

LIST OF TERMS

Term	Explanation
SCOR (Supply Chain Operations Reference)	A standardized framework developed by APICS to map, measure, and improve supply chain performance. It includes five core processes: Plan, Source, Make, Deliver, and Return.
SCOR 12.0 Racetrack	A structured methodology within SCOR 12.0 that guides organizations through performance improvement in five phases: Pre-SCOR, Set the Scope, Configure the Supply Chain, Optimize Projects, and Ready for Implementation.
House of Risk (HOR)	A risk management model that integrates Quality Function Deployment (QFD) and Failure Mode and Effect Analysis (FMEA) to identify, assess, and prioritize supply chain risks. It consists of two phases: HOR 1 (risk identification and prioritization) and HOR 2 (mitigation strategy evaluation).
Supply Chain Risk Management (SCRM)	The process of identifying, assessing, mitigating, and monitoring risks that could disrupt the supply chain.
Aggregate Risk Potential (ARP)	A calculated value used in HOR to prioritize risk agents based on severity, occurrence, and correlation with risk events.
Preventive Action (PA)	Strategies proposed to mitigate prioritized risks. Each action is evaluated based on its effectiveness and difficulty of implementation.
Effectiveness to Difficulty Ratio (ETD)	A metric used in HOR Phase 2 to rank preventive actions by comparing their effectiveness against the difficulty of implementation.
Make-to-Stock (MTS)	A production strategy where goods are produced based on forecasted demand and stored until sold.
SWOT Analysis	A strategic planning tool used to identify Strengths, Weaknesses, Opportunities, and Threats.
IE Matrix (Internal-External Matrix)	A tool used to determine strategic positioning based on internal (IFE) and external (EFE) factor evaluations.

Risk Event	A specific incident that negatively impacts supply chain operations.
Risk Agent	The root cause or source of a risk event.
Severity	A measure of the impact of a risk event.
Occurrence	A measure of how frequently a risk agent is likely to occur.
Correlation	The strength of the relationship between a risk agent and a risk event.
TEK (Total Effectiveness Value)	The total score of a preventive action's effectiveness in mitigating risks.