

1 **A Novel Approach to Measure Product Quality in Sustainable Supplier Selection**

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27 **A Novel Approach to Measure Product Quality in Sustainable Supplier Selection**

28

29 **Abstract**

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31 A gap remains due to the intangible and qualitative criteria used to measure product quality  
32 for supplier evaluation and selection. Improving product quality is a crucial strategy **for**  
33 **achieving** reduce, reuse, recycle, and recovery. Quality characteristics are described as  
34 functional **relationships** (called profiles), and with **the** advancements in measurement  
35 technology, high dimensional data **are** collected. Nonetheless, prior studies **have not**  
36 **addressed** sustainable supplier selection where a nonlinear profile characterizes the product  
37 quality. Hence, this study aims to provide a novel approach to measure product quality using  
38 the process yield index, presents multiple comparisons with the best and difference test  
39 statistics and proposes a Bonferroni correction method. This study applies a Monte Carlo  
40 simulation to find the selection power and the required number of profiles. The statistical  
41 properties are investigated, and a comparison study **is performed**. The **results show that**  
42 multiple comparisons with the best outperform the Bonferroni method regarding **the**  
43 sample size requirement and power, and the number of levels and profiles **were** found to  
44 impact the power of the statistical **tests**. The required number of profiles and the critical  
45 value are tabulated for decision-makers.

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47 **Keywords:** sustainable supplier selection; nonlinear profiles; multiple comparisons with the  
48 best; Bonferroni method; process yield indices

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## A Novel Approach to Measure Product Quality in Sustainable Supplier Selection

### 1. Introduction

Sustainable supplier selection (SSS) is an essential but complex issue and consists of attributes and variables (Zhang et al., 2012). **Selecting the** right suppliers **can** reduce costs and provide high-quality products (Gören, 2018). Inferior quality components supplied by upstream suppliers influence the quality of the final product and incur economic, environmental, and social losses. SSS is a crucial process in supply chain management (Li et al., 2019). Manufacturing firms are required to have the ability to choose the right suppliers, but most problems come **from manufacturers selecting the wrong** ones (Wang and Tamirat, 2016). Different manufacturers have distinct requirements, and hundreds of criteria **have been** suggested (Zimmer et al., 2016). Govindan et al. (2015) and Ansari and Kant (2017) presented **a** multicriteria method to assist decision-makers in SSS and **found ambiguity in the criteria after applying a** qualitative method. The **shortcomings** of the qualitative approach and intangible criteria **need** to be readdressed.

For instance, Gören (2018) used the Taguchi loss function **to rate suppliers**. Chen et al. (2019) employed a yield index for supplier selection and argued that improved product quality **results in** reduction, reuse, recycling, and recovery (4Rs) benefits. Product quality has been ranked **among** the top two factors and primary criteria for SSS in manufacturing firms (Govindan et al., 2015; Luthra et al., 2017). Improving product quality has been identified as a crucial strategy for achieving **the** 4Rs (Chen et al., 2019). Still, quality is measured using qualitative and intangible approaches such as **the** “six sigma program,” “ISO system installed,” “low defective rates,” **and** “quality award,” which **require** subjective decisions or **are** based on system standards (Ho et al., 2012). The process yield is the percentage of units passing inspection and **reflects** the product quality with respect to the design tolerance (Pearn and Wu, 2013). Process yield indices (PCIs) are standard quantitative criteria for quality measurement in the manufacturing industry. PCIs **measure the** process potential and process performance, **which** are necessary for supplier selection (Lin and Kuo, 2014). A quality **measurement method is a necessity**, and **the** process yield **has been proposed** as a measure of **a** supplier’s process to reduce **the** ambiguity resulting from the use of broad and intangible criteria. Hence, PCIs are applied to measure the quality of **the** components and raw materials from upstream suppliers.

Industries demand **that** their products **are** high quality with the least number of **defects due to** the rapid improvement in manufacturing technology (Liu and Wu 2015). Manufacturers have to assess, compare, and choose the suppliers with the **best capabilities** and utilize **the** advancements in **quality** measurement technology **to do so** (Chou et al., 2014; Lin et al. 2018). **Assessments are very frequently** made in a given space or time, and the quality of products or processes are described by **the relationships** between a dependent variable and one or more independent variables, **which are** known as profiles (Maleki et al., 2018). The collection of **profile** data is common in industry practices (Negash, 2019).

This study provides a quantitative method for measuring quality **that benefits** decision-makers using multicriteria methods. **The** proposed method reduces the frustration of suppliers affected by the subjective nature of the decisions. This study considers nonlinear profiles with two-sided specifications and applies multiple comparisons with the best (MCB) and difference statistics comparison techniques. Quantitative quality evaluation and selection procedures are **adopted** to evaluate suppliers. Prior studies **have** applied PCIs and

104 multiple comparison techniques. For instance, Lin and Pearn (2011) and Pearn and Wu (2013)  
105 provided examples using the ratio test statistic; Lin and Kuo (2014) found that MCB is  
106 superior to the ratio method, and Wang and Tamirat (2016) employed MCB to study CPU  
107 fans, which are laptop parts. Lin et al. (2018) implemented the Bonferroni method to  
108 manage the cumulative error rate when comparing multiple processes. These studies are  
109 limited to linear profiles or utilize traditional sampling methods (Cheng and Yang, 2018; Lin  
110 et al. 2018). Occasionally, profiles are better explained by a nonlinear equation rather than  
111 by a linear one (Guevara and Vargas, 2015; Maleki et al., 2018).

112 Prior studies do not provide an approach to address the problems related to SSS where  
113 a nonlinear profile characterizes the product quality and imprecise quality measurements  
114 exist (Luthra et al., 2017; Wang and Tamirat, 2016). This study uses a nonlinear profile with  
115 two-sided specifications and applies multiple comparison methods: MCB and difference  
116 statistics. It develops two quantitative product evaluation and selection methods. To find the  
117 statistical properties of the novel methods, a 100,000 replication Monte Carlo simulation  
118 study was performed. This study utilizes the Bonferroni method to reduce the error in the  
119 case of difference methods. A novel product quality evaluation and selection method using  
120 the PCIs where the nonlinear profile describes the quality characteristic is proposed. The  
121 number of profiles and critical values are provided for practitioners. Hence, the objectives of  
122 this study are as follows:

- 123 • To provide a quantitative supplier evaluation and selection method.
- 124 • To apply high dimensional and complex data represented by nonlinear profiles to  
125 measure quality.
- 126 • To determine the power of the proposed selection methods.

127 A numerical example is utilized to show the decision-making steps for the new  
128 techniques. The statistical properties are investigated using a Monte Carlo simulation, and  
129 the two methods are compared. The results show that the MCB is more efficient than the  
130 difference test statistics. The remaining part of this study is organized as follows. A literature  
131 review is presented in section 2. Section 3 presents the proposed methods. In section 4, a  
132 simulation study is performed to determine the power and required sample size. Section 5  
133 shows a numerical example to illustrate the application of the new methods. The  
134 conclusions are put forward in the last part.

135

## 136 2. Literature review

137 This section includes sustainable supplier evaluation and selection, nonlinear profiles, and  
138 the process yield index for nonlinear profiles.

### 139 2.1 Sustainable supplier evaluation and selection

140 A high-quality product can avoid economic, ecological, and social losses, and supplier  
141 selection is an essential element for building strong sustainable supply chain management  
142 (Chen et al., 2019; Li et al., 2019). Gören (2018) argues that choosing the right supplier who  
143 can comply with requirements is essential in sustainable supply chain systems to reduce  
144 costs, increase productivity, and provide high-quality products. Bastas and Liyanage (2018)  
145 observed that with the rapid improvement in manufacturing technology, rising consumer  
146 power, and stiff competition in the market, poor product quality has the potential to cause  
147 economic, environmental, and social losses for manufacturing firms. Further, with a  
148 substantial rise in outsourcing initiatives, product quality is hugely tied with the raw  
149 materials and components from suppliers. Chai et al. (2013) discuss the supplier selection  
150 problem using multiple-objective and multiple-attribute decision-making. Govindan et al.

151 (2015) observed **that** the imprecise nature of the decision criteria causes uncertainty and  
152 lack of trust in the outcomes.

153 Quality is a critical criterion for supplier evaluation and selection in manufacturing firms.  
154 Ho et al. (2012) noticed **that** 87% of peer-reviewed studies consider quality in supplier  
155 selection. Nonetheless, quality-related attributes are highly **susceptible** to subjective  
156 **judgments**. For instance, Deng et al. (2014) utilized **the** “rejection rate of the product,”  
157 “increase lead time,” “quality assessment,” and “remedy for quality problems.” These  
158 subjective and historical criteria may not reflect the current status. Li et al. (2019) consider  
159 ISO certification, **among** other subjective criteria. Memari et al. (2019) suggested technical  
160 capability and reputation as a measure of product quality. There is a need for further  
161 clarifying **how** to **objectively** measure quality.

162 PCIs have been used as standard criteria in the manufacturing industry for quality  
163 measurement, and prior studies have indicated **that** PCIs are relevant to supplier evaluation  
164 (Pearn et al., 2004; Wang and Tamirat, 2016; Chen et al., 2019). For instance, Pearn et al.  
165 (2004) provided an example of the super twisted liquid crystal display manufacturing  
166 process and implemented a two-phase procedure. Linn et al. (2006) proposed price  
167 information and PCIs for multiple suppliers in a single chart. Polansky (2006) provided a  
168 method based on a permutation test when there are two or more suppliers. Wu et al. (2008)  
169 applied the bootstrap technique. Lin and Pearn (2011) presented group selection among  
170 multiple two-sided manufacturing lines using the ratio test statistic and provided an example  
171 of evaluating power inductor production. Tai and Wu (2012) compared two suppliers with  
172 multiple quality characteristics and selected the best one for the LED assembly process.  
173 Pearn and Wu (2013) provided an example of supplier selection **in** TFT-LCD manufacturing  
174 processes using the ratio test statistic.

175 Also, using multiple comparisons with the best (MCB), Lin and Kuo (2014) performed a  
176 simulation study and found that MCB is superior to the ratio method, especially when the  
177 number of suppliers is large or the second-best supplier is nearly as good as the best supplier.  
178 Wu et al. (2015) developed an approach called **the** subtraction method with multiple  
179 independent characteristics for two-sided processes and suggested **considering replacing** a  
180 supplier only if the process capability of the competing supplier is better than **that of the**  
181 **existing one**. Wang and Tamirat (2016) employed MCB and provided an example related to a  
182 product called **a** CPU fan. Pearn and Tai (2016) investigated **a** group supplier selection  
183 problem for multiple line gold bumping processes and found that the subtraction method is  
184 more powerful than the ratio method. Pearn et al. (2018) considered group selection,  
185 applied **the** Bonferroni method, and found that the power of group selection **increases** when  
186 the number of production lines increases. Lin et al. (2018) implemented the Bonferroni  
187 method to manage the cumulative error rate when comparing multiple processes. However,  
188 prior studies are based on traditional data collection methods or linear profiles, ignoring the  
189 opportunity to use high dimensional and complex data as a form of nonlinear profiles.

