

# Guideline strategic partnership



*A successful partnership will help to maximize business opportunities and reduce business threats for both parties involved.*

*Strategic partnerships are also considered to be extremely powerful tools in motivating and empowering individual organisations.*

*This guideline describes a roadmap to overcome the difficult first steps and helps organizations to create partnerships that really contribute to the business results.*

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## Reading instructions document

In this appendix a short overview of the total document is made to give the reader an indication what to expect. By using questions per main item the reader gets more information what kind of answers are given in this document.



### Introduction

- a. What do partners have to share with each other? (page 4)
- b. Which process steps are needed from idea to implementation to create a successful partnership? (page 4)
- c. Which elements are key principles for success and can be used as criteria for decisions? (page 4)
- d. How to define the project organisation including roles and responsibilities? (page 7)



### Process steps



#### Introduction phase (page 8)

- a. Why is sharing opportunities and threats with each other vital to become agreed and shared goals?
- b. What are first draft ideas to create a successful partnership?
- c. Why is it important to define success factors / pitfalls for the project?
- d. How to decide for the next step?



#### Preliminary investigation phase (page 12)

- e. Why is a business analysis needed to become opportunities?
- f. How to decide for the next step?



#### Detail investigation phase (page 13)

- g. Why is an agreement for the project conditions important?
- h. How do opportunities have to be worked out to get detailed information?
- i. How to decide for the next step?



#### Implementation phase (page 15)

- j. What are important issues to organise the project?



### Summary

- a. What are the summarized important issues to create a successful partnership? (page 16)



### Worksheets

## 1. Introduction

An important trend<sup>1</sup> in today's world of supply chain is still outsourcing. In order to be able to outsource, a partnership between two organizations need to be established. The first question that comes up is how to create a successful partnership? Successful strategic partnerships are considered to be extremely powerful tools in motivating and empowering individual organisations. Partnerships should be formed to maximize business opportunities and reduce business threats for both parties involved. This guideline describes a roadmap to overcome the difficult first steps and helps organizations to create partnerships that really contribute to the business results.

### 1.1 Sharing is vital

Strategic partners should make compromises in order to get the best from the partnership. A partnership is only a true strategic partnership when all sides give something and receive something in return. Possible partners must share a number of things:

- **Data** - sharing data is vital in building an understanding and awareness. Joint analysis of data leads to purposeful action.
- **Policies** - sharing policies encourages a deep understanding of partners' goals. (Partnerships do not seek to change partner policies).
- **Processes** - sharing of processes, be they technical, administrative, procedural, knowledge or skill-based, encourage and develop the transfer of 'best practice'.
- **Ideas** - innovation can be a gateway to success, but the risk association often places the subsequent action outside the realms of a single partner.
- **Costs** - as partnerships develop, it is important to establish an equitable process for sharing costs.
- **Outcomes** - the equitable sharing of 'outcomes' needs to have clarity and transparency.

### 1.2 Project approach

A structured project approach is a pre-condition to increase the chance for successful partnership. Therefore, it is necessary to distinguish four project phases, namely:

- Phase I: Introduction phase (described in paragraph 2.1)
- Phase II: Preliminary investigation (described in paragraph 2.2)
- Phase III: Detailed investigation (described in paragraph 2.3)
- Phase IV: Implementation (described in paragraph 2.4)

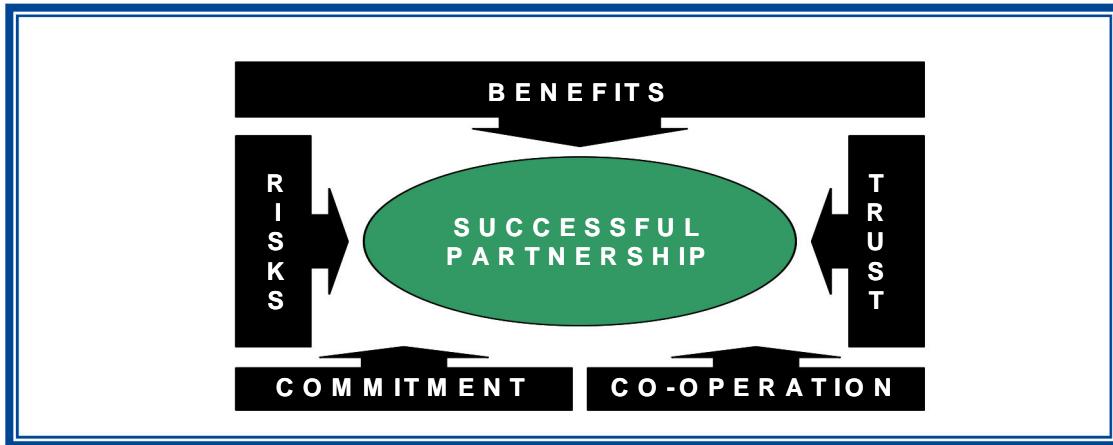
Each project phase ends with a go / no-go decision. This implies that both parties have to give "Green light", before the next phase of the project can be entered. This decision can be founded by checking the score on five basic key principles for success, as explained in paragraph 1.3.

