



## How BS 11000 is helping small businesses to engage in successful collaboration

“Working with partners is a way of maximizing strengths by balancing out each other’s weaknesses. The principles and rationale behind the BS 11000 standard are extremely useful, and have led to a Relationship Management Plan that helps to keep my collaborations on track and in focus.”

Rachel Hoyle, CEO, Nucleotide Nutrition Ltd

### At a glance

- BS 11000 exists to help organizations establish, manage and improve their collaborative business relationships. This is important because collaborative working, partnering, and alliances bring strong benefits – in particular access to new markets and customers, and the resources and ideas needed for growth.
- However, collaboration is not without its risks and challenges, especially for small businesses. Finding the resources, fostering trust and balance in the relationship, and finding suitable partners with whom to build long-term relationships can all be difficult.
- BS 11000 can help organizations regardless of their size. To test the approach with SMEs, in late 2013 and the first part of 2014, BSI brought together a number of small businesses for a series of master-classes on how they could benefit from the standard.
- This paper follows how three small businesses are now using BS 11000 to embed a new approach to collaboration with their partners, and to leverage more value from these business relationships.

### About BS 11000

BS 11000 provides a framework for managing all types of collaborative business relationships, and organizations of all sizes and types can benefit from using it. The standard will help develop and manage stronger connections, and put in place the right processes and behaviours to foster trust and create value. For small businesses, this helps ensure that the competencies and expectations of partners are aligned. Also that priorities are made clear, and that agreements are reached on the sharing of IP or other resources. By adopting a strategic approach to relationship management, and encouraging partners to do the same, SMEs can create stronger, more lucrative, business partnerships.

### The benefits of collaboration

For all businesses, forming strategic business partnerships can be essential to accessing new markets, customers or resources. As well, SMEs – particularly technology and engineering companies – are often at the forefront of innovation but struggle with issues like brand exposure, creating economies of scale, and speed of product development. Effective collaboration can be a way to bring new products and services to market more quickly, and to set out the ground rules on how collaboration should work to ensure all parties take value from it.

## Introducing the case studies

In late 2013 and 2014 BSI ran a series of master-class sessions in conjunction with P&Q Consulting Ltd and small businesses from the North West of England.

The master-classes were designed to explain more about the benefits of collaboration using BS 11000, to review existing approaches to collaborative working, and to look at areas where new techniques and tools could be used. This document follows the journey of three of those companies.

### GBDBio



#### Background

GBDBio is a biotechnology company founded in 2009 to develop, manufacture and sell innovative diagnostics tests for diseases such as tuberculosis (TB) that are suitable for use in all countries around the world. This requires GBD to focus its designs on meeting the needs of resource-constrained healthcare environments in growing global markets.

#### Approach to collaboration

Collaborative partnerships are important to GBD, which has offices in both the

UK and US, and which works with global health experts to shape the design of its products. GBD relies on building relationships with distributors and purchasing networks to get its diagnostic products into the US market and beyond. Developing innovative new products is vital, as is engaging in partnerships with the research community to share knowledge and technical capabilities.

However GBD's approach to forming partnerships lacked a framework to help manage the relationships. Also challenges around funding issues were not uncommon.

#### Using BS 11000 to provide a framework for lasting collaborations

GBD are working in partnership with The Wellcome Trust, Texas A&M University, FIND and commercial development partners, and BS 11000 is helping set up these collaborations. The Wellcome Trust is the world's second-highest spending charitable foundation.

The standard has helped GBD to think about partner selection. BS 11000 asks businesses to consider what its ideal partners would look like, how they can be reached, how potential partners will view you, and what happens if the partnership fails and parties want to exit. GBD's Chief Operating Officer, John Manwell, notes "GBD is developing global partnerships

which are critical to our business plan. The BS 11000 structure has been a helpful review of the types of partners we need and what each partner will contribute and gain."

The standard is also helping GBD develop a [Relationship Management Plan](#) with its partners, which was found to provide a helpful structure and formalization to the collaboration.

BS 11000 gave GBD ideas on how to create a template for collaborative agreements that it could share with its partners. "Several of our partners are large organizations," notes Manwell, "and the BS 11000 template is a helpful resource for defining the commercial agreements and project plans. Working through the BS 11000 structure has given confidence that we are covering all the necessary aspects of our collaborations."

The multiple-party collaboration that GBD is working towards is still in an early phase. Notwithstanding, as Manwell notes, "BS 11000 has provided a comprehensive checklist to go through when entering into collaborative partnerships, which provides reassurance to all the parties involved that the right approach is being taken to build successful and sustainable collaborations."

