

BS 11000-2:2011



BSI Standards Publication

Collaborative business relationships –

Part 2: Guide to implementing
BS 11000-1

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Summary of pages

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Foreword

Publishing information

This part of BS 11000 is published by BSI and came into effect on 31 December 2011. It was prepared by Subcommittee SVS/1/4, *Collaborative business relationships*. A list of organizations represented on this committee can be obtained on request to its secretary.

Relationship with other publications

BS 11000 is published in two parts:

- Part 1: A framework specification;
- Part 2: Guide to implementing BS 11000-1.

This part of BS 11000 should be read in conjunction with BS 11000-1, which gives requirements for implementing a strategic framework for establishing and improving collaborative relationships. This part of BS 11000 provides support to organizations seeking to implement the requirements in BS 11000-1.

Information about this document

Assessment and certification can only be undertaken by a single company or part thereof. Where two or more organizations are working together, they may use as evidence common material and data relating to the stages from 'Working together' (Clause 7) onwards.

Use of this document

As a guide, this part of BS 11000 takes the form of guidance and recommendations. It should not be quoted as if it were a specification or a code of practice and claims of compliance cannot be made to it.

Presentational conventions

The guidance in this standard is presented in roman (i.e. upright) type. Any recommendations are expressed in sentences in which the principal auxiliary verb is "should".

Commentary, explanation and general informative material is presented in smaller italic type, and does not constitute a normative element.

Contractual and legal considerations

This publication does not purport to include all the necessary provisions of a contract. Users are responsible for its correct application.

Compliance with a British Standard cannot confer immunity from legal obligations.

0 Introduction

0.1 General

This part of BS 11000 aims to provide guidance that supports the effective implementation of Part 1 in order to establish and improve collaborative relationships in organizations of all sizes.

The case for the significant business value and benefits to be derived from collaborative working was made in Part 1. This guide has been developed, using pan-industry best practice, including the experience of early adopters of Part 1, to help organizations understand why each element of this part of BS 11000 is important together with the practical approach to be taken.

In Part 1, the multi-dimensional nature of collaborative relationships was specified, many of which have an outward focus, emphasizing the importance of collaboration in managing differing goals, objectives, expectations, cultures and behaviours between organizations. Collaboration can also be used to focus on internal interfaces to optimize existing activities, consolidate internal rationalizations or to speed up the process of integration during acquisitions and mergers; in these circumstances the guidance in this part of BS 11000 is also relevant.

0.2 How to use this guide

This part of BS 11000 has been structured so that the clause numbering mirrors those used for the corresponding clauses in Part 1. This enables the reader to easily locate and apply the guidance that supports a specific clause in Part 1.

This part of BS 11000 covers the eight stages from Part 1, which are introduced by commentary that explains more about the purpose and aims of each stage. A flowchart is included at the start of each clause to illustrate the path through the steps within each stage; each box within the flowchart represents both the clauses contained in Part 1 and the supporting clauses in this part of 11000.

Each of the clauses is structured in the same simple format as follows:

- 'what' covers the requirement of the matching clause in BS 11000-1 (see BS 11000-1:2010, Annex A, for the mirroring checklist);
- 'why' covers the relevance and importance of supporting the development of effective collaborative working;
- 'how' covers the implementation of the matching clause in BS 11000-1, e.g. suggested approaches and areas for consideration.

Where appropriate, the clauses are supported by tables, figures, and models and methods that might be used in the course of implementation.

Further useful information is provided in the annexes to this part of BS 11000, all of which can be used to implement Part 1.

0.3 The relationship management plan

Part 1 requires an organization to establish a relationship management plan (RMP): see BS 11000-1:2010, Clause 0, for a detailed overview of the role and purpose of this document. An organizational RMP is owned by the Senior Executive Responsible (SER); lower level RMPs for specific parts of the organization or for a specific relationship may be developed and owned by an appropriate SER for that area, reflecting the overall corporate approach.

The RMP is a living document, which is referred to in BS 11000 (all parts). There is a need for the document to be updated with the relevant information created by following the steps identified in this part of BS 11000.

When created and maintained with sufficient detail and care, effective RMPs can help to:

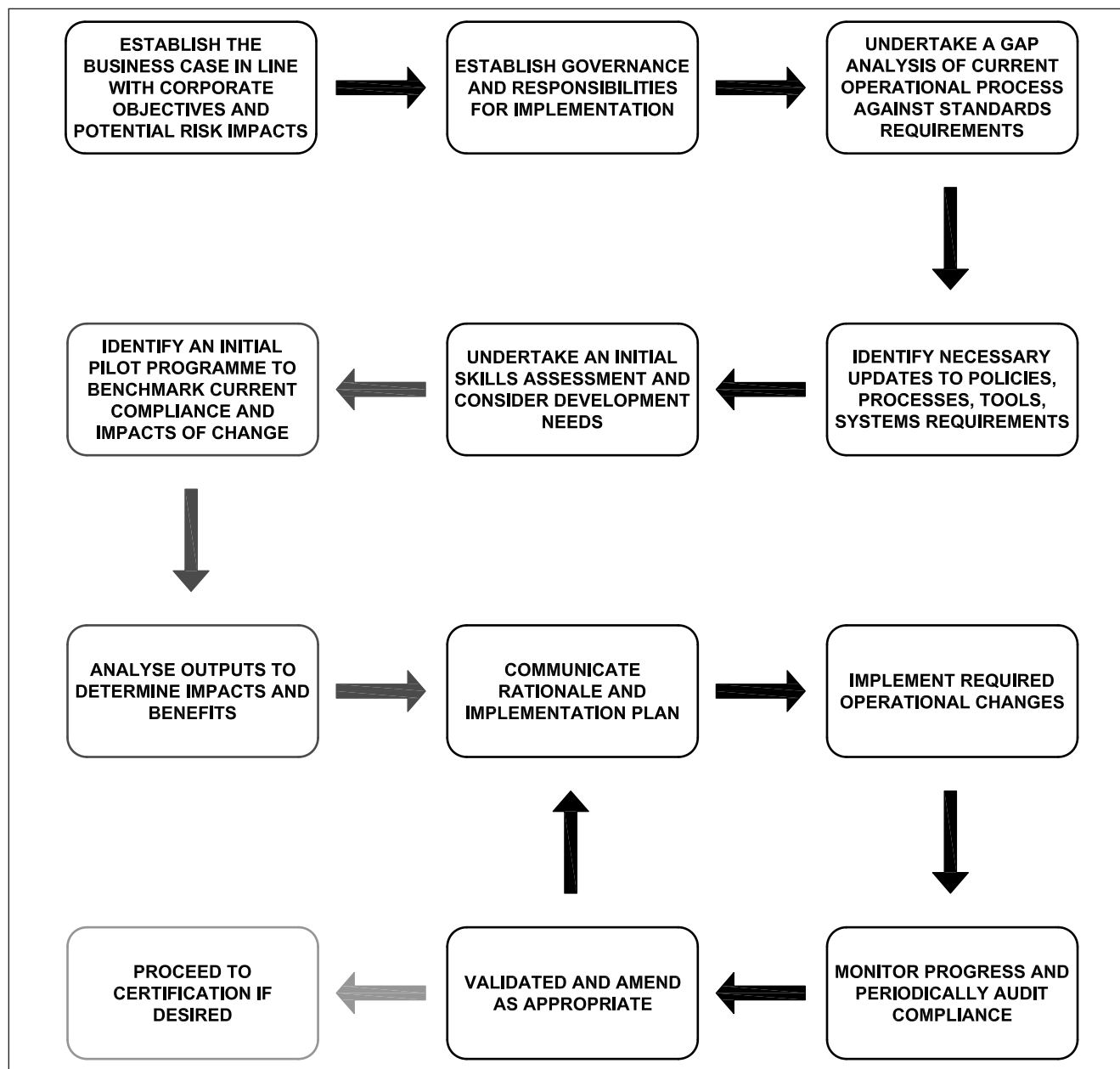
- document and share the business case and strategy for collaborative working;
- provide an actionable implementation plan for the deployment of collaborative working;
- provide overviews for stakeholders of key processes and tools that support collaborative working activities;
- provide evidence of compliance to Part 1 in support of audits;
- incorporate a joint document as an addendum to a contract where organizations elect to;
- document joint ways of working agreed between parties in a collaborative relationship.

Where the RMP is used within a specific collaborative relationship to define joint ways of working, it is important that the document is jointly owned and is agreed by all the parties of the collaboration.

0.4 The sequence of stages in Part 1

While Part 1 follows the three-phase approach (Strategic, Engagement, Management), containing eight stages (see BS 11000-1:2010, Figure 2), it is recognized that for many organizations, the entry point might vary based on the nature of the specific collaborative relationship being addressed. The high level flowchart in Figure 1 has been developed to provide general guidance for organizations, which assists in the overall implementation of BS 11000-1 but is not directly related to the clauses within this British Standard.

Figure 1 High level implementation flowchart



1 Scope

This part of BS 11000 provides guidance to organizations on implementing BS 11000-1 in order to achieve successful collaborative business relationships, as well as on each clause to help organizations use and implement the framework specification effectively.

This is applicable to any organization regardless of size, type or activity.

2 Normative references

The following referenced documents are indispensable for the application of this document. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

BS 11000-1:2010, *Collaborative business relationships – Part 1: A framework specification*