190

## 191 **2.2 Nonlinear profiles**

192 Jin and Shi (1999) introduced **profile** applications to the force of the stamping process, **and**  
193 profile monitoring continues to **receive** a lot of attention (Chang et al., 2012). In various  
194 circumstances, products or processes are often described by a function known as a profile  
195 (Cano et al., 2015). Profile data **involve** a response attribute referred to as *Y* and one or more  
196 independent **attributes** that **are referred to** as *X* (Williams et al., 2007). Chou et al., 2014,  
197 indicated **that** profiles could be categorized **as** linear **profiles** and nonlinear **profiles**. Wang

198 and Tamirat (2016) stated that profiles represented by a simple linear regression model are  
 199 the most investigated. A simple linear profile is given as follows.

$$y_{ij} = \alpha + \beta x_i + \varepsilon_{ij} \quad (1)$$

200 where  $\alpha$  and  $\beta$  are the intercept and slope parameters, respectively;  $x_i$  is the  $i^{\text{th}}$  level of the  
 201 independent variable;  $\varepsilon_{ij} \sim N(0, \sigma^2)$ ;  $i = 1, 2, 3, 4, \dots, I$  and  $j = 1, 2, 3, 4, \dots, J$ .

202 Kang and Albin (2000) showed an example of monitoring a process in semiconductor  
 203 manufacturing. Mahmoud and Woodall (2004) provided a case regarding a calibration  
 204 process. Zou et al. (2007) proposed a multivariate exponentially weighted moving average  
 205 scheme to monitor the linear profile. Cheng and Yang (2018) provided an example of a  
 206 device called a “Babyfinder” designed to find an event of particular concern, like a stolen  
 207 bicycle or heart failure for patients with a heart problem. However, in practice, profiles  
 208 cannot always be represented by linear regressions (Guevara and Vargas, 2015). An  
 209 alternative technique is a nonlinear model (Maleki et al., 2018). Negash (2019) explained  
 210 that with an advanced measurement system that consists of sensors and transducers, profile  
 211 data are collected at a high frequency and transformed into high-dimensional data. A  
 212 nonlinear profile is modeled by the nonlinear function and an error term as follows.

$$y_{ij} = f(x_{ij}, \beta) + \varepsilon_{ij} \quad (2)$$

213 where  $f(\cdot)$  is a nonlinear regression,  $x_{ij}$  is a single regressor variable,  $\beta$  is a vector of  $p \times 1$   
 214 parameters, and  $\varepsilon_{ij} \sim N(\mu, \sigma^2)$ . The nonlinear function  $f(\cdot)$  is given as follows.

$$f(x_{ij}, \beta) = \begin{cases} a_1(x_{ij} - c)^{b_1} + d, & x_{ij} > c \\ a_2(-x_{ij} + c)^{b_2} + d, & x_{ij} \leq c \end{cases} \quad (3)$$

215 where  $\beta = (a_1, a_2, b_1, b_2, c, d)$ ;  $i = 1, 2, 3, \dots, I$  and  $j = 1, 2, 3, \dots, J$ . Williams et al. (2007)  
 216 proposed the mean squared error to measure the within-profile variability

$$MSE_i = \sum_{j=1}^J \frac{(y_{ij} - \hat{y}_{ij})^2}{(J - p)} \quad (4)$$

217 where  $\hat{y}_{ij}$  is the predicted value of  $y_{ij}$  and is based on the nonlinear function.

218

### 219 **2.3 Process yield index**

220 Process capability indices are standard criteria for performance measurement in the  
 221 manufacturing industry, such as process precision, process performance, and process  
 222 accuracy (Lin and Kuo, 2014). Specification limits are used for the examination, and units are  
 223 separated into two categories, namely, rejected or nonconforming and passed or  
 224 conforming (Wu et al., 2009). The required fractions of rejected units or nonconformities are  
 225 often counted in parts per million and are usually less than 0.01% (Pearn et al., 2018). For an  
 226 advanced manufacturing system, evaluating yields by counting the number of  
 227 nonconformities is not possible since any reasonably sized sample is most likely to have no  
 228 defective units (Pearn et al., 2018). Hence, PCIs are used instead. For a nonlinear profile, the  
 229 exact value of the PCI is defined as follows by Wang and Guo (2014).

$$S_{pkA} = \frac{1}{3} \Phi^{-1} \left[ \frac{1}{2} (1 + P) \right] = \frac{1}{3} \Phi^{-1} \left\{ \frac{1}{2} \left( 1 + \frac{1}{I} \sum_{i=1}^I [2\Phi(3S_{pki}) - 1] \right) \right\} \quad (5)$$

230

231 where  $P = \frac{1}{I} \sum_{i=1}^I p_i = \frac{1}{I} \sum_{i=1}^I [2\Phi(3S_{pki}) - 1]$  ,  $p_i = \Phi\left(\frac{USL_i - \mu_i}{\sigma_i}\right) - \Phi\left(\frac{LSL_i - \mu_i}{\sigma_i}\right) =$   
 232  $\Phi\left(\frac{USL_i - \mu_i}{\sigma_i}\right) + \Phi\left(\frac{\mu_i - LSL_i}{\sigma_i}\right) - 1$  ,  $S_{pki} = \frac{1}{3} \Phi^{-1}\left\{\frac{1}{2} \Phi\left(\frac{USL_i - \mu_i}{\sigma_i}\right) + \frac{1}{2} \Phi\left(\frac{\mu_i - LSL_i}{\sigma_i}\right)\right\}$  ,  $\Phi(\cdot)$  is the  
 233 cumulative distribution function of the standard normal distribution,  $\Phi^{-1}(\cdot)$  is the inverse of  
 234  $\Phi(\cdot)$ ,  $USL_i$  is the upper tolerance limit,  $LSL_i$  is the lower tolerance limit, and  $\mu_i$  and  $\sigma_i$  are  
 235 the mean and the standard deviation, respectively. To estimate the PCI  $S_{pkA}$ , for a stable  
 236 process, Wang and Guo (2014) used the estimator  $\hat{S}_{pkA}$ .

$$\hat{S}_{pkA} = \frac{1}{3} \Phi^{-1}\left[\frac{1}{2}(1 + \hat{P})\right] = \frac{1}{3} \Phi^{-1}\left\{\frac{1}{2}\left[1 + \frac{1}{I} \sum_{i=1}^I [2\Phi(3\hat{S}_{pki}) - 1]\right]\right\} \quad (6)$$

237

238 where  $\hat{P} = \frac{1}{I} \sum_{i=1}^I \hat{p}_i = \frac{1}{I} \sum_{i=1}^I [2\Phi(3\hat{S}_{pki}) - 1]$ ,  $\hat{S}_{pki} = \frac{1}{3} \Phi^{-1}\left\{\frac{1}{2} \Phi\left(\frac{USL_i - \hat{\mu}_i}{\hat{\sigma}_i}\right) + \frac{1}{2} \Phi\left(\frac{\hat{\mu}_i - LSL_i}{\hat{\sigma}_i}\right)\right\}$   
 239 is acquired at the  $i^{\text{th}}$  level and  $\hat{\mu}_i$  and  $\hat{\sigma}_i$  represent the mean and the standard deviation of  
 240 the sample, respectively. Wang and Tamirat (2016) found the simpler form of the  
 241 distribution, and it is given as follows.

$$\hat{S}_{pkA} \sim N\left(S_{pkA}, \frac{G^2[\phi(3G)]^2}{2I^2 J[\phi(3S_{pkA})]^2}\right) \quad (7)$$

242

243 where

$$G = \frac{1}{3} \Phi^{-1}\left\{\frac{I[2\Phi(3S_{pkA}) - 1] - (I - 2)}{2}\right\} \quad (8)$$

### 244 3. Proposed Method

245 This study uses MCB, difference test statistics, and the Bonferroni method to evaluate  
 246 product quality and select the best supplier. In addition, it considers processes in which  
 247 quality is described by nonlinear profiles with two-sided specifications. Figure 1 shows the  
 248 procedure for this study. Section 3 provides the supplier selection procedures and decision  
 249 rules.

\*Insert Figure 1 here\*

#### 251 3.1. Multiple comparisons with the best

252 Considering  $K$  ( $K \geq 2$ ) suppliers, MCB constructs a joint confidence interval at the specified  
 253 confidence level for the vector of differences from the unknown best population parameter  
 254 (Horrace and Schmidt, 2000). MCB provides the confidence interval of the difference  
 255 between the PCIs of each supplier and the best supplier (Lin and Kuo, 2014). The higher the  
 256 process yield indices are, the better the supplier (Wang and Tamirat, 2016). If decision-  
 257 makers consider the yield index and other criteria together, the confidence intervals can be  
 258 used to evaluate whether the yield index is large enough to compensate for other criteria  
 259 (Lin and Kuo, 2014).

260 Assume that  $S_{pkA,(l)}$  is the PCI of supplier  $l$ , where  $1 \leq l \leq K$ ; and it is no more than  $C$ ,  
 261 where  $C$  is a constant value (Lin and Kuo, 2014). The decision-making procedure for the MCB  
 262 method is given in five steps.

263 Step 1: Collect  $n$  profiles from each supplier, and then calculate  $\hat{S}_{pkA}$  using Equation (6).

264 Step 2: After calculating the  $\hat{S}_{pkA}$  of  $K$  suppliers, sort the estimators in ascending order as  
 265  $\hat{S}_{pkA,(1)} \leq \hat{S}_{pkA,(2)} \leq \dots \leq \hat{S}_{pkA,(K)}$ .

266 Step 3: A subset, called subset  $S$ , is constructed to resolve the SSS problem, which contains  
 267 the suppliers with estimated PCIs that are only slightly smaller than that of the best supplier  
 268 (Wang and Tamirat, 2016).

$$S = \left\{ l: \hat{S}_{pkA,(l)} \geq \hat{S}_{pkA,(K)} - h_{\alpha,K} \sqrt{\frac{G_l^2[\phi(3G_l)]^2}{2I^2J[\phi(3C)]^2}}, 1 \leq l \leq K \right\} \quad (9)$$

269 where  $\hat{S}_{pkA,(K)}$  is the supplier with the highest process yield,  $h_{\alpha,K}$  is the critical value that  
 270 controls the overall confidence level with the minimum of  $1 - \alpha$ , and  $G =$   
 271  $\frac{1}{3} \Phi^{-1} \left\{ \frac{I[2\Phi(3C)-1]-(I-2)}{2} \right\}$ . The critical value  $h_{\alpha,K}$  is defined as Equation (10). Table 1 shows  
 272 the value of  $h_{\alpha,K}$  when comparing two to ten suppliers where  $\alpha = 0.01, 0.025, 0.05,$  and  $0.10$ .  
 273

$$\int_{-\infty}^{\infty} [\Phi(z + \sqrt{2}h_{\alpha,K}) - \Phi(z - \sqrt{2}h_{\alpha,K})]^{K-1} \frac{e^{-z^2/2}}{\sqrt{2\pi}} dz = 1 - \alpha \quad (10)$$

