

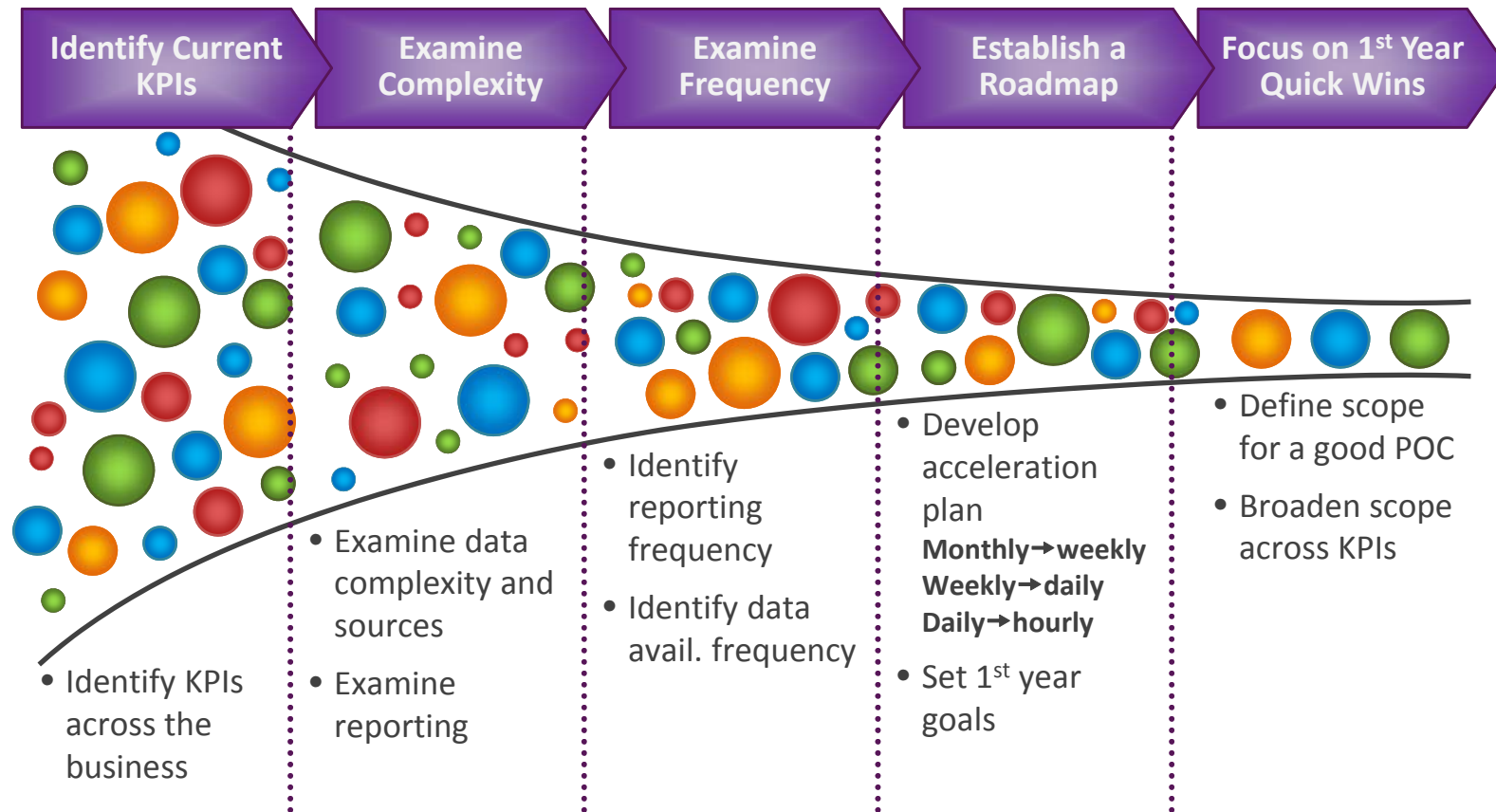


One View Methodology

Move from Static to Real-time KPIs

Move from Static to Real-Time KPIs

Clarity Metrics Design Methodology



1

Apply the Methodology

Identify Current KPIs

KPI Group	Primary KPI	Supporting KPIs	
Manufacturing Performance	OEE	<ul style="list-style-type: none"> Minor/major stops Capacity utilization 	<ul style="list-style-type: none"> TEEP Gallons produced
Quality	% Out of Spec	<ul style="list-style-type: none"> CP CPk PPM 	<ul style="list-style-type: none"> Sigma level Quality incidents
Safety	Safety Index	<ul style="list-style-type: none"> Lost time incidents Days without accidents 	<ul style="list-style-type: none"> OSHA recordables Near misses
Cost Variance	AOP Variance	<ul style="list-style-type: none"> % cost per unit variance Standard cost 	<ul style="list-style-type: none"> Actual cost Overhead variance
Work Order Compliance	% On Time Completion	<ul style="list-style-type: none"> Planned work orders Unplanned work orders 	<ul style="list-style-type: none"> Planned WO on time Planned/unplanned ratio

2

Apply the Methodology Examine Complexity and Frequency

KPI Group	Business Priority	Data Sources	Data Readiness	Analytics Readiness	Update Frequency	Review Frequency
Manufacturing Performance	HIGH	EMI and MES systems	YES	HIGH	Daily	Weekly
Quality	LOW	Quality systems	NO	LOW	Monthly	Monthly
Safety	VERY HIGH	Access database	YES	HIGH	Daily	Weekly
