



Building business relationships

*Creating the future through  
collaborative partnering.*

# CRAFT Overview

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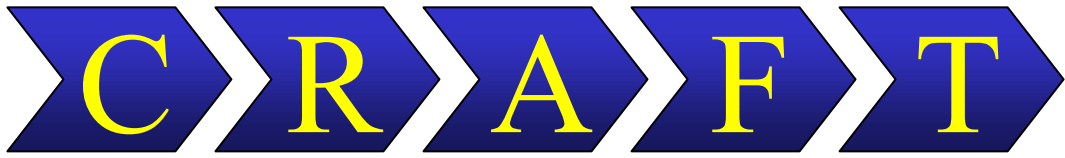
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**CRAFT** is a unique strategic approach that has been developed by PSL as the framework to support successful relationship building and the application of partnering approaches. **CRAFT** stands for **C**ollaborative **R**elationship, **A**ssessment, **F**ulfilment and **T**ransformation comprising multiple practical guides, tools and workshop applications created by PSL.

**CRAFT** brings together in a holistic manner the tried and tested approaches to building business relationships. It operates on the simple principle that the management of each business relationship is a process that can be applied to all types of partnerships to improve their effectiveness.

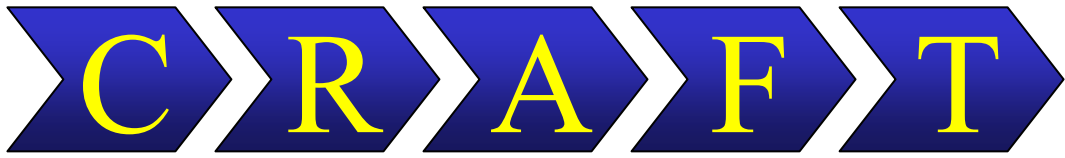
The starting point in managing a **Collaborative** business **Relationship** is to analyse the current situation as to its quality, effectiveness and underlying strength.. This is the **Assessment** stage. Here PSL has a range of tools and methodologies, which are outlined later, to help participants review the relationship in a logical, constructive manner and address any potential obstacles to progress, including barriers arising from traditional contracting relationships.

Once the relationship has been assessed, the next stage of the process is to focus on the individual and joint objectives of the participants to formulate a vision of what they expect to get out of the relationship. This stage we call **Fulfilment** where objectives / expectations are agreed and measurement processes put in place to help deliver the agreed objectives.

The **Transformation** stage of the process is designed to take the relationship forward to provide a productive and constructive approach to improve the profitability and competitiveness of all parties.

The experience of **PSL** since its inception has clearly shown that whilst each business relationship is unique, there are many common issues in the process. Developing a productive partnering relationship must address these issues and will benefit greatly from the knowledge of those who have trodden this path before both in the effective execution of the process and a structured exit strategy.

Linking the practical guides and tools of **CRAFT** provides an effective approach to take the relationship from strategic intent to front line execution.



## Introduction

The aim of this overview is to draw together the high level concepts and approaches that have been developed under the CRAFT programme with the aim of giving clients a broad outline of the scope of the CRAFT tool box and how they may identify and position CRAFT in terms of their individual needs and challenges.

It has been designed to provide a route map to understand how the multiple tools, guides and workshops are interlinked to create a programme of support for partnering and collaborative programmes whether they are starting out on the partnering journey or seeking to refine and optimise existing relationships.

The CRAFT programme is an extensive portfolio of approaches supporting the central eight step framework and through this over view it is hoped that clients will recognise the outline applications of the tools and techniques and focus these towards individual programmes.

CRAFT is not a one size fits all approach and client projects will certainly require tailoring to suit specific and varied situations. It should also be appreciated that whilst the overriding profile assumes an end to end application this is seldom the case and many client's requirements will be positioned at different entry points. This may at times result in starting the immediate process midway but it is worth understanding and working with clients to take a step back at some point to address earlier stages as this will eventually provide a more solid foundation for moving forward.

The individual tools and workshops have also been positioned at the appropriate stage of the eight steps but as has been found in practice they can be applied in isolation for specific projects as appropriate. Specifically the Organisational Strength Analysis (OSA), Relationship Enhancement and Maturity Assessment Programme. Appreciating the full CRAFT programme will help to identify these multiple applications and provide entry points for intervention into client processes and localised challenges.

The overall aim is to help the client to recognise opportunities where CRAFT can support their needs and provide the foundation for support programmes. Understanding the big picture should build confidence to expand the degree of interaction with partners and create a longer term relationship that is mutually beneficial.

