

# GETTING BETTER COMMERCIAL VALUE FROM YOUR BUSINESS RELATIONSHIPS

**SCCI LTD**

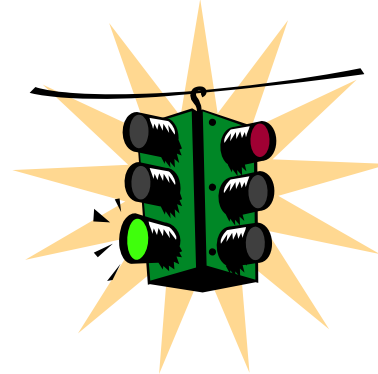
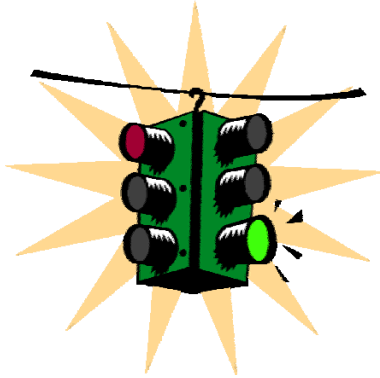
[sales@sccindex.com](mailto:sales@sccindex.com)

+44(0)1908-561892

# Welcome

- Managing contract relationships is often surrounded by folk lore and many fail without clear reason. You might know what happened but, you don't know why. Traditional approaches have focussed on numbers, milestone charts and contracts, and insufficient attention has been paid to the underlying causes of difficulty which often occur insidiously. The result is increased fire-fighting, the threat of, or use of penalty clauses and inevitable diminishing performance or even fracture.
- SCCI is greatly concerned that traditional customer-supplier management approaches that concentrate only on Time, Cost and Quality deny companies the benefits of leveraging the wider opportunities of collaborative relationships
- SCCI will support you in overcoming these shortcomings using its empirical and objective based management techniques with proven bottom-line