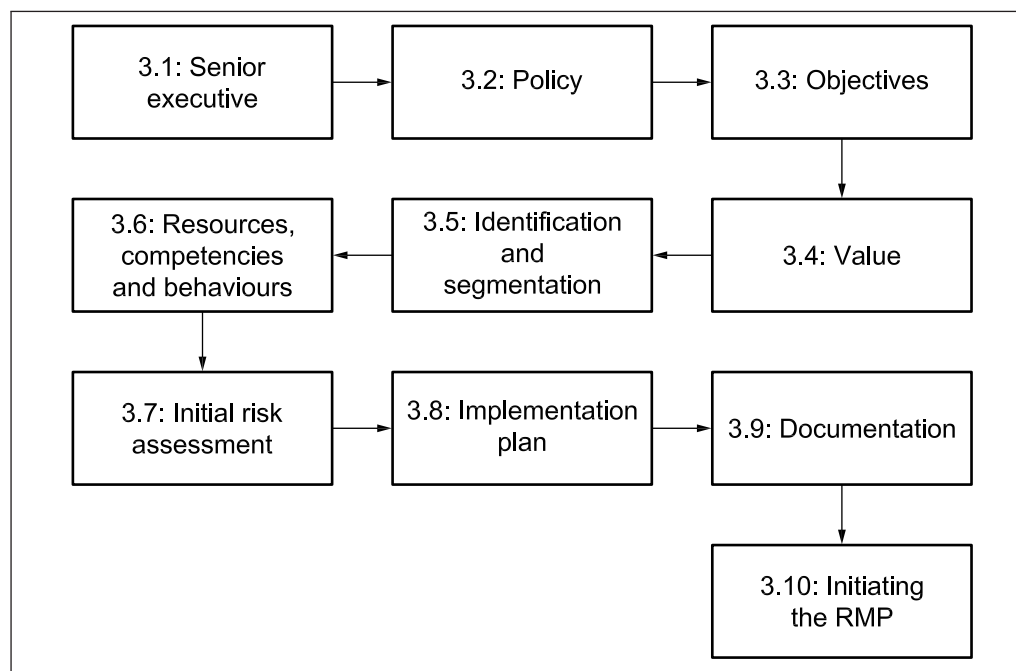
3 Guidance on Stage 1: awareness

COMMENTARY ON Clause 3

This clause gives guidance on BS 11000-1:2010, Clause 3.

“Awareness” addresses the overall strategic corporate policies and processes that can lead to incorporating collaborative working into business operations. This recognized approach can be used to identify where value can be added. At this stage organizations are advised to assess the appropriateness of adopting a collaborative approach and plan their integration of it, identifying the benefits and value along with the business impacts, considering both internal and external constraints. Figure 2 illustrates the steps through Stage 1.

Figure 2 Awareness process flowchart



3.1 Senior executive

What?	Appoint an SER for collaborative business relationship management.
Why?	To ensure that there is senior executive sponsorship and support for any changes required to deliver collaborative working.
How?	The senior executive management should establish a clear mandate and overall strategy for the creation and implementation of collaborative relationships. Appointing an SER ensures that: • authority and recognition are given to the implementation; • overall business objectives are aligned; • internal and external stakeholders are engaged; • the impact on operating practices and resources are recognized; • those charged with implementation are accountable; • an appropriate governance model is implemented; • overall responsibility for successful collaboration is undertaken. The SER should have the necessary central authority to be able to influence the multiple organizations and functions represented within the business relationship, without necessarily having line management authority. The SER and the joint management team have overall and individual leadership responsibility for the performance of each collaborative relationship. Maintaining disciplined governance arrangements are important for supporting this role. The SER has responsibility for determining who the most appropriate level of management is to review the performance data based on the areas that they are responsible for. Data should be reviewed, conclusions drawn and information passed throughout the organization at all levels. In particular, data should be passed to the level of management that makes decisions on how to respond to conclusions and to allocate resources, etc. based on the outcomes.

3.2 Policy

What?	Define policy for collaborative working.
Why?	Defining policy should establish and embed collaborative concepts, approaches and behaviours in the business relationship so that they are consistently applied and maintained across the organization. Defining policy underpins sustainable success to deliver defined outcomes.
How?	The policy for collaborative working should: • include authorization by executive management; • be underpinned by processes and training; • be consistent with the organization's vision and values; • use language that is relevant within the organization; • be understandable to all stakeholders; • be relevant to the organization's environment; • build on existing policy where appropriate.

3.3 Objectives

What?	Identify strategic business objectives.
Why?	Organizations need to review their objectives to determine how and where delivery of these can be enhanced by use of collaborative working.
How?	The business objectives should be defined at the outset to ensure a clear understanding of the desired outcome. These might be corporate-wide, divisional or functional objectives. Objectives should be: • focused on specific benefits and outcomes; • linked to policy; • linked to measurable milestones; • defined by time; • linked to adequate resources with accountability defined. <i>EXAMPLE:</i> <i>Objectives can be evaluated and selected as specific, measurable, achievable, realistic and time-bound (SMART).</i>

3.4 Value

What?	Identify potential value from collaborative working.
Why?	Collaborative working requires effort and resource to be successful. Therefore identifying the potential value in collaborative working should ensure that the value proposition has been sufficiently evaluated to: • demonstrate specific benefits; • address internal barriers; • evaluate output versus investment; • identify opportunities and risks to be exploited; • drive innovation.
How?	Areas that can deliver value to the organization from a short, medium and long-term perspective should be identified; see Figure 3 for examples of potential benefits from collaborative working.