Dave Hawkins

# CRAFT

## Product profile

CRAFT is the unique PSL methodology developed through 15 years of practical experience of the knowledge network to provide a foundation for evaluating , developing and capitalising upon the innovative potential of effective collaborative relationships. Experience has shown that no two relationships are the same and PSL has developed through its application of the CRAFT modular programme an approach that can be customised to meet the evolving requirements of diverse client needs from initial Strategic planning to dispute resolution, supporting the effective optimisation of collaborative relationships.

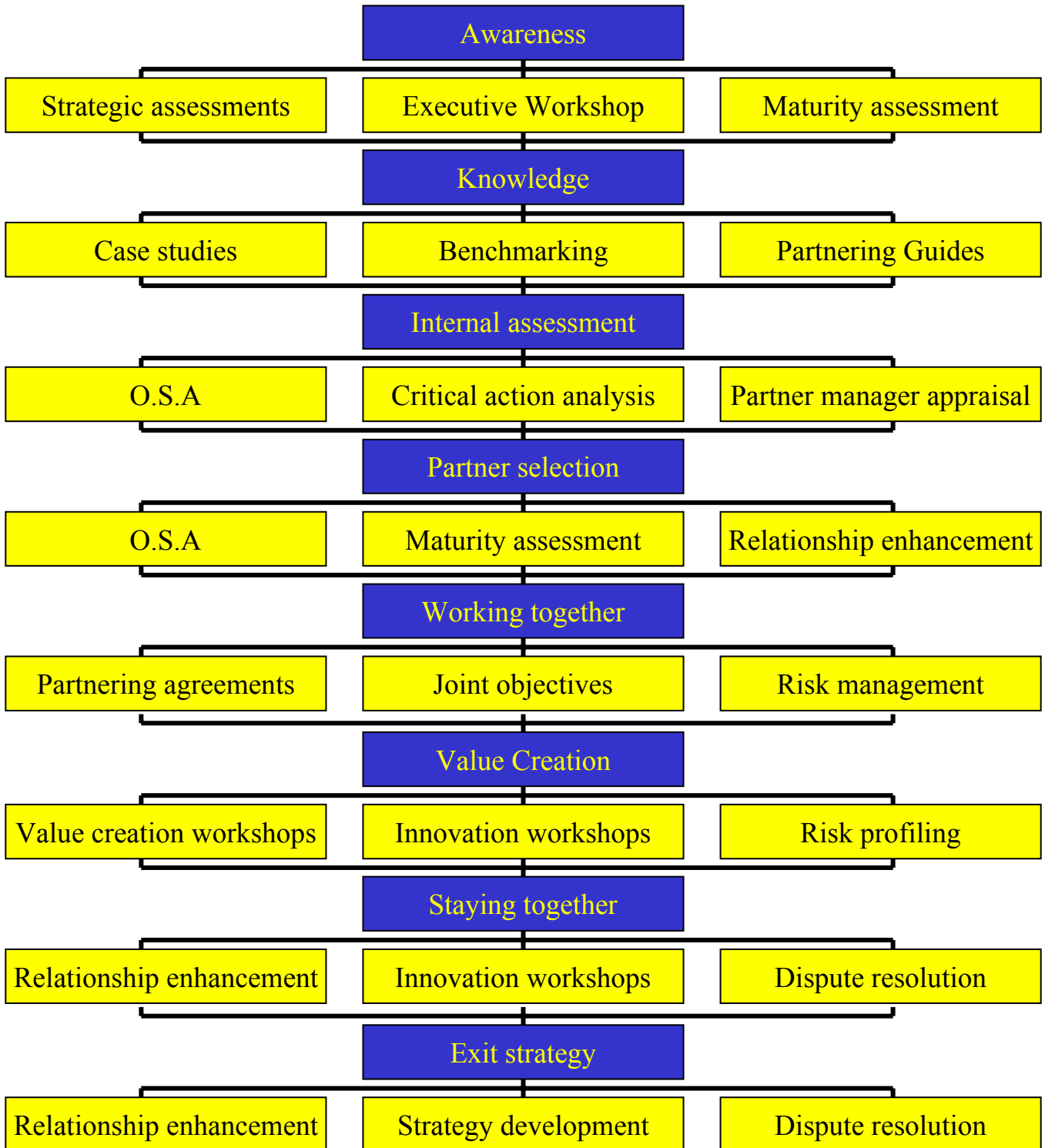


Underpinning CRAFT is a portfolio of guides , workshops , tools and techniques and which have been created to provide awareness through to the specific challenges of implementing and benefiting from improved integration. The CRAFT toolbox is a unique collection of approaches designed to support clients at every stage of the relationship journey. These tools can be adapted for incorporation by clients into their own internal processes to ensure collaboration is embedded in operations.