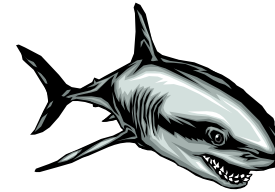
# The Relationship Management Challenge



**Supplier Management  
(Time, Cost, Quality)**

Complacency

Distrust

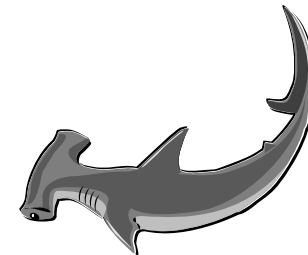


Opportunism

Quality Failures



Poor Communication



Cost Over-runs

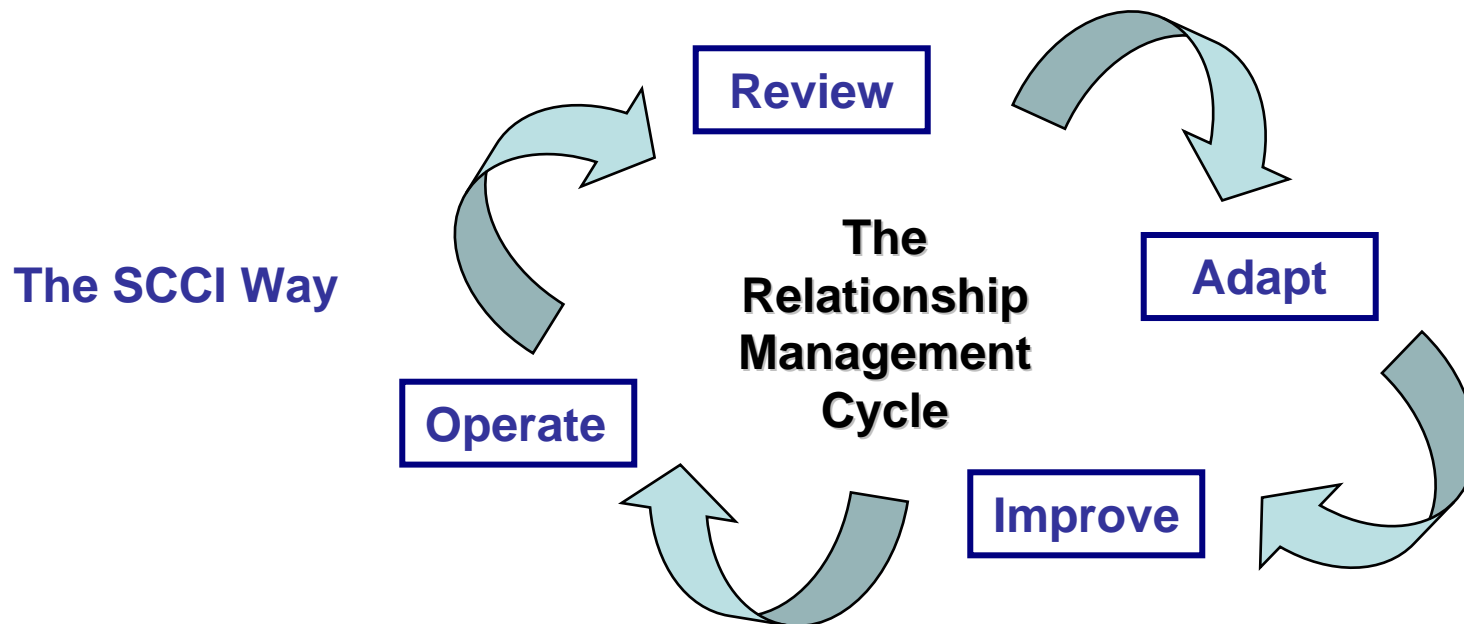
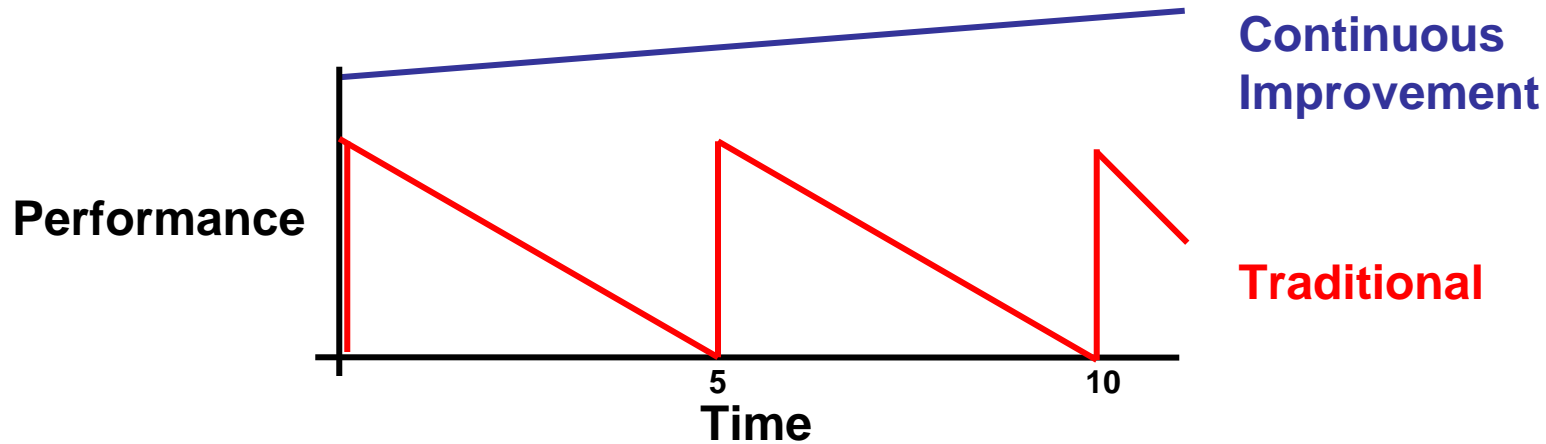
**Complex Relationship  
Management**

Late Deliveries

# The Traditional Way

- You can throw money at the problem; bring in consultants to achieve Big Bang restructuring, BPR, Downsizing, Right sizing etc, etc
- You can repeat this process every few years if you want to
- Wouldn't it be better to do a more thorough, performance-based analysis looking for root causes and root solutions and using a professional relationship management approach that gives you continuous improvement?

