
Executive Summary

Chevron Bangladesh and its subsidiaries have been active in oil and gas exploration and production in Bangladesh for many years, predominantly in Blocks of 12, 13 and 14. These blocks are situated in the greater Sylhet region in the northeastern part of the country. Chevron supports Bangladesh to decrease the nation's reliance on imported energy by investing in big and small projects which will provide more gas to Petrobangla and Bangladesh will not have to depend on the foreign imported energy. The major project that is being undertaken by Chevron Bangladesh worth about USD 500 million named as Bibiyana Expansion Project. By far it is the biggest project of Bangladesh in case of investment by any company. Chevron Bangladesh is supplying almost 50% of the total gas consumption of Bangladesh and after successfully completing the Bibiyana Expansion Project; this share might go to 60-65% of the total demand of the country. For operating in such huge scale, relationship with suppliers and supplier selection and their performance management is a very vital issue. . For operating the business and running its projects, the company continuously needs to purchase materials and machineries of different specifications. In order to maintain a strategic flow of those equipment for the projects, Chevron needs to build a pool of Suppliers offering with uncompromised product quality and ensuring timely delivery. Chevron follows a proper supplier enlistment process evaluating their qualification for building up the vendor pool. But unfortunately there was no structured and effective way to measure and evaluate the current performance of the enlisted suppliers, which may help the Company to maintain an effectual performance Management System for the suppliers. Chevron Bangladesh has many enlisted suppliers from which it takes supplies of required materials and engineering items. Most of the biggest suppliers of Chevron Bangladesh are from foreign countries as they provide higher quality, lowest cost in bidding and high technical qualification. Now a days, suppliers from Bangladesh are growing quite fast in this sector and they hold the ability to work with Chevron Bangladesh satisfying the quality and other issues of the company. A lower lead time always provides some advantage to the Local suppliers

to be selected by Chevron. But Lead time alone cannot be the determinant of performance. Many more variables need to be considered while focusing on overall performance of a supplier. In such situation I felt honored to be assigned by my organizational Supervisor to develop an Evaluation Scorecard for measuring suppliers' current performance, which will be used by Chevron Supply Chain Department. I tried to create the forms in a comprehensive style and make the form in one page so that all the general issues are accumulated in a single paper. As per the instruction of my organizational supervisors, I tried to fulfill the core requirement of them. This evaluation form will help the organization, specially the procurement wing of supply chain department to get a more realistic view of the performance of existing suppliers, whom they are dealing with. Later multidimensional analyses have been made based on some selected supplier's achieved score using the newly generated evaluation form. Further guidance and some recommendations are also given in this report that might help Chevron Bangladesh operate more smoothly with local companies. Through an improved relationship with the local suppliers and taking quality supplies at quick time for frequently used materials, the operation of Chevron Bangladesh can add more dimensions. This will also lead to a more sustainable and strong business position for Chevron Bangladesh in this country.