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<sup>1</sup> Source: Supply Chain Magazine – issue 3 March 2009

### 1.3 Five basic key principles for success

Successful partnerships are based on five basic key principles.



*Figure 1. Five basic key principles for success*

A clear understanding of these principles allows possible partners to make 'honest' decisions about whether to form or continue with the strategic partnership. The importance of these key principles will increase during the course of the project (see figure 2).

Basic key principles further explained:

#### **Benefits:**

In the beginning of the project, discussions mainly focus on finding opportunities for possible co-operation. During the course of the project, these opportunities are closely examined. The key principle is that of achieving quantifiable and measurable outcomes and benefits. Examples given: ROI, Contribution to company goals, Cost reductions, etc.

#### **Risks**

The business risk for both parties increases during the project, because at some point it is insurmountable that (critical) business information has to be shared.

Examples given: Impact on organization (processes, changes, etc.), Sharing of sensitive information, Complexity, Investments (time, money, etc.).

#### **Trust**

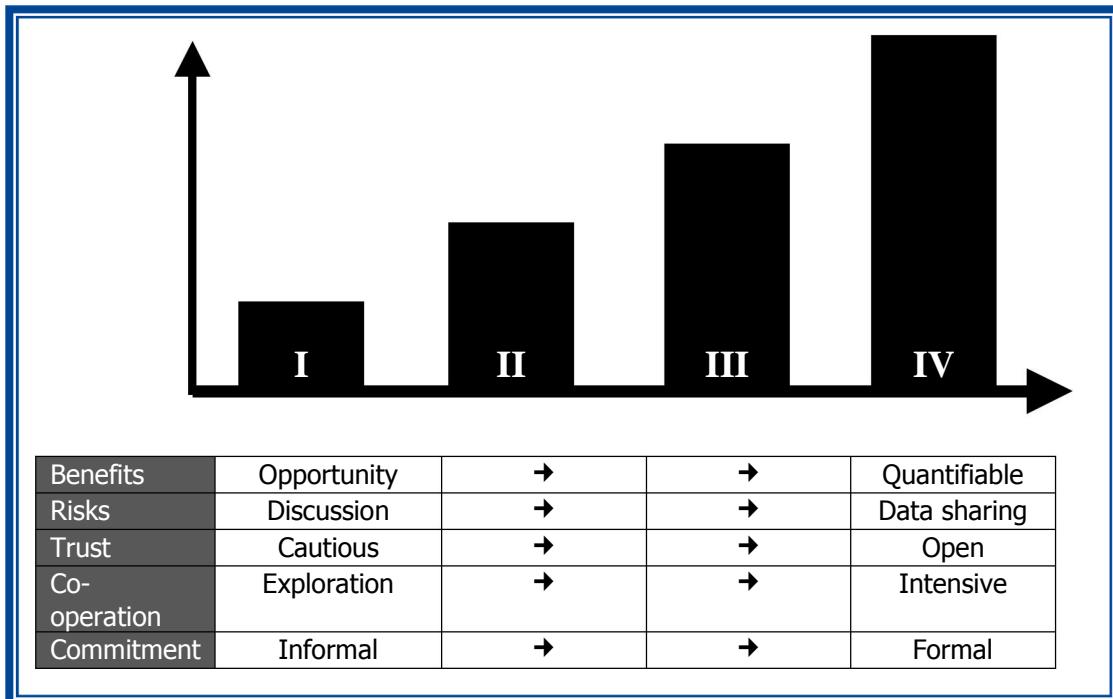
As already stated, trust is formed slowly, but quickly dismantled. Trust is often about actions, rather than words. Trust includes openness, honesty, tolerance and confidentiality.

#### **Co-operation**

During the course of the project the co-operation between both parties becomes more and more intensive. Also the number of people involved will grow. In the beginning, discussions are mainly being pursued on strategic level. During the course of the project discussions / meetings have to be organized on tactical and operational level.

**Commitment:**

During the course of the project "commitment" from both parties increase in significance and can even be secured on paper. However, a legal contract will not save a partnership in the event of a failure of the other basic key principles.



*Figure 2: Project phases & key principles*

For each project phase, both parties can use the above mentioned key principles in determining if there is a go-decision for entering the next level of the process. See table 1 for a general checklist go / no-go with examples of scores made by both organizations.