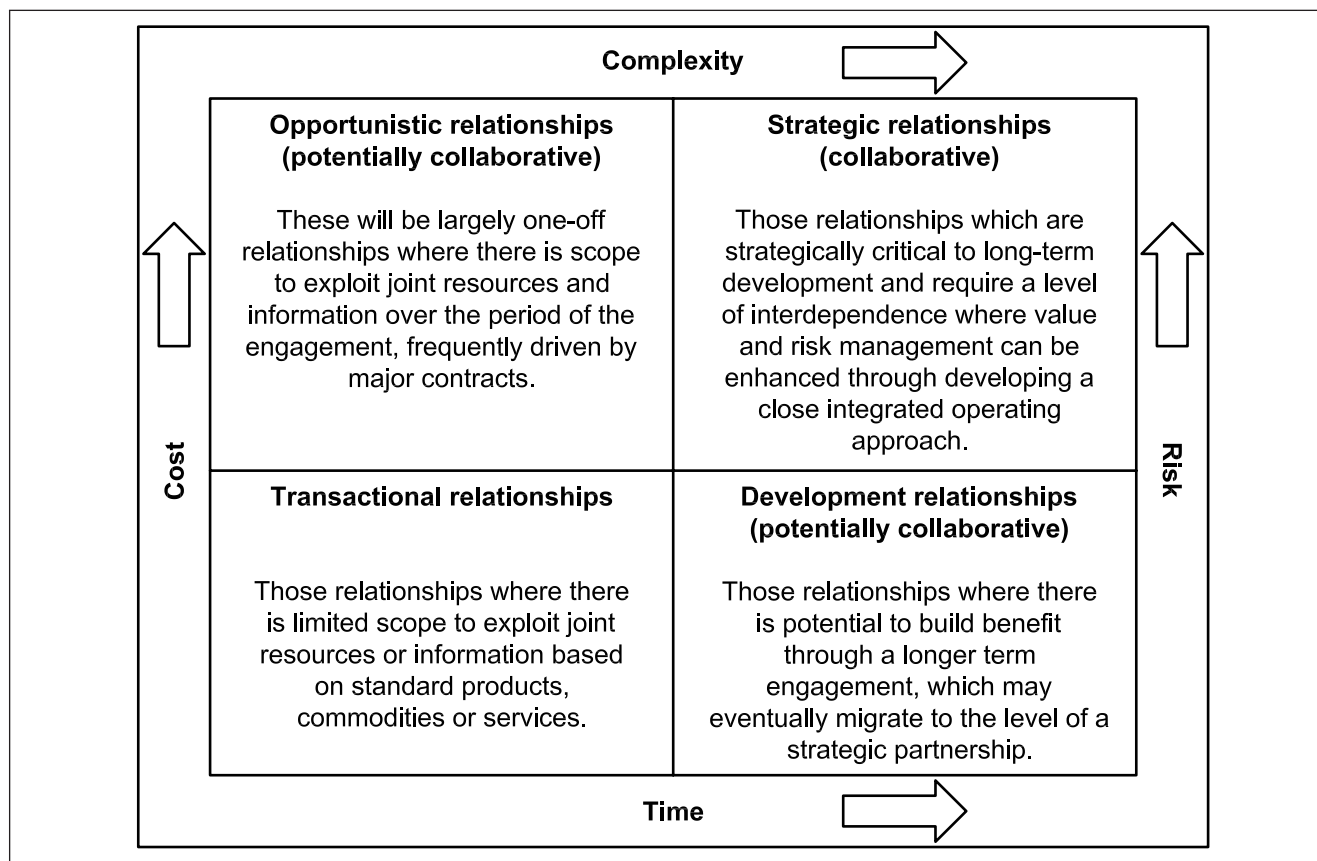
Figure 3 Examples of benefits from collaborative working

Identify total cost of ownership	Improved efficiency	Optimized effectiveness	Enhanced performance
Cost reduction	Product development	Market development	Delivery improvement
Waste reduction	Remove duplication	Customer engagement	Joint risk management
Resource optimization	Supply security	Scalability of resources	Sustainable development
Improve profitability	Information sharing	Skills enhancement	Innovation
Business growth	Process improvement	Maintain competitive advantage	Dispute reduction

3.5 Identification and segmentation of business relationships

What?	Identify all significant relationships. Segregate and prioritize opportunities and establish implementation plans.
Why?	Collaboration should be focused on where it can deliver the most benefit: - assessed for appropriateness and implications; - contributing to the business objectives; - focusing resources and effort.
How?	The model in Figure 4 gives an approach for initial segregation (whether customers, suppliers or partners) based on combinations of four parameters: cost, risk, complexity and time. Prioritization should be based on those that deliver greater value (see 3.4), which subsequently establishes a sequence for proposed implementation and assignment of resources.

Figure 4 Suggested approach to segmentation in business relationships



3.6 Resources, competencies and behaviours

What?	Establish policies, procedures and resources to support competencies and appropriate behaviours.
Why?	Operating within a collaborative programme introduces a number of challenging concepts that might not be common within the current operating structures. Operating this way should ensure that as the programme evolves the appropriate behaviours and skills can be established and maintained.
How?	The competencies and skills required should be established and where appropriate training and development should be implemented (see BS 11000-1:2010 Annex C, for additional guidance). When considering the suitability and experience of individuals to work in a collaborative environment, it is important to recognize the critical impact of behaviours. When assessing individuals, approaches such as neuro-linguistic processing (NLP) can be helpful, particularly when considering leadership roles (as these set the tone for all staff). Organizations should introduce an induction programme where the principles of collaborative working can be highlighted for those joining a collaborative programme.

3.7 Initial risk assessment

What?	Implement an initial risk assessment associated with collaborative business relationships.
Why?	The specific implications of risk associated with collaborative working should be assessed. Collaboration and partnering can offer many opportunities to mitigate risks for both customer and suppliers throughout the value chain. However, it can introduce new risks that might not have been considered. An effective initial risk assessment should enable the organization to evaluate: • the risks to engagement in collaboration; • how collaboration might reduce risks in prospective opportunities; • any identified risk issues when assessing prospective partners; • who is best placed to manage the identified risks.
How?	Some areas to be considered when identifying the risks associated with a prospective collaborative opportunity are given in Table 1 (the examples given are not exhaustive). This should be done in addition to any existing risk management policies; the proposed mitigation for each risk should be established, where practical. Addressing risk might be a facet of the collaboration (e.g. can partners help?) through joint risk management or an issue that collaboration might introduce and should therefore be assessed during strategy development (see 4.5) and partner selection (see 5.3 and Clause 6).