274  
 275  
 276

\*Insert Table 1 here\*

277 Step 4: The comparison is made between the PCIs of the supplier or suppliers in  $S$  with the  
 278 yield index of all suppliers (Wang and Tamirat, 2016). At a confidence level of at least  $1 - \alpha$ ,  
 279 the proposed simultaneous confidence intervals become the following:  
 280

$$LCB_l \leq S_{pkA,(l)} - \max_{m=1,2,\dots,K} S_{pkA,(m)} \leq UCB_l, \text{ for } l = 1, 2, \dots, K \quad (11)$$

281 where  
 282

$$LCB_l = \min \left( 0, \max_{m \in S} LCB_l^m \right) \quad (12)$$

$$UCB_l = \min \left( 0, \min_{m \neq l} UCB_l^m \right) \quad (13)$$

$$LCB_l^m = \begin{cases} 0, & m = l \\ \hat{S}_{pkA,(m)} - \hat{S}_{pkA,(l)} - h_{\alpha,K} \sqrt{\frac{G_l^2[\phi(3G_l)]^2}{2I^2J[\phi(3C)]^2}}, & m \neq l \end{cases} \quad (14)$$

$$UCB_l^m = \begin{cases} 0, & m = l \\ \hat{S}_{pkA,(m)} - \hat{S}_{pkA,(l)} + h_{\alpha,K} \sqrt{\frac{G_l^2[\phi(3G_l)]^2}{2I^2J[\phi(3C)]^2}}, & m \neq l \end{cases} \quad (15)$$

283 Step 5: Make a decision.  $l$  is the best supplier with the highest PCI or  $S_{pkA}$  with a given  
 284 significance level of  $\alpha$  if  $LCB_l = 0$ . Otherwise,  $l$  is the inferior supplier if  $LCB_l < 0$ . There is  
 285 only one supplier in  $S$  if  $LCB_l = UCB_l = 0$ .  
 286

287 Examining the value of  $LCB_l$  is enough to find the best supplier. The value of  $UCB_l$  is  
 288 extra information, and the lower the value of  $LCB_l$ , the worse is the supplier (Lin and Kuo,  
 289 2014, and Wang and Tamirat, 2016).  
 290

### 291 3.2. Bonferroni method

292 Multiple tests are necessary to evaluate and select a better supplier, but multiple tests can  
 293 cause a significantly inflated overall type I error (Pearn et al., 2018). The Bonferroni method  
 294 is a practical approach to solve the error inflation problem (Lin and Pearn, 2011). It is widely



295 used in experimental contexts, such as comparing different groups **versus the** baseline **and**  
 296 studying the **relationships** between attributes (Armstrong, 2014). The Bonferroni method  
 297 adjusts the p-values by dividing the p-values **by** the total number of tests performed. **The**  
 298 purpose is to maintain the type I error at a certain level and minimize the probability of a  
 299 type I error during multiple testing (Gelman et al., 2012, and Pearn et al., 2018).

300 Assume that **there are** a total of  $g$  tests and **that**  $E_i$  **represents** falsely rejecting the  $i$ th  
 301 test, **where**  $1 \leq i \leq g$ . If the significance level of the individual test is  $\alpha/g$ , the likelihood of  
 302 falsely rejecting any test is less than or equal to  $\alpha$  using the Bonferroni inequality (Pearn et  
 303 al., 2018).

$$304 \quad P\left(\bigcup_{i=1}^g E_i\right) = 1 - P\left(\bigcap_{i=1}^g E_i^c\right) = 1 - \left(1 - \frac{\alpha}{g}\right)^g \leq g \times \frac{\alpha}{g} = \alpha \quad (16)$$

305 There are five steps in the supplier selection procedure.

306 Step 1: Collect  $n$  samples from each supplier, **and** then calculate  $\hat{S}_{pkA}$  using Equation (6).

307 Step 2: Sort the estimators in ascending order **as**  $\hat{S}_{pkA,(1)} \leq \hat{S}_{pkA,(2)} \leq \dots \leq \hat{S}_{pkA,(K)}$ .

308 Step 3: Calculate the test statistic  $W_i$ , **where**  $W_i = \hat{S}_{pkA,(K)} - \hat{S}_{pkA,(m)}$ ,  $1 \leq m \leq k$  **and**  
 309  $\hat{S}_{pkA,(m)} < \hat{S}_{pkA,(K)}$ .

310 Step 4: Hence, supplier  $K$  has the highest estimated value **of**  $\hat{S}_{pkA,(K)}$ . The proposed  
 311 selection method **compares** supplier  $K$  with all other suppliers. The testing hypotheses are  
 312  $H_0: \hat{S}_{pkA,(K)} - \hat{S}_{pkA,(m)} \leq 0$  and  $H_1: \hat{S}_{pkA,(K)} - \hat{S}_{pkA,(m)} > 0$ , **where**  $m = 1, 2, \dots, K - 1$ . **The**  
 313 testing is **conducted** after calculating the estimated yield indices (Lin et al., 2018). The test  
 314 statistic  $W_i = \hat{S}_{pkA,(K)} - \hat{S}_{pkA,(m)}$  is used to decide whether supplier  $m$  is **classified** into the  
 315 subset or not. The asymptotic sampling distribution and the probability density function of  
 316  $W_i$  **are** defined as **follows**:

$$\begin{aligned} W_i &= \hat{S}_{pkA,(K)} - \hat{S}_{pkA,(m)} \\ &\approx N\left(S_{pkA,(K)} - S_{pkA,(m)}, \frac{G_K^2[\phi(3G_K)]^2}{2I^2J[\phi(3S_{pkA,(K)})]^2} \right. \\ &\quad \left. + \frac{G_m^2[\phi(3G_m)]^2}{2I^2J[\phi(3S_{pkA,(m)})]^2}\right) \end{aligned} \quad (17)$$

$$\begin{aligned} &f_{W_i}(w_i) \\ &= \frac{1}{\sqrt{2\pi \left( \frac{G_K^2[\phi(3G_K)]^2}{2I^2J[\phi(3S_{pkA,(K)})]^2} + \frac{G_m^2[\phi(3G_m)]^2}{2I^2J[\phi(3S_{pkA,(m)})]^2} \right)}} \\ &\quad \times \exp\left(-\frac{[w_i - (S_{pkA,(K)} - S_{pkA,(m)})]^2}{2 \times \left( \frac{G_K^2[\phi(3G_K)]^2}{2I^2J[\phi(3S_{pkA,(K)})]^2} + \frac{G_m^2[\phi(3G_m)]^2}{2I^2J[\phi(3S_{pkA,(m)})]^2} \right)}\right) \end{aligned} \quad (18)$$

317 where  $G = \frac{1}{3} \Phi^{-1} \left\{ \frac{I[2\Phi(3C)-1] - (I-2)}{2} \right\}$ ,  $I$  is the total number of the levels, and  $J$  is the total  
 318 number of profiles.

319 By adjusting the significance level of each test at  $\alpha$  to  $\alpha/[K(K - 1)]$ , the total error rate  
 320 is given since  $\hat{S}_{pkA,(K)}$  is the largest and confirmed to be less than or equal to  $\alpha/K$ . Hence,  
 321 the critical value is calculated using the following equation.

$$P(W_i \geq c_\alpha | \hat{S}_{pkA,(m)} = \hat{S}_{pkA,(K)} = C, n) = \frac{\alpha}{[K(K - 1)]} \quad (19)$$

322 Step 5: Make a decision. If  $W_i$  is greater than the critical value  $c_\alpha$ , there is inadequate  
 323 information to determine whether supplier  $m$  is significantly better than supplier  $K$ . For  
 324 practitioners, Table 2 offers the critical values when comparing three to six suppliers with  $\alpha$   
 325 = 0.05,  $n = 20(10)100$ ,  $l = 4$ , and  $C = 1(0.1)2$ .

\*Insert Table 2 here\*

#### 329 4. Statistical analysis and simulation study

##### 331 4.1. Power analysis

332 The power is the probability of rejecting  $H_0$  when it is false, and it relies upon the number of  
 333 suppliers ( $K$ ), the levels ( $l$ ), the profiles ( $J$ ), and the significance level ( $\alpha$ ) (Wang and Tamirat,  
 334 2016). To analyze the statistical power of the new methods, a simulation study was  
 335 performed. The R programming language is utilized to write computer codes, and the  
 336 nonlinear profile with a two-sided specification is employed to generate the data (see  
 337 Equation 20).  
 338

$$y_{ij} = A + \frac{F - A}{1 + \left(\frac{x_{ij}}{D}\right)^B} + \varepsilon_{ij} \quad (20)$$

339 where  $A = 0.8955$ ,  $B = 2.022$ ,  $D = 0.0525$ , and  $F = 0.3911$ . Williams et al. (2007) use dose-  
 340 response profiles, where  $A$  is the maximal response parameter,  $B$  is the rate parameter that  
 341 specifies how fast the response changes from the minimum response to the maximum  
 342 response,  $D$  is the dose required to elicit a 50% response, and  $F$  is the minimal response  
 343 parameter that is commonly used in bioassay experiments, as described in Equation (20).  
 344 Table 3 shows the lower and upper tolerance limits of the dependent variable at eight levels  
 345 of the independent variable.

\*Insert Table 3 here\*

349 Each combination was simulated 100,000 times with the given significance level  $\alpha =$   
 350 0.05, the number of profiles  $J = 100$ , and the largest yield index value of  $S_{pkA} = 1.50$ . Four  
 351 combinations of the process yield index  $S_{pkA}$  were examined: (1) for  $K = 3$ , the combination  
 352 is  $(S_{pkA} - 0.1, S_{pkA}, 1.5)$ ; (2) for  $K = 4$ , the combination is  $(S_{pkA} - 0.2, S_{pkA} -$   
 353  $0.1, S_{pkA}, 1.5)$ ; (3) for  $K = 5$ , the combination is  $(S_{pkA} - 0.3, S_{pkA} - 0.2, S_{pkA} -$   
 354  $0.1, S_{pkA}, 1.5)$ ; and (4) for  $K = 6$ , the combination is  $(S_{pkA} - 0.4, S_{pkA} - 0.3, S_{pkA} -$   
 355  $0.2, S_{pkA} - 0.1, S_{pkA}, 1.5)$ .

356 The power curves of MCB are shown in Figure 2 for  $K = 3(1)6$  when there are different  
 357 levels, where  $l = 4, 8$ . For example, when  $K = 5$  and  $S_{pkA} = 1.0, 1.1, 1.2, 1.3$ , and 1.5, the  
 358 power increases by 6.93% when the number of levels increases from 4 to 8. Similarly, the  
 359 power curves for the MCB are given in Figure 3 for  $K = 3(1)6$  when there are various

360 numbers of profiles, where  $J = 100, 150,$  and  $200$ . For example, when  $K = 3$  and  $S_{pkA} = 1.2,$   
361  $1.3,$  and  $1.5,$  the power values for  $J = 100, 150,$  and  $200$  are  $0.3061, 0.5439,$  and  $0.6799,$   
362 respectively. The results indicate that both the number of profiles and the number of levels  
363 impacted the power of the statistical test. That is, increasing the number of profiles and the  
364 number of levels improves the power of the statistical test.

