

RMR User Guide

A Facilitators Guide to: Conducting a Relationship Management Review utilising the Relationship Measurement Matrix

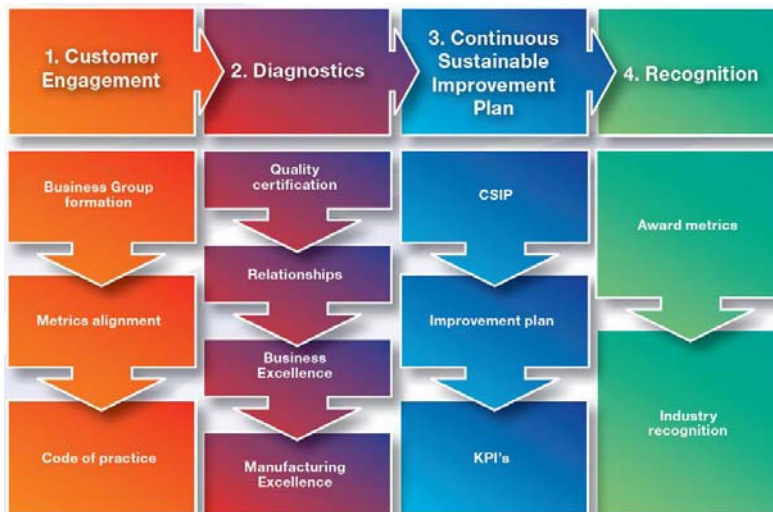
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Introduction



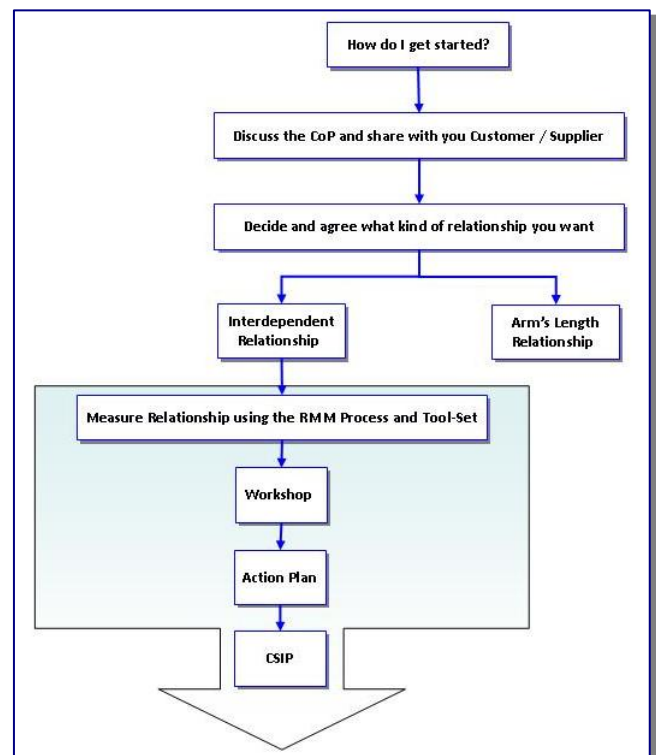
Relationship management is widely acknowledged as critical to the success of any project; without effective lines of communication, issues, risks and opportunities are not recognised or managed.

A concurrent activity would be the Collaborative Working Excellence Framework (CWEF) which is intended to embed a collaborative approach in a supplier, in just the same as the Manufacturing Excellence Framework is designed to embed a lean approach within a business.

The CWEF will not simply be asking suppliers to “do more RMMs”. Rather, the principle is that by embedding the CWEF, a company will embed a collaborative working as an approach in the company – not just in specific one-to-one relationships (using the RMM/RMR).

The CWEF consistent with BS11000 - lightweight enough for SMEs. CWEF provides a benchmark for a company’s ability to work collaboratively. It is a measure of the company capability itself.

Companies can develop an appropriate approach to relationships – CWEF works for situations where it is appropriate for customer-supplier to work at arm’s length, as well as for close “partnering” relationships.



Do not throw away the RMM – in fact it is the results of RMRs that provide part of the evidence for CWEF

The Supply Chain Relationship Code of Practice (CoP) establishes the principles by which organisations can work together to achieve sustainable benefit for their own organisation and the entire value chain.

The Relationship Management Review (RMR) process (detailed in section 2), provides a mechanism to evaluate relationships against the CoP and their desired state as agreed by the parties. There is no limit to the number of parties that might consider conducting an RMR, but it is best done in turn between each business interface, a one to one relationship assessment.

The RMR process, based on the principle of “Plan, Do, Review”, is easy to understand and deploy and is therefore applicable to all stages of relationship development or management and at all phases of the project/product lifecycle.

Benefits of Business Relationship Management

The benefits of holding regular Relationship Management Reviews include the following:

- ***Developing an improved understanding of the Customer – Supplier Relationship***
- ***Reveals opportunities for improvement***
- ***Identifies issues/problems that if resolved will help improve supply chain performance, improving customer satisfaction and reducing the cost of non-conformance***
- ***Reduces timescales as a result of improved planning and concurrent activities***
- ***Enables collaborative approach and improves resource deployment***
- ***Facilitate / encourage dialogue***
- ***Creates (influences) expectations***
- ***Builds personal relationships between interacting stakeholders***
- ***Mitigates against any recent or significant business changes at either party (e.g. a new contract, consolidation or expansion)***

It should be noted that holding a RMR will not in-itself fix a poorly performing relationship, only completing the improvement actions will deliver sustainable business benefits

The objective of this guide is to provide the facilitator with a structured framework for reviewing relationships between Customer and Supplier stakeholders, concentrating on four main subject areas:

- ***Factors to be considered before conducting a Relationship Management Review***
- ***The RMR process – a closed loop process for relationship review and improvement***
- ***The Relationship Measurement Matrix – an effective data capture and analysis tool, which can facilitate the RMR process***