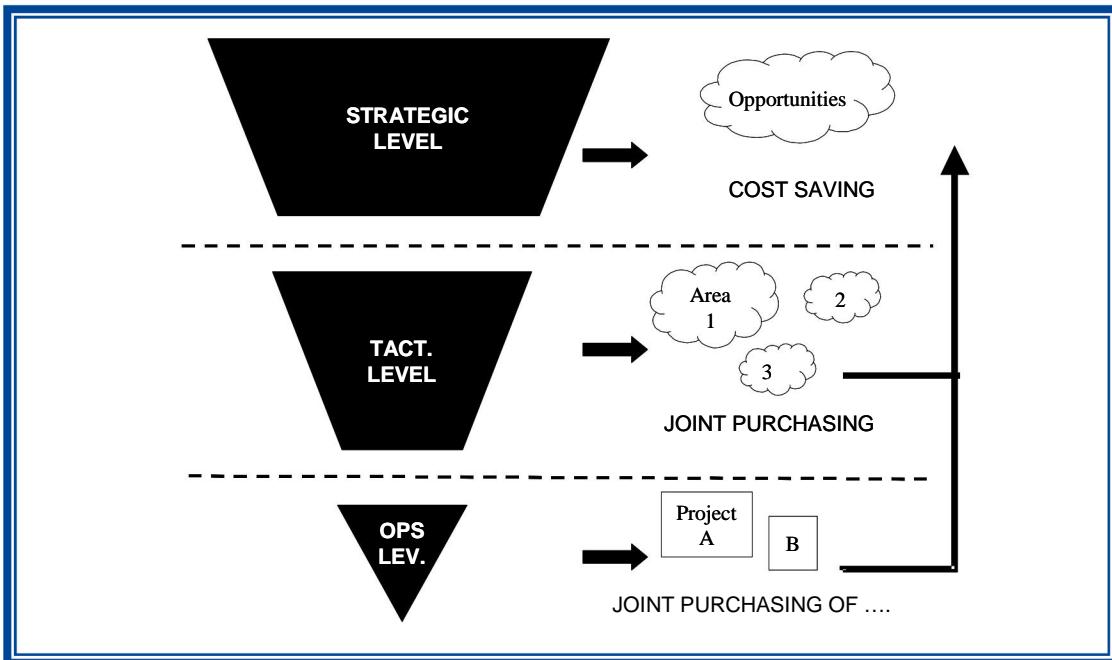
No	General Go / No-Go checklist	Organisation 1	Organisation 2	Go yes/no?
1	Are there still enough <b>benefits</b> to continue?			
2	Are the <b>risks</b> to proceed still acceptable?			
3	Is there still a mutual basis of <b>trust</b> ?			
4	Is there still a positive, constructive <b>co-operation</b> between both parties?	Etc.	Etc.	Etc.
5	Is there still enough <b>commitment</b> to proceed?			

Explanation Symbols	G	Green: Road clear to continue with partnership.
	O	Orange: Doubts about partnership. Needs to be solved first.
	R	Red: No foundations to continue.

*Table 1: General go / no-go checklist*

## 1.4 Project organisation

During the course of the project, decisions have to be made on strategic, tactical and operational level (See figure 3: Decision-making process). Therefore the set up of the project organization has to align with the decisions to be taken.



*Figure 3: Decision-making process*

### Steering team:

Project phase I, the introduction phase, is characterized by discussions and decisions on strategic level. Therefore a steering team should be put in place. The steering team exists of top-level members from both organizations. The role and responsibilities of the steering team members are:

- To define strict process agreements
- To generate first rough ideas for possible co-operation
- To take go or no-go decisions to continue on behalf of their own organization
- To monitor the progress of the whole project.

### Tactical project team:

Project phase II, the preliminary investigation phase, is characterized by closer investigations of the first rough ideas (opportunities) that have been generated in phase I. The goal is to make these ideas more concrete and to determine possible projects. Therefore a tactical project team has to be put in place, which exists of members of both management levels.

### Operational project teams:

During the project phases III and IV operational project teams have to be appointed. They focus on the implementation of approved projects.

For all project teams it is necessary to put a fixed communication and meeting structure in place.

## 2. Process steps



To start a partnership, both possible partners need to agree on the process guidelines that are used to find possible mutual benefits. A solid and controlled process helps both partners to focus on the content and makes it possible to avoid miscommunication.

The process steps 2.1, 2.2, 2.3 and 2.4 are designed to be used as a guideline and are explained in the next paragraphs.

### 2.1 Introduction phase

During the introduction phase both possible strategic partners explore the first steps with "cautious trust". To determine possible shared goals & opportunities both partners must share visions. This is done on a high organizational level by using and sharing background information. Making a SWOT analysis<sup>2</sup> with a focus on opportunities & threats can be very helpful. Next, after determination of shared goal(s) & opportunities the partners share possible first ideas to determine possible win-win situations. To prevent miscommunication, the next step is listing all success factors and pitfalls. The final step is to take a decision whether to proceed with the preliminary investigation phase using the general go / no-go checklist (See paragraph 1.3).

