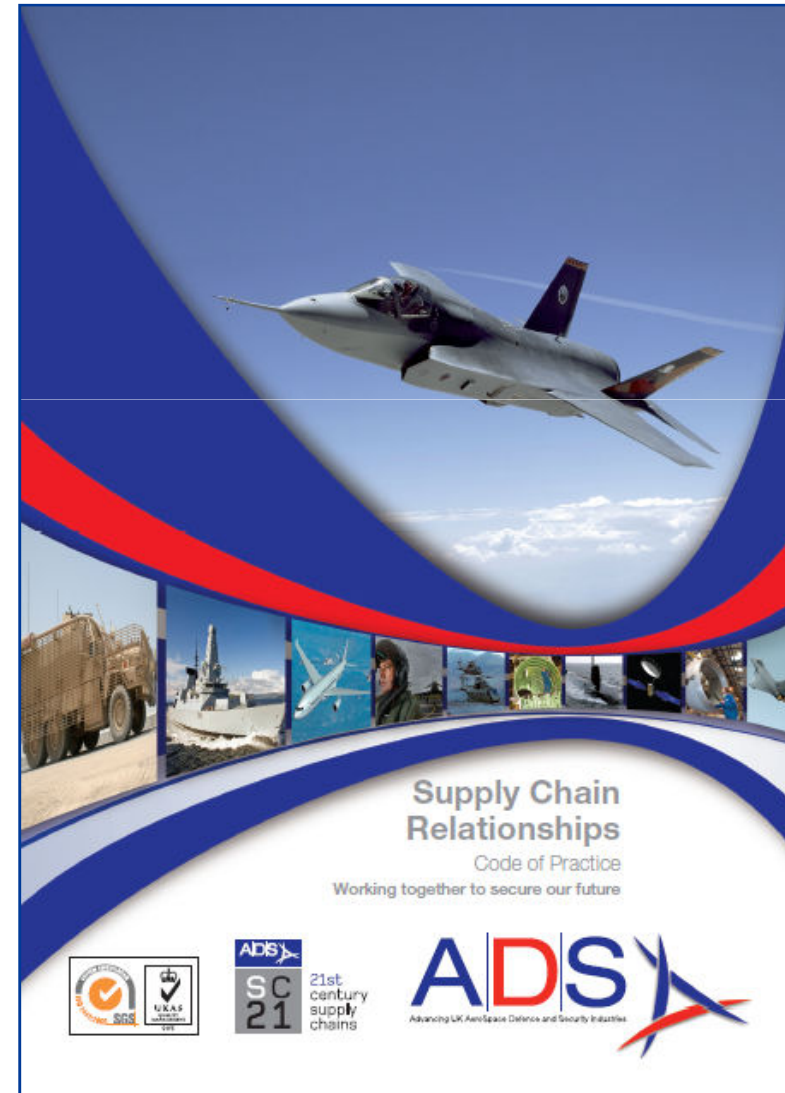




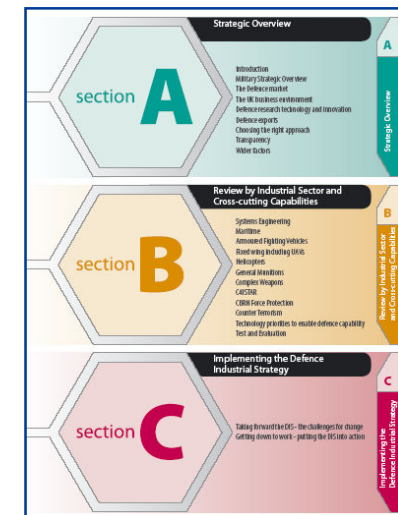
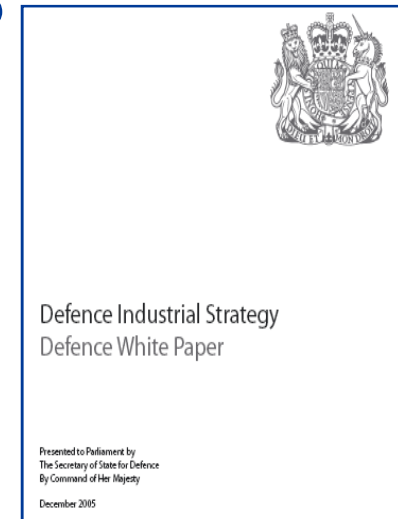
# DEPLOYMENT OF RELATIONSHIP MANAGEMENT MATRIX TOOLS





## Relationships: The challenges of DIS

- to plan more effectively and jointly for the long term embracing the vision of Through Life Capability Management
- to work jointly to foster better understanding of each others objectives and business processes
- to promote the use of partnering behaviours ... to encourage trust, openness, transparency and communication.

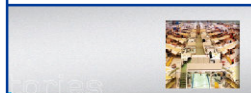




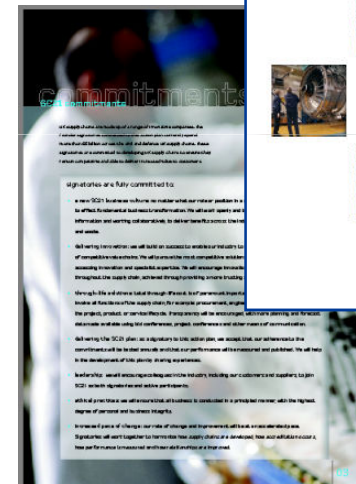
# Relationships: Supply Chain 21



**July 2006**  
Action Plan launched  
supported by 19 founding  
signatories



**Dec 2006**  
Implementation Guide launched  
supported by 185 signatories



## modernise business relationships

- inspire a greater entrepreneurial spirit
- deliver competitive customer solutions to sustain profitable business growth



