



# A 70-Point Supply Chain Basics Checklist

## Dealing with Post Pandemic Time

Running today's complex supply chains and dealing with post pandemic is no easy task. This 70-point checklist should help you to get your supply chain on track and keep it there. Use it to look for basic improvement opportunities, which can easily be overlooked in any busy company, especially when the main focus is on product development, marketing, and sales.

Fill in only the the questions that apply to your company and feel free to share the results with Natax if you need help or support.

Simply check the boxes which you believe apply to each point in the checklist.

"Yes" means your company is meeting basic supply chain requirements.

"No" means an opportunity for improvement. ( contact Natax e-logistics)

"Don't know" should be a prompt to investigate and find out the answer. **(contact Natax e-logistics)**

70- Point Supply Chain Basics Checklist				
A. Supply Chain Strategy		Yes	No	Don't Know
1	Does your company have a documented supply chain strategy?			
2	Does your supply chain strategy clearly support overall business strategy?			
3	Is your supply chain strategy supported by clear and understandable functional, team, and individual performance objectives?			
4	Do you have a set of key performance indicators (KPIs) to measure performance against strategic supply chain objectives?			
5	Are your supply chain KPIs aligned across all functions touched by supply chain?			
6	Are employees' incentives and compensation linked to your strategic supply chain objectives?			
B. Customer Service		Yes	No	Don't Know
7	Does your supply chain strategy include objectives for customer service improvement?			
8	Does your company use customer-focused KPIs such as "Perfect Order" or DIFOT?			

9	Is each customer-focused KPI cascaded down to each supply chain function and tailored to measure functional customer service performance?			
10	Are supply chain employees trained to understand the concept of internal and external customers?			
11	Do employees in all supply chain functions receive customer service-related training?			
12	Does your company regularly gather feedback from customers to assess their current and future needs?			

13	Does your company seek feedback from customers who stop placing orders or defect to other suppliers?			
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<b>C. The Supply Chain Network</b>		<b>Yes</b>	<b>No</b>	<b>Don't Know</b>
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14	Has your company ever performed a review of its distribution network design with a view to optimisation?			
15	Has a distribution network design optimisation project ever been completed?			
16	Has a network design review taken place within the last 5 years?			
17	If your supply chain has been impacted by a merger or acquisition, has a distribution network review since been conducted?			
18	Are your company's customers satisfied with product availability and service lead times?			

<b>D. Inbound Logistics Process</b>		<b>Yes</b>	<b>No</b>	<b>Don't Know</b>
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19	Are items checked for quality, quantity and condition upon arrival of each inbound shipment?			
20	Do you have a booking-in process for suppliers, with a time-slot allocated to each inbound delivery?			
21	Does your company insist on the use of advanced shipping notifications by all suppliers (as far as practicable)?			

<b>E. Inventory Management</b>		<b>Yes</b>	<b>No</b>	<b>Don't Know</b>
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22	Has your company implemented a cycle-counting program in all its DCs/warehouses?			
23	Is all inventory included during counts, even those items set aside for repackaging or other reasons?			
24	When counting, is every discrepancy between "counted stock" and "stock on record" double checked and investigated?			
25	Is your inventory categorised and segmented by ABC inventory system or similar?			

26	Does your company actively collaborate with customers and suppliers to develop inventory strategies?			
27	When stock becomes obsolete or is discontinued, does your company move quickly to write it down or sell it off at a discount?			
28	Has your company implemented a Sales and Operations Planning (S&OP) process and software? E.g Demand Forecasting software.			
<b>F. Warehouse Layout</b>		<b>Yes</b>	<b>No</b>	<b>Don't Know</b>
29	Has your company modeled and optimised the layout of its warehouse space/s?			
30	Are warehouse layouts reviewed on a regular basis?			
31	Are your fastest moving SKUs stored close to the shipping areas/loading doors in your warehouses?			
32	Are warehouse spaces clearly segregated into areas for receiving, storage, picking, dispatch and where applicable, cross-docking?			
<b>G. General Warehouse Management</b>		<b>Yes</b>	<b>No</b>	<b>Don't Know</b>
33	Do your warehouse operations include a structured system for pick-face replenishment?			
34	Is warehouse health and safety managed using a proactive system (near-miss and hazard reporting)?			

