

# **Developing Supplier Selection & Collaboration Strategies for Rockwell's Supply Chain**

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The supplier selection process is probably the most critical part in supply chain management, especially for a multinational firm like Rockwell International Corporation who places strong emphasis on strategic partnership with its suppliers. Since 1998, Rockwell has launched a series of initiatives to improve its supply chain management including strategic sourcing. The main purpose of this joint study is to develop effective business policies for this strategic sourcing by constructing a model that assesses the current suppliers' performance at Rockwell Collins. The results offer specific recommendations to further improve the collaboration between Rockwell and its suppliers toward the new vision of the company - "Working together creating the most trusted source of communications and aviation electronics solutions".

In this presentation, we report our experience with developing the criteria for supplier selection based on Rockwell's strategic objectives, as well as high technical requirement mandated by customers and aviation regulatory agencies. We also report our experience for developing the model by revising the Analytical Hierarchy Process. The performance of existing/potential suppliers over a 15-month period (February 1998 to May 1999) based on 30 representative part numbers that had the highest total acquisition cost were collected for this modeling process. We discuss our practical solutions to the conflict found in the supplier selection process and our approaches to determine the weight assigned to different criteria. The recommendations of the model are then used to develop strategies and policies for building strong alliances and collaboration between Rockwell and suppliers. Lessons learned from this study will also be reported.