

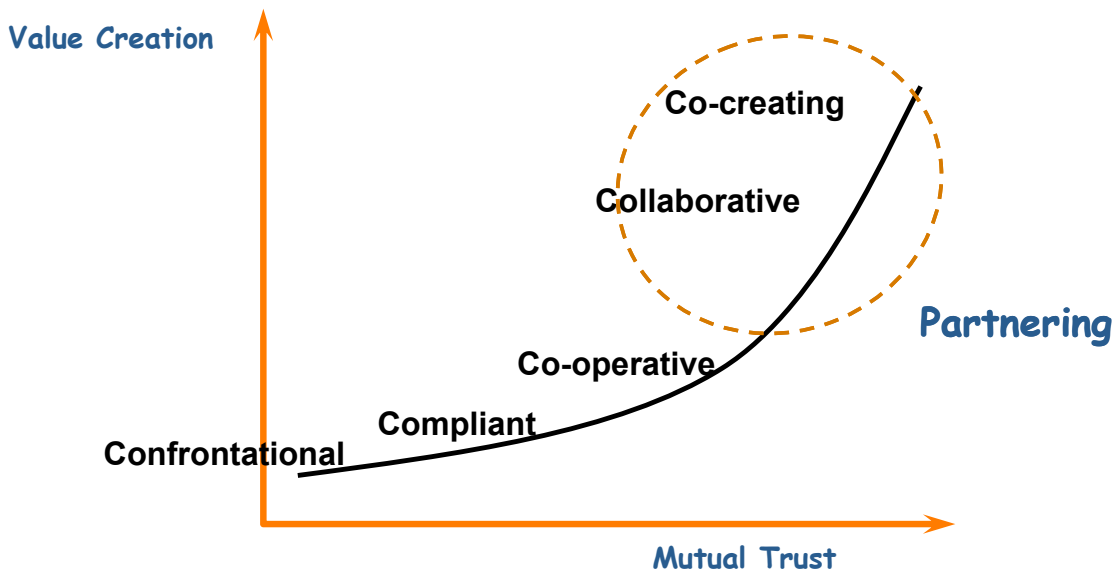
## BS 11000: Collaborative Business Relationships

Thornbury has an excellent track record in helping organisations gain competitive advantage. We incorporate best practice and new value adding approaches whenever possible. We are therefore very pleased to advocate and facilitate BS11000 to our clients to deliver:

- Best practice in forging meaningful partnerships
- A strategic way of adding value
- An important element in gaining competitive advantage

Collaborative working offers an alternative and enhanced capability to build new value propositions beyond the capabilities of an individual organisation. Surveys suggest that the vast majority of partnerships and alliances are deemed as having failed (some state as many as 80%). Yet the need for successful partnerships is becoming more urgent and critical for future success. The major reason is because the world is changing at an exponential rate and globalisation is now a fact of life. The networked economy is rewriting traditional business thinking of ownership and creating alternate business models based on interdependent and complimentary alliances. The supply chain is giving way to the concept of a more holistic value chain, value networks and eco systems. Competition is growing to reflect the demands of a more informed customer.

The challenge is for organisations to create added value. An essential strategic option is to develop collaborative business partnerships that ACTUALLY WORK!



Collaborative business relationships that actually work must overcome the following widespread challenges:

- A lack of stakeholder commitment and management support
- A lack of strategic direction

- Poor planning and partner selection
- Cultural mismatches
- A lack of shared goals and success criteria
- An absence of sharing risk and benefits

This short summation illustrates why a framework was developed to help organisations succeed in their partnering activities. We applaud PSL for their effort, research and determination in creating this framework and collaborating with BSI to incorporate this framework built into what has been described as a ‘breakthrough standard, BS11000.

### Introduction to BS11000

There is plenty of evidence that collaboration in whatever form (alliance, partnership, Joint venture, eco-system) can if appropriately integrated and executed provide a value business model and enhanced performance. The risk is that if adopted as bolt on to existing business processes or left to propagate the principles of collaboration by osmosis, it will likely be deemed a failure or worse be counterproductive in the longer term. BS 11000 is a world first and offers the opportunity to organisations to adopt a recognised model for building their collaborative approaches and benchmark themselves against industry good practice.

The adoption of a standard provides the foundation and catalyst against which organisations can develop the right strategy and encourage sustainable relationships that can deliver value based performance.



### Awareness

Collaborative approaches will cut across every function in an organisation. It is important to ensure that an organisation has a clear mandate and strategy to undertaken a collaborative

engagement. This has to be demonstrably aligned with the visions, values and objectives of the business.

### **Knowledge**

Having identified the potential for collaboration the next stage is to develop specific strategies and risk management that will deliver the required outcomes. This includes;

- What do you want to achieve
- Do you have the skills, to support the complexities of these integrated approaches.
- How will you manage knowledge and information flows.
- What will your customers and markets make of a collaborative approach?
- Who could you partner with?
- What would be the impact of withdrawing from collaboration?
- What is your exit strategy?
- What do the specific risks look like?