35	Do warehouse managers practice a fully documented handover during shift changes?			
36	Is a rigorous housekeeping policy and process in place in each warehouse?			
37	Has your company implemented a warehouse management system (WMS) in each of its warehouses?			
38	Do warehouse management systems include hands-free transaction recording (bar-code scanning or RFID)?			
39	Has your company eliminated paper-based warehouse processes?			
40	Does your warehouse management team operate a continuous improvement program (Lean, Six Sigma, PDCA, or similar)?			
41	Are your warehouses managed in a way that directly supports your company's supply chain strategy?			
<b>H. Warehouse Material Handling Equipment (MHE)</b>		<b>Yes</b>	<b>No</b>	<b>Don't Know</b>
42	Is MHE utilized to the maximum?			
43	Is MHE adequate for a balanced operation?			
44	Do you have MHE of the right types and sizes for each activity and environment within your company's warehouses?			
45	Is all MHE maintained according to manufacturers' recommended programs, including preventative maintenance schedules?			

46	Does your company enforce a strict policy regarding authorised use of MHE by qualified operatives?			
<b>J. Transportation/Distribution</b>		<b>Yes</b>	<b>No</b>	<b>Don't Know</b>
47	Has your company's decisions regarding insourcing/outsourcing of (road) transportation been based on a balancing of the costs and benefits?			
48	If insourced: is your fleet effectively utilised?			
49	If insourced: does your company have people appointed to ensure all applicable legislation is adhered to regarding vehicle roadworthiness, driver-hours and other operational responsibilities?			
50	If insourced: does your company have vehicles of the right type and capacity for the transportation activities performed?			
51	If outsourced: Does your company insist on service level agreements with high-volume carriers?			
52	If outsourced: do you monitor and measure the performance of 3PL partners using agreed KPIs?			
53	If outsourced: do you have a dedicated person (or team) employed with responsibility for managing the outsourcing relationship?			
54	If outsourced: do you and your outsourcing partners have a clear and aligned understanding of how risks and liabilities are apportioned?			
55	Is your transport/distribution operation managed in a way that directly supports your company's supply chain strategy?			
<b>K. Supplier Performance/Relationship Management</b>		<b>Yes</b>	<b>No</b>	<b>Don't Know</b>
56	Has your company implemented a supplier performance management program?			
57	Are supplier performance KPIs used as part of supplier performance management?			
58	Are supplier performance KPIs focused on value for your endcustomers?			
59	Does your company capture the reasons behind suppliers' missed KPI targets?			
60	Does your company's use the performance management process to drive forward-looking, added-value opportunities?			
61	Does the process include regular face-to-face meetings between suppliers and key stakeholders from your company?			
62	When there is a need for performance improvement, is there a clear action plan identified, with specific dates for delivery?			



63	Are action plans followed up regularly until objectives have been achieved?			
64	Are suppliers chosen on the basis of value offered, rather than lowest price?			
<b>L. Supply Chain Performance</b>		<b>Yes</b>	<b>No</b>	<b>Don't Know</b>
65	Has your company benchmarked supply chain performance against other supply chains with similar characteristics?			
66	Does every supply chain-related function manage employee performance according to an objective structure of measurement?			
67	Is employee performance-measurement aligned to functional goals that support the supply chain strategy?			
68	Are your company's supply chain KPIs straightforward and easy to understand for employees at all levels?			
69	Is the range of KPIs balanced across a range of criteria, including financial, operational, and customer service?			
70	Do your company's functional managers brief their teams face-to-face on a daily basis, informing employees of key performance achievements and issues, and capturing qualitative feedback?			

***Did you find some areas in your company's supply chain that need improvement including a new demand forecasting or inventory planning software as to replace the current software or Excel?***

***Although the points in this checklist really cover some of the supply chain fundamentals, solutions for improvement are not always so basic. In fact some issues may require fairly complex solutions.***

***If you need help bringing any aspects of your supply chain up to scratch, Natax e-logistics Inc. exists purely to lead, assist, or support supply chain leaders in affecting positive change.***

Including we provide supply chain and logistics software and AI software.

***[Contact us today](http://www.nataxe-logistics.com) via our website or email: [info@nataxe-logistics.com](mailto:info@nataxe-logistics.com) / t:59995156181.***