365 \*Insert Figures 2 - 3 here\*

366  
367 Figure 4 illustrates the power of the Bonferroni technique for  $K = 3(1)6$  with  
368 different levels ( $I = 4, 8$ ). For instance, when  $K = 3$  and  $S_{pkA} = 1.1, 1.2,$  and  $1.5,$  the  
369 power difference between 4 levels and 8 levels becomes  $5.66\%$ . Figure 5 shows the power  
370 curves of the Bonferroni technique for  $K = 3(1)6$  with different numbers of profiles, where  
371  $J = 100, 150,$  and  $200$ . For instance, when  $K = 4,$  and  $S_{pkA} = 1.1, 1.2, 1.3,$  and  $1.5,$  the power  
372 for  $J = 100$  to  $J = 200$  improves by  $11.65\%$ . The results indicate that the ability of the  
373 statistical test is affected by the number of levels and the number of profiles. Hence, the  
374 higher the number of levels is, the higher the power of the statistical analysis. Further,  
375 increasing the number of profiles improves the power of the statistical test.

376  
377 \*Insert Figures 4- 5 here\*

378

#### 379 4.1.1 Power comparison

380 To compare the MCB and Bonferroni methods' power, the number of best suppliers  
381 ( $K_{NB}$ ) and the magnitude difference ( $h$ ) are considered (Pearn et al. 2018). To compare the  
382 MCB and Bonferroni methods, multiple scenarios are considered. For example, when there  
383 are four suppliers ( $K = 4$ ), the scenarios considered are the following: (1) one best supplier  
384 ( $K_{NB} = 1$ ) and three inferior suppliers, (2) two best suppliers ( $K_{NB} = 2$ ) and two inferior  
385 suppliers, and (3) three best suppliers ( $K_{NB} = 3$ ) and one inferior supplier. Table 4 presents  
386 the power comparison of the MCB and Bonferroni methods when  $C = 1.33, h = 0.33, I =$   
387  $4, J = 100,$  and  $K = 3(1)6$ .

388 \*Insert Table 4 here\*

389

390 The higher the statistical power is, the lower the probability of failure when rejecting  
391 the null hypothesis. If the statistical power is low, it can impact the validity of the conclusion.  
392 Table 4 shows that with a given number of profiles, MCB possesses higher power than the  
393 Bonferroni technique. MCB has a lower probability of failure when rejecting the null  
394 hypothesis. For the Bonferroni method, when the number of best suppliers is equal to or  
395 larger than 3, the power increases and gets closer to that of the MCB. Additionally, the  
396 lowest power for MCB always happens when  $K_{NB} = \lceil K/2 \rceil$  and the lowest power for the  
397 Bonferroni method occurs when  $K_{NB} = 1$ . For example, when there are three suppliers, the  
398 minimum power of MCB happens with two best suppliers ( $K_{NB} = 2$ ), and when there are  
399 five suppliers, the lowest power of MCB occurs with three best suppliers ( $K_{NB} = 3$ ). Figure 6  
400 presents the power comparison of the MCB and Bonferroni methods when there are  $K_{NB}$   
401 best suppliers with  $C = 1.33, h = 0.33, I = 4, J = 100,$  and  $K = 3(1)6$ . This study  
402 determines that MCB achieves higher power than the Bonferroni technique when dealing  
403 with the SSS problem. To attain the same power as MCB, the Bonferroni method needs  
404 many more profiles.

405

406

\*Insert Figure 6 here\*

407

408 **4.2. Required sample size**

409 The sample size in this study is the number of profiles. Computer programs are written in the  
410 R language, and each combination was simulated 100,000 times. For MCB, to calculate the  
411 required number of profiles, the least favorable condition (LFC) is considered, where  $\lceil K/2 \rceil$   
412 is the upper limit of  $K/2$  and  $\lfloor K/2 \rfloor$  is the lower limit of  $K/2$  (Wang and Tamirat, 2016). The  
413 lowest power occurs with  $\lceil K/2 \rceil$  best suppliers (Lin and Kuo, 2014). To identify all of the  
414 suppliers that have  $S_{pkA}$  less than the best according to the magnitude of  $h$ , the minimum  
415 required number of profiles with the given power is found using the following equation.

$$\begin{aligned} Pr\{LCB_i > 0, i \\ &= 1, 2, \dots, \lfloor K/2 \rfloor | S_{pkA1} + h = \dots = S_{pkA\lfloor K/2 \rfloor} + h = S_{pkA\lfloor K/2 \rfloor} \\ &= \dots = S_{pkAK}, S_{pkAK} = C\} \geq 1 - \beta \end{aligned} \quad (21)$$

416

417 Table 5 provides the required number of profiles given the significance level  $\alpha = 0.05$ ;  
418 different combinations of power = 0.7, 0.8, and 0.9; different yield indices  $C =$   
419 1.00, 1.33, 1.5, and 2.0; and different magnitude differences  $h = 0.1(0.1)0.5$ . For example,  
420 when  $K = 3, C = 1.33, h = 0.2$ , and the power is 0.7, the required number of profiles is 293.

421 \*Insert Table 5 here\*

422 For the Bonferroni method, the lowest power occurs when  $K_{NB}$  is equal to one, which is  
423 when only one best supplier exists (Lin et al., 2018). The number of profiles required for the  
424 Bonferroni method is calculated based on the setting when there is only one best supplier.  
425 All suppliers that are selected as the best suppliers are assumed to have the same process  
426 yield ( $C$ ), and the inferior suppliers are assumed to have a different equal process yield  
427 ( $C - h$ ). The minimum number of profiles required is obtained using Equation (22).

$$\begin{aligned} P(W_i \geq c_\alpha, i = 1, 2, \dots, K \\ - 1 | S_{pkA1} = S_{pkA2} = \dots = S_{pkAK-1} = C - h, S_{pkAK} = C) \\ \geq 1 - \beta \end{aligned} \quad (22)$$

428

429 Tables 6 - 9 show the number of profiles required given the significance level  $\alpha = 0.05$ ;  
430 different combinations of power = 0.7, 0.8, and 0.9; different yield indices  $C =$   
431 1.0, 1.33, 1.5, and 2.0; and distinct magnitude differences  $h = 0.1(0.1)0.5$ . For example,  
432 when  $K = 5, C = 1.0, h = 0.1$ , and the power is 0.9, the minimum required number of  
433 profiles is 1646 with a critical value of 0.0514. Additionally, the supplier would be considered  
434 to be a best supplier candidate if the value of  $W_i$  is less than 0.0514.

435  
436 \*Insert Tables 6 - 9 here\*

437

438 Tables 5-9 present the results for the MCB and Bonferroni methods, and the results are  
439 as follows: 1) the higher the value of  $C$ , the greater is the required number of profiles; (2)  
440 the greater the number of suppliers, the higher is the required number of profiles; (3) the  
441 higher the power, the higher is the required number of profiles; (4) the smaller the  
442 magnitude difference  $h$ , the higher is the required number of profiles; and (5) the minimum  
443 required number of profiles for the Bonferroni method is higher than the required number  
444 of profiles for MCB. More required profiles results in more information. However, more  
445 required profiles costs more effort, money, and time. Therefore, having a sufficient required  
446 number of profiles is essential to be able to make decisions without wasting any resources.

447

448 **5. Numerical Example**

449 In the following, to demonstrate the application of the new methods, a numerical example is  
450 presented. The data are collected from a firm that assembles personal computers. To take  
451 advantage of cost and quality differences, the firm sources components from locations  
452 around the globe. This example focuses on one of its key components, a central processing  
453 unit cooling fan. The company has five suppliers for one of its models. Laboratory testing is  
454 used to collect the data from a laptop computer. The quality characteristic of interest is the  
455 relationship between the input voltage and speed as measured by the revolutions per  
456 minute (RPM). In the laboratory testing, the voltages are set at four levels (2.2, 2.5, 4.0, and  
457 5.0 volts). For a quality product, the corresponding results for the speeds are expected to be  
458 2400±200, 2700±200, 3700±200, and 4200±200 RPM, respectively. Assuming that the  
459 suppliers are aware that the significance level is 0.050, the maximum yield index value is  $C =$   
460 1.50, which is equivalent to 7 defective items from one million units. Eighty random profiles  
461 are collected from each of the five suppliers' processes.

462 The  $\hat{S}_{pkA}$ s for the five suppliers are 1.48, 1.37, 1.21, 1.05, and 1.00, respectively. The  
463 critical value for MCB, as mentioned in Table 1, is 2.4420. The critical value for the  
464 Bonferroni technique, as shown in Table 2, is 0.4118. For MCB, the suppliers can be  
465 categorized as a best supplier with the highest process yield index at a given significance  
466 level of  $\alpha$  if their LCB is equal to zero. For the Bonferroni technique, the suppliers can be  
467 categorized as a best supplier if the value of their testing statistic  $W_i$  is less than 0.4118.  
468 Table 10 presents the decisions made by MCB and the Bonferroni method.

469 Based on Table 10, the lower confidence bounds for supplier 1 and supplier 2 are equal  
470 to zero. Therefore, suppliers 1 and 2 are considered to be the best suppliers by MCB. The  
471 values of the test statistic  $W_i$  for supplier 1, supplier 2, and supplier 3 are all below 0.4118.  
472 Based on the Bonferroni method, supplier 1, supplier 2, and supplier 3 are considered to be  
473 the best suppliers. The result shows that MCB can reject more suppliers with a lower yield  
474 index than the Bonferroni method. Thus, this result is consistent with the conclusion in the  
475 previous section 4.1. That is, MCB possesses more power than the Bonferroni technique, and  
476 to reach the same power level as the MCB, the Bonferroni needs more profiles.

477 \*Insert Table 10 here\*

478

479 **6. Implications for practices and methodology**

480 This study presents a quantitative supplier selection methodology. The results address  
481 the gap in the literature because product quality is primarily measured using intangible and  
482 qualitative measures. It is crucial to work with the right supplier to make high-quality  
483 products, and quality is an essential criterion in manufacturing firms for SSS. In sustainable  
484 supply chain management, supplier evaluation and selection is a critical process, and quality  
485 plays an essential role. The proposed novel supplier selection methods guarantee that only  
486 high-quality products are sourced from upstream suppliers. Hence, the proposed methods  
487 play crucial roles in avoiding economic, environmental, and social losses.

488 With a substantial rise in outsourcing initiatives, managers are more dependent on  
489 suppliers, supplier selection is increasingly emphasized in outsourcing, and component  
490 quality is a critical factor for manufacturers to succeed in the 4Rs. The imprecise nature of  
491 the measurement causes a lack of trust and uncertainty in the ability to choose the right  
492 suppliers. With the proposed methods, decisions are made statistically at a desired  
493 significance level. That is, the difficulties resulting from the use of intangible and qualitative  
494 methods are mitigated.

495 The quality of the supplier process is quantitatively assessed by the number of  
496 defective units produced; however, with modern manufacturing systems, a sensible sized  
497 sample is unlikely to have a faulty item (Lin et al., 2018). Hence, process yield indices are  
498 more suitable measures. For example, a yield index  $\hat{S}_{pkA} = 1.33$  indicates that there will be  
499 66 defective items from one million units. Figure 7 presents a novel method to assess the  
500 performance of the supplier process. Data are collected using smart data sensors, and a  
501 nonlinear profile describes the quality. MCB and the difference statistic methods are applied.  
502 The efficiency of the MCB is found to be higher. MCB has a lower probability of failure when  
503 rejecting the null hypothesis when it is not true. The power of the statistical test is affected  
504 by the number of competing suppliers, the number of levels, and the profiles; however, it  
505 requires more profiles costs more effort, money, and testing time. Yet, carefully choosing  
506 the desired significance level is essential to be able to make decisions without wasting  
507 resources. This study contributes to enhancing the knowledge related to supplier evaluation  
508 and selection. If a manager has a specific requirement, the developed computer programs  
509 can be quickly adopted.