The PSL vision is based on the premise that all business relies on relationships and supports the aims and objectives of its clients in this regard. The focus for PSL and its team is to support the client throughout this journey and help them to equip themselves for further development.

# CRAFT

## CRAFT route map to projects



# Maturity assessment

The maturity matrix provides a platform against which organisations can review their internal development needs and present their overall approach to prospective partners. The matrix provides a development and progress profile that outlines an organisation investment and commitment to continuous improvement. The triple 'A' rating provides a clear indication of an organisation that has fully integrated collaborative relationship approaches in to its operating model.

	Attributes	Ability	Attitude
A	Operational processes are well defined and integrate collaborative approaches	There is a high level of experience at all levels focused on effective collaboration	There is clear corporate commitment and leadership that cascades throughout the operations
B	There is limited application of shared processes and performance indicators	There are individuals at various levels that have demonstrable skills in collaboration	There is evidence of successful individual collaborative programmes in effect
C	There are robust internal processes and performance indicators	There is appreciation of collaborative approaches but a lack of skills	There is appreciation at the operating level of the value of effective relationships
D	Operates with a traditional contract and procedural based approach	No appreciation of a practical approach to the value of relationships	Only operates a robust and effective arms length contracting approach

The CRAFT profiles have been developed to capture the key elements of companies' characteristics that would reflect an organisations that has the concepts of partnering embedded in the culture of the operations. Assessing organisations utilising the A-D mapping will establish a profile in respect to partnering capability and approach.

**Awareness**

**Knowledge**

**Internal  
assessment**

**Partner  
selection**

**Working  
together**

**Value  
creation**

**Staying  
together**

**Exit  
strategy**

At the early stages of introduction to CRAFT client appreciation of partnering and its potential benefits will be varied. It is crucial in this early stage to gain as broad as possible understanding of the clients' issues before suggesting any PSL intervention. The CRAFT programme has been developed to provide a framework that covers the full spectrum of the partnering journey and establishing where this fits with the current stages of client understanding and needs enables the building of the appropriate route map for their situation.

Crucially it is important to understand whether the interest in developing an effective relationship management programme is localised or is being driven from the executive level, where support will be essential going forward. This understanding will also help to focus initial activity on immediate issues whilst recognising the maturity of the client in respect to collaborative approaches.

The clients' objectives and the relationship of these to the overall strategy of the organisation provide the foundation on which to create a programme that matches their aspirations. The key elements at this stage are to define the objectives and seek to clarify the clients appreciation of the risks and opportunities. It is also useful to raise the issue of Exit Strategy since this will help to focus on some of the issues related to risk and effective implementation of collaborative working.

The PSL portfolio of case studies is a valuable discussion base providing these can be focused on areas where the the client will be able to make a positive connection to their aims.

The triple 'A' profile that drives the CRAFT maturity assessment programme (MAP) e.g. Attributes-Ability -Attitude outlines both how the client should be looking at themselves and how they should be developing an approach to prospective partners.

Taking these initial discussions forward is perhaps best driven by outlining the CRAFT toolbox and identifying where this can be adapted to augment their processes and procedures.

CRAFT is not a one size fits all programme but a framework that provides a robust platform on which to develop their strategies.

Focusing discussions towards the **CRAFT** toolbox should be targeted at this stage in the following areas.

### **Case studies**

There are a wide range of case studies both on line and included within the various editions of Partnering for Profit. Introduction of these provides both the opportunity to reflect on what other organisations are doing and to reinforce the depth of the PSL network.

### **Executive workshops**

The initial introduction to partnering will likely be through structured workshops aimed at raising awareness of the overall potential and implementation of Partnering. These may be extended to senior management groups and when appropriate existing related organisations that are looking for mutual development with the client.

### **Strategy Development**

The aim is to encourage clients to undertake facilitated strategic workshops that will enable them to draw out the essence of their business plans and link these to collaborative programmes that will augment these plans.

### **Maturity assessment**

The CRAFT MAP approach can be utilised to provide the client with an external evaluation of their own positioning. This may highlight areas that need to be addressed internally and provide a focus for any development programme.

### **CRAFT workshops**

The CRAFT workshop may be considered by some clients as an opportunity to create a platform on which to invite customers or key providers to help reinforce collaborative positioning against an established methodology.

- Partnering for Profit
- Partnering Booklet
- Case studies
- Strategy Development
- Virtual integration
- Directors guide
- Supply Chain guide
- Midas proposition
- CSR & Sustainability

- Maturity Assessment
- Benchmarking
- Risk profiling
- Exit strategy

- Business relationship enhancement
- Strategy development
- Risk Management
- Exit strategy
- CRAFT workshops

**Awareness**

Developing knowledge is both a requirement to understand the potential benefits of collaborative relationships and one of the principal benefits that come from integrated relationships.