Table 1 Examples of potential risks associated with collaborative relationships

Reputational risk	Cultural/behavioural risk	Operational risk
• Customer acceptance • Organizational values • External perceptions • Stakeholder acceptance • Sustainable agendas • Market resistance • Ethical and responsible trading	• Organizational culture (e.g. public/private sector) • Organizational behaviours • National cultures • Historical relationship (e.g. prospective partner is a previous client) • Levels of trust	• Organizational structure (e.g. rigid or flexible) • Process stability/maturity • Resource/capability • Business continuity • Continued competitive advantage • Interdependencies

3.8 Implementation plan

What?	Establish an implementation plan for each relationship.
Why?	This should define an approach for each type of relationship (as identified in 3.5) that supports business objectives and recognizes external influences and risks that might either aid or constrain the programme.
How?	At this stage, the organization should establish and implement a process to identify where collaborative working is to be deployed to meet specific objectives and implement appropriate changes to operating practices where necessary.

3.9 Documentation

What?	Document defined procedures.
Why?	This should provide clarity, transparency and consistency across the organization and underpin collaborative working, complementing existing business processes.
How?	The organization should undertake a review to establish whether the existing processes are consistent with collaborative working or require modification. Those implementing BS 11000-1 should incorporate documentation within existing policies, procedures and systems rather than create an additional level of documentation. The RMP can provide a mechanism for documenting any additional requirements.

3.10 Initiating the RMP

What?	Initiate RMP; see BS 11000-1:2010, Annex B.
Why?	This should provide a framework for documenting the relationship development process and be a dynamic record of the evolution of the relationship. The RMP provides a focus and background for operational personnel and a centralized record for process audit or assessment.
How?	At this stage the RMP should act as a corporate model for collaborative working. It should document the various elements, processes, procedures and shared systems of work, while at the same time communicating strategic issues such as objectives, targets, milestones, key contacts and areas of responsibility. The RMP can be presented in many forms, from a simple booklet to an on-line database, depending on the nature of the collaboration and/or the nature of the collaborating organizations. The RMP should: • be fit for purpose; • show that all stakeholders are identified and engaged in the process; • reflect the culture and environment that it is designed to support; • be maintained as a live, evolving document; • have clear ownership and be used as a basis of a future joint RMP; • be approved by the SER (once finalized); • be subject to review at appropriate intervals; • be updated at every stage of the development.

	In establishing the initial high level RMP, the document should incorporate a default approach for each of the elements defined in BS11000-1:2010, Annex B. At this stage, the RMP should have a fully defined response to the general and awareness details given in this clause (which should remain constant as specific RMPs are developed for individual approaches), including: • identifying the SER; • identifying business objectives and drivers; • incorporating benefits analysis; • identifying implementation processes or links to existing procedures and processes; • identifying constraints and initial risks; • identifying resources and skills development requirements.
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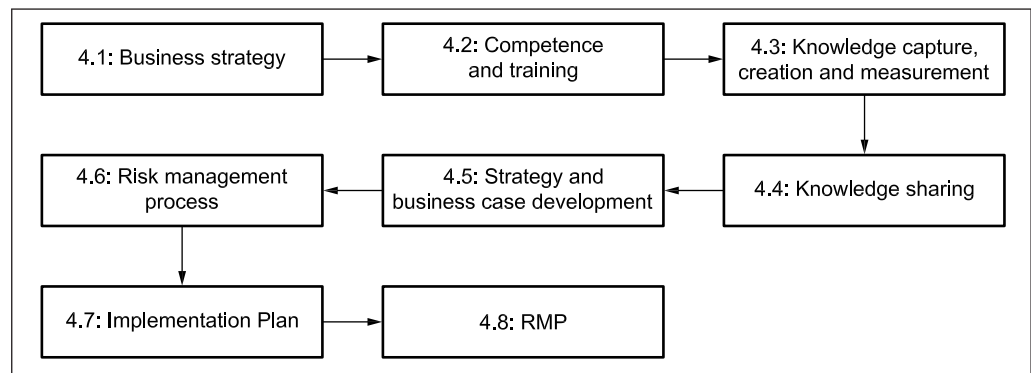
4 Guidance on Stage 2: knowledge

COMMENTARY ON Clause 4

This clause gives guidance on BS 11000-1:2010, Clause 4.

“Knowledge” focuses on the development of a specific implementation strategy for an identified opportunity, creating a business case and analysing benefits around building a collaborative approach to deliver strategic objectives. While there is an overall corporate approach to developing collaborative relationships, each individual business relationship is established against a variety of specific drivers, objectives and influences. Each relationship needs to encompass both the overall governance processes but also reflect the necessary adjustments to achieve the desired outcomes. Figure 5 illustrates the steps through Stage 2.

Figure 5 Knowledge process flowchart



4.1 Developing a specific business strategy

What?	Establish the objectives and key drivers for each collaborative opportunity and evaluate if collaboration is appropriate.
Why?	Collaborative working can drive added value in many areas of business, however, it might not be appropriate or necessary for all types of business relationships. The organization should ensure that the investment needed for collaboration is proportionate to the potential benefit.