#### 2.1.1 Working towards shared goal(s)

In this paragraph more background is described to be able to understand the wish of possible partners to create a partnership. After sharing background information an overview of possible goals is described. 'To improve business' is a general high-level goal for companies. To support this goal table 1 describes a list of possible specific goals for a partnership.

No	Goals & opportunities	Organisation 1	Organisation 2	Synergy yes/no?
1	Increase revenue	++	++	Yes
2	Reduce cost	++	+	Yes
3	Knowledge sharing	--	++	No
4	Stimulate innovation initiatives	Etc	Etc	etc
5	Enhance organisation values			
6	Improve market possibilities			
7	Develop new products			
8	Develop new markets			
9	Create greater company stability			
10	Lower barrier to customer access			
11	Maximize resource efficiency			
12	Reduce competitiveness			
13	.....			
Explanation Symbols		--	Not relevant	
		-	Not directly relevant	
		+/-	Possible relevant in the future	
		+	Relevant	
		++	Highly relevant	

Table 2: Possible goals to improve business

This table makes it possible to fill in which goals are relevant for each possible partner. The possible partner can extend this list before reviewing the list together.

<sup>2</sup> SWOT analysis: Analysis of **S**trengths, **W**eaknesses, **O**pportunities and **T**hreats of an organization

## 2.1.2 Possible ideas for co-operation

Table 2 describes a list of possible ideas to work out by both possible partners.

No	Possible ideas	Organisation 1	Organisation 2	Synergy yes/no?
1	<b>Increase buying power</b> <ul style="list-style-type: none"> <li>▪ Trailers</li> <li>▪ Trucks</li> <li>▪ Tires</li> <li>▪ Fuel</li> <li>▪ .....</li> </ul>	Yes Yes No	Yes No No	Yes No No
2	<b>Tendering</b> <ul style="list-style-type: none"> <li>▪ Inform each other about specific tenders</li> <li>▪ Use each other as supplier for parts of tenders</li> <li>▪ Work out tenders together</li> <li>▪ Exchange sales leads</li> <li>▪ .....</li> </ul>	Yes Etc.	Yes Etc.	Yes Etc.
3	<b>Research &amp; development</b> <ul style="list-style-type: none"> <li>▪ Shared development of equipment</li> <li>▪ Product development</li> <li>▪ ICT</li> <li>▪ .....</li> </ul>			
4	<b>Network</b> <ul style="list-style-type: none"> <li>▪ Use of each others network (distribution/intermodal)</li> <li>▪ Build a shared new network (f.e. shared rail connection)</li> <li>▪ Share warehouses</li> <li>▪ Share cross docking facilities</li> <li>▪ Share maintenance and repair workshops</li> <li>▪ Develop new markets</li> <li>▪ .....</li> </ul>			
5	<b>Operations</b> <ul style="list-style-type: none"> <li>▪ Reduction imbalances transport</li> <li>▪ Reduction imbalances warehousing</li> <li>▪ Reduction empty kilometres</li> <li>▪ .....</li> </ul>			
6	.....			
7	.....			

*Table 3: List of possible ideas*

The table makes it possible to fill in which goals for each possible partner are relevant. The possible partner can extend this list before reviewing the list together.

### **2.1.3 Critical success factors / pitfalls**

To avoid miscommunication both possible partners need to study and agree the different success factors and pitfalls.

#### **A. Critical success factors**

To support this step table 3 describes a list of success factors for a partnership.

No	Critical success factors	Organisation 1	Organisation 2	Synergy yes/no?
1	Shared and agreed goals(s)	Yes	Yes	Yes
2	Share information/data	Yes	No	No
3	Knowledge of each others policy's	No	No	Yes
4	Knowledge of each others way's of working	Etc.	Etc.	Etc.
5	Installed and agreed communication plan			
6	Share ideas			
7	Agreement on handling costs/revenues			
8	Good project organisation			
9	Agreement of process guideline partnership			
10	Commitment to agreements			
11	Look for quick win with mutual efforts			
12	Professional behaviour regarding trust			
13	Agree that a partnership is 'to give and take'			
14				
15				

*Table 4: List of possible critical success factors*

This table makes it possible to fill in which goals are relevant for each possible partner. The possible partner can extend this list before reviewing the list together.

#### **B. Pitfalls**

To support this step table 4 describes a list of pitfalls for a partnership.

No	Pitfalls	Organisation 1	Organisation 2	Synergy yes/no?
1	Not spending / having enough time	Yes	Yes	Yes
2	Not enough resources (FTE and/or €)	Yes	No	No
3	'Culture clash'	No	No	Yes
4	Changing external environment	Etc.	Etc.	Etc.
5	Changing internal environment			
6	Personal relationship between people doesn't work			
7	Sensitivity in relation with stock exchange			
8	Social unrest employees			
9				
10				

*Table 5: List of possible pitfalls*

The table makes it possible to fill in which goals are relevant for each possible partner. The possible partner can extend this list before reviewing the list together.

