

Supply-Chain Operations Reference-model



SCOR[™]
Supply-Chain Council

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Supply-Chain Operations Reference-model

The Supply Chain Operations Reference-model (SCOR) is a process reference model that has been developed and endorsed by the Supply Chain Council as the cross-industry standard diagnostic tool for supply chain management. SCOR enables users to address, improve and communicate supply chain management practices within and between all interested parties.

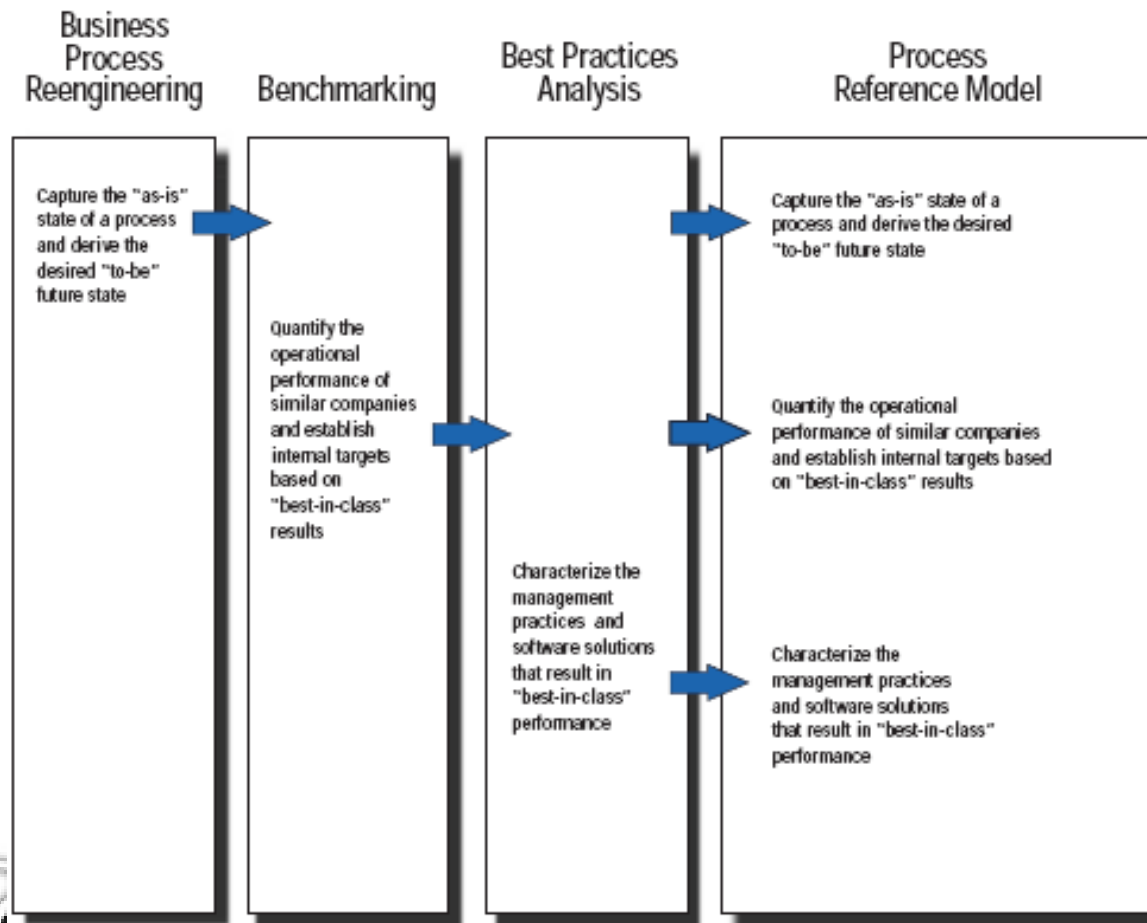
SCOR is a management tool. It is a process reference model for supply chain management, spanning from the supplier's supplier to the customer's customer. The SCOR-model has been developed to describe the business activities associated with all phases of satisfying a customer's demand. By describing supply chains using process building blocks, the Model can be used to describe supply chains that are very simple or very complex using a common set of definitions. As a result, disparate industries can be linked to describe the depth and breadth of virtually any supply chain. The model has been able to successfully describe and provide a basis for supply chain improvement for global projects as well as site-specific projects.



