

Table Of Contents

Acknowledgement.....	V
Abstract.....	VII
Table Of Contents.....	IX
Acronyms And Abbreviations.....	XVII
List Of Tables.....	XIX
List Of Figures	XXI
List Of Formulas.....	XXV
1 Introduction	I
1.1 PREAMBLE	1
1.2 THE STUDY'S AIM.....	3
1.3 STUDY LAYOUT.....	4
2 Literature Review.....	7
2.1 SUPPLY CHAIN MANAGEMENT	7
2.1.1 The History Of Supply Chain Management.....	7
2.1.2 Definition And Objectives	11
2.1.3 SCM's Evolution Stages.....	16
2.1.3.1 Level 1 — Enterprise Integration.....	17
2.1.3.2 Level 2 — Corporate Excellence	17
2.1.3.3 Level 3 — Partner Collaboration	18
2.1.3.4 Level 4 — Value-Chain Collaboration.....	19
2.1.3.5 Level 5 — Full Network Connectivity	19
2.1.4 The Aim Of Supply Chain Management	19

2.1.5	Critical Success Factors For Efficiency And Effectiveness	22
2.1.5.1	Costs.....	26
2.1.5.2	Quality	27
2.1.5.3	Delivery	28
2.1.5.4	Flexibility.....	28
2.1.5.5	Innovation	29
2.1.5.6	Transparency	29
2.2	SUPPLIER RELATIONSHIP MANAGEMENT	30
2.2.1	Definition And Objectives	31
2.2.2	Strategy And Concept	33
2.2.2.1	Supplier Selection And Eevaluation	33
2.2.2.2	Supplier Development.....	35
2.2.2.3	Supplier Integration	36
2.2.3	Risks And Issues In The Use Of SRM	38
2.2.4	SRM's Importance For SCM	39
2.3	PROCUREMENT	40
2.3.1	Procurement's Role Within Supply Chain Management	40
2.3.2	Definition Of Procurement And Purchasing	42
2.3.3	Procurement — Past And Present	43
2.3.4	Sustainable Strategic Partnership	45
2.3.5	Procurement Performance Measurement	47
2.3.6	Purchasing Success — “Savings”	49
2.3.7	Procurement Ethics	52
2.4	VALUE ENGINEERING	54

2.4.1	Definition And Objective.....	54
2.4.2	Value Analysis — The Methodology.....	56
2.4.3	Consequence And Prerequisite.....	58
2.4.4	Cost Driver	59
2.5	COST MANAGEMENT.....	60
2.5.1	Cost And Price Terminology	60
2.5.1.1	Costs.....	60
2.5.1.2	Price	61
2.5.1.3	Total Cost Of Ownership	62
2.5.1.4	Life Cycle Cost.....	62
2.5.1.5	Opportunity Costs.....	63
2.5.2	Cost Determination	63
2.5.2.1	Target Costing — The “Classical” Approach	64
2.5.2.2	Kaizen Costing	65
2.5.2.3	Benchmarking.....	66
2.5.2.4	Parametric Cost Estimation.....	67
2.5.3	Correlation Of Costs And Price.....	69
2.6	QUALITY	70
2.6.1	Definition And Perspective.....	71
2.6.2	Quality Management.....	72
2.6.3	Quality Methods And Concepts	73
2.6.3.1	Total Quality Management	74
2.6.3.2	Six Sigma Methodology.....	75

2.6.3.3	First-Time-Right And Zero-Defects	78
2.7	SUMMARY OF LITERATURE REVIEW	80
2.7.1	Correlating The Subjects	80
2.7.2	Purchasing Savings	84
2.7.2.1	The Identification Of Purchasing Savings	84
2.7.2.2	Purchasing Savings And SCM	85
2.7.2.3	Inflation And Purchasing Savings	85
2.7.2.4	Purchasing Savings' Risk	89
2.7.3	Procurement Quality	91
2.7.4	The Work Environment's Impact On Cost Determination	93
3	Methodology	97
3.1	THEORETICAL CONTEXT	97
3.1.1	Research Problem	98
3.1.2	Analytical Model	99
3.1.3	Research Question	100
3.1.4	Hypotheses	101
3.1.5	Research Design	102
3.1.6	Criteria For Judging Research Design Quality	110
3.2	THE STUDY	114
3.2.1	The Research Problem	114
3.2.2	The Analytical Model	115
3.2.2.1	Basic Model	115
3.2.2.2	About The Status Quo	118
3.2.2.3	Research Approach	120