**Knowledge**

Underpinning the CRAFT programme are a broad range of guides that have been developed to address some of the more important generic issues and benefits such as Value creation and Risk management but also highlight the potential applications of partnering for business sectors and applications such as outsourcing and off-shoring.

**Internal assessment**

Each client is unique and their level of knowledge will vary in relation to their level of development and the sector or application they are focused towards. The initial strategy discussions and workshops will have positioned the partnering programme and from this the guides can be utilised to draw out their needs and concerns.

**Partner selection**

It is equally important to establish the breadth of knowledge across the organisation since in many cases previous experience may not be readily recognised. In this respect the Maturity assessment may highlight potential that would supplement the client's knowledge profile and training needs.

**Working together**

Part of the knowledge building process is linked to strategy development which should provide the platform on which to identify areas for investigation and a basis on which to initiate a Risk management programme that complements the strategy and the relationship management programme.

**Value creation**

Case studies can again play an important part in this process and provide an opportunity to link a to existing organisations that have already met some of the challenges. Benchmarking is another opportunity to research what is happening in other organisations and industry sectors.

**Staying together**

**Exit strategy**

Specific research projects can be developed to augment the client's programmes and to help build a suitable development profile. These may be industry specific linking through the PSL network or wider marketing assessment to identify suitable partners outside current client networks.

Focusing discussions towards the **CRAFT** toolbox should be targeted at this stage in the following areas.

### **Case studies**

Specific case studies may provide clients with an insight to other operations that have successfully exploited partnering relationships.

### **Guides**

The guides that PSL have developed are available to capture the key issues that organisations and their partners should be considering or perhaps have not considered as part of their strategy. This is particularly relevant when working with SMEs who traditionally have not seen partnering as a potential benefit for them. The cluster concept of Midas could be a valuable strategy.

### **Benchmarking**

Developing a benchmarking or research project from PSL's neutral positioning could be a useful addition to the clients knowledge base

### **Risk Management workshops**

Risk management is a crucial element of any relationship management programme and structured workshops will help to identify potential constraints to effective collaboration. At the same time developing mitigation approaches will help structure approaches to potential partners.

### **Exit strategy assessment or workshop**

The way organisations view disengagement at some future point in time provides a valuable profile against which to build an effective relationship.

### **Internal Training**

It desirable that relationship management is integrated within an organisation's training programmes and the opportunity should be exploited to transfer the CRAFT programme to these operations.

- **Case studies**
- **Strategy Development**
- **Supply Chain**
- **Strategic Alliance guide**
- **International Partnering**
- **SME guide**
- **Outsourcing guide**
- **Off shoring guide**
- **Partnering for service**

- **Relationship Assessment**
- **Benchmarking**

- **Business Relationships**
- **Effective Partnering**
- **Risk Management**
- **Exit strategy development**
- **CRAFT workshops**

**Awareness**

The challenge for many organisations is that they are based on looking outwards to potential partners but frequently fail to look at their internal capability to support any programme. The adoption of an effective collaborative approach will mean integrating internal and external processes. As such the readiness of the organisation to embrace this integration is a crucial part of the overall programme.

**Knowledge**

Developing an effective approach starts with Internal Critical Analysis. This will be easier if the Maturity Assessment has already been carried out on the client organisation. The triple 'A' matrix will highlight any obvious issues.

**Internal assessment**

From this stage taking the organisation through the Organisational Strength Analysis enables them to develop both a profile of themselves and to start the generation of their ideal partner profile, which will be utilised later during the Partner selection phase.

**Partner selection**

Relationship management is more about people than processes and developing an effective approach means ensuring that the client managers responsible for running such programmes are in tune with the concept. The partner manager assessment is designed to evaluate the strengths and weaknesses of these individuals that will be operating more through influence than traditional command and control.

**Working together**

It is likely that in many organisations that project leaders and relationship would benefit from additional training. The assessment process will highlight these areas and specific training profiles can be developed around the PSL foundation training programme. The collaborative approach requires a broader appreciation of the interactions between both individuals and organisations.

**Value creation**

It is equally important at this stage to initiate the Critical Action analysis programme that will be required to maintain visibility throughout the life of the relationship. This approach ensures that there is a process in place that can be monitored both within the partnering teams and back to executive sponsors.

**Staying together**

**Exit strategy**

Self assessment may provide organisations with an initial outline of their readiness but experience suggest that external validation will enhance this view.

Focusing discussions towards the **CRAFT** toolbox should be targeted at this stage in the following areas.

### **Internal Critical analysis**

A successful partnering relationship is driven by the attitude and expectations of the players and if the real value is to be created then the first step must be to assess how well an organisation is positioned in relation to the challenges.