# Why is SC21 necessary? SC21 will help suppliers work together to:



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supply  
chains

- modernise business relationships
- improve communications and collaboration
- increase efficiency and simplicity
- increase innovation
- remove duplication and hence reduce costs

## current situation:

- disconnected, fragmented supply base
- business relationships are often poor
- great deal of waste and duplication (ie auditing)
- the interests of different parties are not aligned

the arrows represent the aims and interests of the various elements of the supply chain



# SC21 focus on relationships



## 1. accreditation:

need to remove repetition, and unnecessary duplication

*initially* SC21 will implement 3 action streams to drive early transformation and improvement

## 3. relationships:

need for better end-to-end communication and collaborative planning

## 2. development and performance:

need increased efficiency and remove waste

new business culture



# Supply Chain

## Relationships Code of Practice



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- establishes a set of guiding principles that promote the highest standard of supply chain relationships throughout the extended enterprise.
- promotes the creation of an environment in which teams understand and work towards their shared objectives whilst still meeting their individual targets







## Supply Chain Relationships Code of Practice:

### Key principles



- creating an environment that fosters co-operation, openness, and sharing of information is key to developing trust and enabling joint performance improvement
- successful commercial relationships are built on being open, honest, frank and fair
- driving a lean management culture and sharing best practice for the benefit of the whole value chain
- delivering integrated supply solutions in the most cost effective way
- all business is conducted in a principled manner with the highest degree of personal and business integrity



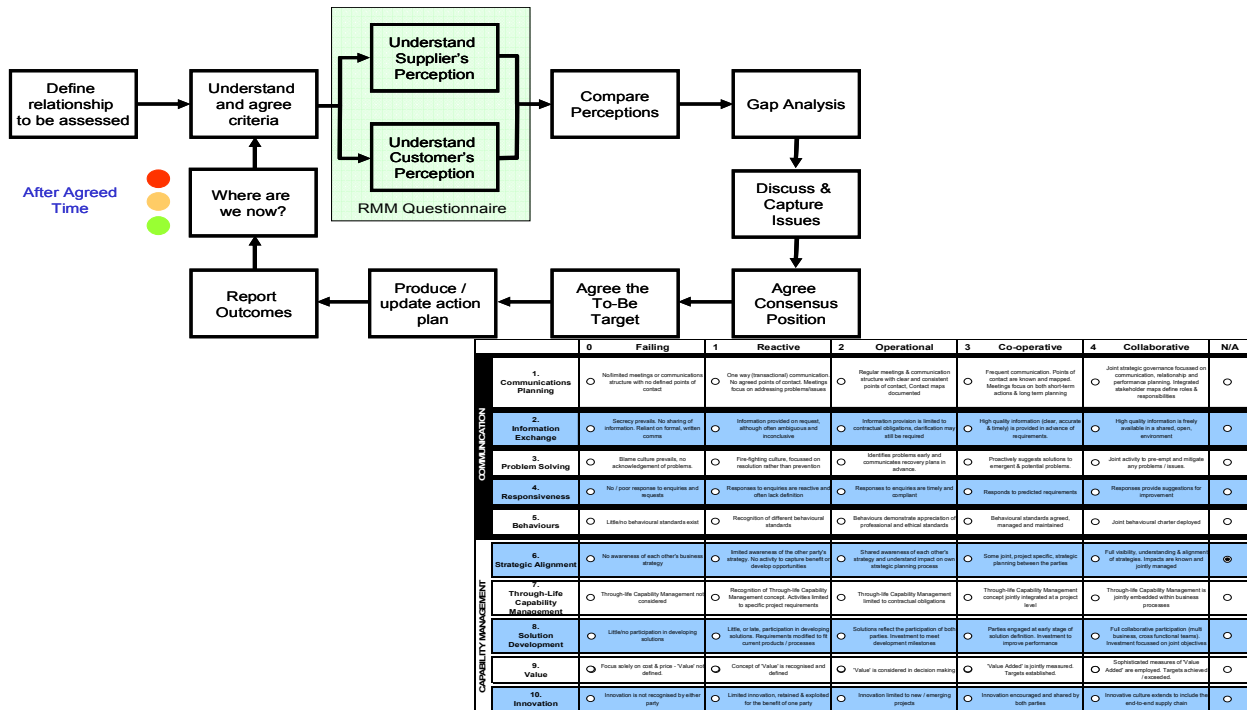
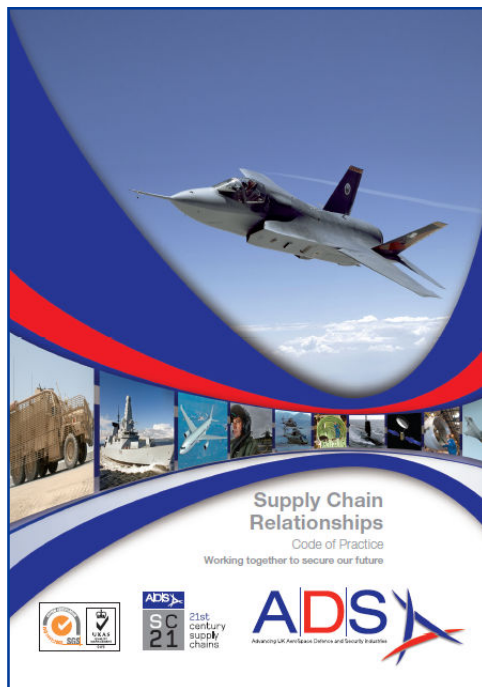
# Relationship Measurement Matrix (RMM)