3.2.3	The Research Question	122
3.2.4	Derived Conclusions And Correlations.....	123
3.2.4.1	The Status Quo	123
3.2.4.2	The Research Approach	125
3.2.5	Objectives.....	129
3.2.6	Research Design.....	130
3.2.7	Quality Assurance For The Study	132
3.3	TIME FRAME AND DATA BASE.....	134
4	The Case Study Company.....	135
4.1	CURRENT OVERALL SITUATION.....	135
4.1.1	The Company.....	135
4.1.2	The Sales Market And Its History	136
4.1.3	Processes And Procedures In The Company	139
4.1.4	Findings And Discussion	141
4.1.4.1	The Current Situation's Weaknesses And Consequences	142
4.1.4.2	Current-Performance Measurement.....	143
4.2	CONCLUSION.....	146
5	First-Time-Right Procurement.....	149
5.1	THE DEVELOPMENT OF FIRST-TIME-RIGHT PROCUREMENT	149
5.1.1	Implementing First-Time-Right In The Source Processes	149
5.1.2	Time As The Measurable Variable In FTRP	151
5.1.3	Replacing Purchasing Savings With FTRP.....	153
5.2	PUTTING FTRP INTO PRACTICE — THE PRE-IMPLEMENTATION PHASE.....	154

5.3	SUMMARY ABOUT FIRST-TIME-RIGHT PROCUREMENT.....	158
6	Measuring First-Time-Right Procurement.....	161
6.1	THEORETICAL BACKGROUND OF PERFORMANCE MEASUREMENT.....	161
6.2	PERFORMANCE-MEASUREMENT REQUIREMENTS	163
6.3	THE FTRP MEASUREMENT METHOD	164
6.3.1	Indicator For Measuring Procurement's Efficiency	165
6.3.2	Indicator For Measuring Procurement's Effectiveness	167
6.3.3	Summary Concerning FTRP Measurement	168
7	Case Study Results	171
7.1	QUALITY CONTROL.....	171
7.2	DATA COLLECTION	178
7.3	DATA ANALYSIS	180
7.4	FINDINGS - INTERPRETATION AND DISCUSSION.....	182
7.4.1	Observations Regarding Purchasing Savings.....	182
7.4.2	Reflection On FTRP And FTRPM Results	185
7.4.3	Observations Made During The Experimental Phase.....	188
7.5	ANSWERING THE RESEARCH QUESTIONS AND PREDICTED CONCLUSIONS	190
7.5.1	Research Questions	192
7.5.1.1	Answering RQ1	192
7.5.1.2	Answering RQ2	193
7.5.1.3	Answering RQ3	194
7.5.2	Predicted Conclusions.....	195

8	Conclusion And Recommendations	199
9	References	205
9.1	BOOKS	205
9.2	PERIODICALS.....	227
9.3	ONLINE ARTICLES	231
9.4	WEB PAGES.....	231
10	Appendix	233
10.1	TABLES.....	233
10.1.1	Selected KPIs For BSC Perspectives	233
10.1.2	Selected Tools For DMAIC Phases.....	236
10.2	GERMAN FEDERAL STATISTICAL OFFICE DATA	239
10.2.1	Consumer Price Index.....	239
10.2.2	Producer Price Indexes Of Industrial Products	240
10.3	SM FOR THE HOLISTIC HYPOTHESES APPROACH TO FTRP	241
10.4	THE COMMON LAW OF BUSINESS BALANCE.....	242
10.5	REMARKS REGARDING THE DISSERTATION TEXT	243
10.5.1	Anonymity.....	243
10.5.2	Gender-Specific Language	243
10.5.3	Language	243