1. Factors to be Considered before conducting an RMR

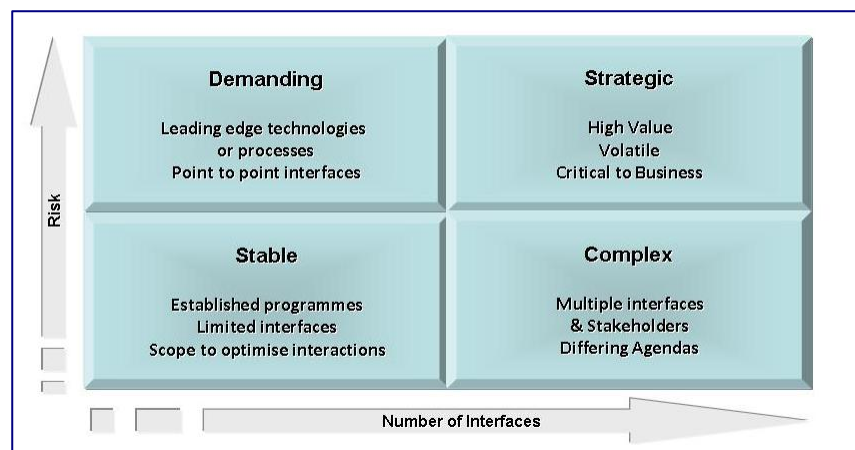
The British Standard for Collaborative working relationships, BS11000, aim is to provide a strategic framework to establish and improve collaborative relationships in organizations of all sizes. It is becoming more and more widely deployed and used as the standard for embedding a relationship focussed, collaborative approach within businesses

The scope and scale of activities undertaken to assess and improve supply chain relationships will be determined by factors such as the maturity and complexity of the relationship, the risk incurred by the parties involved, the extent of the stakeholder population to be engaged, and the objectives of the exercise.

The use of the Collaborative Working Excellence Framework (CWEF) will assist in determining the factors of what kind of relationship is required and whether a RMR is appropriate for that relationship. Collaborative Working with customers and/or suppliers will require:

- **Senior Sponsor for Collaborative Working – Board Level authority**
- **Company Strategy addressing Collaborative Working**
- **A strategy for relationships including segmentation and prioritisations of relationships**

The decision matrix below measures Risk and Complexity and indicates the level of facilitation required for relationship management review activity.



The more complex the relationship or the greater the number of participants, the more important the services of an experience facilitator will become.

All parties involved must be clear on why a RMR activity is being run and all parties must be brought into the process. RMR activity that is heavily driven by one side runs the risk of failure

In addition the following Critical Success Factors should be considered;

- ***Senior Sponsorship – management from both parties must have the responsibility and authority to dedicate resources and resolve issues***
- ***Commitment – both parties must demonstrate a commitment to improve the relationship***
- ***Process / approach – the process to be used must be visible and agreed by both parties***
- ***Ownership – parties must take shared responsibility for the resolution of issues post RMR activity.***

Resources – both parties will need to make the necessary resources available to complete the agreed improvement/actions. If an RMR is conducted as part of SC21 programme deployment, then actions arising would naturally be included onto the Continuous Sustainable Improvement Plan (CSIP).

Further guidance, hints and tips can be found on the RMM “How to” Guidance Note

The SC21 Facilitator’s Responsibilities

- ***It is recommended that the SC21 Facilitator has been trained either by an authorised SC21 Training Partner or by a recognised SC21 Lead RMR Facilitator***
- ***The SC21 RMR Facilitator is recommended to be involved in the CSIP process and the relationship review process***
- ***The SC21 Facilitator must gauge the management buy in from both parties, without it the process will not work***
- ***It is recommended the SC21 Facilitator access the reasons for both parties wishing to engage in the RMR Process:***
- ***Is it being imposed by one party upon another?***
- ***Have both parties looked at other factors such as Q&D data and any gap analysis etc?***

Responsibilities

- ***Agree the scope & objectives of the review with senior sponsors from both organisations***
- ***Engage stakeholders/participants to complete the preferred SC21 tool, the RMM Questionnaire; using the SC21 standard template.***
- ***Data gathering and analysis of completed questionnaires, with the possibility to request additional feedback***
- ***Recommend agenda (for agreement by senior sponsors) and produce material to stimulate workshop discussion***
- ***Facilitate joint review/workshop***
- ***Create a friendly, open environment: consider using ice breakers to engage participants into the group***

- ***Maintain neutrality in your words and expressions.***
- ***Ensure balance among participants: encourage non-talkers to be more expressive, and discourage talkative types from dominating the discussions.***
- ***Consider promoting less senior members to take the lead on debates.***
- ***Make sure all participants feel valued and are treated respectfully.***
- ***Be aware of any natural divisions in the room and encourage every person present to participate.***
- ***Convey a sense of purposefulness: set the agenda and make sure the appropriate items are discussed.***
- ***Where appropriate consider using a co-facilitator to assist with break-outs and ensure all issues and discussions are captured.***
- ***Ensure good time management: completing all required activities effectively***
- ***Feedback to senior sponsors re achievement of objectives and lessons learned for future RMRs***

The Role and Responsibilities of Sponsors

Senior sponsorship from both parties is important to the effective management of business relationships and is a key success factor for the relationship management review process.

Sponsors should be:-

- ***A key player in the relationship/contract with a vested interest in its success over the medium to long term***
- ***Senior, and able to secure participation of influential stakeholders***
- ***Willing to arbitrate and lead discussions during workshop***
- ***Empowered to make decisions and to empower others to accept the actions that arise and to be responsible for delivering the actions accepted by their business***

The behaviours of senior sponsors can set the tone for workshop events and can be beneficial in promoting the importance of the activity. However, facilitators should be aware that their presence may constrain the willingness of stakeholders to air contentious issues; if this is the case Sponsors can be used to set the objectives at the beginning of the event allowing team leaders and other stakeholders to work the issues before returning to agree the priority actions and improvement plan.

