.

You have completed the learning portion of the SCOR Model Performance lesson. Next you will be given three attempts to demonstrate mastery of the learning objective.

If you fail all three attempts, you can still progress to the remaining lessons and graduate; however, you are encouraged to restudy the lesson to increase your understanding of the content.>

Which of the following is a characteristic of the "SCOR Model performance section?"

- A A measurement is a grouping of metrics used to express a strategy. >
- B An attribute is a metric that represents the overall performance. >
- C A metric is a standard for measurement. >
- D An attribute is a standard for measurement. >

Feedback:

The correct answer is, "A metric is a standard for measurement."

Which of the following is NOT a characteristic of the "SCOR Model performance section?"

- A An attribute itself cannot be measured. >
- B SCOR metrics change over time. >
- C Performance attributes describe strategies. >
- D Measurements describe strategies. >

Feedback:

All of these are characteristics. The one correct answer that is NOT a characteristic is the following, "Measurements describe strategies."

Which of the following is a characteristic of the "SCOR Model performance section?"

- A Performance metrics include Reliability, Agility, and Cost. >
- B SCOR metrics serve as diagnostic attributes. >
- C Key Performance Indicators (KPIs) represent the overall performance. >
- D Measurements describe strategies. >

Feedback:

None of these are characteristics. The correct answer is, "Key Performance Indicators (KPIs) represent the overall performance."

In this lesson, you learned how performance with the SCOR Model is measured. Metric is the "how" of measurement, that is, the method by which we measure something. Most performance measurement schemes fail to differentiate between metrics that measure overall process or value stream outcomes, and metrics of events and activities at isolated points along the value stream.

In the next lesson, you will learn about Processes in the Model Structure.

Can you recall from a previous lesson which of the following is a characteristic of the "SCOR Model?"

- [A](#) Reference model for streamlining product development. ➤
- [B](#) Employs commercial off-the-shelf (COTS) software for operations simulation. ➤
- [C](#) Supports communication among design chain partners. ➤
- [D](#) Includes Plan, Source, Make process descriptions. ➤

Feedback:

The answer is "Includes Plan, Source, Make process descriptions."

You have completed the content for this lesson.

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