Cost Variance	MEDIUM	ERP	YES	HIGH	Daily	Weekly
Work Order Compliance	HIGH	ERP	NO	LOW	Weekly	Monthly

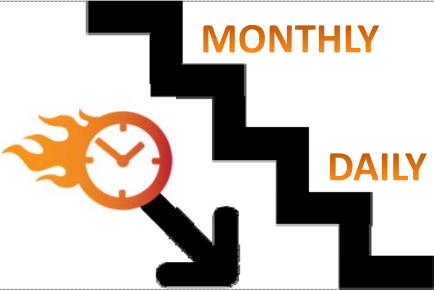

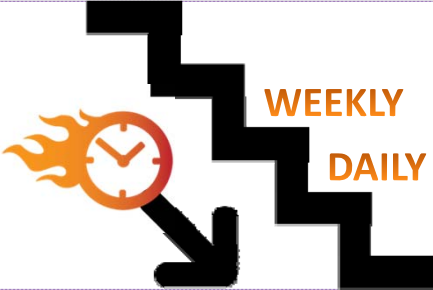



3

Apply the Methodology Develop a KPI Complexity Matrix

KPI Group	Business Priority	Data Sources	Data Complexity	App Complexity
Manufacturing Performance	HIGH	EMI and MES systems	MED	MED
Quality	LOW	Quality systems	LOW	LOW
Safety	VERY HIGH	Access database	HIGH	MED
Cost Variance	MEDIUM	ERP	LOW	LOW
Work Order Compliance	HIGH	ERP	LOW	LOW

4

Apply the Methodology Define a Long-Term Roadmap

2014	2015	2016
Conversion Cost	Inventory	Order Fulfillment
 <p>MONTHLY DAILY</p>	 <p>MONTHLY WEEKLY</p>	 <p>WEEKLY DAILY</p>
Plant / Line Efficiency	Quality KPIs	Schedule Adherence
 <p>DAILY HOURLY</p>	 <p>DAILY HOURLY</p>	 <p>WEEKLY DAILY HOURLY</p>



Apply the Methodology

Identify 1st Year Quick Wins

KPI Group	Data Complexity	Business Priority	Data Readiness	Analytics Readiness	Update Frequency	Review Frequency
Manufacturing Performance	MEDIUM	HIGH	YES	HIGH	Daily	Weekly
Quality	HIGH	LOW	NO	LOW	Monthly	Monthly
Safety	HIGH	VERY HIGH	YES	HIGH	Daily	Weekly
Cost Variance	LOW	MEDIUM	YES	HIGH	Daily	Weekly
Work Order Compliance	LOW	HIGH	NO	LOW	Weekly	Monthly

Questions?



John Oskin
Founder & CEO

Sage Clarity Systems
www.sageclarity.com

20 N. Wacker Drive
12th Floor
Chicago, Illinois 60606
TEL 1.800.809.3042
CEL 1.773.910.0217
john.oskin@sageclarity.com