

# On Time In Full

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## OTIF Management in the Group

OTIF is a key element of the Service-Cash-Cost balance that **defines our E2E Value Chain performance**, and a powerful tool to **drive continuous improvement in our operations** (Planning, Logistics, Production, etc). As part of the Service pillar, OTIF provides insights on how we are performing vs our customers requests and vs our promises to the customer.

## Definitions

### OTIF definitions

OTIF is broken down in two different elements:

- **On Time** (an order is considered to be delivered on time when it is delivered at the right time)
- **In Full** (an order is considered in full when it is delivered with the right quantity).

At Solvay today, we have 6 different standard definitions for OTIF that are calculated based on data directly from SAP, and that evaluate our performance on those two components:

- **OTIF Customer Delivered** - Evaluates customer satisfaction, and its result can be impacted by both internal and external factors
  - OTIF Customer Delivered Requested: compares actual delivery vs customer request
  - OTIF Customer Delivered 1st Confirmed: compares actual delivery vs our 1st ATP confirmation
  - OTIF Customer Delivered Last Confirmed: compares actual delivery vs our last ATP confirmation
- **OTIF Departure Plant** - Evaluates our ability to deliver according to customer requirements, and its result is only impacted by internal reasons
  - OTIF Departure Plant Requested: compares readiness of the goods vs customer request
  - OTIF Departure Plant 1st Confirmed: compares readiness of the goods vs our 1st ATP confirmation
  - OTIF Departure Plant Last Confirmed: compares readiness of the goods vs our last ATP confirmation"

### Tolerances To avoid being too stringent, for OTIF calculation we apply tolerances:

- For On Time we have harmonized tolerances for the Group by transportation mode.
- For In Full, tolerances are defined by the GBUs.

## Use of OTIF as a tool for continuous improvement

### Insights

When a non-OTIF case is reported, the Customer Service Representatives and Plants are accountable to investigate and report the root cause of the issue, and the analysis of these root causes provide diverse insights:

- Issues on communication of our lead times to customers
- Order entry issues
- Planning issues (business on allocation, lack of capacity, wrong planning/scheduling)
- Delays on raw materials or packaging
- Production & Quality issues (delays / schedule adherence, production out of specifications, lab delays, not in full packaging units)
- Issues with transport execution (shipping issues, equipment not available, use of wrong equipment, carrier not respecting pick-up time, carrier errors, shorter or longer transit times, transport restrictions)

- Other (credit / payment issues, data issues)

## Roles & accountabilities

GBUs are accountable for the coding process, and to define operational actions to improve performance. Often those actions are supported by End to End Performance transversal initiatives, e.g. L4G, Planning initiatives.

End to End Performance is responsible to share best practices, insights and tools to better leverage OTIF as a tool for continuous improvement, e.g. End to End Performance is responsible for the design of the Group dashboards

## Performance management

### KPIs

Today at the Group level we follow three indicators on a monthly basis: OTIF Delivered Requested, OTIF Delivered 1st Confirmed & OTIF shipped 1st confirmed (CM). Each GBU is following (at least) one of these three indicators for their internal performance management.

### Targets

GBUs set their yearly targets for one of the three KPIs followed. Targets for the Group are defined yearly as a weighted average of the GBU targets.

### Dashboards

Today we have two different dashboards to monitor OTIF in the Group:

- E2E Value Chain Dashboard
  - End-To-End dashboard targeting Managers & Leadership teams, and that shows high-level OTIF performance: OTIF evolution by GBU/ destination geo zone / plant
- Global Supply Chain Dashboard
  - Supply Chain dashboard targeting the operations, and that shows details on OTIF performance, e.g. top non-OTIF root causes, OTIF by destination geo zone / plant / transportation mode / customer, % orders with actual delivery date, etc
- Other dashboards that also contain OTIF data include Customer 360 Dashboard, Monthly Industrial Dashboard, GSKAs dashboard

## Requirements to mitigate potential risks

- Integration into SAP
- Data quality: good data management, good visibility of actual delivery dates provided by freight forwarders, robust non-OTIF coding process

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#### Playbook and Key Documents

- [Playbook](#)

#### Tools

- [OTIF KPI \(Global Supply Chain Dashboard in Tableau\)](#)

#### Key Trainings:

- [Global Sales Functional Documentation \(technical training\)](#)

#### Key contacts

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#### Linked page

- [OTIF Functional Wiki](#)
- [Hauliers Performance \(On Time shipment %, On Time Delivery %\)](#)

- **Maturity Assessment**