The Role & Responsibilities of Key Stakeholders

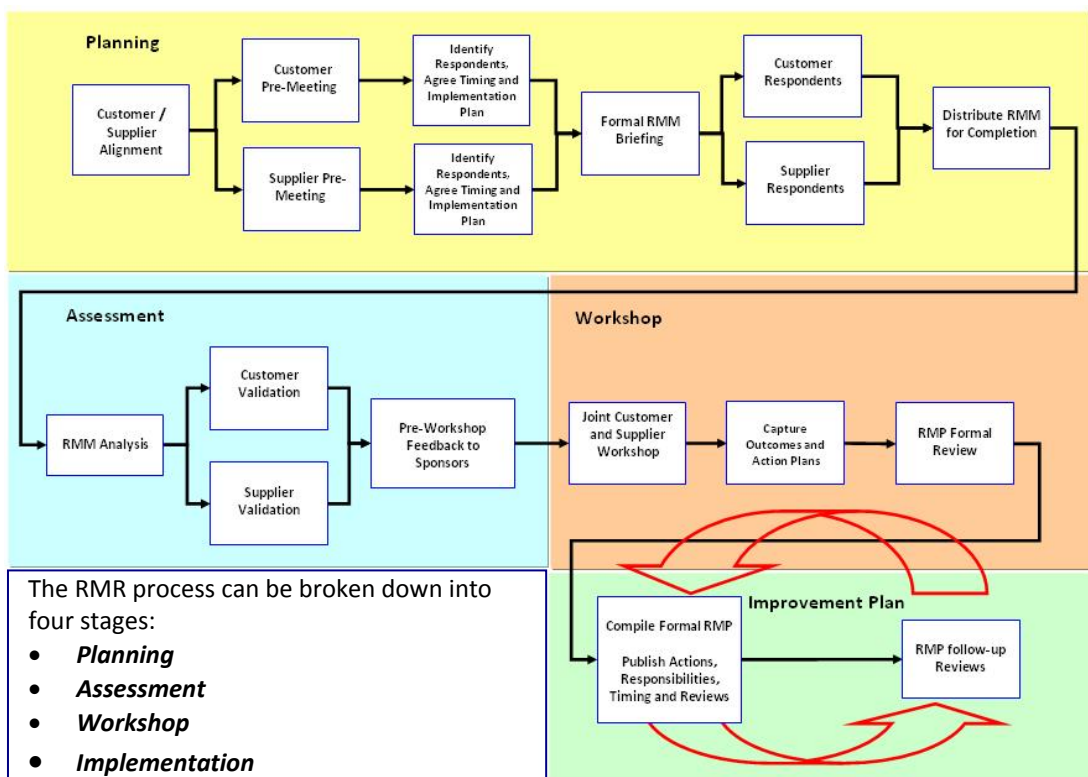
All relationships rely on the support and participation of their key stakeholders. These individuals, from both parties, have a vested interest in the success of the relationship in the short, medium and long term.

Key stakeholders should be:-

- ***Involved in the relationship at a tactical and/or strategic level***
- ***Have regular interactions with the other party***
- ***Committed to improve the relationship and to actively participating in the workshop event***
- ***Willing to support and implement actions required as part of the improvement plan***

2. The Relationship Management Review Process

The “closed-loop” process provides a structure for assessing, improving and reviewing the relationship between two parties, typically a Customer – Supplier relationship, involving multiple stakeholders in both organisations who interact on a regular basis



Each of the process activities are detailed in this section. At the end of each sub-section there are three key points for the facilitator to consider.

2.1 Customer / Supplier Alignment

At the outset, it is important to define the level at which the relationship is required to be managed; this may be at company, business unit, project or team level. For large, complex organisations, it may also be necessary to define specific sites and locations to which the review relates.

It is vitally important that the definition is relevant to the work / programme being undertaken and that any improvement activity can be implemented by the participants of the review. In most cases, it is better to take a bottom-up approach rather than top-down.

Equally, another pitfall worth avoiding is too high a level, e.g. one large organisation to another, where the sample size is massive and the actions almost become “motherhood” statements, with little tangible action or focus.

A Senior Sponsor should be appointed within each organisation to give the review a high level of importance and credibility. As well as the sponsor, there may also be a number of key stakeholders who will be interested in the review e.g. customer / IPT.

It is equally important to identify individuals within each party who has the primary responsibility for the relationship. This will typically be the Supplier Manager/Sub-contract Manager within the customer organisation and the Project Manager within the supplier organisation. These two key individuals will be responsible for implementing the actions agreed as the output for the relationship review.

Three key points to consider:

- ***The level of engagement needs to be appropriate for the type of business being undertaken***
- ***The review should be balanced and include all stakeholders***
- ***At least one participant from each organisation has to have responsibility and authority to deliver the desired actions***

2.2 Identify Respondents

A relationship review typically takes the form of a perception appraisal, in terms of face-to-face discussions, a questionnaire or facilitated workshop (see the table below for advantages and disadvantages of each technique). Some form of data gathering tool usually supports these approaches. It is important to reach agreement on what sort of approach will be deployed and with whom. Often, facilitators (internal or external) are employed and arrangements have to be made to allow them to complete their work, particularly when working across different locations.

Information can be captured in 3 ways: interview, workshop, and/or questionnaire; all have advantages and disadvantages as summarised below. Consequently, when developing a relationship review programme, thought should be given to the most appropriate techniques to enable the process.

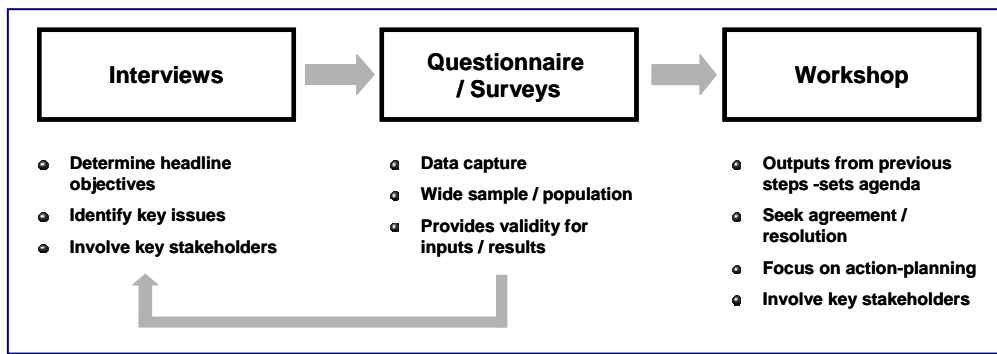
Assessment Method	Advantages	Disadvantages
Questionnaire	<ul style="list-style-type: none"> • Easiest to deploy • Consistent approach • Fixed agenda – maintains scope • Can be used on a large sample size 	<ul style="list-style-type: none"> • Open to interpretation • Requires good data analysis • Might not identify all the relevant issues • Cannot achieve consensus or agree actions • Success/validity dependent upon design
Interview	<ul style="list-style-type: none"> • Moderate sample size • Fixed agenda – can deviate if required • Skilled facilitator will draw-out relevant issues 	<ul style="list-style-type: none"> • Prone to bias from the interviewer • Usually requires specialist to deploy • Time consuming • Expensive
Workshop	<ul style="list-style-type: none"> • Single event – easier to manage • Experienced facilitator encourages participation • Good for resolving identified issues 	<ul style="list-style-type: none"> • Limited sample size – upper limit of 12 people to be effective • Highly dependent on skills of facilitator • Difficult to achieve consensus without prior knowledge of issues • Can be expensive to deploy

Often, the best approach is to deploy data capture e.g. questionnaire or interview and follow this up with a workshop once the data has been analysed to identify the key issues. Similarly, interviews are an ideal means of seeking clarification from issues raised in the data capture phase. Having an identified set of issues ensures that an agenda can be established for the review and these are used to drive the right outcomes from a workshop session.