How?	Having identified ways in which collaboration can add value in 3.4, the specific value drivers for each collaborative opportunity should be identified as a basis for establishing measurable objectives for the business case submission and approval.
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4.2 Competence and training

What?	Identify the experience, skills and competencies of individuals that will be involved in any collaborative initiative.
Why?	A collaborative approach might challenge traditional working practices and therefore be a potential constraint. People with the appropriate skills and experience should be assigned to work together effectively. There might also be a need to redefine operational roles and responsibilities in the context of the collaboration.
How?	There is a clear distinction between business skills and those additional practical collaborative skill sets, which might be required to support a collaborative relationship. The organization should undertake a review of the resource requirements against existing skills, experience, competency models and implement selection and training as appropriate with a particular focus on key personnel (see BS 11000-1:2010, Annex C, for further information).

4.3 Knowledge capture, creation and management

What?	Establish a procedure to capture, create and manage knowledge within collaborative relationships.
Why?	A key benefit of collaborative relationships is that they increase the knowledge pool, improve transparency and provide an environment for knowledge creation. Collaboration increases the flow of information and this should be handled in a controlled manner to prevent potential conflicts, duplication, inefficiency and misunderstanding, which can lead to mistrust.
How?	The procedure should include process controls and designated responsibilities for how and when knowledge is recorded and how it is shared. What needs to be shared and what information should be controlled within contractual and legal constraints should be understood by those involved in the relationship. Organizations should also evaluate their standard contract clauses relative to knowledge sharing to ensure that these are compatible with collaboration and, if necessary, document specific variations. Developing a knowledge map or information matrix can help to provide a structure to identify what might be shared; an example is shown in Figure 6.

Figure 6 Knowledge map: examples of areas for consideration

Industry standards	Regulatory requirements	Partnering programmes	Product strategy	Business plans	Strategic plans
Product information	Market research	Patent applications	Research and development strategy	Research and development results	Investment plans
Industry trends	Bidding strategy	Specific pricing	Pricing structures	Margins	Corporate financials
Market information	Current contracts	Marketing plans	Customer contacts	Customer relationships	Incentive programmes
Customer trends	Sales plan	Sales targets	Sales leads	Skills development	Organization changes
Public information	Supplier contracts	Supplier agreements	Technical and product data	Cost data	IPR/design

4.4 Knowledge sharing

What?	Establish guidelines for sharing knowledge between organizations.
Why?	Through effective collaborative relationships, organizations can capitalize on wider knowledge pools that might otherwise be constrained by systems, individual perceptions and concerns about sharing knowledge. Knowledge sharing might be between: a) individuals; b) groups; c) divisions of the organization; d) collaborative partners or customers.
How?	In 4.3 a procedure was established for knowledge capture, creation and management. During this step organizations find it helpful to provide guidance on sharing knowledge because it ensures appropriate information is exchanged, which drives the right behaviours underpinning collaborative working. Individuals should recognize the importance of knowledge sharing and see clearly how it is linked with the business objectives of the organization. Examples include: • formal and informal communications; • staff briefings; • newsletters; • intranet; • social media; • shared working environments.

4.5 Strategy and business case development

4.5.1 General

What?	Establish procedure for developing a strategy and business case for each opportunity.
Why?	Collaborative working might challenge the internal operating processes of the organization. Commitment and resources are required to deliver the desired outcomes, therefore, there should be a clear strategy for implementation and a robust business case for adopting a collaborative approach for each relationship.
How?	Organizations should evaluate existing strategy development approaches to ensure that they address the implications of collaborative working. Key elements of any business strategy should include: • clarity of objectives; • establishment of the required organizational structure and resources; • roles and responsibilities; • evaluation of market conditions; • assessment of customer adoption; • value benefits analysis; • identification of appropriate organizations to work with; • consideration for exit strategy. These elements are outlined in more detail from 4.5.2 to 4.5.8 and the defined approach should be incorporated into and supported by an RMP.

4.5.2 Establishing objectives

What?	Identify and document objectives of each collaborative relationship.
Why?	Only when there is a clear understanding of what an organization wants to accomplish can specific objectives for a collaborative relationship be set. In many cases the failure of external relationships can be attributed to organizations failing to understand or define their own direction.
How?	By defining and prioritizing the desired outcomes, the following questions should be answered. - What are the benefits from collaborative working? - What does success look like? - How is the progress towards these goals measured? - When have they been achieved?

4.5.3 Organizational focus

What?	Establish the responsibility and necessary approval for developing this specific relationship and communicate appropriately.
Why?	There should be clarity across the organization about managing the collaboration. Even people outside the direct collaborative activity can impact on its eventual success.

How?	Internal interfaces should be established and where the responsibility lies for developing and implementing the relationship should be identified as part of a governance model. This might be: • a specifically nominated team; • a functional group (marketing, sales, operations, supply chain); • an operating division; • a regional operating unit.
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4.5.4 Market focus

What?	Analyse the market sector.
Why?	Consideration should be given to the broader economic and political changes in the external environment that might introduce pressures on the collaborative arrangement. This might be particularly relevant when working with overseas organizations. However, collaborative approaches are often developed to meet external challenges, responding to changes in markets, and can be highly successful.
How?	Market analysis to consider the implications of a collaborative approach should be undertaken. A simple method of capturing these issues is by utilizing SWOT (see Table 2) and/or PESTLE (see Table 3) models.