# ADS Relationship Management Review (RMR)



the highest standard of relationship management will be achieved through a structured engagement process involving all relevant functions with regular reviews at operational and strategic levels

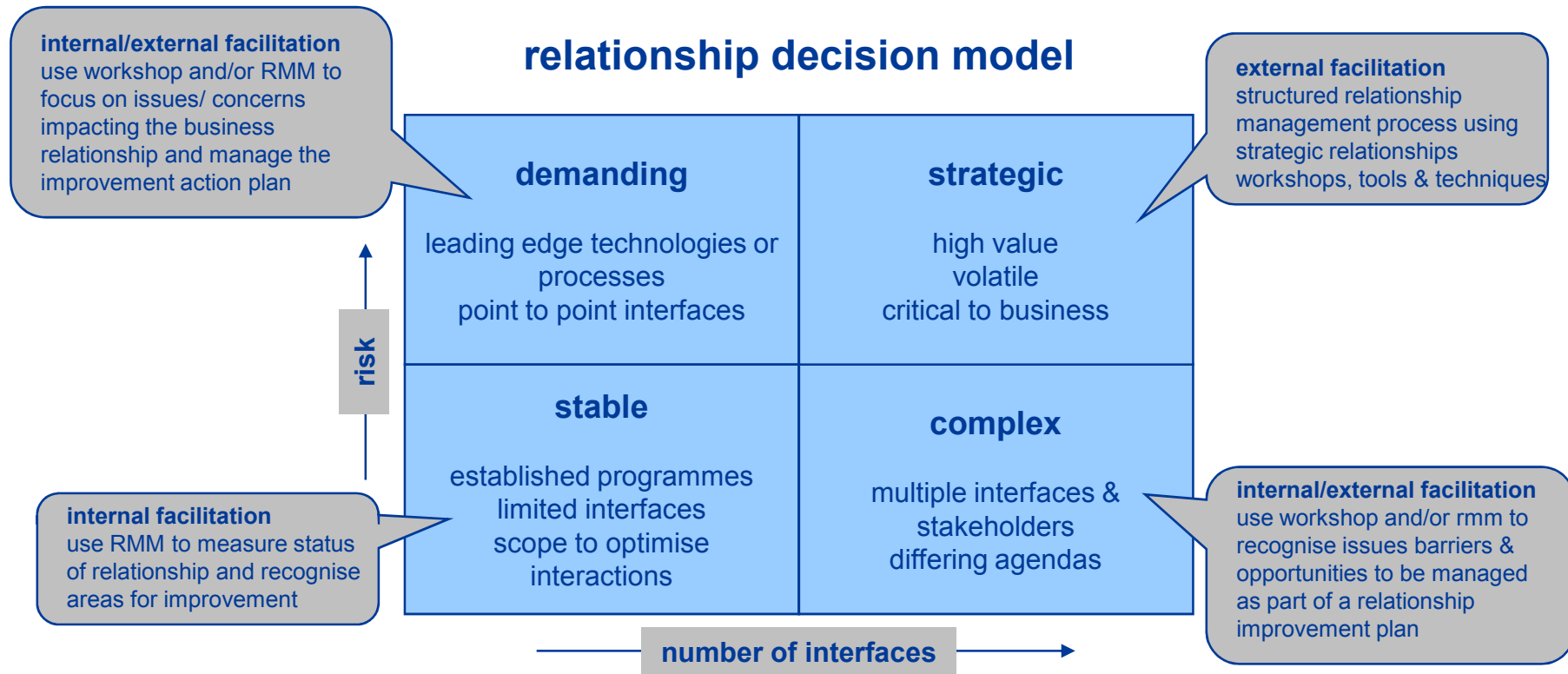




# Relationship Management Review



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chains



the scope and scale of the relationship management review process will be determined by the maturity and complexity of the relationship

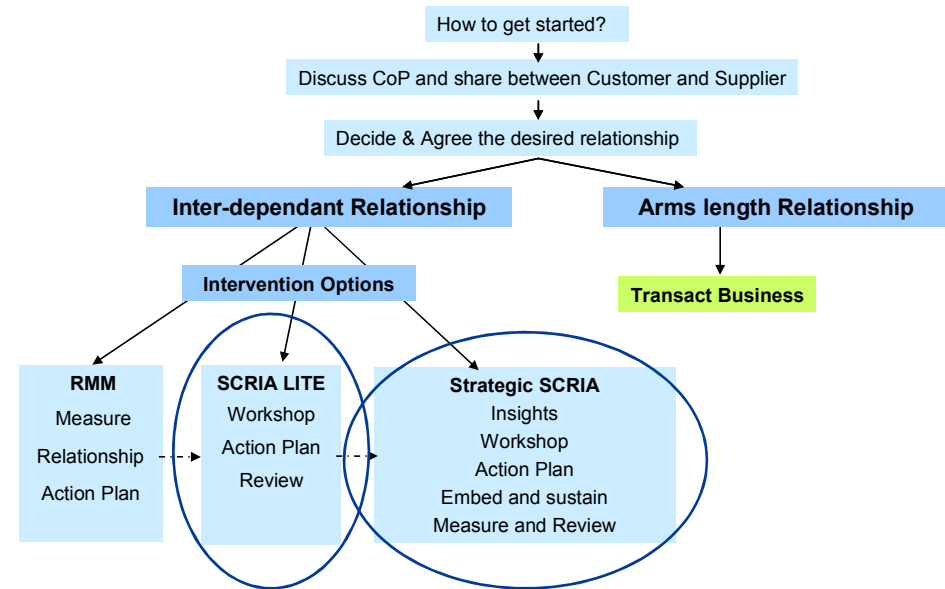


# Workshop process deployment



## the aim of the workshop is to:

- ✓ challenge the traditional methods prevalent today
- ✓ explore ways of managing the supply chain relationships
- ✓ capture best practice examples and determine how they can be deployed in your own organisation