For large projects, you may only want to consult key individuals rather than everyone. Considerations have to be made in terms of time, cost and resources as well as how the process of managing the results will be completed. Generally, the larger number of participants makes for a longer, more time-consuming data-gathering phase followed by more complex analysis and validation. However if conditions permit, every effort should be made to interact with individual contacts to identify and understand their role in the relationship.

When survey methods are employed, efforts should be made to maintain confidentiality of the results. This helps to ensure honesty and openness, as well as preventing a “witch-hunt” should sensitive or difficult issues be encountered.

To ensure that all stakeholder views and issues are captured the following data capture sequence is recommended



It is also important to understand the expectations of each party and to agree and establish objectives for the review process

Three key points to consider:

- *Agree the process, tools and techniques to be used*
- *Agree the timetable*
- *Deploy stakeholder briefings / training where necessary*

2.3 Brief and Distribute RMM

Data gathering using the RMM is the means of capturing the views and perceptions of individuals within both organisations. All participating stakeholders complete a questionnaire (issued by & returned to the facilitator).

These are then consolidated by the facilitator to develop organisation-wide views of the relationship. Maintaining confidentiality of individual’s inputs is critical to the success of this phase. The questionnaire is limited to a maximum of 40 participating stakeholders (20 stakeholders per organisation).

The completed RMM Questionnaires, once returned, are copied into the RMM analysis workbook (following the instructions contained in the workbook’s front page). The analysis tool will automatically consolidate the inputs into a worksheet that can be used to view and investigate the spread of inputs across all the participants.

In addition the workbook automatically generates three default charts for use in future stages of the RMR process; the only input required from the facilitator is to add the desired “Target Relationship” score to the Analysis worksheet. Comments and/or supporting evidence supplied by the participating stakeholders should be collated by the facilitator and retained for use during the workshop.

Typically, results will show a distribution of views, from those with major issues and problems, to those with a very positive view of the relationship. It is important the information provided is validated by the facilitator, very low, not applicable or missing responses should be challenged and comments sought to support perceptions. Whilst an average may be extrapolated from the results, clearly progress in the relationship is heavily dependent upon addressing the problem issues.

Three key points to consider:

- ***Data capture activities should run concurrently – minimising the risk of cross-contamination of results***
- ***Challenge rogue results (i.e. very low or very high)***
- ***Scoring mechanism should not be used to compare one customer-supplier relationship with another***

2.4 RMM Analysis

The data collected is now compared to identify where there is agreement that the relationship is the same (consensus) and to identify key differences (i.e. where differences in the relationship may have an impact upon performance).

It may be necessary to undertake a detailed review of the results to make sure that there are no rogue results that are skewing the output e.g. particularly high or low results. This may require further discussions with the individuals concerned. Furthermore, this will also help to clarify some of the issues impacting upon the relationship.

The RMM Analysis workbook automatically generates a chart illustrating the number of participants who have assessed the relationship as “Failing / Disengaged” (0) or “Reactive” (1) against any of the criteria being measured.

Three key points to consider:

- ***Establishing a consensus can be difficult but differences in perception will provide material for debate***
- ***Encourage reinforcement of poor perceptions with comments***
- ***Don't get hung-up on the numbers game, focus on the relationship state and its characteristics***

2.5 Validate Data

Undertaking a gap analysis of the two sets of results will highlight the major differences in the perception of the relationship. The objective is to understand the key issues that are impacting upon the performance of the project/programme/business.

The RMM Analysis workbook automatically generates a chart to illustrate the gaps in perception between the two parties and the agreed target. The workshop should place emphasis upon the areas where there are key gaps or differences in perception, as these are the areas that typically regress into conflict.

Where a previous review has been held, it is important to compare the results to understand where there have been changes, and more importantly why?

Three key points to consider:

- ***The Gap Analysis chart plots the average from each parties participants which can obscure individual low perceptions***
- ***Targets should be jointly agreed by the key stakeholders of both parties***
- ***Consistency of participants is important for reviewing progress***

2.6 Run Workshop

This activity should ideally be conducted as part of a joint review or workshop. Where there are difficult issues to address, the facilitator must ensure that the discussions are kept on track and that personal agendas do not over-ride the purpose of the session. The facilitator must ensure that the process is managed to deliver the desired outcome, and prevent the discussion from becoming too deeply drawn into discussion over particular issues.

The results from the previous 3 process activities should be used to drive the agenda, with the key themes for discussion identified during the data gathering and analysis.

A typical workshop agenda may include:

- ***Introductions and Objectives***
- ***(it may be useful to use an ice-breaker if attendees have not previously worked together)***
- ***Overview of the Process***
- ***Feedback from the questionnaires; highlighting common issues and opportunities***
- ***Reflection and agreement of current position (“As-Is”) and future requirements (“To-Be”)***
- ***Agreement of key issues arising***
- ***(may use syndicates to breakdown and focus activity)***
- ***Prioritisation of key actions***
- ***Development of Relationship Management Plan***
- ***Date for follow-up***

Workshops should be participative and encourage discussion from all parties, an experienced facilitator will ensure that all participants are involved; sessions should be constrained to a maximum of 10-12 participants. Experience indicates that the level of success is inversely proportional to the number of participants.

Typically, there are four or five issues that at any one time are impacting upon the relationship, often these issues may be a consequence of another issue and so it is important to determine the root cause rather than the effect. An example of this is where there is a poor perception concerning problem identification and ownership. Some of the most influential factors in this area relate to effective communication and adequate resources. Often brainstorming these issues helps to draw out the actual issues or concerns that lie behind them, and so this helps in identifying appropriate actions.