#### **2.1.4 Decision to start preliminary investigation**

The outcome of 2.1.1 until 2.1.3 is presented to the principals of both companies (as from now one steering committee named). The steering committee decide to start the preliminary investigation phase. The steering committee checks the outcome of the introduction phase against the 5 key principles mentioned in paragraph 1.3 (benefits, risks, trust, co-operation, commitment).

## 2.2 Preliminary phase

To start the preliminary investigation phase both partners need to formally agree on the outcome of the introduction phase. The first step of the Preliminary investigation phase is to perform a global analysis for win-win opportunities. Next step is to analyze the outcome and present this to the steering committee. Finally the steering committee decides whether to start a detail investigation for one or more of the presented opportunities.

### 2.2.1 Business analysis by both partners

To start the preliminary investigation phase both partners need to formally agree on the outcome of the introduction phase. The first step of the Preliminary investigation phase is to perform a global analysis for all relevant win-win opportunities. Both partners must agree on the results of the analysis. Help is available from the starting list from 2.1.2 (first possible ideas).

### 2.2.2 Analysis and presentation of opportunities

The outcome of the total list from 2.2.1 is analyzed and presented to the steering committee (2.2.2). The way of working is explained with a possible example (see fig.4).

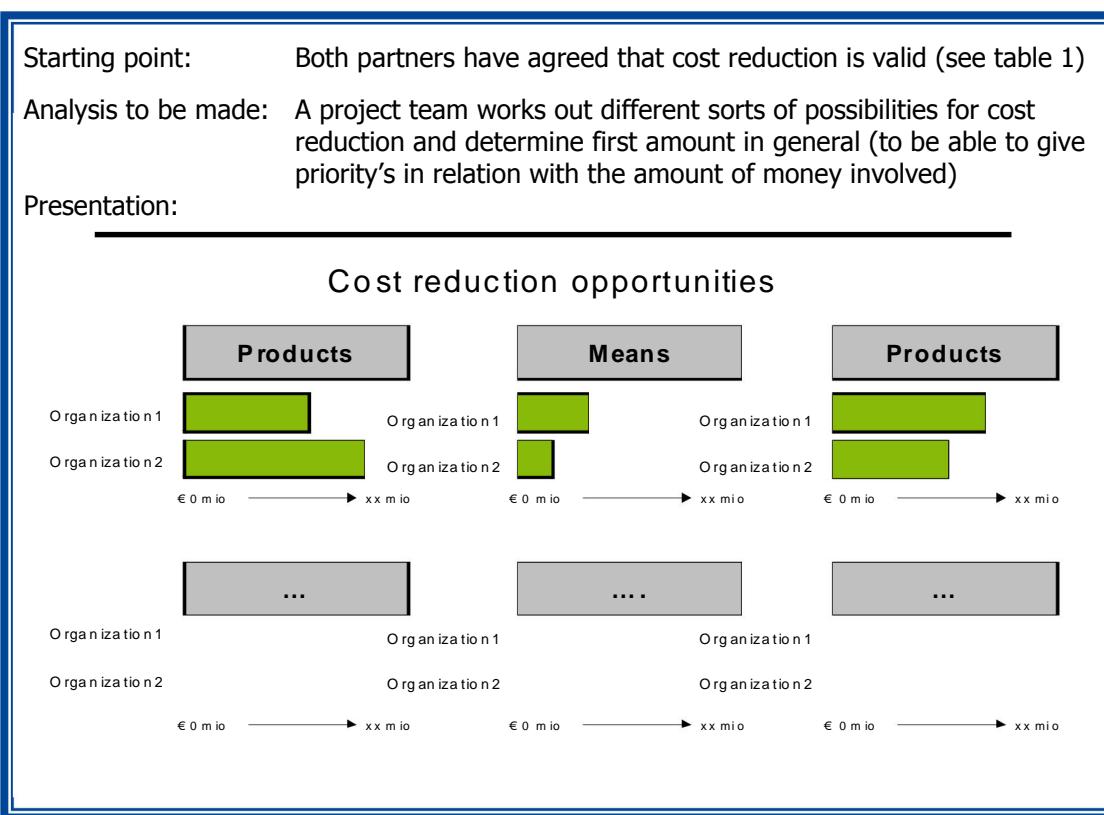


Figure 4: Example business analysis

After finalizing the total presentation and advisements the steering committee decide to start a detailed investigation for one or more opportunities (2.2.3). In this phase it can be safe to start with a pilot project where the risk is low, the benefits are measurable and a short lead-time is expected. Reason is to determine the stability of the process (as mentioned in the process guideline) to work together.