## facilitated workshop

concentrates on uncovering the barriers to excellence and establishing strategies for improvement

## strategic relationships process

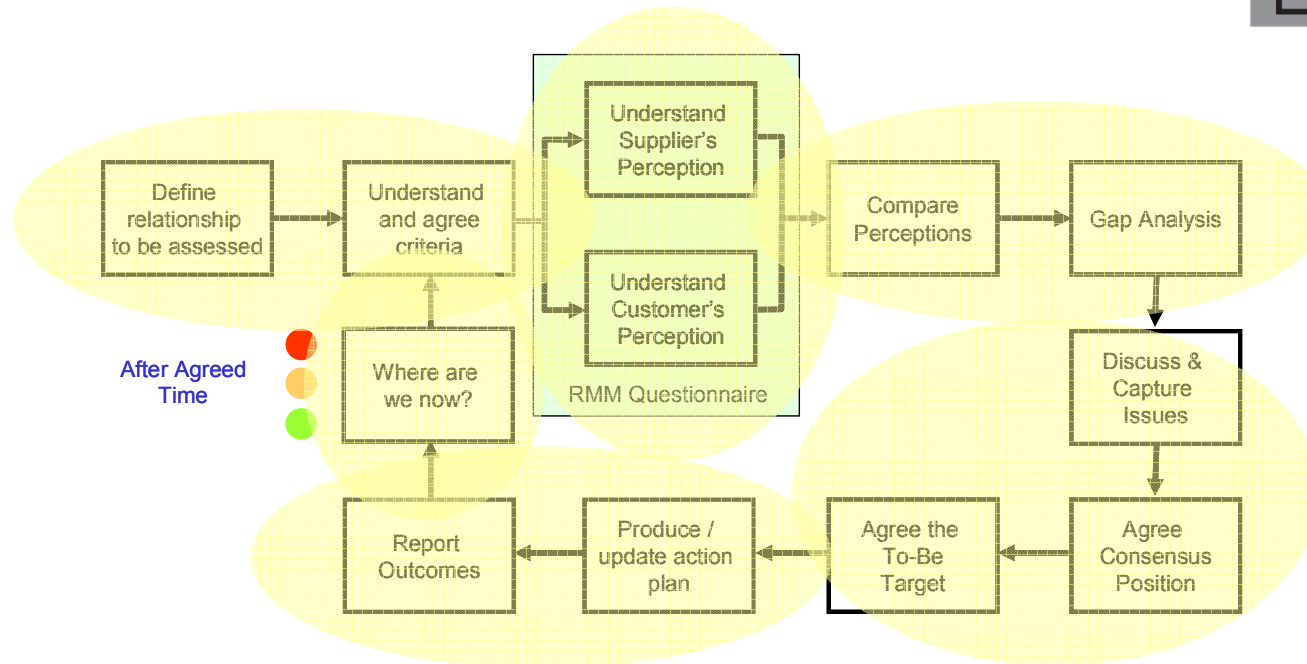
provides an in-depth analysis of the relationship: challenging existing practices, reviewing best practice and exploring tools for relationship development and improvement



# Using the Relationship Measurement Matrix (RMM)



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1. the relationship to be assessed is defined and the scope agreed between the parties
2. the RMM questionnaire is completed by Stakeholders in both organisations
3. questionnaires are consolidated and material is produced to support the workshop
4. workshop is held to recognise current status (issues, opportunities & barriers) and agree where improvement is required
5. Relationship Management Plan (RMP) is agreed and reviewed quarterly
6. stakeholder assessment is repeated and RMP is updated as appropriate



# Using the Relationship Measurement Matrix (RMM)

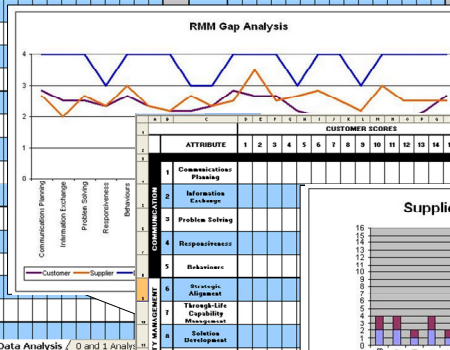
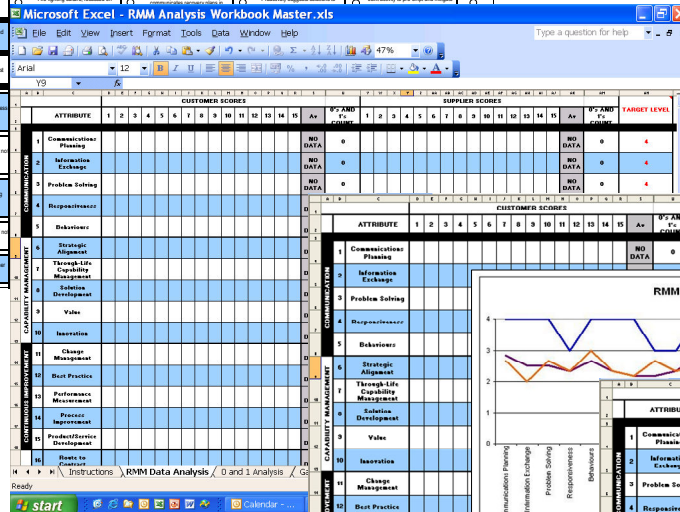


