Bord Bia
Irish Food Board

Supply Chain Procurement

Workshop

Model Logic Limited

21st February 2018

Key performance indicator (KPI)	Description	Calculation	Example	Comments	Relevant?
Claims as a % of freight costs	Claims made for loss or damaged goods as a proportion of Freight invoice value	Claims made for loss or damaged goods in a period*/ Freight invoice value for the same period*x100	Claim of £5,000 for product scrappage following a cool chain failure by the LSP. Carrier's invoice for the same period is £100,000. Period's value for this KPI is therefore 5%	Claims of relevance are those made by your company for loss of product by the LSP	
Number of claims	Number of claims made as a proportion of total deliveries	Number of claims in a period/number of deliveries in the same period	One claim of €5,000 is made following a cool chain failure by the LSP; during the same period 100 deliveries have been made. The % of claims is therefore 1%.	Either this KPI or the one above would be used, but not both.	
Transit time per route	Actual transit times	Time elapsed between collection and delivery	LSP specifies a transit time of 36 hours for a shipment to Italy. KPI reporting shows that actual transit time for this route for the reporting period* is 34.5 hours.	Needs to be per route to be meaningful	
Percentage of late deliveries	Late deliveries as a % of total deliveries	Number of late deliveries/total number of deliveries	LSP makes 16 deliveries for an exporter; one of these was late. Percentage of late deliveries for the month is therefore 6.25%	Definition of on time or late must be agreed as part of the contract. KPI could be measured for whole contract or to specific destinations	
Percentage of late collections	Late collections as a % of total collections	Number of late collections/total number of collections	LSP collects 20 different loads from an exporter during a month; on one occasion the LSP was late. Percentage of late collections for the month is therefore 5%.	Definition of on time or late must be agreed as part of the contract, e.g. within an hour; AM/PM	
Correct invoicing	Proportion of invoices completed correctly	Number of invoices completed correctly/total invoices	Over a year an LSP presents 50 invoices to a client. Two invoices have errors and one invoice has several errors. Invoices without errors is 98% (here it's the number of invoices with errors that counts)	May be appropriate if invoice is complex with many lines. Number of invoice errors could be an alternative measure	
Correct paperwork	Proportion of customs declarations or delivery notes completed correct	Number of customs declarations completed correctly/total deliveries	There are 200 deliveries requiring customs declarations in a year; of these 4 had errors with the declarations. Proportion of notes completed correctly is therefore 98%.	May be appropriate post Brexit or on certain routes. Worth monitoring even if your company's responsibility not the LSPs.	
Other					