510 The proposed methods are useful for monitoring the quality program implementation  
511 and quality improvement activities of suppliers. They can lead to efficiency improvements  
512 due to waste reduction in terms of reduce, reuse, recycle, and recover; can lead to reduce,  
513 scrap and rework activities; and can decrease required purchases by extending the useful  
514 lifetime of a product. Reusable, quality products can be sold or rented second hand. By  
515 recycling and recovering all components or only the critical components, consumers can  
516 repair the product if an element is damaged rather than buying a replacement. Hence, the  
517 proposed methods form an essential aspect for building strong sustainable supply chain  
518 management.

519 **\*\* Insert Figure 7 here \*\***

## 520 7. Conclusions

521 Manufacturers are required to be able to produce high-quality products in a competitive  
522 and uncertain environment. Sustainable supplier selection (SSS) is the initial step in the  
523 process of creating high-quality products. It is a critical attribute for manufacturers who  
524 want to succeed in creating sustainable supply chain partnerships. Quality is an important  
525 variable in SSS; however, prior studies measure product quality using intangible and  
526 qualitative approaches. This creates ambiguity in the interpretation of quality and often  
527 frustrates suppliers. This study proposes a quantitative measure of the supplier's process.  
528 This study takes advantage of technological advancements in measurement technology to  
529 employ high-dimensional and complex data represented by nonlinear profiles to measure  
530 quality. This study fills the gaps in prior studies using linear profiles and presents product  
531 quality evaluation and selection methods for processes using nonlinear profiles.

532 The findings of the Monte Carlo simulation study indicated that the difference test  
533 statistics method possesses inferior performance compared to MCB. It required more  
534 profiles; and more profiles costs more effort, money, and time. For MCB, the lowest power  
535 happens when the number of best suppliers is equal to the upper limit of  $K/2$ . The minimum  
536 power happens when there is only one best supplier for the Bonferroni technique. In  
537 addition, increasing the number of levels of profiles is found to improve the selection power.

538 The contributions are multifold: (1) to reduce the ambiguity resulting from broad and  
539 intangible criteria, a process yield index  $S_{pkA}$  has been proposed to provide a numerical  
540 measure; (2) a single numerical index is used to compare the supplier's product quality, and  
541 decisions are statistically made using a desired significance level; and (3) two multiple

542 comparison methods, the MCB and the Bonferroni methods, are proposed. The MCB  
543 considers the uncertainty of the best supplier, and the Bonferroni method maintains the  
544 overall error rate. To make the results convenient for decision-makers, tables are provided  
545 that gives the critical values and the minimum number of profiles. The new methods are  
546 simple to understand and implement and can help practitioners to deal with SSS problems  
547 with qualitative criteria in an effective way.

548 This study has multiple limitations. The nonlinear profiles are limited to a single quality  
549 characteristic. Multiple or a vector of quality characteristics needs to be investigated in the  
550 future with an emphasis on correlation or autocorrelation. Quality is described by a  
551 nonlinear profile with two-sided specifications. The result may not be generalizable to  
552 product quality with one-sided tolerance limits, and profile analysis is performed assuming  
553 the independence of consecutive observations.

554

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656 Table 1. The critical values of  $h_{\alpha,K}$ ,  $K = 2(1)10$  at  $\alpha = 0.010, 0.0250, 0.050, 0.100$ .

$\alpha/K$	2	3	4	5	6	7	8	9	10
0.010	2.5760	2.7940	2.9150	2.9980	3.0600	3.1110	3.1520	3.1880	3.2190
0.025	2.2420	2.4780	2.6070	2.6950	2.7610	2.8140	2.8580	2.8960	2.9290
0.050	1.9600	2.2120	2.3490	2.4420	2.5120	2.5670	2.6130	2.6520	2.6860
0.100	1.6450	1.9160	2.0620	2.1600	2.2340	2.2920	2.3410	2.3820	2.4170

657

658 Table 2. The critical values for  $K = 3(1)6$ ,  $C = 1(0.1)2$ ,  $n = 20(10)100$ ,  $l = 4$ , and  $\alpha = 0.05$ .

K	n	C										
		1	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2.0
3	20	0.3973	0.4601	0.5218	0.5827	0.6429	0.7023	0.7612	0.8196	0.8776	0.9352	0.9924
	30	0.3244	0.3756	0.4261	0.4758	0.5249	0.5735	0.6216	0.6692	0.7166	0.7636	0.8103
	40	0.2810	0.3253	0.3690	0.4121	0.4546	0.4966	0.5383	0.5796	0.6206	0.6613	0.7017
	50	0.2513	0.2910	0.3300	0.3686	0.4066	0.4442	0.4815	0.5184	0.5551	0.5915	0.6277
	60	0.2294	0.2656	0.3013	0.3356	0.3712	0.4055	0.4395	0.4732	0.5067	0.5399	0.5730
	70	0.2124	0.2459	0.2789	0.3115	0.3436	0.3754	0.4069	0.4381	0.4691	0.4999	0.5305
	80	0.1987	0.2301	0.2609	0.2914	0.3215	0.3512	0.3806	0.4098	0.4291	0.4676	0.4962
	90	0.1873	0.2169	0.2460	0.2747	0.3031	0.3311	0.3589	0.3864	0.4137	0.4409	0.4678
	100	0.1800	0.2058	0.2334	0.2606	0.2875	0.3141	0.3405	0.3666	0.3925	0.4182	0.4438
	4	20	0.4379	0.5070	0.5751	0.6422	0.7084	0.7740	0.8389	0.9033	0.9671	1.0202
30		0.3575	0.4140	0.4695	0.5243	0.5785	0.6320	0.6850	0.7375	0.7897	0.8415	0.8930
40		0.3096	0.3585	0.4066	0.4541	0.5010	0.5473	0.5932	0.6387	0.6839	0.7287	0.7733
50		0.2770	0.3207	0.3637	0.4062	0.4481	0.4895	0.5306	0.5713	0.6117	0.6518	0.6917
60		0.2528	0.2927	0.3320	0.3708	0.4090	0.4469	0.4844	0.5215	0.5584	0.5950	0.6314
70		0.2341	0.2710	0.3074	0.3433	0.3787	0.4137	0.4484	0.4828	0.5170	0.5509	0.5846
80		0.2190	0.2535	0.2876	0.3211	0.3542	0.3870	0.4195	0.4517	0.4836	0.5153	0.5468
90		0.2064	0.2390	0.2711	0.3027	0.3340	0.3649	0.3955	0.4258	0.4559	0.4858	0.5156
100		0.1959	0.2268	0.2572	0.2872	0.3169	0.3462	0.3752	0.4040	0.4325	0.4443	0.4891
5		20	0.4584	0.5394	0.6118	0.6832	0.7538	0.8235	0.8926	0.9610	1.0290	1.0202
	30	0.3804	0.4405	0.4996	0.5579	0.6155	0.6724	0.7288	0.7847	0.8402	0.8953	0.9501
	40	0.3294	0.3814	0.4327	0.4831	0.5330	0.5823	0.6312	0.6796	0.7276	0.7754	0.8228
	50	0.2947	0.3412	0.3870	0.4321	0.4767	0.5208	0.5645	0.6078	0.6508	0.6935	0.7359
	60	0.2690	0.3115	0.3533	0.3945	0.4352	0.4755	0.5153	0.5549	0.5941	0.6331	0.6718
	70	0.2490	0.2884	0.3271	0.3652	0.4029	0.4402	0.4521	0.5137	0.5500	0.5861	0.6220
	80	0.2330	0.2697	0.3059	0.3416	0.3769	0.4118	0.4463	0.4805	0.5145	0.5483	0.5818
	90	0.2196	0.2543	0.2885	0.3221	0.3554	0.3882	0.4208	0.4531	0.4851	0.5169	0.5485
	100	0.2084	0.2413	0.2737	0.3056	0.3371	0.3683	0.3992	0.4298	0.4602	0.4904	0.5204
	6	20	0.4584	0.5641	0.6398	0.7144	0.7882	0.8611	0.9333	1.0049	1.0760	1.0202
30		0.3978	0.4606	0.5224	0.5833	0.6436	0.7031	0.7621	0.8205	0.8785	0.9362	0.9935
40		0.3445	0.3989	0.4524	0.5052	0.5573	0.6089	0.6600	0.7106	0.7608	0.8108	0.8604
50		0.3081	0.3568	0.4046	0.4519	0.4985	0.5446	0.5903	0.6356	0.6805	0.7252	0.7695
60		0.2813	0.3257	0.3694	0.4125	0.4551	0.4972	0.5389	0.5802	0.6212	0.6620	0.7025
70		0.2604	0.3015	0.3420	0.3819	0.4213	0.4603	0.4521	0.5372	0.5752	0.6129	0.6504
80		0.2436	0.2821	0.3199	0.3572	0.3941	0.4306	0.4667	0.5025	0.5380	0.5733	0.6084
90		0.2297	0.2659	0.3016	0.3368	0.3716	0.4060	0.4400	0.4738	0.5072	0.5405	0.5736
100		0.2179	0.2523	0.2861	0.3195	0.3525	0.3851	0.4174	0.4494	0.4812	0.5128	0.5442

659 Table 3. Specification limits at eight levels.

$j$	1	2	3	4	5	6	7	8
$x$	0.003	0.009	0.028	0.084	0.25	0.76	2.27	6.8
$USL_j$	0.6	0.62	0.64	0.9	0.98	1	1.05	1.1
$LSL_j$	0.2	0.22	0.24	0.4	0.48	0.5	0.65	0.7

660

661

662 Table 4. Power comparison of MCB and Bonferroni having  $K_{NB}$  best suppliers with  $C = 1.33$ ,  $h$   
 663  $= 0.33$ ,  $l = 4$ ,  $J = 100$ , and  $K = 3(1)6$ .

K	Method	$K_{NB} = 1$	$K_{NB} = 2$	$K_{NB} = 3$	$K_{NB} = 4$	$K_{NB} = 5$
3	MCB	0.85698	0.81697			
	Bonferroni	0.41762	0.74071			
4	MCB	0.77465	0.68619	0.76679		
	Bonferroni	0.22112	0.45574	0.70764		
5	MCB	0.70543	0.59314	0.57541	0.70372	
	Bonferroni	0.12690	0.27182	0.44827	0.67503	
6	MCB	0.64571	0.48600	0.46689	0.50837	0.64455
	Bonferroni	0.07764	0.16921	0.28340	0.43339	0.64810

664

Table 5. Number of profiles for MCB.