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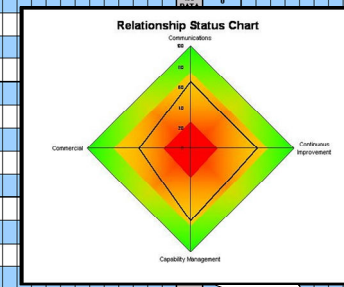
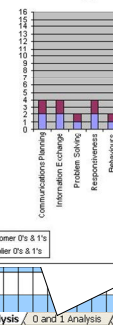
each stakeholder completes a questionnaire, detailing supporting evidence, and returns it to the facilitator

the facilitator consolidates all the responses to provide overview and extracts key issues for discussion during workshop

	0	Failing	1	Reactive	2	Operational	3	Co-operative	4	Collaborative	N/A
1. Communications Planning	<input type="radio"/>	Infrequent meetings on communication structure with no defined points of contact	<input type="radio"/>	One way (transactional) communication structure with no agreed points of contact. Meetings focus on addressing problems/issues	<input type="radio"/>	Regular meetings & communication structure with clear and consistent points of contact. Contact maps documented	<input type="radio"/>	Frequent communication. Points of contact are known and respected. Meetings focus on both short-term actions & long-term planning	<input type="radio"/>	Joint strategic governance focused on communication, relationship and performance planning. Integrated stakeholder maps, objectives & responsibilities	<input type="radio"/>
2. Information Exchange	<input type="radio"/>	Security prevails. No sharing of information. Relied on formal, written communications	<input type="radio"/>	Information provided on request although often ambiguous and inconsistent	<input type="radio"/>	Information provision is timely & consistent. Information is clear, concise & relevant	<input type="radio"/>	High quality information (clear, accurate & timely) is provided in advance of requirements	<input type="radio"/>	High quality information is freely available in a shared, open, environment	<input type="radio"/>
3. Problem Solving	<input type="radio"/>	Blame culture prevails. No acknowledgement of problems	<input type="radio"/>	Fire fighting culture. Focus on blame	<input type="radio"/>	Identify problems early and address them	<input type="radio"/>	Proactively suggests solutions to problems	<input type="radio"/>	Joint activity to pre-empt and mitigate problems	<input type="radio"/>
4. Responsiveness	<input type="radio"/>	No response to enquiries and requests	<input type="radio"/>	Response is slow and inconsistent	<input type="radio"/>	Response is prompt and consistent	<input type="radio"/>	Response is prompt and consistent	<input type="radio"/>	Response is prompt and consistent	<input type="radio"/>
5. Behaviours	<input type="radio"/>	Unhelpful behaviour. Standards are low	<input type="radio"/>	Unhelpful behaviour. Standards are low	<input type="radio"/>	Unhelpful behaviour. Standards are low	<input type="radio"/>	Unhelpful behaviour. Standards are low	<input type="radio"/>	Unhelpful behaviour. Standards are low	<input type="radio"/>



Supplier / Customer 0's & 1's Analysis



standard charts are automatically generated to support both general and focused workshop discussions



Microsoft Excel - RMM Questionnaire PiP Example.xls

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Type a question for help

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B1

	A	B	C	D	E	F	G	H	I	J	K	L	M	
1														
2		Compiled By:						In Relation To:						
3														
4			0	Failing	1	Reactive	2	Performing	3	Co-operative	4	Collaborative	N/A	
6		1. Communications Planning	<input type="radio"/> No/limited meetings or communications structure with no defined points of contact		<input type="radio"/> One way (transactional) communication. No agreed points of contact. Meetings focus on addressing problems/issues		<input checked="" type="radio"/> Regular meetings & communication structure with clear and consistent points of contact. Contact maps documented		<input type="radio"/> Frequent communication. Points of contact are known and mapped. Meetings focus on both short-term actions & long term planning		<input type="radio"/> Joint strategic governance focussed on communication, relationship and performance planning. Integrated stakeholder maps define roles & responsibilities		<input type="radio"/>	
10		2. Information Exchange	<input type="radio"/> Secrecy prevails. No sharing of information. Reliant on formal, written comms		<input type="radio"/> Information provided on request, although often ambiguous and inconclusive		<input checked="" type="radio"/> Information provision is limited by contractual obligations, but still be re		<input type="radio"/> Frequent communication. Points of contact are known and mapped. Meetings focus on both short-term actions & long term planning		<input type="radio"/> Joint strategic governance focussed on communication, relationship and performance planning. Integrated stakeholder maps define roles & responsibilities		<input type="radio"/>	
14		3. Problem Solving	<input type="radio"/> Blame culture prevails, no acknowledgement of problems.		<input type="radio"/> Fire-fighting culture, focussed on resolution rather than prevention		<input type="radio"/> Identifies problems & communicates root causes. Plans in advance		<input type="radio"/> Frequent communication. Points of contact are known and mapped. Meetings focus on both short-term actions & long term planning		<input type="radio"/> Joint strategic governance focussed on communication, relationship and performance planning. Integrated stakeholder maps define roles & responsibilities		<input type="radio"/>	
18		4. Responsiveness	<input type="radio"/> No / poor response to enquiries and requests		<input checked="" type="radio"/> Responses to enquiries are reactive and often lack definition		<input checked="" type="radio"/> Responses to enquiries are timely and complete		<input type="radio"/> Frequent communication. Points of contact are known and mapped. Meetings focus on both short-term actions & long term planning		<input type="radio"/> Joint strategic governance focussed on communication, relationship and performance planning. Integrated stakeholder maps define roles & responsibilities		<input type="radio"/>	
22		5.	<input type="radio"/> Little/no behaviour		<input type="radio"/> Recognition of different behavioural standards		<input type="radio"/> Behaviours demonstrate appreciation of professional and ethical standards		<input checked="" type="radio"/> Behavioural standards agreed, managed and maintained		<input type="radio"/> Joint behavioural charter deployed		<input type="radio"/>	
26					<input type="radio"/> Awareness of the other party's strategy. No activity to benefit or develop opportunities		<input type="radio"/> Behaviours demonstrate appreciation of professional and ethical standards		<input checked="" type="radio"/> Behavioural standards agreed, managed and maintained		<input type="radio"/> Joint behavioural charter deployed		<input type="radio"/>	
30					<input type="radio"/> Recognition of Through-life Capability Management		<input type="radio"/> Behaviours demonstrate appreciation of professional and ethical standards		<input checked="" type="radio"/> Behavioural standards agreed, managed and maintained		<input type="radio"/> Joint behavioural charter deployed		<input type="radio"/>	
32					<input type="radio"/> Management not considered		<input type="radio"/> Behaviours demonstrate appreciation of professional and ethical standards		<input checked="" type="radio"/> Behavioural standards agreed, managed and maintained		<input type="radio"/> Joint behavioural charter deployed		<input type="radio"/>	