### **Organisational Strength analysis**

Creating an effective strategy must be based not on desires but on a firm foundation of capabilities and sound assessment of the arena that will be encountered. It will be this assessment that is likely to have already identified the need to team or partner with others to overcome the obstacles ahead or to complete a proposition that the market place requires.

### **Critical action analysis**

The focus is managed through a series of action plans and score cards that record what needs to be done when and by whom. In many cases these activities are within the domain of the partnering manager(s) and the partnering team. Often however, there is a need to seek support from the wider organisation or to obtain executive approval for specific initiatives. The CAA provides the platform for ensuring an open and informative process.

### **Partner manager assessment**

Understanding and evaluating the skills, capabilities and knowledge of team managers is a key factor in building the business approach and moving it towards a successful future. Those managers that have shown high levels of success within a traditional business structure may not be as proficient when working with a collaborative venture where influence has a greater impact than power.

### **Foundation Training**

This aims to cover a number of complementary skill sets Designed to enhance the partnering manager's capabilities in the complex role of managing relationships in an alliance.

- **Supply chain guide**
- **SME guide**
- **Contracts guide**
- **Risk management**
- **Value Creation**

- **Internal Critical analysis**
- **Organisational strength analysis**
- **Critical action analysis**
- **Partner manager appraisal**

- **Business Relationships**
- **Leadership**
- **Foundation training**

**Awareness**

In many cases the client may already be in a relationship or through experience have identified their potential partner. This selection process is likely to have been based on traditional evaluation processes or established over time. However the progression into a more collaborative and integrated relationship changes the dynamics and the CRAFT tools can help to validate the selection or highlight areas for more detailed attention.

**Knowledge**

In the case of organisations that are already working together the Relationship Enhancement tool provides a useful comparison of the positioning of the two organisations and at multiple levels. It also provides a repeatable benchmark to measure the relationship as it develops.

**Internal assessment**

The Maturity assessment programme will provide an independent assessment of the existing or potential partner and through the triple 'A' matrix identify attribute, ability or attitude traits they may undermine a more integrated relationship.

**Partner selection**

The OSA developed earlier from an internal perspective can be utilised at this stage to evaluate any prospective partner against an internal model. It is also useful to independently use this same profile to have the partner evaluate the client. This will help to identify potential areas of tension between the parties.

**Working together**

In many cases there is an opportunity to utilise the OSA backed by independent assessment as part of a tender evaluation process. This in some public sector organisations provides a methodology to address the softer issues that are frequently not engaged with the selection process.

**Value creation**

In the selection process the Partners Manager role is a crucial interface and it may be appropriate to undertake the assessment programme. Many of the challenges within collaborative relationships come from the management styles on each side. Thus the selection may be complemented by evaluation based on the same process used internally.

**Staying together**

**Exit strategy**

These options may be delivered through a combination of interviews and workshops. CRAFT is not a one size fits all programme and most tools will require customisation to industry profiles.

Focusing discussions towards the **CRAFT** toolbox should be targeted at this stage in the following areas.

### **Organisation Strength Analysis**

The OSA is a framework approach and whilst there are examples and guides it is important that clients have developed their own specialised partner profile. It also an ideal way to capture cross organisational views and compare these with partner perspectives.

### **Maturity Assessment Programme**

The MAP approach is an in depth review of a prospective partner, which would involve a multi level review of the organisation and where appropriate interviews with both their clients and suppliers. In some case organisations may seek a MAP assessment in anticipation of wanting to project a collaborative profile.

### **Partner manager assessment**

The Partner manager assessment will require both organisations to agree and is best approached where it is clearly being utilised on both organisations.

### **Relationship Enhancement**

The Relationship Enhancement approach is a repeatable process once the wording has been adapted to client or industry common terms. This is to ensure that the core questions are likely to be commonly understood but does not change the underlying structure of the comparisons. It is generally easier to operate in the context of a workshop environment. It can also be utilised as a foundation and prompt for research interviews

### **Contract development workshop**

Many organisations face the challenges of adopting collaborative approaches within the context of traditional contracting boundaries. Understanding the partnering agreement and contracting platform for the future provides a valuable exchange to test the challenges towards an integrated approach.

- **Strategy development**
- **Contracts guide**
- **Value creation**
- **Risk management**
- **Exit strategy**

- **Maturity Assessment programme**
- **Organisational strength analysis**
- **Relationship enhancement**
- **Partner manager assessment**

- **OSA workshop**
- **Business Relationships**
- **Effective partnering**
- **Creating contracts**

**Awareness**

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**Exit strategy**

The collaborative approach that focuses on integration across organisational boundaries requires a robust operational structure that provides a framework for individuals to work together. The CRAFT programme is such a framework that supports the partnering journey. Whether organisations are starting a new relationship or working to improve an existing relationship there needs to be a focus on how these organisations will operate together to share and exploit their joint capabilities and knowledge.

