

Appendix B: CPFR Sample Metric Matrix Worksheet

Objective

The objective of this worksheet is to facilitate the discussion on performance metrics for CPFR. It is intended to help trading partners collaborate on the various metrics that will be tracked over the course of collaboration.

General Information

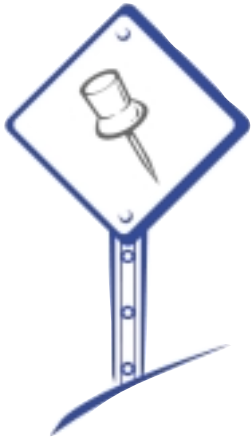
Selling _____ Company _____ Rep _____
 Buying _____ Company _____ Rep _____
 Completed Date _____

Metric Analysis Matrix

Questions									
	Specific Formula	Frequency or Interval	Time Horizon or Period	Granularity	Variance Threshold	Relative Impact	Benchmark Initial Value	Benchmark Target Value	Data Provider
Example Forecast Accuracy	MAD/Mean	Daily	14 Days	SKU	8%	High	71.20%	75%	Both
1)									
2)									
3)									
4)									
5)									
6)									

Legend

Specific Formula	Agree upon and enter the specific mathematical formula for the performance metric.
Time – Frequency	"Every metric should have an element of time within the calculation. Define the Frequency (daily, weekly, etc) or the interval (snapshot value every x days)."
Time – Horizon	Some metrics (such as forecast accuracy) require that you set an agreed upon horizon or period for which the measurement is applied.
Granularity	Each metric needs to have a specific level of detail defined to ensure that the two parties are measuring the same thing. For example Item level accuracy verses category level accuracy.
Variance Threshold	"Metrics, like forecasts can vary between parties, and they should be monitored for variances between the numbers reported by the two parties."
Relative Impact	It is important to agree upon the relative importance of each of the metrics. This may differ between the two parties and should be noted.
Benchmark – Initial Value	Once the calculation has been defined each party should calculate an initial position and record it to track progress against.
Benchmark – Target Value	"Even through the process may do better than initial targets, it is important to have an agreed upon target value for the metric."
Data Provider	"Identify who will provide the data for the metric, the majority of metrics will be provided by both parties and compared, however some metrics may have only one party capable of providing the information."



Appendix B
Metrics Matrix