the stakeholder reads all the descriptors for each attribute and selects the one that is appropriate to their view of the relationship

if the stakeholder makes an error & needs to amend their selection, clicking the correct button will automatically remove the previous selection

if the stakeholder does not think a particular attribute is applicable to their view of the relationship, the "not applicable" button can be selected

Instructions Questionnaire Comments

Draw AutoShapes

Ready

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Compiled By: In Relation To:

		0	Failing	1	Reactive	2	Performing	3	Co-operative	4	Collaborative	N/A	Comments
1	Communications Planning		Unlimited meeting or communication structure with no defined point of contact		One way (transactional) communication. No agreed point of contact. Meeting focus on addressing problem/issue		Regular meeting & communication structure with clear and consistent point of contact. Contact map documented		Frequent communication. Point of contact are known and mapped. Meeting focus on both short term action & long term planning		Joint strategic governance focused on communication, relationship and performance planning. Integrated data holder		
2	Information Exchange		Secrecy prevails. No sharing of information. Reliant on formal, written communication		Information provided on request, although often ambiguous and inconclusive		Information provision is limited to contractual obligation, clarification necessary		High quality information (clear, accurate & timely) is provided in advance of requirements		High quality information is freely available in shared, open, environment		
3	Problem Solving		Blame culture prevails, no acknowledgment of problems		Fire-fighting culture, focused on resolution rather than prevention		Identify problems early and communicate recovery plan in advance		Proactively suggests solutions to emergent & potential problems		Joint activity to pre-empt and mitigate any problem/issue		
4	Responsiveness		No prompt response to enquiries and requests		Response to enquiries are reactive and often lack definition		Response to enquiries are timely and compliant		Response to predicted requirements		Response provide suggestions for improvement		
5	Behaviours		Little/no behavioural standards exist		Recognition of different behavioural standards		Behaviour demonstrate appreciation of professional and ethical standards		Behavioural standards agreed, managed and maintained		Joint behavioural charter deployed		Q5 Agreement of code of conduct might get us to a "3" in this area
6	Strategic Alignment		No awareness of each other's business strategy		limited awareness of the other party's strategy. No activity to capture benefit or develop opportunities		Shared awareness of each other's strategy and understand impact on own strategic planning process		Some joint, project specific strategic planning between the parties		Full visibility, understanding & alignment of strategies. Impact are known and jointly managed		new products to us, but we both could probably do better at sharing our
7	Through-Life Capability Management		Through-life Capability Management not considered		Recognition of Through-life Capability Management concept. Activities limited to specific project		Through-life Capability Management limited to contractual obligations		Through-life Capability Management concept jointly integrated at a project level		Through-life Capability Management is jointly embedded within business processes		
8	Solution Development		Little/no participation in developing solutions. Requirements modified to fit current product / services		Little, at best, participation in developing solutions. Requirements modified to fit current product / services		Solutions reflect the participation of both parties. Investment to meet development milestones		Partners engaged at early stage of solution definition. Investment to improve performance		Full collaborative participation (multi business, cross functional teams). Investment demonstrated in joint activities		Air, started in starting its programme ahead of contract award to assist
9	Value		Focus solely on cost price. 'Value' not defined.		Concept of 'Value' is recognised and defined		'Value' is considered in decision making		'Value Added' is jointly measured. Targets established.		Supported measures of 'Value Added' are employed. Targets achieved / exceeded		
10	Innovation		Innovation is not recognised by either party		Limited innovation, retained & exploited for the benefit of one party		Innovation limited to user emerging projects		Innovation encouraged and shared by both parties		Innovative culture extends to include the end-to-end supply chain		

the assessments are converted into numeric values automatically populating the data analysis spreadsheet.

the completed questionnaires are copied & pasted into the analysis workbook.

