



TenStep Supplemental Paper

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Sharing Quality Data Across Your Supply Chain

Quality Control has been defined as “operational techniques and activities that are used to fulfill requirements of quality.” Every manufacturing company that provides quality products uses some form of Quality Control (QC). The supply chain of a manufacturing enterprise is usually made up of a large network of suppliers, factories, warehouses, distribution centers, and retailers through which raw materials are acquired, transformed, and delivered to customers. The product thus goes through many different stages in the value chain during the manufacturing and delivery process. Generally, a manufacturer who is higher in the value chain will provide the quality requirements or specifications to the supplier below him. He then passes his quality standards on to his suppliers. Suppliers usually base their quality control efforts on their customer’s specifications.

Collaboration

Some leading manufacturers have gone a step further by collaborating with their suppliers. These relationships lead to open communication, sharing of trade secrets, and commitment to long-term supplier contracts, all of which improve the quality of products and services. Leading manufacturers no longer just expect their suppliers to meet minimum quality standards. They expect them to be partners, providing inputs that will enhance both the intermediate and final product quality. Providing Quality Control data about the product being supplied is one way for suppliers and customers to form a partnership. This is certainly not a new idea! The sharing of product and process data has been part of the paper, chemical, and pharmaceutical industries for years. However, it has not generally been practiced in most other industries.

For instance, in the nuclear, chemical, and pharmaceutical industries, quality control data is maintained to meet regulatory and government regulations. The QC data is collected and archived in ever growing files and databases. These records are never referred to unless the product experiences a performance failure. In such an event, the quality control data is retrieved and analyzed to identify the probable cause. This prevents future problems in quality. In some cases, the quality control records help the manufacturer to identify the other customers who were sent the same batch products so that they can be notified of the problem, especially in case of a recall. These are valid reasons for creating and maintaining QC data. However, none of these reasons really contribute to the day-to-day productivity and quality improvement of the manufacturer or of other players in the value chain.

QC Across the Supply Chain

The paper and food industries use QC data for process control across the supply chain. In the paper industry, for instance, the supplier provides QC data such as moisture content and weight along with the product. The manufacturer at the next level of the value chain utilizes this information for appropriate process control at their end. In this manner, they get better quality results and minimize waste.



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The sharing of QC data across the supply chain is not limited to the paper and food industries. This process can be used by anyone in any industry.

A company that collects quality control data during the manufacturing process has nothing to lose by sharing its data with the customer. In fact, the supplier can actually set himself apart from his competition by providing this valuable information. The customer can in turn benefit by making appropriate adjustments in his own processes.

Though manufacturers could benefit by using the QC information from their suppliers, they have not been doing so due to the problems related to sharing and retrieving huge volumes of data. However, developments in technology have made the sharing of crucial QC data between the various partners within the supply chain much easier. The Internet, interconnectivity between different databases and new software packages has also contributed to this. Now, it is easier than ever to participate in data sharing to the good of the entire supply chain.