

# Executive Summary

The current supply chain performance is in a state of crisis, with an overall **On-Time In-Full (OTIF) score of 28.71%** against a revenue-weighted target of 43.55%. This failure results in an estimated **\$321.22 Million** loss due to undelivered/non-compliant orders.

The root cause is a dangerous confluence of **critical revenue dependency** and **operational inefficiency** that must be resolved through two immediate, high-priority projects focused on Inventory and Logistics.

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## Primary Problems (The Diagnosis)

The analysis confirms three interlinked operational failures:

### 1. Critical Revenue vs. Inventory Failure (The 'Dairy' Problem)

The business has a dangerous dependency on the **Dairy** product category, which also exhibits the worst fulfillment compliance.

- **High Dependency:** The **Dairy** category drives 67.60% of all company revenue.
- **High Failure Rate:** This same **Dairy** category has the lowest **Line Fill Rate** (65.80%), meaning one-third of all Dairy line items are shorted or incomplete.
- **Encirclement:** The product that pays for the business is the one we are worst at delivering in full. This link confirms a significant bottleneck in either production capacity or inventory accuracy/demand forecasting for high-value, highly perishable goods.

### 2. Systemic, Internal Latency

The problem with lateness (59.22% On-Time score) is not external; it is internal and universal.

- **Uniform Delay:** The **Average Delay Time** for all late shipments is a consistent **1.69 days** across every city (Ahmedabad, Vadodara, New Jersey) and every product category.
- **Conclusion:** This uniformity proves the root cause is **not** long-haul transit, carrier delays, or specific production issues. It is a single, system-wide bottleneck in the **final outbound process** (e.g., order consolidation, warehouse scheduling, or yard management) that adds ~40 hours to every late order.

### 3. Immediate Customer Churn Risk

While our overall failure rate is high, specific customers are experiencing total service collapse.

- **Critical Account:** Fairway Market has an OTIF score of just **5.94%**—a clear signal of extreme service failure and imminent account churn.
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## Immediate Action Plan

Action Item	Owner	Target Goal
<b>1. Project A: Fix Dairy Availability</b>	<b>VP of Inventory/Procurement</b>	Achieve Line Fill Rate of <b>80%</b> for the Dairy category within 60 days.
<b>2. Project B: Eliminate System Delay</b>	<b>VP of Logistics/Operations</b>	Reduce the Average Delay Time from <b>1.69 days</b> to <b>&lt;0.5 days</b> by streamlining the outbound process.
<b>3. Project C: Customer Recovery</b>	<b>VP of Sales/Customer Service</b>	Launch an immediate, dedicated recovery plan for all accounts below <b>15% OTIF</b> , starting with <b>Fairway Market</b> .

# Appendix: KPI Definitions

KPI	Meaning	Calculation
<b>On-Time In-Full (OTIF) %</b>	The percentage of orders that meet both the agreed delivery date and the full quantity requested. (The ultimate measure of customer satisfaction).	The Sum of all <b>OTIF Orders</b> (Orders that were both On-Time and In-Full) divided by the <b>Total Number of Orders</b> .
<b>On-Time (OT) %</b>	The percentage of orders delivered on or before the agreed delivery date.	The Sum of all <b>On-Time Orders</b> divided by the <b>Total Number of Orders</b>
<b>In-Full (IF) %</b>	The percentage of orders delivered with 100% of the ordered quantity.	The Sum of all <b>In-Full Orders</b> (Orders delivered 100% complete) divided by the <b>Total Number of Orders</b> .
<b>Weighted Target OTIF %</b>	The overall target compliance rate, adjusted (weighted) by the Total Revenue of each customer.	The Sum of ( <b>Customer Revenue</b> multiplied by the <b>Customer Target OTIF %</b> ) divided by the <b>Sum of Total Revenue</b> .
<b>Line Fill Rate %</b>	The percentage of all individual product line items that were delivered 100% complete.	The Sum of all <b>In Full Line Items</b> (Line Items delivered 100% complete) divided by the <b>Total Number of Order Lines</b> .
<b>Volume Fill Rate %</b>	The percentage of the total ordered volume that was delivered.	The Sum of the <b>Delivered Quantity</b> divided by the <b>Sum of the Ordered Quantity</b> .