### 2.2.3 Decision to start detail investigation

The outcome of 2.2.2 is presented to the steering committee. The steering committee decide to start a detail investigation for one or more opportunities. The steering committee checks the outcome of the preliminary phase against the 5 key principles mentioned in paragraph 1.3 (benefits, risks, trust, co-operation, commitment).

## 2.3 Detail investigation phase

To start the detail investigation phase both partners need to formally agree on the outcome of the Preliminary investigation phase. The first step of the detail investigation phase is to arrange a project organization to work out the possible benefits. Both partners must agree the content of the project approach. As soon as the project organization is chosen and mutual agreed opportunity(s) are worked out and a decision is made by the steering committee

### 2.3.1 Agree on project conditions

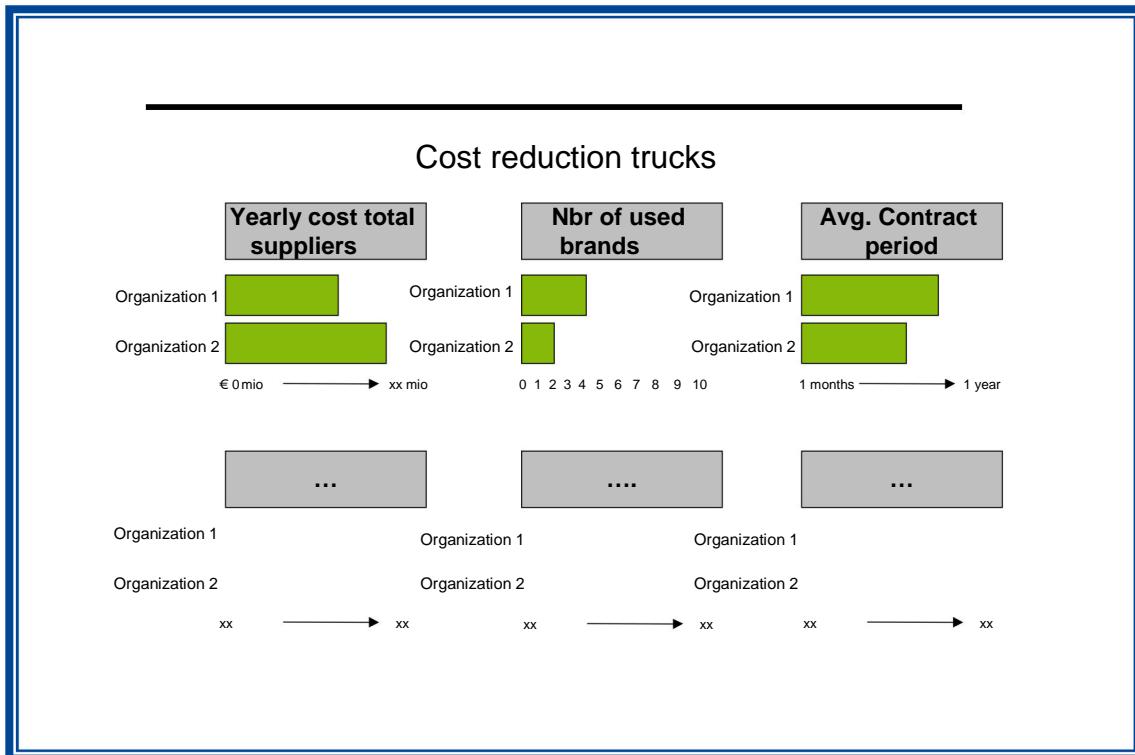
The first step of the Detail investigation phase is to arrange a project organization to work out the opportunity. Next both partners must agree on the content of the project approach. Table 5 shows a list of project conditions based on the tire example from figure 4. The example in table 5 is shown in Italic font.

No	Project conditions	Agreed by organization 1	Agreed by organization 2	Shared conditions
1	<b>What</b> is the subject to do a detailed study? <ul style="list-style-type: none"> <li>▪ <i>Investigate yearly cost reduction for both companies for truck purchasing</i></li> </ul>			
2	<b>Why</b> is the subject important? <ul style="list-style-type: none"> <li>▪ <i>Preliminary study shows a considerable amount of money spend in both companies on a yearly basis.</i></li> <li>▪ <i>Opportunity: possibilities to buy trucks together</i></li> </ul>			
3	<b>Who</b> are involved during this project phase? <ul style="list-style-type: none"> <li>▪ <i>Purchase managers of both partners</i></li> <li>▪ <i>Project managers cost savings both partners</i></li> <li>▪ <i>Other specialists both partners from departments like business development etc.</i></li> </ul>			
4	<b>Where</b> will this project take place? <ul style="list-style-type: none"> <li>▪ <i>Once a week project team meets at HQ organization 1 or HQ organization 2.</i></li> </ul>			
5	<b>When</b> has this study to be ready and presented towards steering committee <ul style="list-style-type: none"> <li>▪ <i>Total project approach ready on (date)</i></li> <li>▪ <i>Deadline project: x-x-2004</i></li> </ul>			

Table 6: project set up

### 2.3.2 Analysis and presentation outcome detail investigation

After setting up the project and the steering committee has decided to start, an analysis is done for the chosen subject. Figure 5 shows an example.