The first key step is to bring the groups together to establish a joint strategy and ensure that all the players take ownership of it. This may result in a series of workshops, particularly where elements of the strategy require further definition. This can be complemented by the Relationship enhancement approach which will highlight areas of divergence in thinking.

The Critical Action analysis (CAA) provides a simple but effective process for collecting and monitoring actions and should be seen as the main vehicle for maintaining visibility for both objectives and developments. This must be created in parallel with a clear structure which defines roles and responsibilities across the relationship.

At the core of every relationship and which must be clearly defined are the objectives. There will always be three sets, the joint objectives and those of each partner that may influence or support the relationships effectiveness. Successful relationships are those where the partners recognise the need to support each others objectives.

Creating agreements or partnering charters provides provides a focus for all team members. Frequently this can be linked to risk profiling which will draw the group focus together to share ownership of the challenges.

At this stage it is also important to building into the partnerships structure a clear approach to both dispute resolution and exit strategy . These issues can be the most constraining factors for effective integration.

There are specific workshops that can be adapted or combined to provide a platform for these exchanges but the concept of an Independent Partnering Advisor (IPA) may provide clients with on going support.

Focusing discussions towards the **CRAFT** toolbox should be targeted at this stage in the following areas.

### **Developing strategy**

Strategy workshops provide a valuable platform to draw organisations together to create a joint focus and team building events.

### **Relationship Enhancement**

If a Relationship profile has not been done then this should be put in place to provide a regular indicator of how the relationship is developing.

### **Critical Action Analysis**

The CAA is a crucial process that enables those inside the team to maintain visibility.

### **Managing Joint Teams**

Developing a clear profile for the managers within each partner to operate with a complementary focus.

### **Achieving Joint objectives**

The drive is to ensure that organisations focus on identifying and managing the multiple objectives of the various parties.

### **Risk Profiling**

Management of risk is a crucial part of any business operation and joint risk profiling helps to identify who is best suited to manage any specific risk.

### **Dispute Resolution**

All teams must have a clear focus on resolving disputes which has an escalation process

### **Forming Exit strategy**

Identifying the key issues will help teams to remove concerns about sharing knowledge and possible sensitive information.

- **Strategy guide**
- **Contract guide**
- **Risk management**
- **Exit strategy guide**

- Developing strategy
- Relationship enhancement
- Critical Action analysis
- Managing Joint teams
- Achieving Joint objectives
- Risk Profiling
- Dispute Resolution
- Forming Exit strategy

- **Strategy development**
- **Creating partnering Agreements**
- **Developing Value Propositions**
- **Risk management**

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The collaborative approach is focused on creating benefits for the organisations involved and for the customers they serve. Partnering relationships have shown that they can release potential value from within organisations. However these programmes do require investment and effort outside the normal business interfaces thus it is important that clients have a clear view of what they consider to be the value they are looking for. If partnering is solely being used to reduce cost it will likely fail under the pressures produced. Having said that all business operations will have an impact on the total cost profile.

Defining value will be different for most organisations and may have different needs between the partners. The important aspect is to ensure that these can be managed simultaneously and avoid conflict that may dilute the focus on the outcomes. This requires a focus on establishing clear objectives and a high degree of openness.

The **CRAFT** structure is designed to capture and focus initiatives within six segments **Total Cost, Cycle Time, Business Processes, Resources, Specification and Performance**, each of which interact with each other. Understanding what the organisation's drivers are is the first step to evaluating the potential to optimise activities across the partnership.

It is important to recognise that in addressing issues within these categories there may be a need for changes to current practice and some degree of investment. The foundation of a solid partnering relationship is that risk and reward must be shared equitably between the partners. In developing Value creation approaches the platform of risk profiling will help to stimulate innovation and balance investment.

Value creation comes from a sharing of knowledge and knowledge creation programmes will likely run in parallel with driving innovation. Whilst there may be a requirement to stimulate the process through Value Creation workshops the aim should be to build in to the partnering teams a process and ethos that seeks to promote a continuous focus on developing new value for the mutual benefit of the partners.

Focusing discussions towards the **CRAFT** toolbox should be targeted at this stage in the following areas.

### **Value Creation**

The value creation process has been developed to provide a simple structure within which organisations and partnering teams can identify, evaluate, develop and implement changes Or innovations that will provide additional value linked to established objectives.

### **Risk Profiling**

The risk profiling process provides a useful platform on which to consider where changes may reduce risk and add value. At the same time value creation initiatives may in themselves create additional risks that must be managed.