K	C	1.00					1.33					1.50					2.00				
	$1 - \beta   h$	0.1	0.2	0.3	0.4	0.5	0.1	0.2	0.3	0.4	0.5	0.1	0.2	0.3	0.4	0.5	0.1	0.2	0.3	0.4	0.5
3	0.7	450	129	51	27	16	1209	293	132	73	45	1620	377	199	114	69	3180	731	357	211	131
	0.8	517	154	63	31	21	1292	340	161	90	50	1818	461	212	126	77	3741	908	393	234	169
	0.9	606	166	80	41	22	1596	372	178	109	54	2255	532	265	153	94	4621	1034	480	280	192
4	0.7	597	149	72	35	21	1576	371	166	96	58	2157	505	216	128	84	4445	1019	446	269	160
	0.8	679	168	78	39	22	1693	406	190	106	66	2393	574	267	148	97	4772	1176	487	278	193
	0.9	791	192	88	47	27	2082	453	202	119	77	2897	700	280	159	110	5117	1197	564	360	208
5	0.7	637	169	79	39	23	1690	413	193	108	67	2414	586	267	149	98	4830	1179	489	278	198
	0.8	741	193	89	45	25	2049	451	201	118	75	2775	680	278	159	105	5147	1215	575	312	203
	0.9	912	209	96	51	29	2333	507	212	127	80	3304	743	354	172	121	6369	1556	596	376	213
6	0.7	779	190	87	46	25	2039	473	201	112	70	2819	640	271	162	102	5200	1313	590	331	204
	0.8	877	203	91	51	29	2119	519	220	122	76	3128	737	321	166	112	5833	1503	619	365	226
	0.9	969	222	102	55	32	2430	590	260	133	86	3462	806	374	190	121	6597	1602	710	402	262

Table 6. Number of profiles and critical values for the Bonferroni method at C = 1.0.

H		0.10		0.20		0.30		0.40		0.50	
K	Power	n	$C_\alpha$	n	$C_\alpha$	n	$C_\alpha$	n	$C_\alpha$	n	$C_\alpha$
3	0.7	976	0.0569	212	0.1221	105	0.1734	51	0.2488	31	0.3192
	0.8	1048	0.0549	232	0.1167	114	0.1165	58	0.2333	34	0.3048
	0.9	1192	0.0515	278	0.1066	127	0.1557	72	0.2094	42	0.2742
4	0.7	1152	0.0577	277	0.1177	123	0.1762	66	0.2411	39	0.3136
	0.8	1217	0.0562	289	0.1152	128	0.1731	75	0.2261	46	0.2887
	0.9	1475	0.0510	341	0.1061	144	0.1632	81	0.2176	52	0.2716
5	0.7	1377	0.0562	302	0.1199	131	0.1821	72	0.2456	43	0.3177
	0.8	1602	0.0521	360	0.1098	140	0.1761	78	0.2359	51	0.2918
	0.9	1646	0.0514	388	0.1058	165	0.1622	93	0.2161	53	0.2862
6	0.7	1463	0.0570	381	0.1117	149	0.1785	80	0.2436	48	0.2980
	0.8	1575	0.0549	387	0.1108	165	0.1696	88	0.2323	53	0.2993
	0.9	1755	0.0520	404	0.1084	179	0.1629	96	0.2224	58	0.2861

Table 7. Number of profiles and critical values for the Bonferroni method at C = 1.33.

H		0.1		0.2		0.3		0.4		0.5	
K	Power	n	$C_\alpha$	n	$C_\alpha$	n	$C_\alpha$	n	$C_\alpha$	n	$C_\alpha$
3	0.7	2527	0.0535	525	0.1173	233	0.1761	139	0.2279	87	0.2788
	0.8	2813	0.0507	600	0.1097	275	0.1621	157	0.2145	106	0.2610
	0.9	3039	0.0488	729	0.0996	339	0.1460	178	0.2014	110	0.2562
4	0.7	3009	0.0540	704	0.1116	312	0.1677	163	0.2320	111	0.2811
	0.8	3200	0.0524	790	0.1054	339	0.1609	178	0.2220	116	0.2750
	0.9	3498	0.0501	911	0.0981	352	0.1579	203	0.2079	131	0.2587
5	0.7	3568	0.0528	880	0.1062	360	0.1661	197	0.2245	118	0.2901
	0.8	3784	0.0513	927	0.1035	393	0.1590	210	0.2174	128	0.2785
	0.9	4035	0.0496	952	0.1022	431	0.1518	227	0.2091	140	0.2663
6	0.7	3958	0.0524	973	0.1057	393	0.1662	215	0.2247	133	0.2857
	0.8	4119	0.0514	1004	0.1040	404	0.1639	222	0.2211	143	0.2755
	0.9	4613	0.0486	1121	0.0984	479	0.1506	259	0.2047	164	0.2573

Table 8. Number of profiles and critical values for the Bonferroni method at C = 1.5.

H		0.1		0.2		0.3		0.4		0.5	
K	Power	n	$C_\alpha$	n	$C_\alpha$	n	$C_\alpha$	n	$C_\alpha$	n	$C_\alpha$
3	0.7	3180	0.0557	813	0.1102	374	0.1625	195	0.2250	125	0.2810
	0.8	3483	0.0533	857	0.1073	400	0.1571	206	0.2189	132	0.2734
	0.9	4062	0.0493	1034	0.0977	421	0.1531	234	0.2504	159	0.2491
4	0.7	4501	0.0516	984	0.1104	424	0.1681	259	0.2151	152	0.2808
	0.8	4802	0.0500	1146	0.1023	474	0.1590	269	0.2111	160	0.2737
	0.9	5013	0.0489	1190	0.1004	553	0.1472	281	0.2065	183	0.2556
5	0.7	4964	0.0523	1203	0.1062	486	0.1671	269	0.2246	178	0.2761
	0.8	5084	0.0517	1260	0.1038	513	0.1626	276	0.2217	196	0.2631
	0.9	5487	0.0498	1533	0.0941	607	0.1495	346	0.1980	207	0.2560
6	0.7	5240	0.0532	1336	0.1054	557	0.1632	310	0.2188	191	0.2787
	0.8	5589	0.0516	1427	0.1020	603	0.1569	340	0.2089	206	0.2683
	0.9	6358	0.0483	1524	0.0987	624	0.1542	360	0.2030	220	0.2597

Table 9. Number of profiles and critical values for the Bonferroni method at C = 2.0.

H		0.1		0.2		0.3		0.4		0.5	
K	Power	n	$C_\alpha$	n	$C_\alpha$	n	$C_\alpha$	n	$C_\alpha$	n	$C_\alpha$
3	0.7	6780	0.0539	1592	0.1113	691	0.1689	389	0.2551	251	0.2802
	0.8	6939	0.0533	1643	0.1095	818	0.1552	422	0.2161	278	0.2662
	0.9	8756	0.0475	2052	0.0908	864	0.1510	486	0.2014	312	0.2513
4	0.7	8212	0.0540	2033	0.1085	899	0.1632	502	0.2183	299	0.2829
	0.8	8622	0.0527	2257	0.1030	969	0.1572	527	0.2131	343	0.2641
	0.9	9641	0.0499	2509	0.0977	1009	0.1540	588	0.2017	370	0.2543
5	0.7	8900	0.0552	2272	0.1092	950	0.1689	529	0.2263	362	0.2735
	0.8	9963	0.0522	2516	0.1038	1108	0.1564	617	0.2095	392	0.2629
	0.9	11653	0.0483	2632	0.1015	1214	0.1492	699	0.1969	434	0.2498
6	0.7	10265	0.0538	2767	0.1035	1151	0.1604	606	0.2211	393	0.2745
	0.8	11513	0.0508	2828	0.1024	1222	0.1557	629	0.2170	407	0.2698
	0.9	12235	0.0492	3128	0.0973	1333	0.1491	751	0.1986	457	0.2546

Table 10. The decision made by MCB and the Bonferroni method.

K	$\hat{S}_{pkA}$	MCB		Bonferroni method	
		[LCB, UCB]	Decision	$W_i$	Decision
1	1.480	[0, 0.25]	Best	0	Best
2	1.370	[0, 0.36]	Best	0.11	Best
3	1.110	[0.01, 0.62]	Inferior	0.37	Best
4	1.050	[0.07, 0.68]	Inferior	0.43	Inferior
5	1.000	[0.12, 0.73]	Inferior	0.48	Inferior

