

Order-winner or qualifier	Review current performance	Typical improvements
Price	<ul style="list-style-type: none"> Review actual material, direct labour and overhead costs Map current manufacturing process and identify areas of material and labour waste Review mix of production volumes in an operation Review annual production volumes within a product range Review production run lengths Review contribution per machine hour Review product pricing 	<ul style="list-style-type: none"> Reduce large areas of costs – materials and overheads are typically 70–90 per cent of total cost Reduce material and labour waste Reduce process changeover and set-up times Reallocate products across operations Focus operations on markets or resources
Quality conformance	<ul style="list-style-type: none"> Review quality conformance levels for products, orders, customers and market segments 	<ul style="list-style-type: none"> Reduce quality conformance errors Build quality into the process rather than checking conformance after the event
Delivery reliability	<ul style="list-style-type: none"> Review delivery performance for products, orders, customers and market segments Analyse and compare customer requested and operations actual delivery lead times Compare actual processing with overall operations lead time 	<ul style="list-style-type: none"> Improve scheduling of activities Improve process reliability Hold inventory at varying stages in the process
Delivery speed	<ul style="list-style-type: none"> Analyse and compare customer requested and operations actual delivery lead times Compare actual processing with overall operations lead time Map actual operations process and identify areas of material and labour waste 	<ul style="list-style-type: none"> Eliminate waiting time between process steps Reducing lead time of process steps Eliminate wasteful activities
Product range	<ul style="list-style-type: none"> Review the process capability to meet required current and future product range 	<ul style="list-style-type: none"> Develop process capability to cope with product range Develop employee skill levels Reduce changeover and set-up times
Demand fluctuations	<ul style="list-style-type: none"> Assess ability of capacity to respond to known or anticipated demand changes 	<ul style="list-style-type: none"> Invest in capacity or inventory
Speed of new product development	<ul style="list-style-type: none"> Map new product development process and identify areas of waste Determine length of activities and their dependency on other activities or key resources Identify activities for which operations has responsibility 	<ul style="list-style-type: none"> Eliminate wasteful activities Increase capacity of constraining resources Reschedule activities so they are completed in parallel (rather than in sequence) with other parts of the process

EXHIBIT 4.11 Examples of how to review performance and typical improvements to meet alternative order-winners and qualifiers