### **Driving Innovation**

In many cases the the combined knowledge and experience of separate organisations provides a platform to look both at existing processes and to consider new approaches through the combined resources and skills. This innovation process is one that must be stimulated but also effectively managed to ensure optimum use of resources.

### **Developing Value Propositions**

Creating new and innovative market propositions may be driven by customer demand or through the realisation that through combinations of capabilities alternative products or services can be offered to customers. Once organisations have made the move towards collaborative delivery processes than expanding these relationships with additional partners can expand Opportunities.

- Case studies
- Exploiting Virtual Integration
- Midas Proposition
- Sustainability guide
- Value Creation guide
- Supply chain guide
- Outsourcing
- Off shoring
- E-Trading
- Knowledge creation

- Value Creation
- Risk Profiling
- Driving Innovation

- Developing value propositions
- Innovation Processes

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All relationships are subject to change either from internal or external influences that affect the basis of the original programme. If the relationship is delivering and remains a strategic approach then it must be periodically tested and adapted to reflect changes in the business environment. These may be as a result of internal changes by one or both of the partners or more likely market changes that may alter the value proposition.

The PSL experience is that partnering relationships have a minimum development cycle that takes between 12-24 months dependent on the complexity. Over this period of time many factors can alter and it is essential that organisations recognise the need to revalidate approaches. This will include the need to readdress the original objectives and assess whether these have or are being met and whether they should be modified. Which in turn may clearly impact through the partnering operation.

There are also likely to be changes in personnel which may alter the dynamics of the partnering team and perhaps the wider organisations. The Relationship Enhancement approach can be regularly utilised to provide a benchmark of how the operation and the team are converging or diverging over time.

Risks may similarly change over time and maintaining a clear focus on the risk profile, which should be regularly revalidated. It is important over time to maintain a focus on innovation which will help to keep the partnering team energised.

Dispute resolution is a key factor in maintaining the focus of the team and their individual organisations. The strength of any relationships is reflected in how they manage the inevitable disputes that will arise. Effective dispute resolution can improve relationships and external facilitation is often the best way avoid conflicts building across the teams.

It is crucial that as the teams evolve and develop the exit strategy is regularly revisited and maintained to reflect current understandings.

Focusing discussions towards the **CRAFT** toolbox should be targeted at this stage in the following areas.

### **Achieving joint objectives**

Measuring and monitoring joint objectives is key to maintaining a dynamic approach across partnering teams.

### **Relationship Enhancement**

Benchmarking on a regular basis provides the visibility for early intervention.

### **Critical action analysis**

The longer a relationship is in place the more crucial it is to ensure that actions are managed effectively

### **Risk Profiling**

Risk management must be constantly revalidated to ensure the appropriate actions, responsibilities and mitigating actions are taken.

### **Driving Innovation**

Innovation is crucial to all organisations but within a partnering programme it is an effective way of reinvigorating the teams and adding value to the product.

### **Dispute resolution**

External facilitation and intervention is a key part of ensuring that collaborative programmes are not distracted or focus diluted by unresolved conflicts.

### **Forming Exit Strategy**

The longer programmes run the more likely it becomes that relationships will need to change which in turn will impact on the exit strategy for both parties.

- Partnering for Sustainability
- Risk Management
- Strategy Development
- Exit strategy

- Achieving Joint Objectives
- Relationship Enhancement
- Critical action analysis
- Risk profiling
- Driving Innovation
- Dispute resolution
- Forming Exit Strategy

- Business Relationships
- Dispute Resolution
- Post partnering

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Eventually all business relationships will likely come to the end of their value contribution. This may be as a result of market changes that neutralise the potential benefits that can be delivered going forward. It may be that changes at a corporate level necessitate a change in direction which the partnership is not structured to satisfy and could not accommodate.

In many ways the Exit strategy whilst viewed negatively is in fact the biggest catalyst for effective partnering and collaborative programmes. When everyone understands what happens at the end then the rules of engagement are much easier to define and implement.

As such the exit strategy frequently defines the culture and rules that will govern and drive a collaborative relationships. It is for this reason that within the CRAFT approach the exit strategy is introduced at the outset under Awareness. In starting then perhaps the most important considerations are the objectives and the exit strategy that both facilitates collaboration but also ensure that disengagement is constructively handled.

The importance of an effective approach is crucial in any operating environment where knowledge sharing and knowledge creation are seen as potentially transferring Intellectual Property or creating new IP.

Markets may change again and organisations should consider that dissolving a relationship may be a prelude to starting a new but different relationship with the same players in time. It is also important to recognise that each relationship also has a number of external stakeholders such as Customers and Suppliers who may also need to be constructively handled. Even competitors need to be factored into the exit programme to ensure that a positive platform remains for the future.