Three key points to consider:

- ***Use the comment and feedback sheets from the RMM questionnaire to facilitate debate***
- ***Think about cause and effect – could the result be symptomatic of something else?***
- ***If the facilitator is one of the key stakeholders, there is a risk that they will be unable to make a full contribution to the proceedings***

2.7 Capture Outcomes

In comparing the two perceptions, it should be possible to agree consensus on the “As-Is” position. The use of an assessment tool helps considerably as it provides an objective comparison between the two parties.

Achieving consensus is particularly important, as this demonstrates agreement on a baseline or starting position for the relationship, prior to identifying any joint improvement activity. As relationship management is a two way process, both parties need to agree and understand the other’s position.

Conversely, failure to agree a consensus position is likely to increase the risk of failure of any improvement activity, as each party will be approaching it from different perspectives. Taking the “mid-ground” may ignore significant differences identified during the gap analysis, if the gaps are significant it may be preferable to take the lower level perception and make closing the gap one of the priorities of the action plan. The use of a reference model (i.e. adding a line to the Gap analysis chart) is particularly important in this aspect as this helps to explain and understand this common position.

Three key points to consider:

- ***Failure to achieve consensus typically results in a failure to achieve the desired outcome.***
- ***This step is not easy, don’t rush it.***
- ***Use consensus as baseline profile for future reviews***

2.8 RMP Formal Review

Having gained an understanding of the As-Is, equally important is the process of establishing a Target to be achieved during the forthcoming period.

It is important that joint agreement is reached because any planned activity needs to be jointly agreed and implemented, particularly as activity will be required by both parties. The relationship characteristics table (see below) summarises the attributes of each type of relationship. Participants should agree which relationship style is appropriate for the business currently being transacted between the parties and their future strategic objectives and engagement plans.

Failing / Disengaged	Reactive	Performing	Co-operative	Collaborative
<ul style="list-style-type: none"> Evidence of disagreement Potential failure to meet targets Lack of effective meetings/reviews Firefighting Differing planning & reporting Ritualistic practices Resourcing problems Contract claims/issues 	<ul style="list-style-type: none"> Positive individual behaviours Non-strategic Some performance targets achieved Changes planned Task-based organisation Stable resources 	<ul style="list-style-type: none"> Positive team behaviours Headline strategy identified Contracted performance targets achieved Targeted improvement activity Effective relationships at all levels Strategic dialogue initiated Effective conflict management Resource development activity planned 	<ul style="list-style-type: none"> Joint teamwork Single set of agreed strategic objectives Common project planning Evidence of achieving joint targets Joint development activities 	<ul style="list-style-type: none"> Collaborative behaviours Joint long-term strategy agreed Mutual business targets Positive results achieved from joint development activity Performance incentivised

The RMM analysis workbook automatically generates a chart that shows the “As-Is” position against the “To-Be” and RAG rates the current status as follows:

- Red indicates the relationship is failing and recovery action is urgently required to achieve desired state**
- Amber indicates the gap between the current and desired relationship state is outside acceptable parameters and improvement action is required to close the gap**
- Green indicates the gap between the current and the desired relationship state is within acceptable parameters**

Where a target has been achieved, it is still important to continue to maintain the relationship through ongoing activity, failure to maintain the relationship typically results in regression.

Three key points to consider:

- Think about interim targets especially when considering a large number of improvement actions**
- Use the relationship characteristics table to identify the type of relationship required**
- Participants must agree and own the “To-Be” target**

2.9 Compile Formal RMP

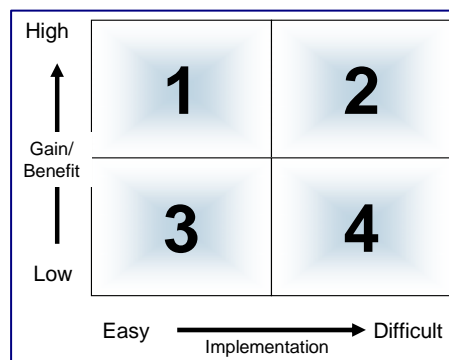
The action plan should contain the key actions agreed to meet the To-Be Target. Typically, these will be set against the key themes / issues discussed in the workshop. The plan should also include a date for the next review, typically within 6-12 months. If undertaking SC21 alongside RMR/RMM the practitioner should advise that, where appropriate, actions are included in the CSIP to capitalise on the opportunities discussed at the meeting, and supported with appropriate action plans or charters

Actions should focus on overcoming the perception gaps and addressing those issues that are perceived to be holding-back the relationship. Equally, there may be issues that the key stakeholders are keen to promote in the relationship and actions should support those. Completion of improvement actions within the RMR process cycle time may be challenging, therefore it is advised to focus attention on 5 or 6 key actions based on the outcome of the analysis and workshop that will help to achieve the desired relationship

When prioritising issues/actions it may be useful to consider how easy or difficult the improvement action will be to implement against the level of benefit anticipated.

Actions that are easy to implement and will deliver high benefit should be treated as priority; these quick wins can also be useful to demonstrate the value of the process and to ensure support for further action.

Actions that may be more difficult to implement but will deliver substantial benefit will require strong sponsorship and should be regularly reviewed as part of the Relationship Management Plan (RMP).



The agreed improvement action plan, RMP, signed by all the key stakeholders, should contain the following:

- ***Executive Summary***
- ***Overview of the process used and the scope of engagement***
- ***List of participants***
- ***Results of the analysis***
- ***Details of the agreed actions; identifying ownership of tasks (lead, and support from the other party) and completion dates.***
- ***Success criteria: details of how progress can be demonstrated.***

Three key points to consider:

- ***Think about outcomes, not problems***
- ***Remember: achieving small improvements is preferable to not achieving “blue sky” targets***
- ***The improvement action need not be with the party that identified the issue/problem***

2.10 Publish Actions

As a minimum, all participants in the relationship review should be given a copy of the final results and agreed action plan. Senior Sponsors in both organisations should be briefed as to the effectiveness of the process, its outputs and recommendations for future events.