## BS 11000: the eight steps of successful collaborative business relationships

### Strategic

**Awareness** – includes the review of strategic policy and processes for collaborative working

**Knowledge** – helps the production of a business case and benefits analysis against a partnership opportunity

**Internal assessment** – identifies the capability and readiness of an organization for partner engagement

### Engagement

**Partner selection** – encourages a structured approach to identify, evaluate and select partners

**Working together** – establishes the operational structure, governance, roles and responsibilities to achieve collaborative business objectives

**Value creation** – determines an appropriate approach to ensure mutual benefit from the relationship

### Management

**Staying together** – ensures effective measuring and monitoring of the relationship for optimal performance

**Exit strategy** – addresses the need to develop and maintain an effective strategy for disengagement where appropriate

Baytouch



### Background

Baytouch is a leader in cloud-based regulatory compliance solutions for chemical handling businesses, helping them and their supply chains to meet EU REACH regulations relating to workplace safety and substance registration. These are supplied both directly, and through work with service partners such as resellers in the UK.

### Approach to collaboration

Collaboration is vitally important to Baytouch. It deals with large international companies and trade associations as well as SMEs. Given the need to access and share resources with service providers in certain markets, partnering forms a key part of its growth strategy.

Baytouch also does 80 per cent of its business outside of the UK and is looking to build more partnerships in North America as part of its business strategy. Managing sales activities overseas and accessing customers in new territories can be difficult however. Implementing a partner strategy to have local sales representatives close to its customers will ensure that opportunities are not lost.

### Using BS 11000 to formulate a partner alignment strategy

Using the theory and learning from BS 11000 and the master-class sessions, Baytouch developed a Partnering Charter as part of its collaborative business planning. The Charter not only sets out what Baytouch brings to the table, in terms of its values and expectations for collaboration, but also crucially what it's



The BS 11000 SME master-classes were held at Sci-Tech Daresbury.

looking for from prospective partners. Malcolm Pollard, Baytouch's CEO, says "It is important to identify partners that share our vision and are as committed to make this work for both parties as we are."

The BS 11000 standard recognizes that partner selection criteria is vital to maximize alignment and to help ensure a successful relationship. Given that Baytouch is seeking to collaborate overseas, this approach helps to identify and qualify potential partners, as well as provide confidence that a considered partnering strategy is being followed.

Pollard notes: "Baytouch perhaps lacked a clear focus for our partnering strategy. A more forensic approach to each party's motives for collaborating, covered in the formalized Partner Assessment and Selection Criteria process, has helped focus on strategic objectives and saved time and resources in pursuit of 'no hope' relationships."

Pollard also comments that using BS 11000 is no more arduous than setting up a single collaboration, but that through using the standard, collaborations will ultimately yield more value. "The amount of time and effort to address a one-off collaborative situation," he says, "was not dissimilar to that necessary to build a more broadly-based longer-lasting business relationship strategy which over time will deliver long term gains and better returns on investment than the one-off bounty of a single project."

Moreover, he says, "In the long term, less management time and effort are expended because the formal

Relationship Management Plan results in fewer issues and misunderstandings."

Going forward Baytouch plans to use the materials drawn from BS 11000 to customize its approach to partnering for different types of collaborative relationship. "We will develop and extend this further," says Pollard, "so that the partner feels the arrangement is tailored to them, ensuring co-branded products and services are integrated and delivered seamlessly to their clients."

Pollard concludes, "If an organization has not entered into collaborative ventures before, without BS 11000 it is like undertaking a long road journey without a map. If an organization already has some experience of collaboration, the standard will hone and streamline current and future collaborative partnerships, saving management time and resources to deliver optimum value to all parties."

#### What is a Relationship Management Plan (RMP)?

An RMP is a document created by partnering organizations to help guide the relationship. It defines the relationship scope, performance measures, and targets as agreed between partners, and can be used to audit the success of the relationship. It is developed and maintained collaboratively and may include key processes and procedures, details of contract arrangements, and what is being shared by partners in terms of resources, systems and intellectual property.

#### How BS 11000 helps organizations:

- identify how relationship management can help achieve their business objectives
- evaluate the benefits of entering into single or multiple partnerships
- select the right partner to complement their objectives
- build a joint approach based on mutual advantage
- develop added value from the relationship
- measure and maintain maximum benefit
- develop and execute an exit strategy.

