

Experience the journey: How to create an end to end performance infrastructure.

In our previous update we emphasized the importance of performance measurements of business relationships. Now we have composed a short and concise business case. This business case is based on a situation at one of our customers. We are very proud to be working with leading organizations that question the status-quo and constantly strive to improve their results. Our customers are forward thinkers and transform their business by making better use of (existing) collaborations.

In this case, numerous strategic suppliers and alliances needed to be assessed on their performance. The organization experienced great difficulties because performance assessment is filled with numerous complexities. One of which is the fact that most, if not all, strategic suppliers / alliances have different objectives, short and long term goals, etc.. Due to the lack of ability to actively monitor and manage suppliers relationships and alliances, there was an immediate need to manage relationships in a way that allow corporate objectives to be met (in this case: reduce costs, enhance efficiency, create value and place emphasis on partnerships) whilst improving trust and enhancing transparency between suppliers / alliances and the company.

Our approach allowed for the entire portfolio (from basic suppliers to strategic alliances) to be measured in a uniform way. Because of the unique configuration and algorithms of our management tool (that forms the foundation of our method), all the contracts within the portfolio can be viewed and compared with each other. Moreover, by repeating the measurements every quarter, the company was able to keep track of portfolio development and the effectiveness of the interventions and rewards. By using specific and scientifically grounded steps and (research)methods, we ensure that the results are valid, reliable and (perhaps most important) usable. To further ensure usability, the results are presented in comprehensive custom reports and management dashboards.

Configuration		Implementation	Results
Preparation	Configuration	Data Collection	Results and interventions
 Scope determination Identify goals of measurements Select measure instruments Identify and select key stakeholders and participants 	 Introduce method to stakeholders Define metrics, indicators and weights Define questions / statements Test and confirm final design 	 Collect data using online survey tool Collect additional data / information Combine and triangulate data 	 Process data Develop reports Discuss results with key stakeholders Propose recommendations and interventions Evaluate

Our value – together with our client, we:

- ✓ Established a uniform way (our method) to determine how relationships affect business performance, by setting KPIs, check existing KPI's, creating management dashboards and delivery of custom made reports.
- ✓ Enhanced internal expertise (with the help of the Vrije Universiteit) for managing partnerships through better understanding of the business impact of supplier solutions on the companies bottom-line.
- ✓ Introduced portfolio and contract management at the organization. This allowed the company to keep track of the development of their entire portfolio and connected the portfolio with the business strategy.
- ✓ By proposing interventions and rewards, the performance of alliances was improved and a solid foundation was created for upgrading existing relationships (and forming new ones) through open and honest communication and effective management of relationships.

Stay tuned for a business case in which we delve deeper into the results!

Any questions? Please don't hesitate to contact us: info@the3.nl or visit our website www.the3.nl/