Table 2 SWOT analysis

Strengths What are our strengths?	Weaknesses What are our weaknesses?
Opportunities What are the opportunities to enhance our business through collaboration?	Threats What are the threats that could undermine the success of collaboration?

Table 3 PESTLE analysis

Political What is the current political environment and the implications for the success of collaboration?	Economic What are the current economic conditions and their implications for the success of collaboration?	Social What are the social implications that could impact collaboration?
Technological What are the technology issues, current and future developments, that could impact the success of collaboration?	Legal What are the legal implications of a collaborative approach?	Environmental What are the environmental considerations, in particular, the implications for corporate social responsibility and sustainability impacts?

4.5.5 Customer focus

What?	Define the customer base, establish the customers requirements and expectations.
Why?	In some cases, a collaborative opportunity might be initiated by customers or the need to meet customer requirements. The customer might be part of the collaboration. In fact, an important aspect in optimizing performance through collaboration is that partners might interact directly with customers and develop better customer relationships. It is also possible that the customer's acceptance of collaboration or of specific collaborative partners might be a crucial factor in developing the right approach.
How?	When considering a collaborative approach, where possible the aspects that might be influenced by the customer should be identified. These might include: • the customer's attitude to collaboration; • the customer's preference for partners; • the risk of working with multiple organizations; • contracting processes and legal constraints.

4.5.6 Value analysis

What?	Evaluate value of the relationship in the context of the overall business objectives.
Why?	Before launching a collaborative programme that might require specialist capability, it should be ensured that the projected value of such an arrangement warrants the investment. At the same time, defining the potential value to be derived from a collaborative relationship, organizations can validate their approach.
How?	Most organizations have an established process but if not they should establish a process for undertaking these evaluations. This might involve a variety of considerations, including: • financial benefits and risk reduction; • improved performance and efficiency; • extending product or service capability; • product development and innovation; • improved performance through behavioural change.

4.5.7 Identifying potential collaborative organizations

What?	Identify potential collaborative organizations against the specific opportunities.
Why?	While the potential of collaborative working might have been identified, its success rests largely on being able to identify suitable partners, for example, operating outside national boundaries where the collaborative approach might not be widely recognized. Where there is a customer-driven requirement, the options might be constrained by customer preference.

How?	Potential collaborative partners might emerge from a variety of sources, including: • existing trading relationships; • those identified to provide specialist capability; • those identified from geographic or market development drivers; • specific customer requirements; • future products or services. These potential partners might include organizations, which for a variety of reasons have not previously been considered, e.g. for ethical, commercial or historical reasons. However, since they might now potentially be integrated into your own organization's delivery process, their reputation and yours become linked, therefore, how to align visions and values should be evaluated.
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4.5.8 Exit strategy

What?	Develop an initial exit strategy assessment.
Why?	In developing a strategy for the implementation of a collaborative approach, the issues that might trigger the need for exiting the relationship should be understood. This ensures that as the implementation proceeds, these aspects are kept transparent to avoid any hidden agendas, together with identifying those key issues that need to be addressed and which form part of a joint exit strategy.
How?	Organizations should consider at this stage those issues that might impact the ongoing development of the strategy; see Clause 10 for a detailed breakdown of an exit strategy. Table 4 gives examples of items for consideration for an exit strategy.

Table 4 Examples of considerations for exit strategy

Possible exit triggers	Key concerns	Process issues
• Unilateral withdrawal of the partner • Performance failure • Change of ownership • Policy or regulatory changes • Change of requirement • Market changes • Completion of objectives	• Intellectual property • Customer relationship management • Knowledge transfer • Loss of capability • Resource allocation • Reputation • Ongoing liabilities	• Breakdown of governance • Business continuity • Controlled transition • Resource transfer • Costs and timing • Supply chain impacts

4.6 Risk management process

4.6.1 General

What?	Integrate relationship management into established risk management.
Why?	When dealing with any aspect of collaboration, there should be a good understanding of risk management. Introducing the concept of risk helps to create new thinking both to mitigate risk and, where practical, exploit it. It is often difficult to establish a risk management culture that accepts that risk is a joint responsibility. Many risks impact on the integrated venture in the same way as they affect a single organization. Collaborative relationships can address many of the challenges and opportunities introduced by risk through effective risk management but in doing so they might also introduce new risks.
How?	A review of the current risk management approach should be undertaken. In particular, the need to consider where collaboration and relationships might introduce risk or might be utilized to mitigate risk should be highlighted. Those responsible should seek to identify partner risk where this could influence engagement and performance.

4.6.2 Determining risk management policy and method

What?	Establish risk management policy and processes.
Why?	The traditional trading and contracting models tend to focus on risk from an internal perspective, whereas in a collaborative relationship risk should be a joint consideration. Frequently organizations are tempted to focus solely on transfer of risk rather than working to ensure risk is managed by the party best placed to address specific risks. The adoption of a risk averse approach is likely to stifle collaborative working between organizations.
How?	Organizations should review their existing risk management approach to ensure the risks from collaborative working are recognized. There are many aspects of risk and each aspect should be identified, addressed and applied to all partners within the business relationship. Effective approaches should be developed in order to minimize the risk.