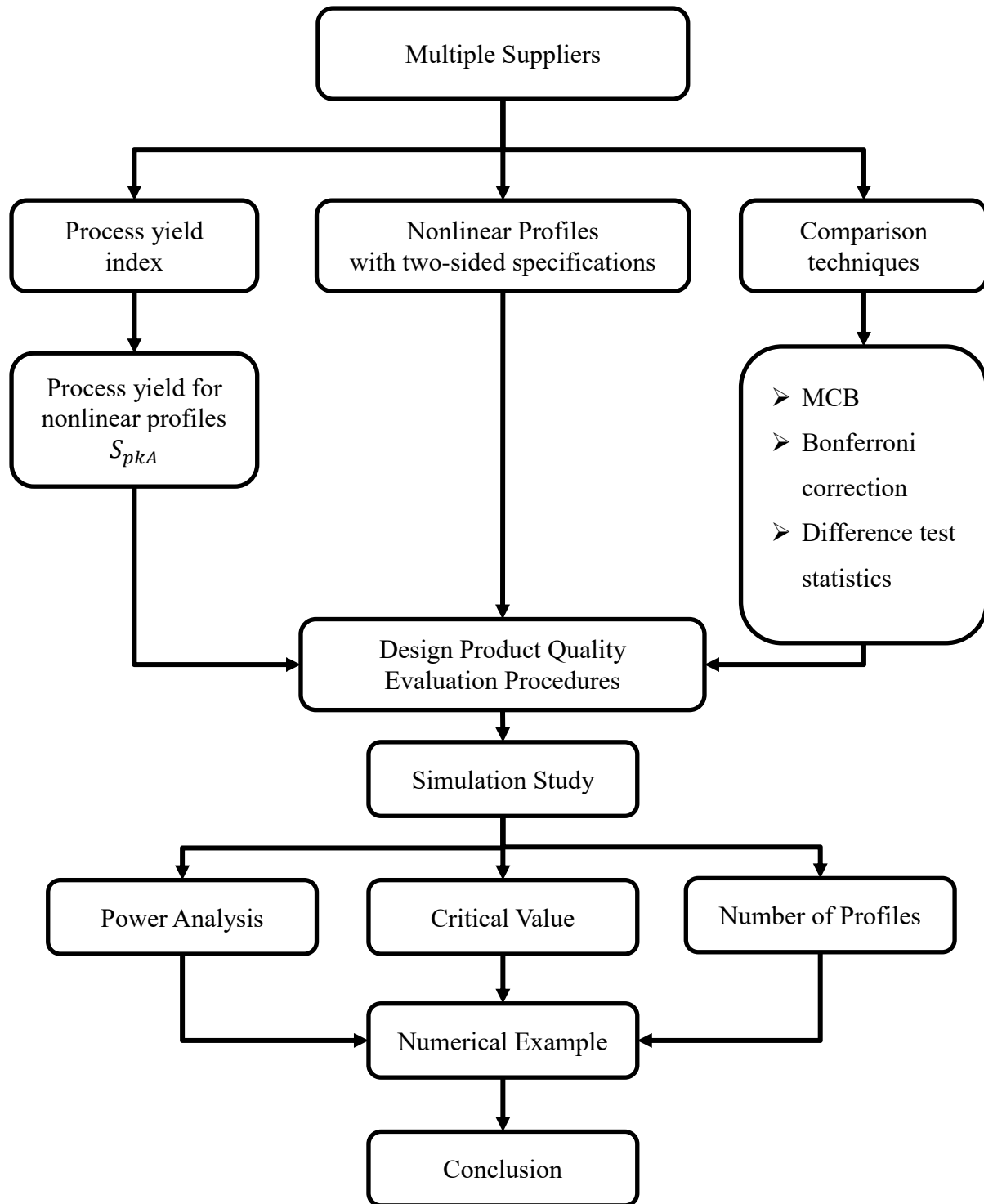
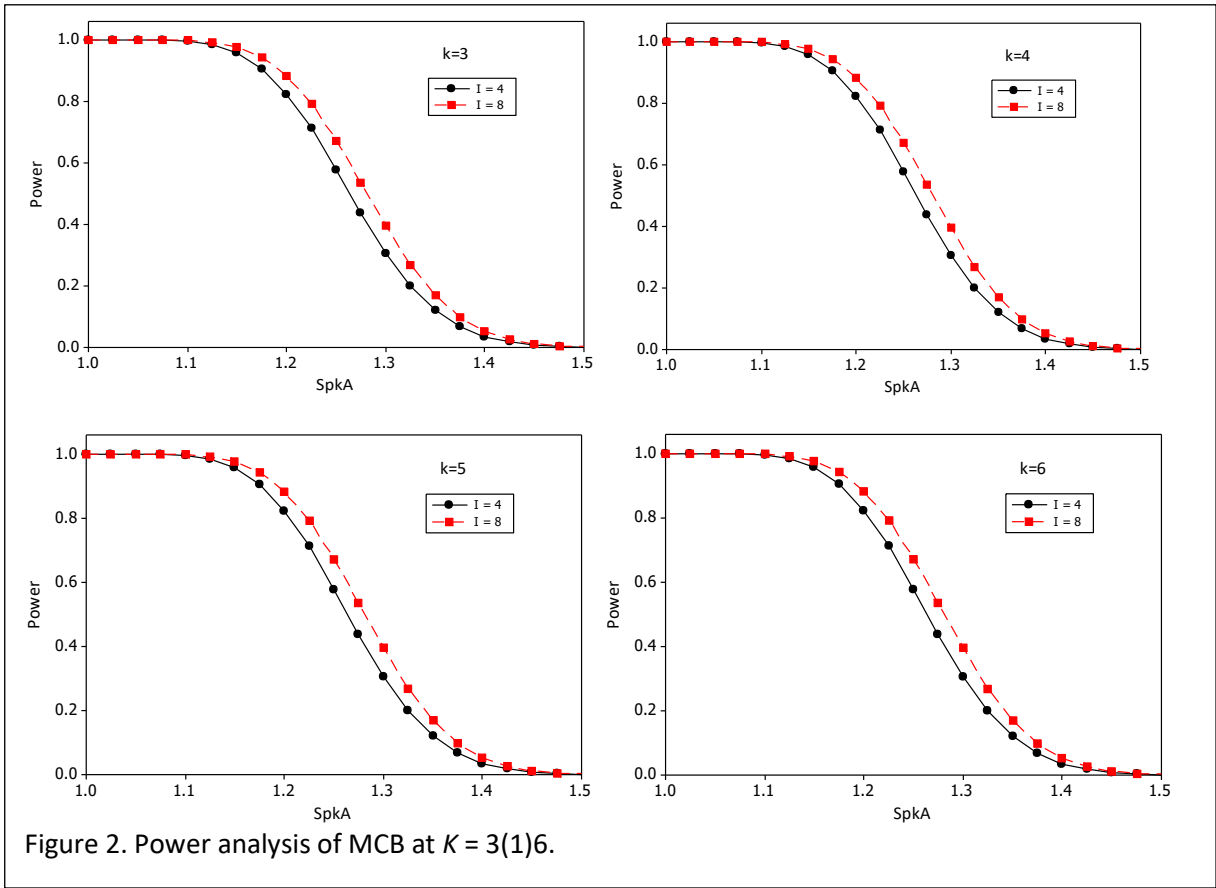
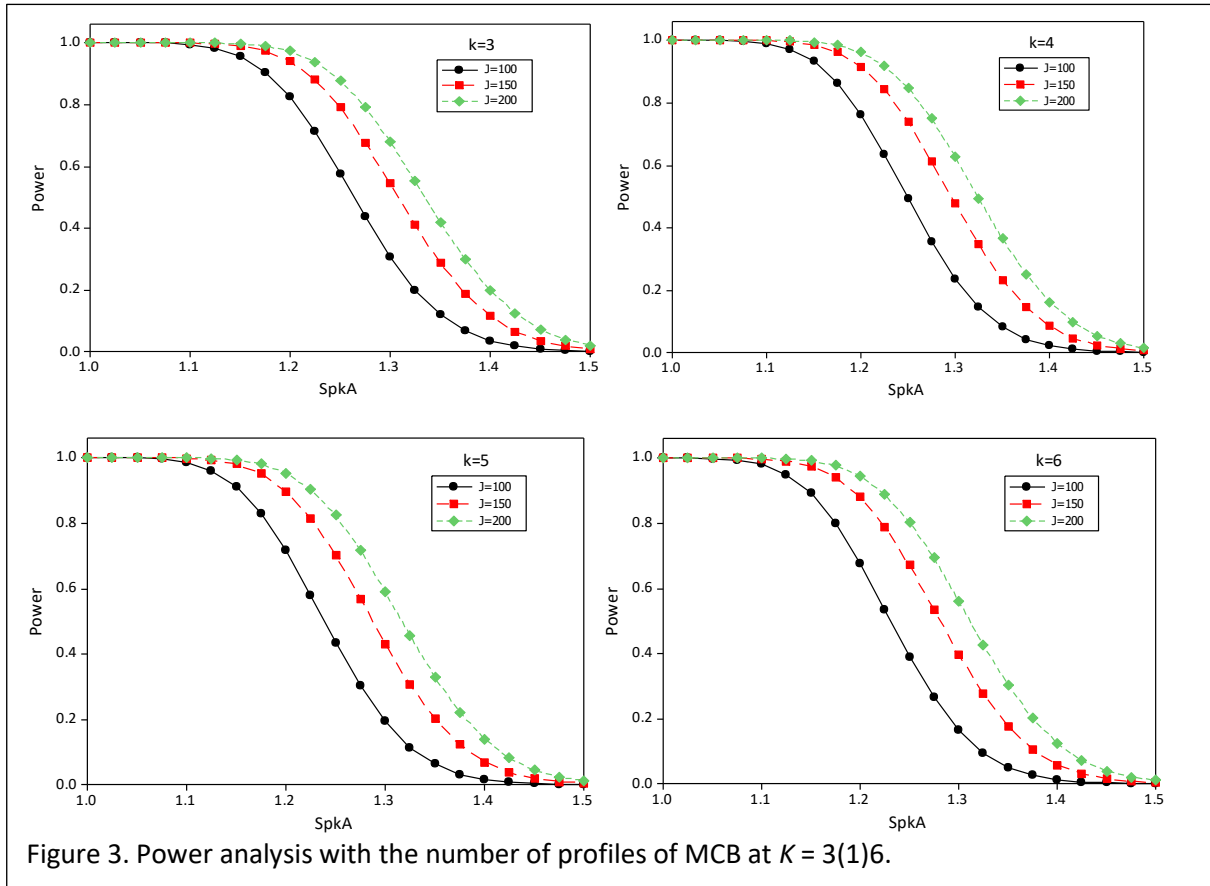
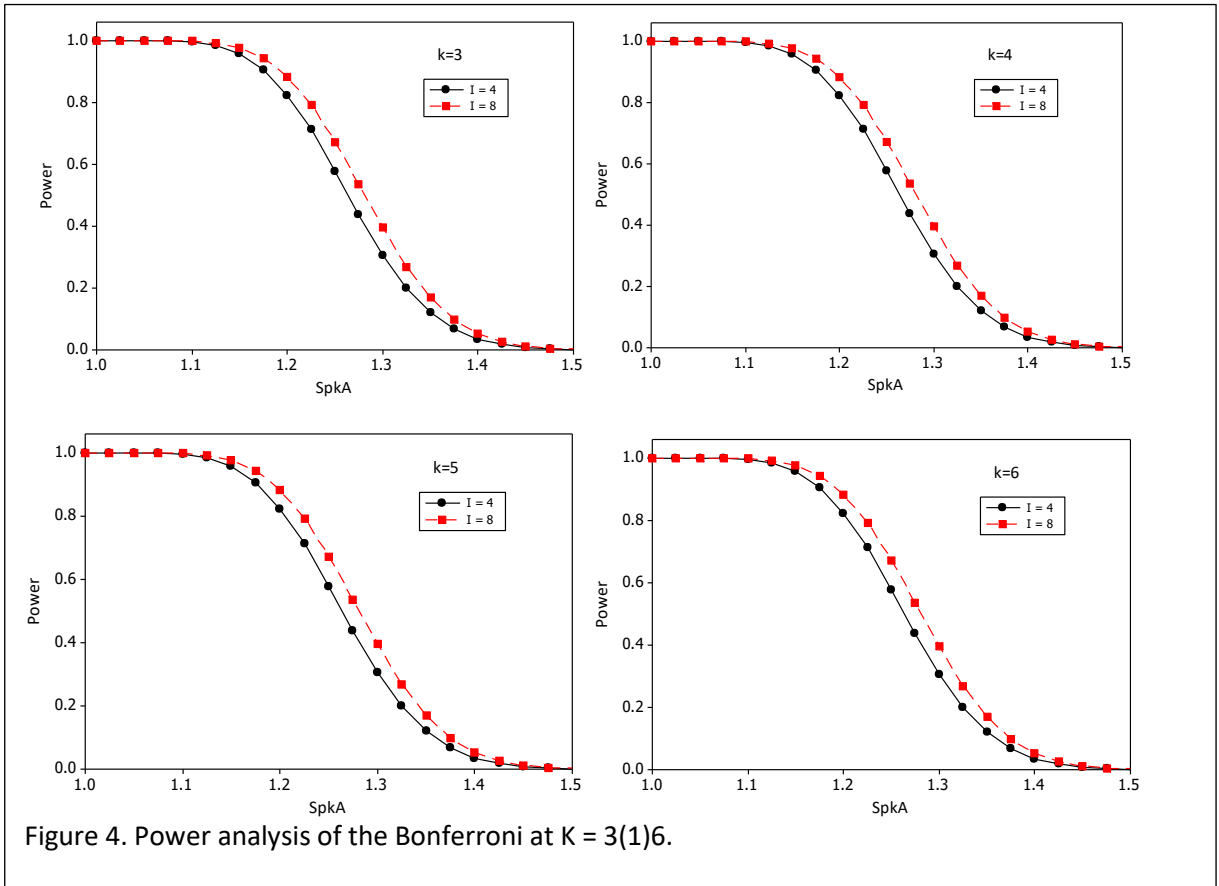


