

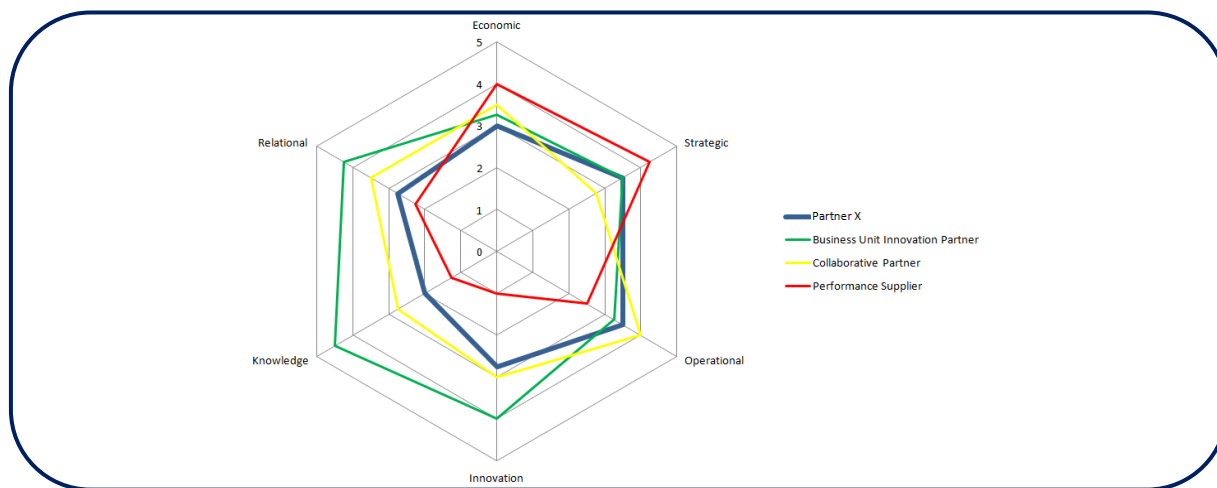
## Partner verification – *The importance of continuously evaluate your partner profiles.*

**Challenges:** Supplier/partner segmentation and benchmarking is an integral part of a business strategy, in order to improve supplier performance and reduce risks. Most organizations, however, have numerous contracts and relationships that all play a different role within the organization and have their specific objectives. Sometimes these objectives even differ within the contract across different departments. Having a good segmentation in place, enables your organization to specify partner value. Due to continuously changing external and internal business environments, it can be quite challenging to measure (in a valid and reliable way) the performance of these segments of relationships.

To be of value, questions should be asked to a significant number of suppliers and data should be collected by means of a consistent, tailored and systematic approach. Each relationship should be analyzed strategically to determine the extent to which the suppliers service or product contribute to the core competence of the organization. In today's complex world a one-size-fits all strategy to manage suppliers is not working. Without a specific set of evaluation criteria tailored to the objectives of the segments, it is not possible to provide information regarding the success of the relationship.

**How we can help clients to overcome this challenge?** In order to measure the performance of different segments, our method uses weights to indicate the importance of different indicators within each segment and/or department. By combining the results of all measurements, unique insights are provided to evaluate partner-fit and segmentation. It allows to verify different (type of) partners against pre-described partner types defined in the segmentation process.

For example, a client has defined three different suppliers. As you can see in the radar below, each partner type has different characteristics and objectives. Looking at the Business Unit Innovation Partner the emphasis is on knowledge (i.e. community building), innovation (i.e. new product development) and relation (i.e. trust). On the contrary, a performance supplier focuses on economic (i.e. revenue growth) and strategic (i.e. resources). Our client characterized 'Partner X' as a Performance Supplier. After evaluating 'Partner X', results show that 'Partner X' is involved with the creation of new ideas and creating value of the companies internal operations. Thus, 'Partner X' is in fact a Collaborative Partner. Meaning that although our client thought the emphasis was on economic and strategic, 'Partner X' was more involved with innovation and operation. As a result our client adjusted the strategy, objectives, scope and role of the partnership within the organization.



Our value – our partner/supplier type verification and overview allows you to:

- ✓ Verify your segmentation and partner-type criteria.
- ✓ Compare performance against the performance of leaders that conduct similar types of business.
- ✓ Measure and manage a diverse portfolio of suppliers and partners in a uniform, valid and reliable way.
- ✓ Create a solid foundation for adjusting and fine-tuning your strategy, objectives and scope.

Any questions? Please don't hesitate to contact us: [info@the3.nl](mailto:info@the3.nl) or visit our website [www.the3.nl/](http://www.the3.nl/)