Three key points to consider:

- ***Involvement does not stop at the end of the workshop event***
- ***Senior sponsors will want to see a return on their investment***
- ***Advertise success***
- ***Plan for a follow up RMR activity if necessary in six or 12 months***

2.11 RMP Follow-up Reviews

After an agreed period, established within the action plan, the key stakeholders in the relationship should meet to review progress against the plan. This may be included as part of the regular Quarterly Business Review between the parties, or as part of the Key Customer Meeting (KCM) if undertaking SC21.

As part of a closed-loop process, one of the objectives of this review is to try and understand any issues or opportunities as a consequence of actions taken following the previous relationship review cycle (ie method chosen, level of participation and deployment of the review). This should then be taken forward into the planning activity for the next review cycle

Three key points to consider:

- ***Was the process deployed effectively (ie were the right participants included)?***
- ***Have actions been completed and improvements embedded?***
- ***Is it appropriate to review progress and/or repeat process?***

3. The Relationship Measurement Matrix

As part of a structured relationship management review process the Relationship Measurement Matrix (RMM) allows teams to assess their relationship against the CoP and to define and characterise their desired relationship. It provides a mechanism to evaluate the relationship between two or more parties, typically a “Customer – Supplier” relationship, involving multiple stakeholders in both organisations who interact on a regular basis.

The RMM contains two excel applications:

- ***the RMM Questionnaire (to be completed by the relationship stakeholders) and***
- ***the RMM Analysis Workbook (to be used by the facilitator to collate and analyse the data supplied by the stakeholders)***

The facilitator's analysis workbook will collate all the inputs to provide an overall picture of the relationship that, as previously discussed, can be used to agree the current relationship state and to identify areas for improvement.

3.1 The RMM Questionnaire

The questionnaire (illustrated on the next page) is the primary data gathering tool used in the relationship management review process, and it is therefore critical to the overall success of the process that it is completed in a timely and accurate manner. At this stage stakeholders are making an assessment as to the current state of their relationship.

The facilitator must encourage participants to look at the descriptors for each of the attributes being assessed and to select the one that is most appropriate to their specific relationship(s).

Where the stakeholder regards the relationship as failing / disengaged, comments and/or evidence should be provided to substantiate this view.

The questionnaire (including instruction & additional comments pages) is user friendly and easy to complete; the stakeholder clicks the button that correspond to the descriptor for each of the 18 attributes being assessed.

If any of the attributes are not relevant to their specific interface/ relationship there is a "Not Applicable" button that can be selected

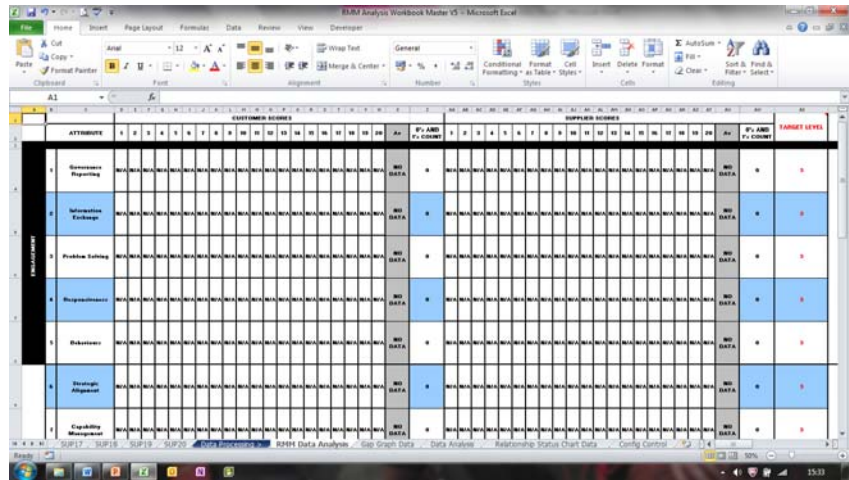
Once completed and returned, the facilitator should check for omissions and request supporting comments where particularly low assessments have been made.

As discussed earlier it is vital for the facilitator to maintain anonymity and ensure there is no cross contamination of inputs across stakeholders from either party.