*Figure 5: Example detailed analysis tires*

Based on the analysis the project team has to formulate an advice towards the steering committee. Based on the example this could look like (fig. 6):

*The project team that has studied the opportunity of cost reduction related to trucks has formulated the following advices:*

1. *A reduction of number of truck suppliers per partner is possible.*
2. *The average contract period shows that implementation/start up with one new supplier is possible within 2 months.*
3. *The total yearly cost can be reduced with at least xxx € based on a RFI for the total truck buying package*

*We advice the steering committee to start ASAP the implementation phase*

*Figure 6: Possible advice to steering committee*

### 2.3.3 Decision to start implementation

The outcome of 2.3.2 is presented to the steering committee. They decide whether to start the implementation for the chosen opportunity(s). The committee checks the outcome of the preliminary phase against the 5 key principles mentioned in paragraph 1.3 (benefits, risks, trust, co-operation, commitment).

## 2.4 Implementation phase

To start the implementation phase both partners need to formally agree on the outcome of the detailed phase. The first step of the implementation phase is to define a (new) project team with a detailed project plan. The outcome of the project plan is presented to the steering committee and a decision is made. After the decision, the project plan is executed, monitored and evaluated.

### 2.4.1 Determination project teams and project plan

The first step of the implementation phase is to appoint a (possible new) project team to work out the implementation. It is possible that it is the same project team as described in 2.3.1 both partners must agree the content of the project approach. Table 6 is an example of possible implementation steps. To clarify the table the tire example from previous paragraphs is used.

No	<i>Implementation</i>	<i>Agreed by organization</i>	<i>Agreed by organization</i>	<i>Shared decision</i>
		1	2	
1	<b>Step 1</b> <ul style="list-style-type: none"> <li>▪ <i>Appoint project team for implementation</i> <ul style="list-style-type: none"> <li>- <i>Purchase managers both partners</i></li> <li>- <i>Other specialists both partners from departments like quality/business development etc.</i></li> </ul> </li> </ul>			
2	<b>Step 2</b> <ul style="list-style-type: none"> <li>▪ <i>Inform all relevant people in company about upcoming implementation.</i></li> </ul>			
3	<b>Step 3</b> <ul style="list-style-type: none"> <li>▪ <i>Make a detailed implementation action plan</i></li> </ul>			
4	<b>Step 4</b> <ul style="list-style-type: none"> <li>▪ <i>Start up joined and agreed RFQ process</i></li> </ul>			
5	<b>Step 5</b> <ul style="list-style-type: none"> <li>▪ <i>Filter out final supplier</i></li> </ul>			
5	<b>Step 6</b> <ul style="list-style-type: none"> <li>▪ <i>Present final supplier to steering committee</i></li> </ul>			
5	<b>Step 7</b> <ul style="list-style-type: none"> <li>▪ <i>Agree and formalise partnership with both partners and supplier and start implantation (purchasing procedures, guidelines and instructions etc)</i></li> </ul>			
5	<b>Step 8</b> <ul style="list-style-type: none"> <li>▪ <i>Monitor and evaluate together new supplier on a regular basis</i></li> </ul>			

Table 7: Possible plan for action

### 3. Summary

To create a successful strategic partnership, where maximization of business opportunities and reduction of business threats can be combined, several steps have to be taken. Both possible partners have to comply with the agreed framework of agreements.

Important issues are:

- **Sharing is vital** (Data, Policies, Processes, Ideas, Costs, Outcomes)
- **Pay attention to the 5 key principles for success** (benefits, risks, trust, co-operation, commitment)
- **Use a fixed communication structure** (steering team, tactical project team, operational project teams)
- **Use a structured and agreed project approach** (1. Introduction phase, 2. Preliminary investigation phase, 3. Detailed investigation phase and 4. Implementation phase)
- **Use a solid decision system** (each project phase ends with a go / no-go decision).

*.... Strategic partners should be willing to make compromises in order to get the best from the partnership. A partnership is only a true strategic partnership when all sides give something and receive something in return...*

## Appendix A. Worksheet go/no go checklist

**Name company** : .....

**Date** : .. - .. - ....

No	General Go / No-Go checklist	Organization 1	Organization 2	Go yes/no?
1	Are there still enough benefits to continue?			
2	Are the risks to proceed still acceptable?			
3	Is there still a mutual basis of trust?			
4	Is there still a positive, constructive co-operation between both parties?			
5	Is there still enough commitment to proceed?			