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What Is a Process Reference Model?

Process reference models integrate the well-known concepts of business process reengineering, benchmarking, and process measurement into a cross-functional framework.



Model Scope and Structure

SCOR spans:

- All customer interactions, from order entry through paid invoice
- All product (physical material and service) transactions, from your supplier's supplier to your customer's customer, including equipment, supplies, spare parts, bulk product, software, etc.
- All market interactions, from the understanding of aggregate demand to the fulfillment of each order

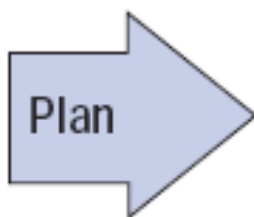


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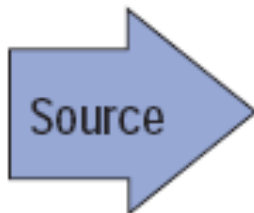
Scope of SCOR Processes

SCOR is Based on Five Distinct Management Processes



Demand/Supply Planning and Management

- ▶ Balance resources with requirements and establish/communicate plans for the whole supply chain, including Return, and the execution processes of Source, Make, and Deliver.
- ▶ Management of business rules, supply chain performance, data collection, inventory, capital assets, transportation, planning configuration, regulatory requirements and compliance, and supply chain risk.
- ▶ Align the supply chain unit plan with the financial plan.



Sourcing Stocked, Make-to-Order, and Engineer-to-Order Product

- ▶ Schedule deliveries; receive, verify, and transfer product; and authorize supplier payments.
- ▶ Identify and select supply sources when not predetermined, as for engineer-to-order product.
- ▶ Manage business rules, assess supplier performance, and maintain data.
- ▶ Manage inventory, capital assets, incoming product, supplier network, import/export requirements, supplier agreements, and supply chain source risk.



Make-to-Stock, Make-to-Order, and Engineer-to-Order Production Execution

- ▶ Schedule production activities, issue product, produce and test, package, stage product, and release product to deliver. With the addition of Green to SCOR, there are now processes specifically for Waste Disposal in MAKE.
- ▶ Finalize engineering for engineer-to-order product.
- ▶ Manage rules, performance, data, in-process products (WIP), equipment and facilities, transportation, production network, regulatory compliance for production, and supply chain make risk.



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Deliver

Order, Warehouse, Transportation, and Installation Management for Stocked, Make-to-Order, and Engineer-to-Order Product

- ▶ All order management steps from processing customer inquiries and quotes to routing shipments and selecting carriers.
- ▶ Warehouse management from receiving and picking product to load and ship product.
- ▶ Receive and verify product at customer site and install, if necessary.
- ▶ Invoicing customer.
- ▶ Manage Deliver business rules, performance, information, finished product inventories, capital assets, transportation, product life cycle, import/export requirements, and supply chain deliver risk.