RMM Data Analysis / 0 and 1 Analysis / Gap Analysis / Relationship Status Chart / CUS1 / CUS2 / CUS3 / CUS4 / CUS5

Draw AutoShapes

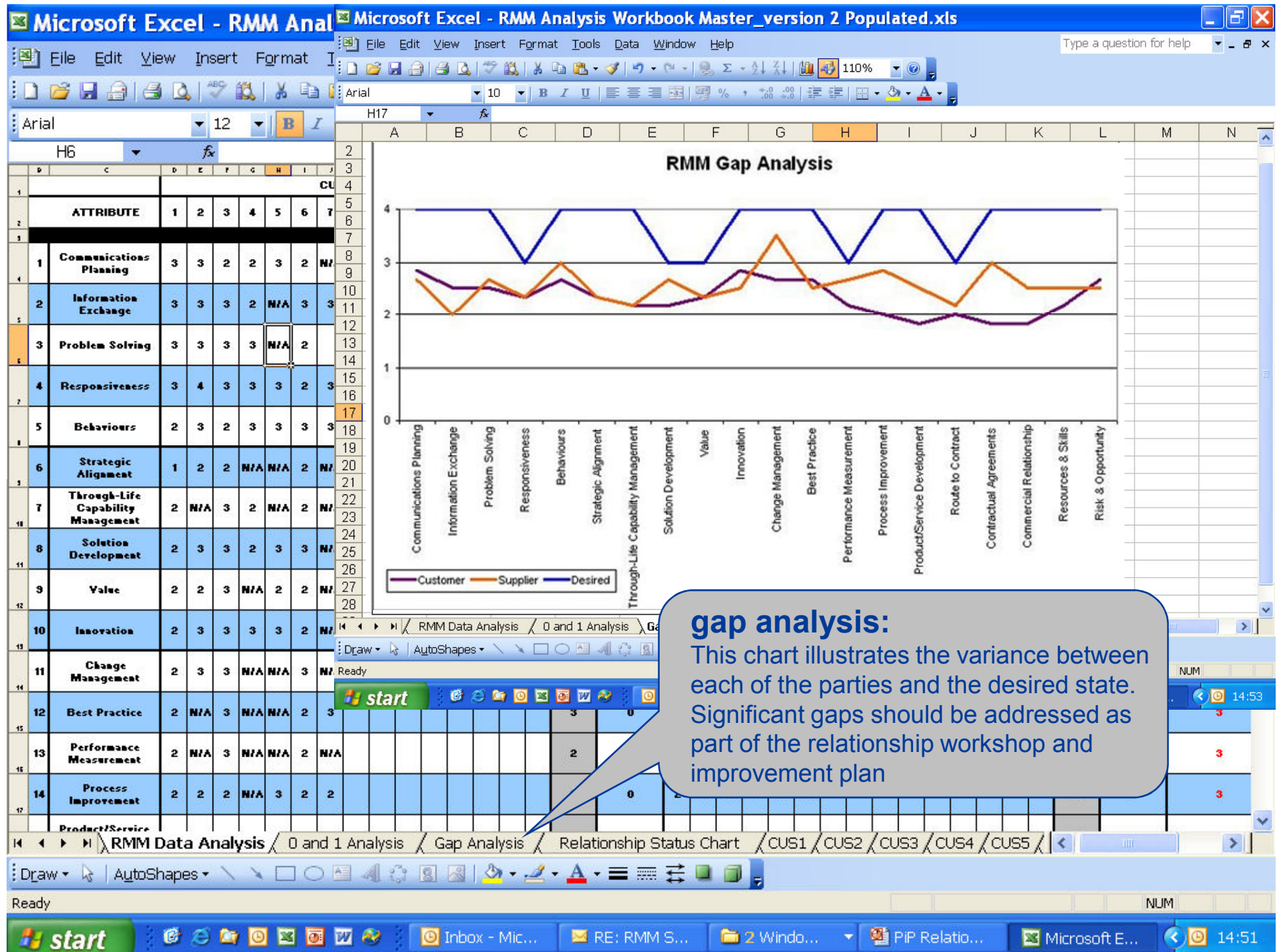
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## status chart:

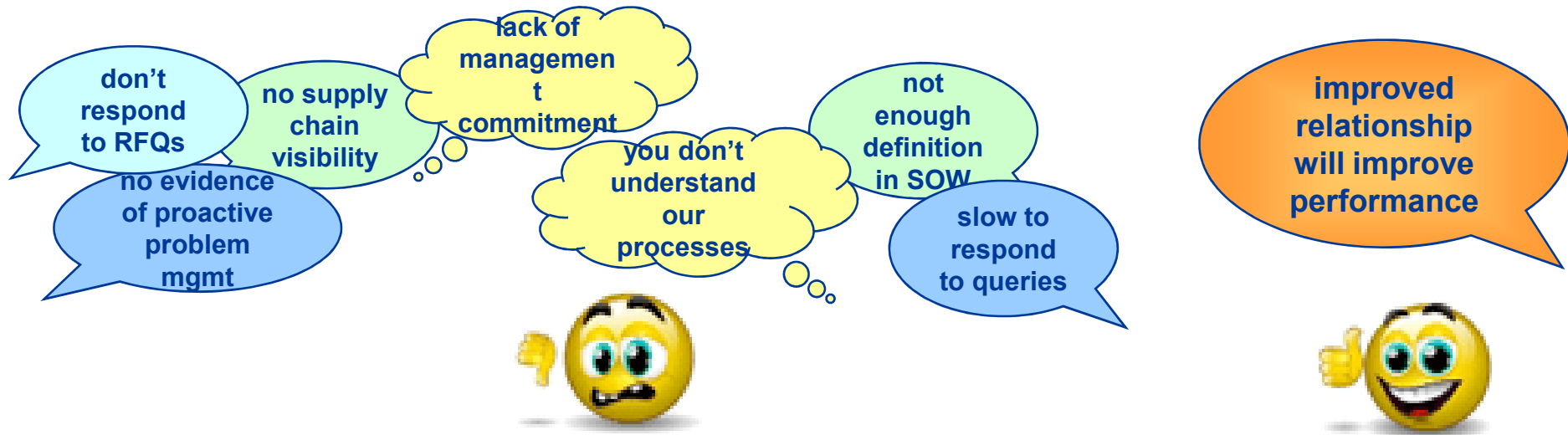
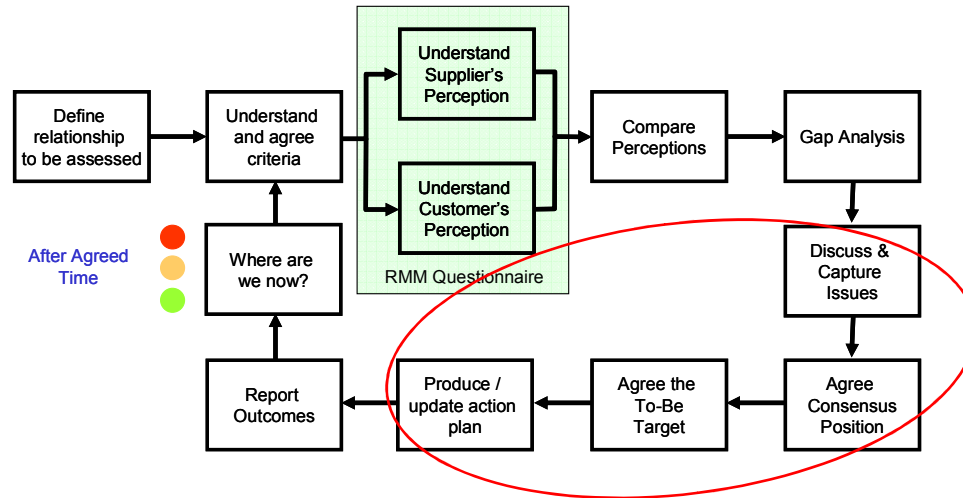
- Provides a RAG rating against the **desired** state for each of the Relationship elements
- The outer edge represents the target
- The inner red box indicates a failing state
- The Amber/Green sections indicate the level of effort/action needed to achieve the target