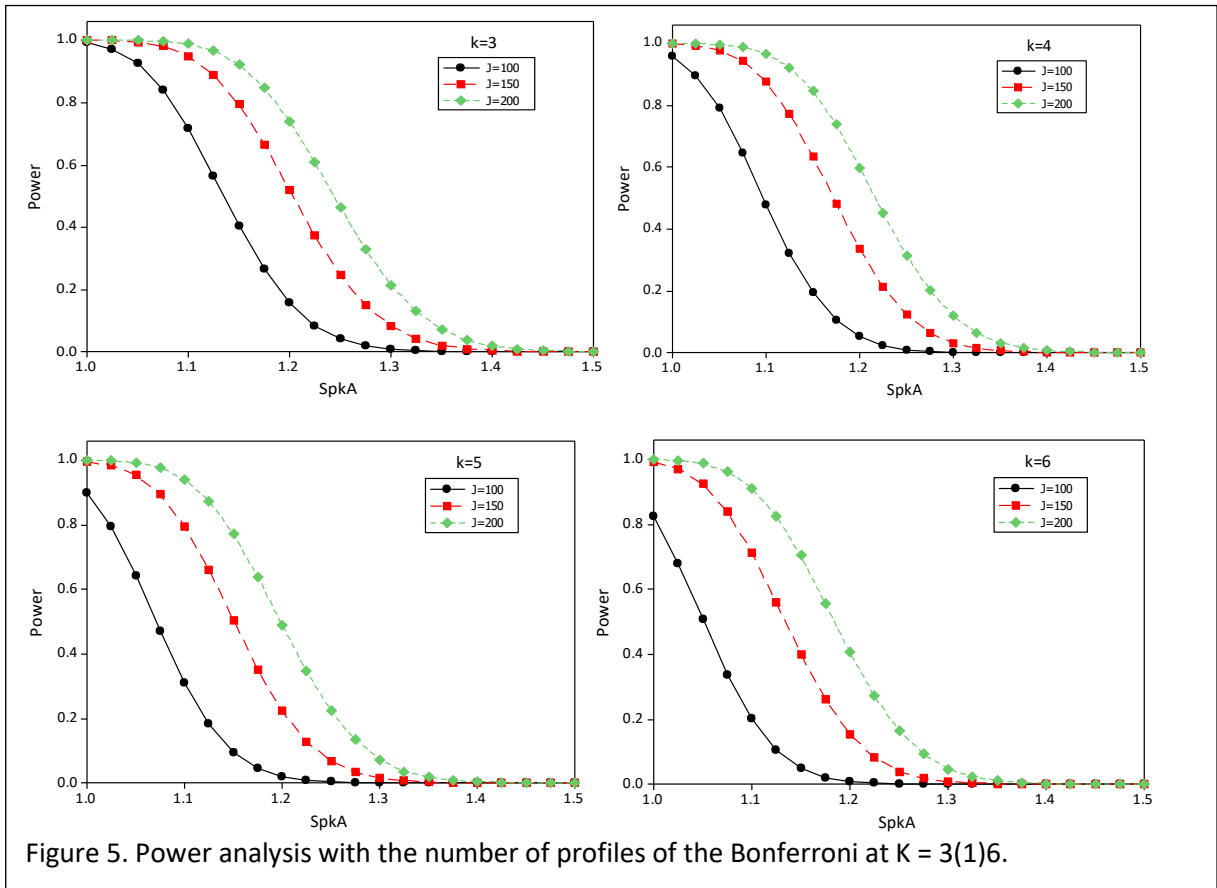
Figure 1. Analytical flow

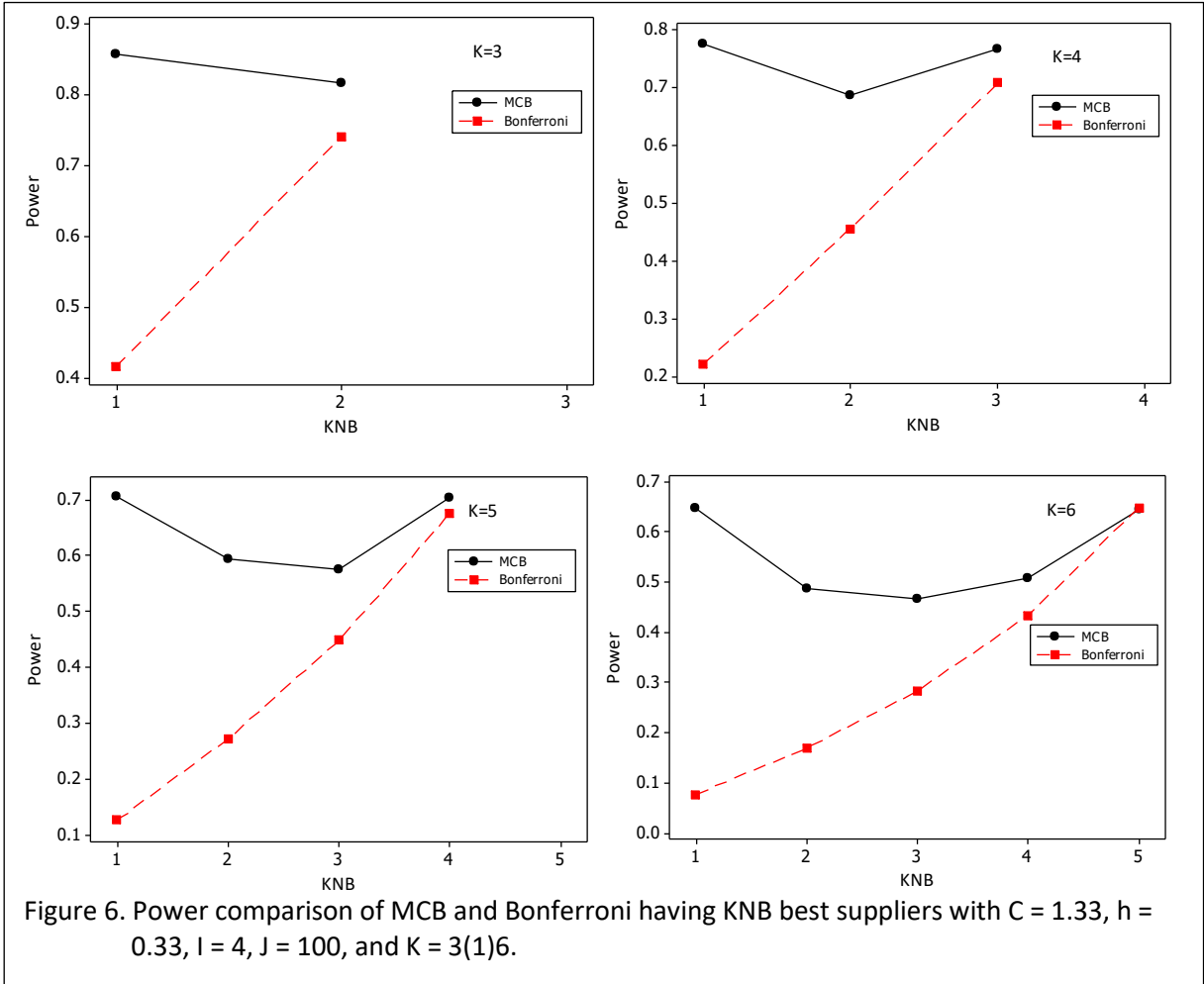












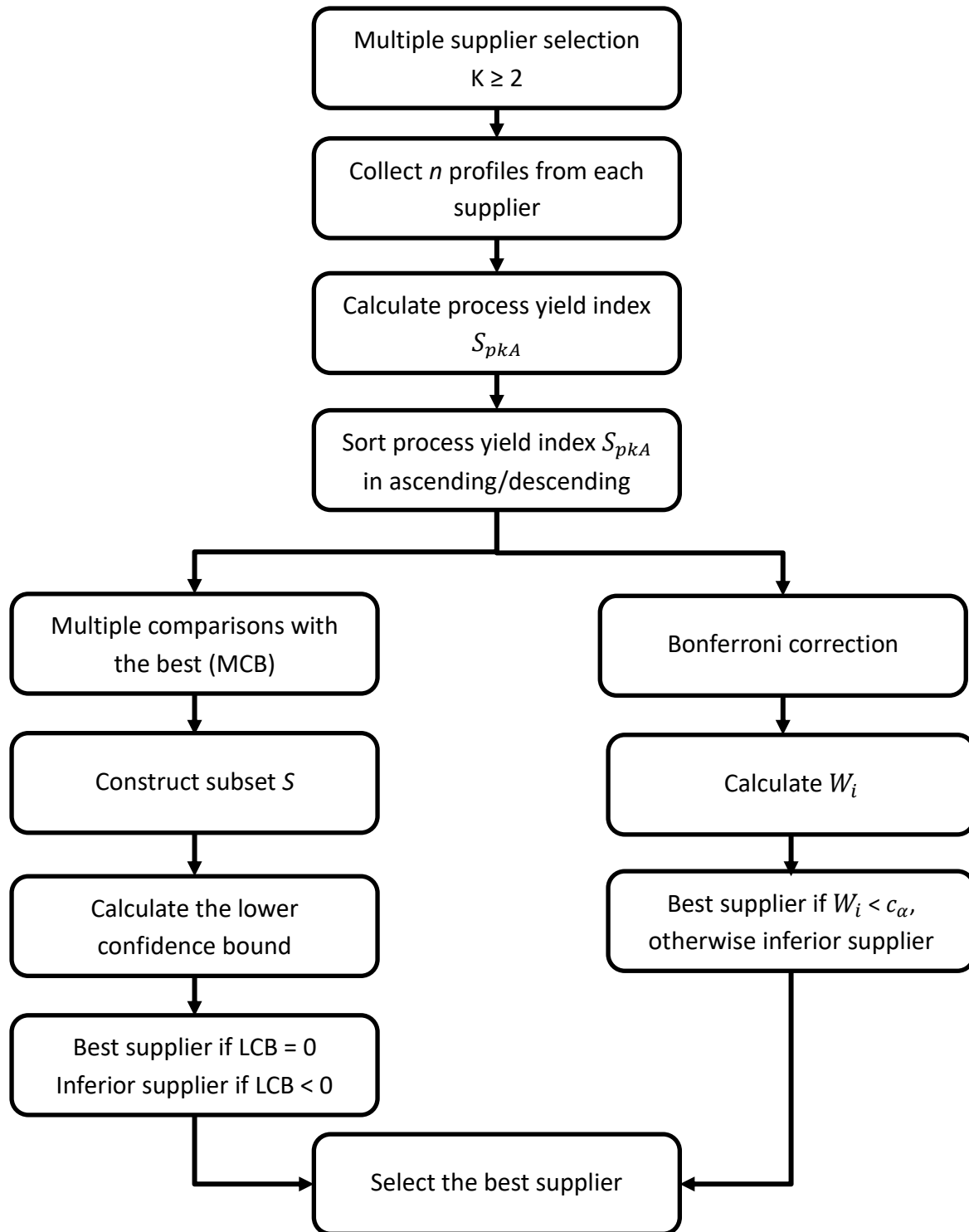


Figure 7. Proposed methods