

Process/Symptom/Value (PSV) Matrix

Root Decision Processes	<u>Top Line Revenue Growth</u>					<u>Higher RONA</u>							<u>Higher Operating Margin</u>					
	Undesirable Business Symptoms																	
	Slow Concept to Production	Too Many Emergency ECO's	Lost Market Opp.	Too Many Canceled/Unfillable Orders	Too Many Returns	High FG Inv	High Intermediate Inv	High Raw Stock Inv	High Risk of Obsolescence (Reserve for write-down)	High DSO	Low DPO	Profitable Use of Fixed Assets	High Shipping Costs	High Late Penalties	High Mfg. Costs	High Waste	Non-optimal Product Mix	High Carrying Cost
Collaborative New Prod. Dev.	Blue	Blue	Blue		Blue						Blue				Blue			
Structural Cost & Opportunity Analysis						Blue	Blue	Blue	Blue		Blue	Blue			Blue		Blue	Blue
Collaborative Planning and Forecasting				Blue		Blue	Blue	Blue	Blue				Blue	Blue			Blue	
Capacity Planning	Blue		Blue	Blue							Blue				Blue			
Safety Stock Optimization				Blue		Blue	Blue	Blue	Blue		Blue		Blue	Blue				
Synchronized Planning				Blue		Blue	Blue		Blue		Blue	Blue	Blue	Blue			Blue	
Detailed Finite Scheduling				Blue			Blue		Blue		Blue		Blue	Blue			Blue	
Accurate Order Promising				Blue		Blue	Blue	Blue	Blue			Blue	Blue	Blue				
Transportation Planning											Blue	Blue	Blue	Blue				
Statistical Process Control		Blue			Blue			Blue	Blue		Blue	Blue	Blue	Blue	Blue			
Supply Contracting		Blue			Blue			Blue		Blue	Blue	Blue	Blue	Blue	Blue			

Each meaningful intersection can also be scored according to relative impact, providing a “heat map” of opportunities for improvement. Columns and rows can then be totaled in order to provide an intuitive, top-down sense of priorities. However, one must keep in mind that data-driven analysis often contradicts intuition. Therefore, some level of analysis is recommended before any scoring is attempted.

DSO is the abbreviation for Days Sales Outstanding; DPO is an abbreviation for Days Payable Outstanding; Typically, DSO should be as small as possible and DPO should match a supply contract which is negotiated to fit the requirements for supply management to support the corporate strategy.