

How to use: go through each section and check every box that applies. Tally your score at the end. Any unchecked box is a documented operational gap.

Single Source Risk

- 1 ☐ Do you rely on one vendor for any component with no substitute available?
- 2 ☐ Could a single vendor plant shutdown halt your entire production line?
- 3 ☐ Do you maintain at least two qualified vendors per critical SKU?
- 4 ☐ Have you priced the cost of an emergency retail buy if supply fails?
- 5 ☐ Does one vendor supply over half your volume in any category?

Payment and Leverage

- 6 ☐ Do you pay vendors on time without stretching payment cycles?
- 7 ☐ Have you demanded steep last minute discounts from a strained vendor?
- 8 ☐ Do you know which vendors deprioritize you during capacity shortages?
- 9 ☐ Could a bigger client order push your account to the back of the line?
- 10 ☐ Do you track vendor payment terms against your own cash flow cycle?

Scope and Accountability

- 11 ☐ Do you add scope to vendor projects without adjusting their pay?
- 12 ☐ Have you blamed a vendor publicly before reviewing shared accountability?
- 13 ☐ Do you accept blame internally when an upstream vendor misses a date?
- 14 ☐ Does your team have a script for owning vendor failures with customers?
- 15 ☐ Do you separate vendor performance issues from your own planning gaps?

Contract Protections

- 16 ☐ Does every vendor contract specify a maximum acceptable lead time?
- 17 ☐ Can you enforce a penalty when a vendor misses a delivery window?
- 18 ☐ Do you have a qualified replacement vendor ready if one fails?
- 19 ☐ Have you audited what happens if your sole vendor raises prices?
- 20 ☐ Does any vendor agreement lack a defined quality or return standard?

Vendor Prioritization

- 21 ☐ Have you verified a no MOQ vendor's real capacity commitment to you?
- 22 ☐ Do you know your rank in a shared vendor's priority queue?
- 23 ☐ Have you confirmed defective goods carry zero resale value before buying?
- 24 ☐ Do you order enough volume to matter when vendor capacity gets tight?
- 25 ☐ Have you tested a flexible vendor's response time under real pressure?

SCORING GUIDE

Score	Level	What it means
0 to 11	CRITICAL	Structural failures are actively destroying margin
12 to 19	MODERATE	Gaps in two or three areas that need immediate attention
20 to 25	STRONG	Systems are solid, focus on optimization

Book a free data audit at modonix.com/service. We identify your top 3 margin leaks in one session. Written by Ahmed Abuswa, Modonix.com