Collaborative working in supply chain & procurement

11.20-12.20

Chair: Kieran Parkinson, BSI

Frank Lee, BSI
Stephanie Smith, Kier Highways
Bev Waugh, Atkins
Our panel

Frank Lee, Product Certification Technical & Operational Delivery Director at BSI
Frank is an ISO 9001, ISO 14001 BS 18001 and BS 11000 Lead assessor and has considerable international experience throughout Europe, The Middle East Asia and the US.

Bev Waugh, Major Projects Service Director at Atkins
Bev joined Atkins in 2015 as a director in the Highways and Transportation business with responsibility for bidding and delivery of highways projects.

Stephanie Smith, Performance & Quality Manager at Kier Group
Steph joined Kier in 2014 and she’s currently the Quality and Performance Management for the Area 9 Asset Support Contract
Collaborative Business Relationship.

Supporting a resilient supply chain
Frank Lee
Technical and Operational Delivery Director
Global product Certification Business.
A Collaboration Standard  WHY?

• Initially driven by the need for better engagement for major infrastructure/defence projects

• Resulted in a number of thought leadership publications

• Culminating In ISO 44001

• Benefits quickly seen in key industries including: Transport, Defence, Construction

• The standard provides a framework to improve how organisations collaborate together to enhance partnerships by

  • To manage and understand key factors e.g. Managing Joint outcomes, Knowledge, Risk, Partner selection, Joint working and governance

  • Leading to achieving cultural alignment, Trust, behaviours resulting in ...

Delivering Value!
ISO 44001:2017

• A new chapter in the story of collaboration
• Takes the standard to a new level
• Considerable international interest
• Excited about the opportunity that ISO 44001 brings for certification internationally
• Supports the development of a resilient supply chain
Health Warning !!!

- It’s a long standard.
- Duplication within it.
- About 60 pages long.
- But requirements cover about half of those.
- 7 Informative annexes full of useful supporting information
- Definitions
- Based on HLS
- And Plan do check act is there.
Transition form BS 11000 to ISO 44001 2017

• We in BSI started early on transition from BS 11000.
• Pilot transition ran with great results.
• Six Pilot clients already transitioned.
• Others on-going.
• Several clients already certified to ISO 44001.
• Target full transition all clients by March 2019.
• Process in place.
• Early adopters wanting transition quickly welcome.
ISO 44001: 2017 learning points

- Applicable to all types and sizes of organisation
- Kier Alliance model proved this last year
- Also demonstrated the value to the supply chain of collaboration
- We have seen integration and support processes integrated with other standards more easily.
- Not anticipating any significant problems through the transition
Skills, Benefits and Challenges of Effective Collaborative Working.

**Benefits**

- Innovation
- Better problem solving
- Customer satisfaction
- Employee performance
- Reputation
- Operational efficiency
- Business performance
- Continuous improvement

Research Project  
*To understand the current and potential state of collaborative working in the UK and beyond*

Mehmet Chakkol  
Assistant Professor of Operations Management  
Warwick Business School

- Increased trust
- Recognition
- Better supply chain relationships
- Reduced supplier opportunism
- New competences
- Increased skills
- Customer repurchase intention

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4.1 Context of the organization

- Understanding the organization and its context
- Understanding the needs and expectations of the stakeholders
- Creation of value
- Value can be many things dependent upon the context of the organisation and its context.
- And things change constantly so as a result the context of the organisation is never static.
- What is your business propose what are the factors affecting that purpose
Context of the organization

- Expectations
- Skills
- Supply chain challenges and opportunities
- Customers
- Environment
- Health and Safety
- Revenue
- Social Responsibility
- Diversity
- Shareholders
- Sales
- Diversity
In understanding the context of the organisation this provides the direction for where ISO 44001 2017 should be applied

- Improve my financial performance
- Make my supply chain more resilient
- Gain access to new markets
- Get access to new or rare skills
- Meet my customers needs
- Address social, diversity or environmental issues
- Improve my market share
- Be better prepared for the unexpected
- More positive relationship with regulators

**If I collaborate can I?**
ISO 44001 and supply chain resilience.

Standard provides a framework for.