# Relationship improvement workshop

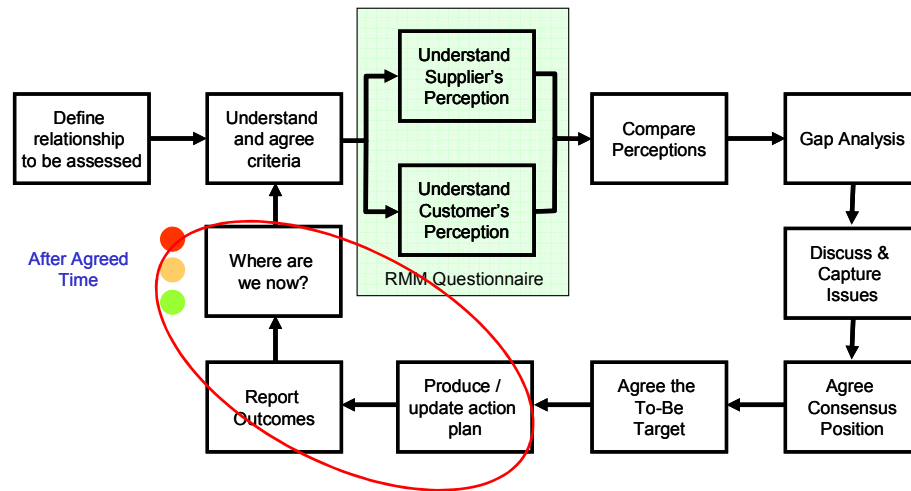


21st century supply chains





# Improvement plan and review



- identify priorities
- improvement plan focuses on 6-8 objectives
- monitor progress during regular supplier reviews
- measure achievement after agreed period
- update plan to reflect changes and add new actions

	Issue	Action	Owner / Date	Status
1.	<b>Communications</b>			
1.1	Orderback management is time consuming due to incompatible reporting formats	Agree data/control structure at desk level between CS&S OS Expediting and Supplier's Production Control Alignment of orderback data resolved, will continue to monitor (20/05)	MS/ GD/PC 31/07/05	
1.2	Current BAE's meeting frequency is impacting Supplier's Commercial team's availability	Align meeting structure to optimise x-BAE's meetings Action outstanding with SL (20/05) Utilise electronic meeting facilities Webex training to be arranged for next Opt Review Training for stakeholders of Opt review (20/05/05)	SL 31/07/05 SR 31/07/05 Deferred to 10/10/05	
1.3	Effectiveness of meetings is compromised by lack of preparation	Stakeholder inputs to be captured and forwarded 1 wk before Opt Review	SR/TR ongoing	
1.4	Ability of Invoice clearance/queries is poor and is affecting ABA financial planning	Outstanding Invoice report to be forwarded to SR monthly Outstanding Invoices to be investigated and recovery action reported back to ABA	SR ongoing SR ongoing	
2.	<b>Continuous Improvement</b>			
2.1	Need to engage wider community to generate continuous improvement and cost reduction suggestions	CA scheme to be used to recognise joint BAE's/ Supplier initiative Process to be presented to all stakeholders Valid pending output of Air Systems/ Supplier's project (20/05) Adrian's success Future project success to be reported in In-House made the re	SR 31/08/05 Deferred to 10/10/05 SR/MS the	
3.	<b>Capability Management</b>			
3.1	Need to develop better way of managing RSAP refurbishment of CDRM	Develop and service upgrade proposal for RSAP fleet incl. service kits & <del>spare parts</del>	AB 31/10/05	
4.	<b>Commercial</b>			
4.1	Lack of awareness of Finance payment requirements	Finance Processes (facts/AV) to be reviewed at next Opt Review Meeting to be arranged to review & understand the process & responsibilities (20/05)	OP 31/08/05	
4.2	Understand issues around x-Business Engagement (resource pull across BAE's business units)	Pursue via MS/SP	SR/SL ongoing	