	For the collaborative relationship, risk in the following areas, for example, should be assessed, where applicable: a) health and safety; b) reputational; c) performance; d) supply; e) environmental; f) short term; g) long term; h) financial; i) change; j) intellectual property rights (IPR); k) technology; l) business continuity.
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4.6.3 Internal review

4.6.3.1 Internal issues

What?	Identify and assess internal issues which could result in significant risks to performance.
Why?	Collaborative working is likely to impact on many functions within an organization, which might be called upon to support changes in operational approaches, even though they might not be directly involved with the relationship. To ensure success of a collaborative approach, these issues should be identified and addressed where necessary to ensure they do not become a risk to achieving the objectives.
How?	An assessment of those aspects of the current operating practices and approaches that might introduce internal risk to collaborative working should be undertaken. Table 5 gives examples as a starting point for this process; this is not an exhaustive list.

Table 5 Initial analysis of internal risks to effective collaboration

Organizational issues	Cultural issues
• Policies • Processes • Systems • Authorities • Resources • Stakeholders	• Leadership • Ownership • Lack of innovation • "No change" culture • Values • Behaviours
Capability issues	Commitment issues
• Business skills • Competencies • Collaborative experience	• Confidence • Reporting structures • Performance goals • Incentive schemes • Career paths • Job security

4.6.3.2 Business continuity

What?	Undertake a business impact assessment relative to collaborative working.
Why?	Working collaboratively results in organizations placing greater reliance on partners to deliver the required outputs. This might reduce the level of direct control that an organization has and as such could introduce new risks to the business and business reputation. These might stem directly from the outputs of the partner or from the loss of expertise and resource in the organization as tasks transfer to the partner. In looking at the impact of collaboration, organizations should understand the extent of the risk they are facing through entering a collaborative arrangement so that mitigation can be established to protect ongoing business delivery to the customer base. They should also consider the positive impacts and determine how these can be secured.
How?	Areas of interface and reliance should be assessed to determine the risks that might be introduced and the mitigation that can be put in place. In doing this, the business continuity strategy and its mitigations should be coherent with the final exit strategy as both address similar issues, albeit the timing of risk realization and the impact might be different. The opportunities sought through collaboration should be reviewed to assess how this particular collaboration might influence their achievement. Table 6 provides some examples to be considered.

Table 6 Influences on business continuity

External factors	Joint factors	Internal factors
- Natural disaster - Criminal action - Terrorist threat - Political change - Economic change - Social/civil unrest - Labour action	- Resource reduction - Programme completion - Transition - Customer support - Supply chain vulnerability	- Relationship breakdown - Knowledge transfer - Change of direction

4.6.3.3 Sustainability and corporate social responsibility

What?	Consider the implications on sustainability within the context of collaborative risk management.
Why?	Sustainability and corporate social responsibility have a high profile within business strategy and should be factored into any collaborative programme. By working with collaborative partners, many aspects of sustainability can be better addressed to support corporate visions and values. Collaboration can introduce alignment and reputational challenges between partners and for customers.
How?	A review of the current sustainability programme should be undertaken internally and the implications of a collaborative approach, which might increase the risk or provide a joint approach that is more effective, should be assessed. It should also be recognized that by association the actions of external partners can have an impact on an organization. Table 7 gives some examples for consideration.

Table 7 Sustainability implications and opportunities

Sustainability opportunities	Sustainability risks
- Transport/CO₂ reductions - Waste management - Materials optimization - Resource development - Energy savings - Packaging reduction	- Supply chain vulnerability - Reputation by association - Labour exploitation - Human rights - Ethical trading

4.6.4 Risk ownership

What?	Establish that each identified risk issue is appropriately assigned for resolution.
Why?	Risk should not be channelled down or simply transferred through the supply chain; there is a danger that the risk is not addressed or could result in additional risks that are not being identified.
How?	A risk register should be established and each risk should be appropriately assigned internally for ownership and necessary action until the joint risk management process is set up.

4.6.5 Risk mitigation

What?	To ensure that all identified risk issues are addressed and, where practical, consideration is given to how these risks are to be mitigated.
Why?	A collaborative approach has impacts across the organization and risk can be identified by separate elements or functions within the organization. These risks influence the degree of integration and performance. By establishing a comprehensive risk register, risks can be assessed and appropriately handled. Eventually the aim should be to have a joint risk register, if one has not been established, and a jointly managed risk programme that draws on the capabilities of collaborative partners, ensuring that risks do not become issues.
How?	A risk register should be established that includes the following, as a minimum: a) risk description; b) risk assessment (likelihood, impact, triggers, stakeholder perception); c) identification of responses to reduce risk (prevention, reduction, transference, acceptance, contingency); d) translation of risk responses into action plans: assigned risk owner; e) quantification of risks to establish necessary financial provision; f) re-assessment of risks and responses as required until closure.

4.7 Implementation plan

What?	Establish and regularly review the implementation plan.
Why?	Creating a strategy is only a step in the process of bringing additional value to the relationship. In the development stage the practical implementation should also be addressed and planned. The process that monitors progress should be clearly documented by the team.
How?	The organization should utilize its current operating practices to establish how it intends to move forward with the specific opportunity in accordance with BS 11000-1. This can be embodied in the RMP.

4.8 Relationship management plan

What?	Establish and maintain the RMP for the specific opportunity.
Why?	While there is likely to be a common approach to implementing a collaborative relationship, each case has its own specific aspects to be considered and this is reflected in the RMP. The RMP is designed to capture these within the context of the corporate process and provide a baseline and history for those involved to move forward. It also provides a reference point for those joining the operations at a later date.