Focusing discussions towards the **CRAFT** toolbox should be targeted at this stage in the following areas.

### **Strategy Development**

The future strategy of an organisation must clearly impact on current relationships and be a factor in developing an exit strategy.

### **Forming Exit Strategy**

Each party will have its individual drivers and issues in relation to both working together and when exiting the relationship. These may best be evaluated separately before being brought together to create an effective joint strategy that enables each organisation to plan , adapt and develop the implications within their individual operations

### **Relationship Enhancement**

As part of the closure process it may be appropriate to assess the condition of the relationship between the parties. This provides valuable lessons and a foundation for partnerships in the future.

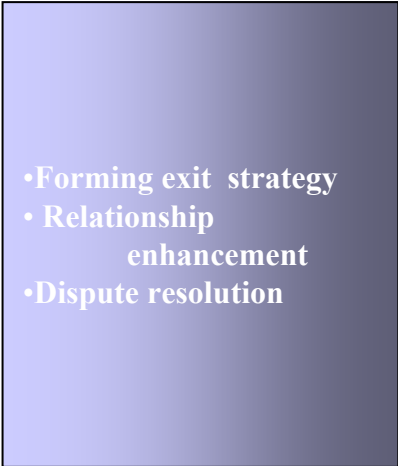
### **Dispute resolution**

At the end of some relationships it may be necessary to undertake dispute resolution in order to exit the relationship to mutual satisfaction.

### **Post Partnering**

Workshops aimed at creating a jointly acceptable exit strategy will take careful management and mutual agreement from the organisations involved. If the exit strategy has been part of the Relationship's integrated operations then the path should be relatively smooth if not there may be some overlap with dispute resolution approaches.

- 
- Strategy development
  - Exit Strategy guide

- 
- Forming exit strategy
  - Relationship enhancement
  - Dispute resolution

- 
- Post partnering

0-3 months

4-6 Months

**Awareness**

**Knowledge**

**Internal  
Assessment**

**Partner  
Selection**

- Partnering for Profit
- Partnering Booklet
- Case studies
- Strategy Development
- Virtual integration
- Directors guide
- Supply Chain guide
- Midas proposition
- CSR & Sustainability

- Case studies
- Strategy Development
- Supply Chain
- Strategic Alliance
- International Partnering
- SME guide
- Outsourcing guide
- Off shoring guide
- Partnering for service

- Supply chain guide
- SME guide
- Contracts guide
- Risk management
- Value Creation

- Strategy development
- Contracts guide
- Value creation
- Risk management
- Exit strategy

- Maturity Assessment
- Benchmarking
- Risk profiling
- Exit strategy
- Critical behaviours

- Relationship Assessment
- Benchmarking

- Internal Critical analysis
- Organisational strength analysis
- Critical action analysis
- Partner manager assessment
- Critical behaviours

- Maturity Assessment programme
- Organisational strength analysis
- Relationship enhancement
- Partner manager assessment

- Business relationship enhancement
- Strategy development
- Risk Management
- Exit strategy
- CRAFT workshops

- Business Relationships
- Effective Partnering
- Risk Management
- Exit strategy development
- CRAFT workshops

- Business Relationships
- Leadership
- Foundation training

- OSA workshop
- Business Relationships
- Effective partnering
- Creating contracts

•Guides

•Tools

•Workshops

7-12 months

12-24 Months

**Working together**

**Value Creation**

**Staying Together**

**Exit Strategy**

- Strategy guide
- Contract guide
- Risk management
- Exit strategy guide

- Case studies
- Virtual Integration
- Midas Proposition
- Sustainability guide
- Value Creation guide
- Supply chain guide
- Outsourcing
- Off shoring
- E-Trading
- Knowledge creation

- Partnering for Sustainability
- Risk Management
- Strategy Development
- Exit strategy

- Strategy development
- Exit Strategy guide

- Developing strategy
- Relationship enhancement
- Critical Action analysis
- Managing Joint teams
- Achieving Joint objectives
- Risk Profiling
- Dispute Resolution
- Forming Exit strategy
- Critical behaviour

- Value Creation
- Risk Profiling
- Driving Innovation

- Achieving Joint Objectives
- Relationship Enhancement
- Critical action analysis
- Risk profiling
- Driving Innovation
- Dispute resolution
- Forming Exit Strategy

- Forming exit strategy
- Dispute resolution

- Strategy development
- Creating partnering Agreements
- Developing Value Propositions
- Risk management

- Developing value propositions
- Innovation processes

- Business Relationships
- Dispute Resolution
- Post partnering

- Post partnering

## **CONTACTING PSL**

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