	0	1	2	3	4	5	6
ENGAGEMENT	1. Governance Reporting	No limited meetings or communications structure with no defined points of contact.	One way (transactional) communication. No agreed points of contact with no focus on addressing problems/issues.	Ad-hoc meetings & communication structure with clear and consistent points of contact, contact maps documented.	Frequent communication. Points of contact are known and respected. Regular and frequent meetings focus on short-term actions & long-term planning.	Joint strategic governance focused on communication, relationships and performance planning. Integrated stakeholder maps define roles & responsibilities.	+
	2. Information Exchange	Commercial confidentiality is used as a barrier to information. Strategic governance is not informing or informing.	Information provided on request, although not always used and timeliness of response is non-existent.	Information provision is generally timely, accurate and timely but is limited to commercial obligations.	High quality information (clear, accurate & timely) provided in advance of requirements.	High quality information is always available, shared, open, environment.	+
	3. Problem Solving	No acknowledged point of problems, issues are hidden and a blame culture prevails.	Focused on internal resolution rather than joint resolution.	Problems identified early and recovery plans are communicated in advance.	Proactively suggests solutions to emergent & potential problems. Some evidence of joint resolution.	Frequent pro-actively to prevent and mitigate and resolve any problems/issues regardless of location.	+
	4. Responsiveness	No responses to enquiries and requests.	Responses to enquiries and requests are reactive and often in sequence.	Responses to enquiries and requests are timely and broadly compliant but sometimes limited in content.	Responses to enquiries and requests are timely and consistent. Pro-actively seeks clarification in order to involve the requester in the response.	Excellent responsiveness. Working jointly to Pro-actively identify opportunities to improve responsiveness.	+
	5. Behaviours	Negative behaviours are present. Little or no behavioural standards exist.	Behaviour standards generally positive, but standards are not formalised or jointly agreed.	Joint Behavioural standards are adopted and consistently demonstrated.	Job in Behavioural standards Charter deployed and consistently demonstrated. Actively identifying opportunities to improve and adopt team ethos.	Exemplary behavioural standards agreed, managed, reviewed, developed and demonstrated understanding & common purpose and joint team ethos.	+
CAPABILITY	6. Strategic Alignment	No awareness of each other's business strategy.	Limited awareness of the other's business strategy. No objective to align. No ability to capture & monitor development opportunities.	Partial awareness of the other's strategy with an objective to align. No demonstration of alignment.	Visibility of each other's strategy, objectives, aligned and divergent development areas.	Strategic alignment achieved, aligned targets are set and tracked. Joint opportunities always considered.	+
	7. Capability Management	No acknowledged point of the need to develop capabilities.	Awareness of need to develop capability but limited activity.	Some capability development activities are in place but are not consistent.	Capability development plans exist and are implemented but not necessarily 100% aligned.	Joint capability development plans exist and are routinely implemented and updated. Two-way capability development is evidenced.	+
	8. Product/Service Development	Some limited product/service development in place but no joint or shared.	Inter-organisational development and shared processes.	Timely and joint participation in developing requirements. Solutions often endorsed by requirements or current product processes.	Early and joint participation in developing requirements. Solutions validated by removal of uncertainty. Benefits of investment to improve performance in customer.	Full and timely collaborative participation, all functions & resources on joint objectives. Improved customer value & benefits.	+
	9. Value Improvement	Values are not shared and no value improvement is undertaken.	Conceptual value & shared improvement is not planned or implemented.	Value improvement plans are defined but not fully implemented or deployed.	Value improvement plans are defined and plans deployed to jointly deliver benefit to all parties.	Collaborative management and delivery of continuous value improvement to all parties. Benefits to all value improvement.	+
	10. Innovation	Innovation is not shared and no joint or shared.	Innovation is not shared and no joint or shared.	Innovation is not shared and no joint or shared.	A collaborative and innovative culture to encourage and deliver joint benefits.	A collaborative and innovative culture to encourage and deliver joint benefits. Partners are delivering joint benefits.	+
CONTINUOUS IMPROVEMENT	11. Change Management	There is no readiness to change.	Little support for change, implementation is a major challenge. Change is not shared.	Some support for change, implementation is a major challenge. Change is not shared.	Change management is in place and implemented. Pro-actively seeking to improve change.	Change management, joint planning, joint implementation and joint benefits.	+
	12. Performance Management	Performance plans and measures are not in place. This does not allow for joint or shared.	Some evidence of performance plans and measures in place and shared. Jointly agreed and implemented.	Individual performance plans and measures are in place, targeted with joint responsibility. Improvement is shared and implemented.	Individual performance plans and measures are in place and shared with joint responsibility. Targeted and implemented. Continuous improvement to all parties and implemented.	Joint performance plans and measures in place and shared. Targeted and implemented. Continuous improvement to all parties and implemented.	+
BUSINESS MANAGEMENT	13. Route to Contract	No engagement prior to the Request for Quotation (RFQ).	Insufficient pre-RFQ engagement. Little to no discussion of requirements and needs.	Satisfactory pre-RFQ engagement. Some visibility in managing requirements. Requirements are often shared.	Early pre-RFQ engagement. Visibility in developing requirements. Solutions are often shared.	Early pre-RFQ engagement. Visibility in developing requirements. Solutions are often shared.	+
	14. Contractual Agreements	Vague and ambiguous or missing contractual agreements with no clear understanding of rights and obligations.	Contractual agreements are in place but not shared. Emphasis on terms, money, liability, insurance and risk.	Contractual agreements are in place and shared. Emphasis on terms, money, liability, insurance and risk.	Contractual agreements are in place and shared. Emphasis on terms, money, liability, insurance and risk.	Contractual agreements are in place and shared. Emphasis on terms, money, liability, insurance and risk.	+
	15. Relationship	Lack of trust and openness to communicate jointly to achieve joint objectives.	The relationship is incoherent. Conflicts are not resolved and performance is poor.	Confidence in the relationship is improving. Conflicts are resolved and performance is improving.	Confidence in the relationship is improving. Conflicts are resolved and performance is improving.	Confidence in the relationship is improving. Conflicts are resolved and performance is improving.	+
	16. Resource	Resources are not shared and no joint or shared.	Adequate number of resources are in place and shared. Jointly agreed and implemented.	Adequate number of resources are in place and shared. Jointly agreed and implemented.	Resources are shared and implemented. Pro-actively seeking to improve resource sharing.	Resources are shared and implemented. Pro-actively seeking to improve resource sharing.	+
	17. Risk & Opportunity	Risk and opportunity management is not shared and no joint or shared.	Risks and opportunities are not shared and no joint or shared.	Risks and opportunities are shared and implemented. Pro-actively seeking to improve risk and opportunity management.	Risks and opportunities are shared and implemented. Pro-actively seeking to improve risk and opportunity management.	Risks and opportunities are shared and implemented. Pro-actively seeking to improve risk and opportunity management.	+
LEADERSHIP	18. Leadership	There is a lack of commitment to drive the relationship.	Participation in the relationship is limited. A limited demonstration is shared through actions and behaviours. No evidence of empowerment in place.	Participation in the relationship is shared. A demonstration is shared through actions and behaviours. Evidence of empowerment in place and demonstrated.	Leadership is shared and demonstrated. Pro-actively seeking to improve leadership.	Leadership is shared and demonstrated. Pro-actively seeking to improve leadership.	+

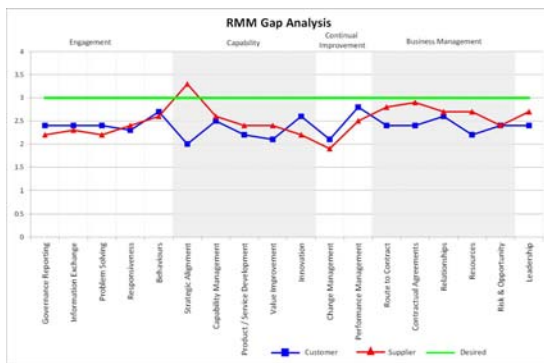
3.2 The RMM Analysis Workbook

The RMM Analysis Workbook is an excel application which has been designed to automatically populate a spreadsheet that, in addition to consolidating all the questionnaire responses into a single view, contains all the calculations required to produce a selection of outputs.