# Changing for the Better



# Partnerlink



At the core of our offering is the care to ensure that all parties accept objective, joint performance measurement across key relationship indicators. You and your business partners will gain:

- metrics for benchmarking, driving performance improvements and corporate governance
- diagnostics to generate detailed change programmes and continuous improvement
- insight into the relationship dynamics that once addressed, will result in mutual improvements to the way customers and suppliers interact
- our management 'know-how' that will provide a definite edge over competitors

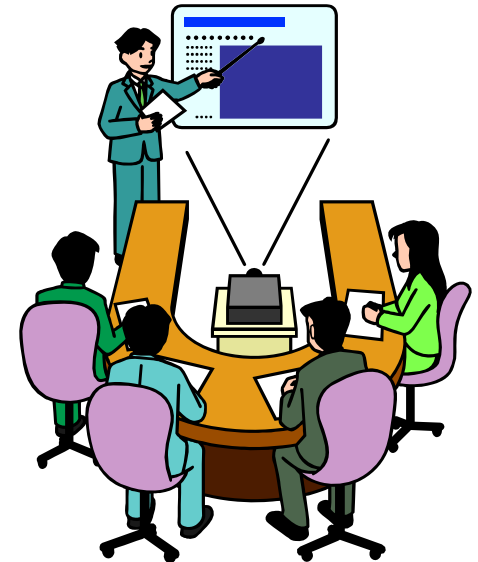
# Lesson 1: Invest in Relationship Managers

- **Appoint** experienced, knowledgeable, high integrity people
- Give **RM department** strategic status
- Keep RMs **in post** for reasonable periods
- Use RM advice to draft the **framework contract** that focuses on the customer not the small print
- RMs **'sew together'** the parent company functions that service its relationships
- RMs **jointly chair** the main relationship management meetings
- RMs **measure and monitor** relationship performance



# Lesson 2: Regular Joint Operations Meetings & Actions

- Review **performance** targets in last period and issue statistics
- Review **work/orders** in progress
- Review **forecasted** sales and orders in next period
- Consider and **solve** problems.
- Actively seek out and initiate **process** improvements
- Review **future** plans (including new products) and initiate preparation
- Review industry and technology **updates**
- Identify **policy** issues to refer to senior management
- Involve other **supply chain** partners



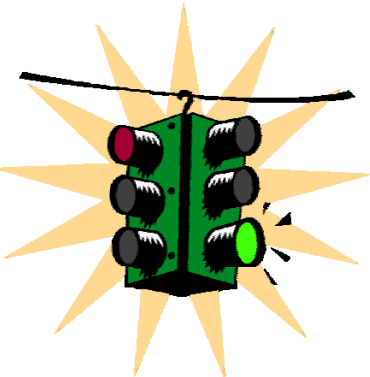
# Lesson 3: Use relationship performance measurement to slay the sharks & regain the competitive edge



Relationship  
Performance  
Measurements



Create clear  
Joint  
understanding



Quality  
Innovation  
Communication  
Cost Reductions  
**Satisfied Customers**  
On Time Delivery  
Commitment  
Future  
Trust

Sustained  
Bottom  
Line  
Benefits



# Questions To:



[sales@sccindex.com](mailto:sales@sccindex.com)  
[www.sccindex.com](http://www.sccindex.com)  
+44(0)1908-561892