## Nucleotide Nutrition Ltd

**Background**

Nucleotide Nutrition (NNL) provides clinically tested food supplements. These are sold directly to the consumer via online sales and major retail outlets in the UK; and through specialized sales and technical support for manufacturers, who use its nucleotide blends in functional foods, sports nutrition lines and clinical nutrition.

**Approach to collaboration**

Collaboration is vitally important to NNL, so that sales growth can be achieved through its partners' existing international supply routes.

However, as a micro-SME, NNL feels its business objectives are sometimes given less importance when working with bigger partner organizations. Providing confidence to potential collaborators and to shareholders can also be difficult. The sharing of intellectual property can often be a cause of concern for SMEs and the company recognizes the need to put in place measures that foster trust and reduce risk. This could be by establishing clear guidelines for the sharing of knowledge between the organizations. That said, an existing long-standing and flourishing relationship with a European company has helped when trying to engage with new partners.

**Using BS 11000 to rebalance the relationship**

NNL implemented tools from BS 11000 and the master-class sessions to look at collaboration in a more formalized way. This has helped provide greater focus to another more fledgling international trading collaboration.

Using the standard, NNL undertook internal assessments and did a SWOT analysis. It also defined roles and responsibilities, and, working with

**BS 11000 Small Business Collaboration**

the new partner, reviewed how tasks could be assigned. Methods from the standard were used to jointly identify targets and objectives. This resulted in improved alignment between the two organizations, and a joint quick-win for NNL and the partner.

Key to this work was the identification of a Senior Executive Responsible (SER) – as the standard suggests – within each partner organization, who deals with the collaboration. NNL also put a Relationship Management Plan (RMP) in place, which helped to enable a joint-marketing initiative. Because of the RMP, the company believes that some thorny issues were resolved in an open and constructive manner, which avoided a difficult conversation later on.

All told, the principles in the standard enabled NNL to focus on achieving better alignment with its existing partner, and the new international partner. The company has used that strong foundation to form a tripartite arrangement/agreement. The standard has yielded more confidence in approaching partnership relationships, and NNL feels that the formalization process has given it more leverage when bringing new strategic partners into collaboration. "The standard gives me confidence," says Rachel Hoyle, CEO of Nucleotide. "It helps provide a focus, making my time more efficient when dealing with collaboration matters. It gave me greater leverage to get the partner to appoint someone to coordinate the collaboration at their end, and the confidence to request a retainer for the early stages of the collaboration, where more of my time is required. The retainer was agreed."

Hoyle also believes that as well as creating more leverage for small businesses when working with larger organizations that "there is strength in SMEs working together" and value in formalizing this type of collaboration.

She concludes: "Working with partners is a way of maximizing strengths by balancing out each other's weaknesses. The principles and rationale behind the

BS 11000 standard are extremely useful and have led to a better Relationship Management Plan that helps to keep my collaborations on track and in focus."

**Conclusions**

Collaboration can be seen as complicated and risky by many small businesses, and as a result is not pursued. As well, small businesses are often time-poor or feel they lack the resources to put formalized relationship governance in place with a standard. Yet as our case study companies demonstrate, the standard can provide a useful route-map as to how good practice can be approached by even very small businesses.

When managed effectively, with trust and openness between partners, collaboration can enhance competitiveness and performance, and deliver new value. It can foster innovation and the co-creation of new products and services, it can enable businesses to access new markets and customer segments, and it can help businesses to grow by sharing resources. Collaboration can also lead to increased innovation, better cost, time, resource and risk management when relationships are managed effectively.

BS 11000 can help by supplying a structure and process that will bring confidence to businesses that have not partnered previously, or who would like to improve their partnering arrangements. It can help to 'level the playing field' between small businesses and larger ones. It provides structured thinking around collaborations and has shown it can help micro-businesses to reflect on what they can offer, who they can work with and how that can be mutually beneficial. Using the methodology outlined in the standard, small businesses can improve their relationship management capability. They can create greater transparency, and increased trust and confidence, on both sides. BS 11000 provides a framework to help collaborators work together more fruitfully and deliver tangible business benefits.

Contact us  
to find out how  
BSI can help your  
business make  
excellence a habit.

**BSI Group Headquarters**

389 Chiswick High Road  
London W4 4AL  
United Kingdom

T: +44 (0) 845 086 9001  
E. [cservices@bsigroup.com](mailto:cservices@bsigroup.com)  
[bsigroup.com](http://bsigroup.com)