### **Internal assessment**

Most organisations are very good at defining what they want from others but perhaps less willing to assess their own capability to meet the demands of collaboration. A collaborative relationship requires commitment on all sides. This not just about processes, procedures, systems and contracts. It is also a question of the people drivers such as leadership, skills and motivation, which will govern the behaviours and approaches at the working level. Understanding the internal enablers that build trust between the parties based on mutual benefit and equitable reward is important.

### **Partner selection**

Collaborative relationships can be utilised in many different circumstances and finding the right partner should not be left to chance. Too often the selection process is by default or based on long term experience in a traditional relationship. This may not always be the best criteria. It is important to understand the differing dynamics of a collaborative approach and assess the strengths and weaknesses whatever the route to selection. It is clearly important to ensure that selection maintains the competitive edge.

### **Working together**

Once the partner(s) are selected, the focus shifts to ensuring that the relationship is placed on a sound foundation. Establishing the right platform on which to create a collaborative relationship is crucial. It is important to work jointly on:

- Setting out the appropriate governance model that will support collaborative working.
- Incorporate the key requirements and principles for collaboration, including operating practices and the systems to be employed to manage the operations.
- Agreed contract, drawing on all these foundation elements

## **Value creation**

A major value from collaborative approaches is the greater potential for innovation. Additional benefits often accrue from adopting a structured approach to joint continual improvement to co-create business and product value creation beyond the initial aims.

## **Staying together**

Business relationships will change over time. Internal and external drivers and pressures will affect these relationships. The founding elements of the original partnership, such as governance, key people who are actively involved will mean that the operating model should embed collaborative practice. It is crucial to establish a programme that works to maintain a sustainable relationship through ongoing joint management so that performance goals are continually achieved.

## **Exit strategy**

The exit strategy should be addressed as part of the initial thinking and carried through the whole life cycle. The strategy should focus on how the parties plan to disengage when necessary and ensure effective business continuity and customer support.. A strong relationship will recognise the value of looking to monitor the changes and ensure that the concerns and needs of each partner are duly addressed. It is important to ensure that whilst one particular initiative may come to its useful end due to a variety of factors others may and should be emerge from successful collaboration.

## **Benefits of working with BS11000**

Collaborative business relationships have been shown to deliver a wide range of benefits, which enhance competitiveness and performance whilst adding value to organisations of all sizes. The publication of the BS 11000 is a landmark for business. It is the first National Standard in the world to address collaborative business relationships. It does not represent a one-size solution, but rather provides a consistent framework, which can be scaled and adapted to meet particular business needs. Collaboration between organisations may take many forms from loose tactical approaches through to longer term alliances or joint ventures.

BS 11000 does not enforce a single rigid approach but has been focused on providing a framework and 'road map' for development and if required, certification by BSI. The BSI certification programme, launched in April 2009, establishes a measurable independent assessment of an organisation's collaborative capability in the market place. At a more detailed level some of the benefits already recognised by organisations include;

- The standard creates a robust framework for both the public and private sector to provide a neutral platform for establishing effective collaborative programmes for mutual benefit.
- Its core value is commonality of language and application between delivery partners leading to improved / better integration.

- Acting as a bridge between cultures to form a more robust partnership or alliance, it reduces confusion, provides confidence to participants and lays a foundation for innovation.
- As it was developed through Pan-industry input and thus is not sector specific providing a basis for broader adoption and engagement, providing a common foundation and language for relationships between the private and public sector, international cultures to provide uniformity of understanding.
- It provides a platform for developing repeatable models to enhance communication and engagement and thus build confidence.
- The standard provides a basis for benchmarking the collaborative capability of organisations both internally and externally through BSI independent assessment which will enhance partner evaluation and selection together with establishing market differentiation.
- It establishes a consistent yet flexible approach that provides a foundation for efficiency and repeatability across programmes and increased opportunity to focus on developing value.
- It will aid the development of capability at the working level.
- It creates a measure to promote customer confidence and a focus for more effective joint risk management both related to the challenges of specific programmes and those linked to relationship aspects of collaborative working. It reduces the likelihood of misunderstandings, a mismatch of objectives, constrains hidden agendas and reduces the probability of conflict.
- It establishes a consistent and structured approach to facilitate a focus on integration of collaborative working within operational procedures, processes and systems. Thus creating a platform for more effective governance, speed the development.
- Establishes a baseline to support resource development and training to increase collaborative capability to enhance skills and interchange ability of personnel

In short a standard framework that will promote better engagement and effectiveness through strengthened business processes, whilst improving risk management, enhancing dispute resolution and providing a basis for skills development. Most importantly of all improve the potential for sustainable relationships that deliver value.

If you would like to discuss how this critical initiative can benefit your organisation, please contact us directly on 0845 230 3565, or email us at [info@thornburyassoc.co.uk](mailto:info@thornburyassoc.co.uk) “.