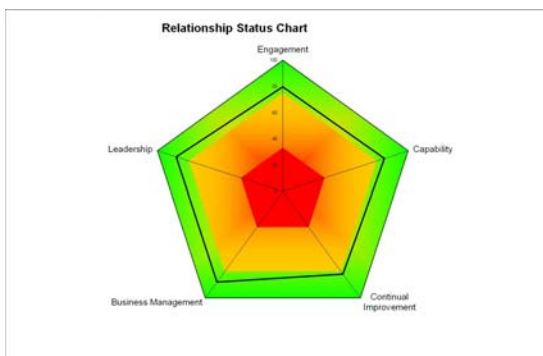
The workbook contains:

- **Instructions for copying questionnaires into the workbook**
- **The RMM analysis page**
- **The 0's & 1's Chart**
- **The Gap Analysis Chart**
- **The Relationship Status Chart**
- **Customer response sheets (CUS1-20)**
- **Supplier response sheets (SUP1-20)**

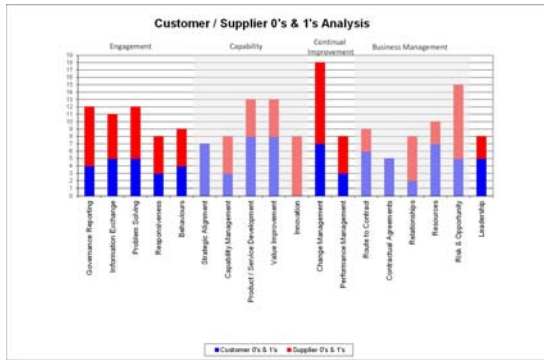


When completed questionnaires are returned they should be copied into the relevant Customer/Supplier response sheet as instructed in the first worksheet the data contained will automatically be copied into the analysis worksheet.

Note: It is advisable to re-label the tabs to identify the respondent (this will help to follow-up delinquent responses or indicate who to speak to for further clarification/justification)



Once all the responses have been collated, the built-in calculations will generate average perception scores, by respondent and by attribute and for both organisations, to be used for the Gap Analysis and to indicate the Relationship Status.



Although they can be used with the default setting, both the Gap Analysis and the Relationship Status charts require the facilitator to add a target figure to the spreadsheet. This column should be updated when the “To-Be” target is agreed by the parties.

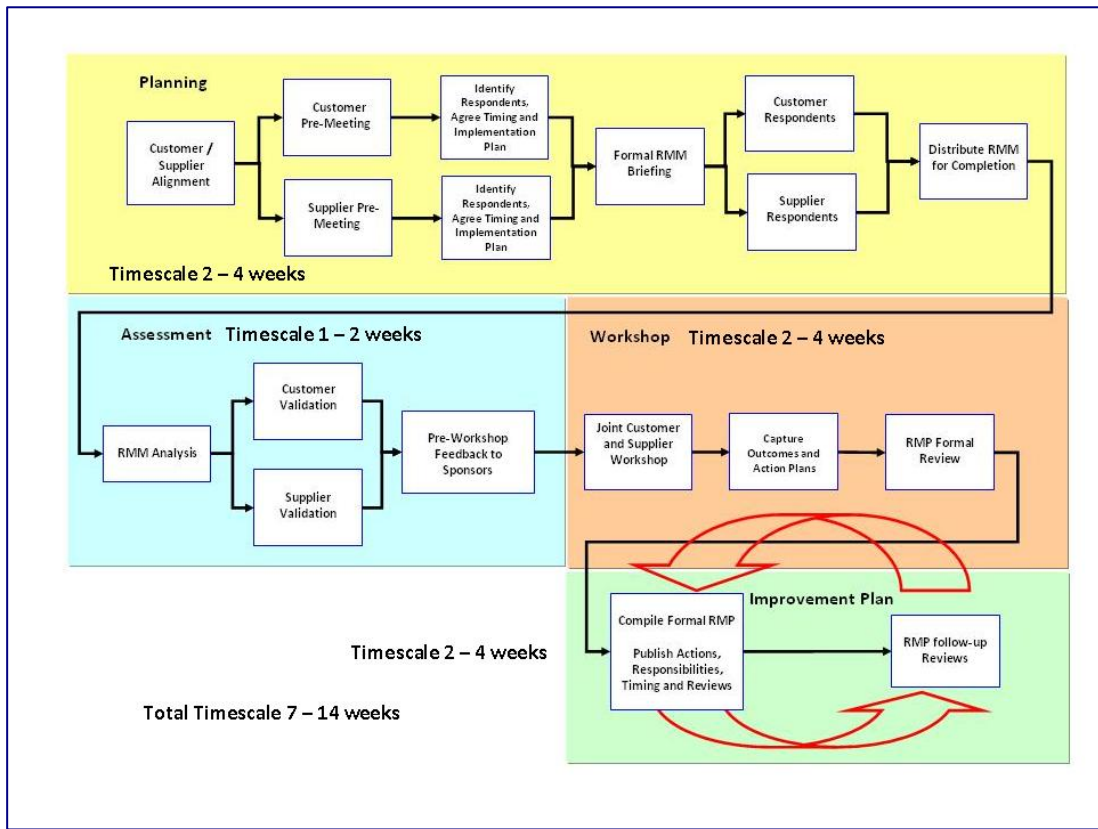
It should be noted that different target values (between 1.5 and 4) can be given to each attribute the application will then automatically update the relevant charts.

In the first instance the Gap Analysis chart can be used to recognise where there is consensus between the parties and to highlight the differing perceptions which may require further investigate or action to close the gap. Once agreed the chart can also be used to chart the difference between the current and desired position of each attribute

The Status chart is used as a summary to illustrate the current position against the desired relationship state in each category and to indicate where recovery or improvement action is required

Another calculation counts the number of respondents who have marked an attribute as “Failing/ Disengaged” or “Reactive” (0 or 1), to be used when agreeing the consensus position and for prioritising areas for improvement.

3.3 Timeline



4. Relationship Management Review Check List

<input type="checkbox"/>	Sponsors engaged and objectives agreed
<input type="checkbox"/>	Stakeholders identified and briefed
<input type="checkbox"/>	Workshop arrangements confirmed
<input type="checkbox"/>	Questionnaires issued
<input type="checkbox"/>	Questionnaires completed and returned
<input type="checkbox"/>	Data validated and analysis completed
<input type="checkbox"/>	Workshop agenda finalised and material developed
<input type="checkbox"/>	Workshop
	Current position and future requirements agreed Priority issues agreed Improvement actions agreed Relationship Management Plan established
<input type="checkbox"/>	Review Process agreed
<input type="checkbox"/>	Report Issued