Return

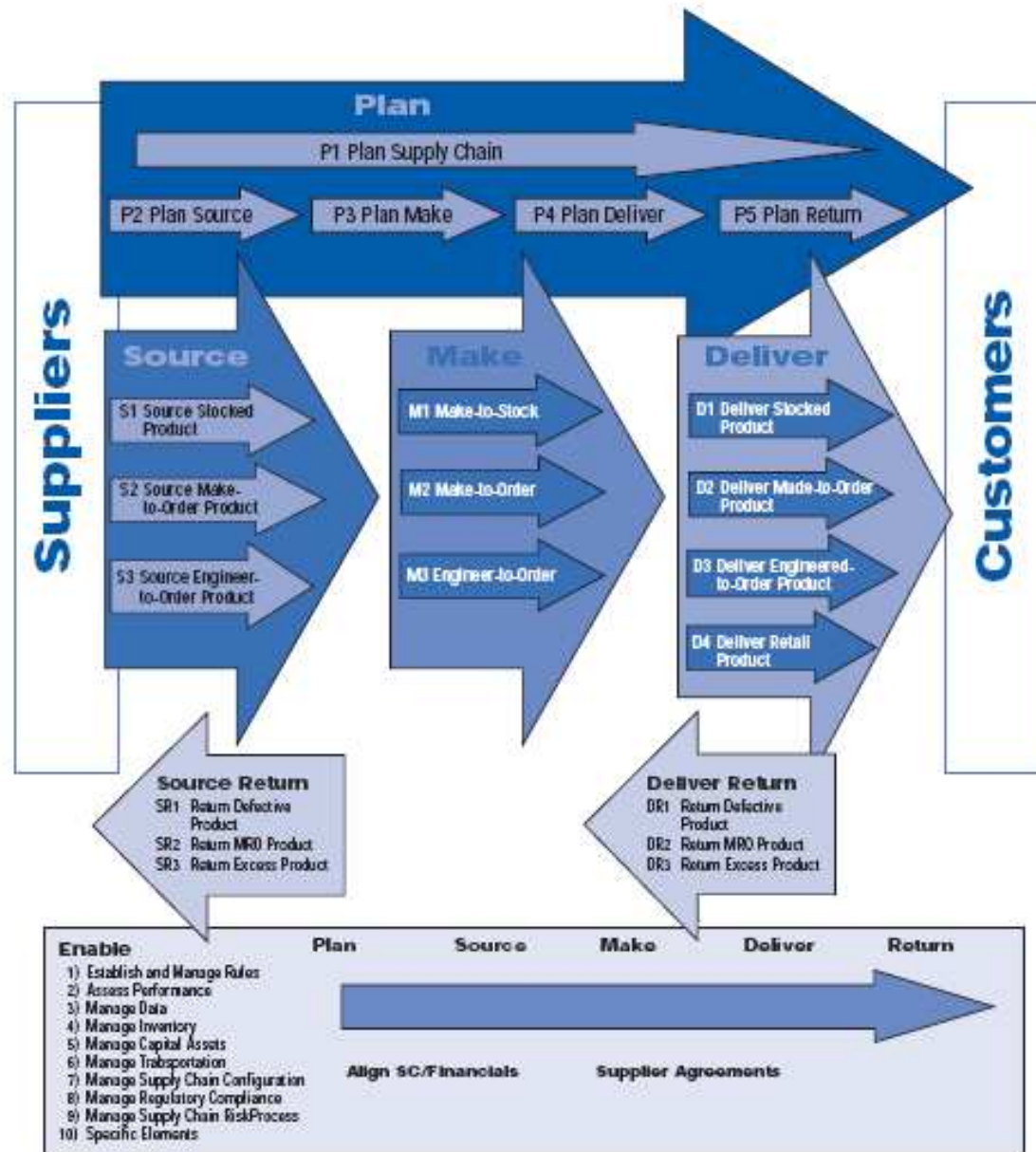
Return of Raw Materials and Receipt of Returns of Finished Goods

- ▶ All Return Defective Product steps from source – identify product condition, disposition product, request product return authorization, schedule product shipment, and return defective product – and deliver – authorized product return, schedule return receipt, receive product, and transfer defective product.
- ▶ All Return Maintenance, Repair, and Overhaul product steps from source – identify product condition, disposition product, request product return authorization, schedule product shipment, and return MRO product – and deliver – authorize product return, schedule return receipt, receive product, and transfer MRO product.
- ▶ All Return Excess Product steps from source – identify product condition, disposition product, request product return authorization, schedule product shipment, and return excess product – and deliver – authorize product return, schedule return receipt, receive product, and transfer excess product.
- ▶ Manage Return business rules, performance, data collection, return inventory, capital assets, transportation, network configuration, regulatory requirements and compliance, and supply chain return risk.

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SCOR Version 9.0 Level 2



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