

Supply chain management

[Business](#), [Management](#)



Key Performance Indicators (KPI Hsuh Ta Corporation Group Key

Performance Indicators (KPI Hsuh Ta Corporation Group A deep evaluation of the key performance indicators (KPI) of the supply chain is very essential for an organization in order to deal with the firm's risk management process.

The supply chain KPIs include turnover, efficiency, stock inventory, out-of-stock performance, throughput, shrinkage rates, number of weeks of supply, and delivery lead time.

While analyzing the turnover of Hsuh Ta Enterprise Co., Ltd, a plastic forming and molding company located in Taiwan, it seems that the company performs satisfactorily in terms of turnover. Even in the midst of the global financial crisis 2008-09, the company managed to maintain its turnover level on the strength of its innovative business model. The increased focus on environmental sustainability greatly assists the organization to gain greater public acceptance, which in turn leads to improved profitability and turnover.

Similarly, enhanced efficiency is a key feature of the Hsuh's supply chain. As one understands from the company website, the company has a potential group of employees who are experienced in various supply chain activities. This favorable workplace environment aids the organization to ensure smooth and uninterrupted flow of its different supply chain tasks (Hsuh Ta Corporation Group). The computerized supply chain helps the company to promote effective information sharing and keep its various operations integrated and connected. In addition, the firm has great access to potential financial reserves, and therefore there would not be any delay in production or transfer of finished commodities to the delivery point due to lack of funds.

Stock inventory, another KPI of supply chain, gives some crucial information about the operational efficiency of the company. The firm avoids issues associated with under-stock and over-stock of goods. Hence, the Hsuh management has developed improved mechanisms to ensure that there is optimum level of inventory in stock to meet the business needs properly. In addition, the organization is particularly watchful about the dreadful effects of the out-of-stock performance on the business. The management believes that an out-of-stock situation would adversely impact customer satisfaction and loyalty and consequently the company may fail to regain consumer trust.

Likewise, the company is committed to maintain adequate levels of throughput, which indicates the actual rate of production. This is necessary to make sure that consumer needs are met adequately and to expand the business landscape in line with the changing market trends. It is interesting to see that the firm maintains a low shrinkage rate, which reflects that the business has only a small amount of inventory that gets lost or stolen. By keeping shrinkage rates low, the organization is able to cut down its overall costs and to improve profitability.

Finally, the company pays particular attention to the stated delivery lead time. The Hsuh management strongly thinks that delivering customer orders on time is crucial to achieve consumer confidence in the brand and thereby enhance customer loyalty. Hence, the company gives specific emphasis to customer relationships management so as to ensure that each consumer is satisfied with the market operations of the firm. In addition, this business concern greatly focuses on improving the number of weeks of supply with

intent to gain wider market coverage quickly.

References

Hsuh Ta Corporation Group. Retrieved from [http://www. hsuhta. com/custom_4836. html](http://www.hsuhta.com/custom_4836.html)