- Identification, prioritisation and segmentation of relationships within a supply chain.
- Selection of partners based on culture, competence.
- Frameworks for knowledge sharing and associated rules of engagement.
- Working together including systems and structures.
- Joint management of risk.
- Encouraging innovation.
- Joint objectives linked to:
  - Customer needs, expectations and desired outcomes.
  - Creation of value.
The value of relationships

- Confrontational
- Compliant
- Co-operative
- Collaborative
- Co-creating
- Partnering

Value Creation vs. Mutual Trust

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ISO 440001 and supply chain resilience.

Understanding your risk profile is key.
Selecting the right partner(s).
Cultural fit.
Competence of your and your partners people to work collaboratively.
Understand what value is to you.
Make sure your partner understands that.
Make sure you know what value is to your partner and that you are willing and able to help them achieve it.
Win Win.
To move from

This to This
Achieved through

Good governance

Leadership
Good partner selection
Joint Management Teams – shared objectives
Joint planning - transparency
Joint risk management
Joint Improvement Teams
Displaying collaborative behaviours
Alliance model benefits and challenges

• Supply chain partners better understand their role.
• Feel part of a team.
• Greater cohesion between different organisations.
• Less man marking
• If done correctly everyone shares in the rewards. Value gained for all.
• Competitors may be asked to work together (challenge but has been seen to lead to value).
• May require change in culture on all sides.
• Requires investment of time and resources to gain the real benefits.
• Innovation.
• Suppliers go the extra mile when they are part of the same team.
Collective capability

Creation of new value that could not be achieved by you working independently
Some thoughts on Collaborative Working…

Focus on the quality of the conversations, not just the paperwork or documentation
Remember, you earn trust it’s not given lightly
Focus on building the relationship and the benefits will follow
Look upon relationship building as an Investment like any other
Don’t make the standard fit your organisation - build a system that suits your organisation
The standard generally says “what” “how” is your call in the main
Don’t be afraid to make tough decisions
Processes are important, procedures are helpful, people are key

Have fun doing it and that will be your first collaborative reward
Working together with our clients and partners, we believe that the scale of what we can accomplish is greater than anyone can imagine.
Together is always better

We know that working collaboratively enables us to answer our clients’ challenges better so we always look to build partnerships both inside and out:

• Our people build close relationships with their clients to understand them, their end user and their goals.

• We form joint ventures and strategic collaborations to deliver the transformative solutions that our clients need.

• We work collaboratively as a diverse collection of experts across Atkins, and with leading industry, supplier and academic organisations.
The Benefits of BS11000/ISO 44001 approach

- Proactive relationship management
- An understanding of our strengths and weaknesses – choosing the right partners
- Supports a collaborative culture - demonstrating the right behaviours
- Talking a common language - Increasing numbers of organisations adopting Standard
- Realising more value through a structured approach to Collaborative Working
- Supports Atkins Business Strategy

The Ultimate benefit is more ‘Sustainable Relationships’
Applying to the Supply Chain
What we found

We were challenged by BSI Assessors
The tools were the same
Follow the logic of good relationship management
Risk management & knowledge management need structure
Suppliers are key to our success
Successful in Extending the Scope of our Certification
Personal Perspective

It does work

You can’t avoid relationships
Connect Plus Renewal Framework
Use the structure in procurement
Gap Analysis
It’s catching
Always use the ‘Value’ challenge

So much more than the Certificate
Collaborative Business Relationships in Kier Highways
ISO44001:2017
Steph Smith

For more information visit: www.kier.co.uk
Collaboration – a core value

2012  Area 3 BS 11000 achieved – 3 partners
2013  Area 3 Community expanded to 11 partners
2014  Area 1, Area 13, LoHAC, Croydon
2015  Area 9 Delivery Community
2016  Area 3 Alliance Model
2017  ISO44001 transition across all contracts
Alliance Model

- A means by which all parties involved gain their own accreditation to ISO44001:2017
- Engaged with Tier 2 and Tier 3 Suppliers
- Requires an existing ISO44001 accredited organisation (Kier Highways) to lead, by providing support and direction to the partners
- All participants need to demonstrate full compliance with the requirements of the standard

The Alliance massively increases trust in working relationships which has real tangible operational and commercial benefits.
Aims

- To develop a single collaborative working system
- Align client objectives with the supply chain
- Access innovation to reduce costs and timescales for delivery

All 13 partner organisations achieved accreditation!
Benefits

■ For clients
■ For suppliers
■ For Kier Highways
■ For our industry
■ For all of our people
■ For our customers
Thank you!

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