Explanation Symbols	G O R	Green: Road clear to continue with partnership. Orange: Doubts about partnership. Needs to be solved first. Red: No foundations to continue.
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Table 1: General go / no-go checklist

## Appendix B. Worksheet goals and opportunities

**Name company** : .....

**Date** : .. - .. - ....

No	Goals & opportunities	Organization 1	Organization 2	Synergy yes/no?
1	Increase revenue			
2	Reduce cost			
3	Knowledge sharing			
4	Stimulate innovation initiatives			
5	Enhance organisation values			
6	Improve market possibilities			
7	Develop new products			
8	Develop new markets			
9	Create greater company stability			
10	Lower barrier to customer access			
11	Maximize resource efficiency			
12	Reduce competitiveness			
13	.....			
Explanation Symbols		--	Not relevant	
		-	Not directly relevant	
		+/-	Possible relevant in the future	
		+	Relevant	
		++	Highly relevant	

Table 2: Possible goals to improve business

## Appendix C. Worksheet ideas

**Name company** : .....

**Date** : .. - .. - ....

No	Possible Ideas	Organization 1	Organization 2	Synergy yes/no?
1	<b>Increase buying power</b> <ul style="list-style-type: none"> <li>▪ Trailers</li> <li>▪ Trucks</li> <li>▪ Tires</li> <li>▪ Fuel</li> <li>▪ Ferry's</li> <li>▪ Span sets</li> <li>▪ .....</li> </ul>			
2	<b>Tendering</b> <ul style="list-style-type: none"> <li>▪ Inform each other about specific tenders</li> <li>▪ Use each other as supplier for parts of tenders</li> <li>▪ Work out tenders together</li> <li>▪ Exchange sales leads</li> <li>▪ .....</li> </ul>			
3	<b>Research &amp; development</b> <ul style="list-style-type: none"> <li>▪ Shared development of equipment</li> <li>▪ Product development</li> <li>▪ ICT</li> <li>▪ .....</li> </ul>			
4	<b>Network</b> <ul style="list-style-type: none"> <li>▪ Use of each others network (distribution/intermodal)</li> <li>▪ Build a shared new network (f.e. shared rail connection)</li> <li>▪ Share warehouses</li> <li>▪ Share cross docking facilities</li> <li>▪ Share maintenance and repair workshops</li> <li>▪ Develop new markets</li> <li>▪ .....</li> </ul>			
5	<b>Operations</b> <ul style="list-style-type: none"> <li>▪ Reduction imbalances transport</li> <li>▪ Reduction imbalances warehousing</li> <li>▪ Reduction empty kilometres</li> <li>▪ .....</li> </ul>			
6	.....			
7	.....			
8	.....			

Table 3: List of possible ideas

## Appendix D. Worksheet critical success factors

**Name company** : .....

**Date** : .. - .. - ....

No	Critical success factors	Organization 1	Organization 2	Synergy yes/no?
1	Shared and agreed goals(s)			
2	Share information/data			
3	Knowledge of each others policy's			
4	Knowledge of each others way's of working			
5	Installed and agreed communication plan			
6	Share ideas			
7	Agreement on handling costs/revenues			
8	Good project organisation			
9	Agreement of process guideline partnership			
10	Commitment to agreements			
11	Look for quick win with mutual efforts			
12	Professional behaviour regarding trust			
13	Agree that a partnership is 'to give and take'			

Table 4: List of possible critical success factors

## Appendix E. Worksheet Pitfalls

**Name company** : .....

**Date** : .. - .. - ....

No	Pitfalls	Organization 1	Organization 2	Synergy yes/no?
1	Not spending / having enough time			
2	Not enough resources (FTE and/or €)			
3	'Culture clash'			
4	Changing external environment			
5	Changing internal environment			
6	Personal relationship between people doesn't work			
7	Sensitivity in relation with stock exchange			
8	Social unrest employees			
9	..			
10	..			

Table 5: List of possible pitfalls

## Appendix F. Worksheet project conditions

Name company : .....

Date : .. - .. - ..

No	Project conditions	Agreed	Agreed	Shared conditions
		Organization 1	Organization 2	
1	<b>What</b> is the subject to do a detailed study? <ul style="list-style-type: none"> <li>▪ <i>Investigate yearly cost reduction for both companies for tire purchasing</i></li> </ul>			
2	<b>Why</b> is the subject important? <ul style="list-style-type: none"> <li>▪ <i>Preliminary study shows a considerable amount of money spend in both companies on a yearly basis.</i></li> <li>▪ <i>Opportunity: possibilities to buy tires together</i></li> </ul>			
3	<b>Who</b> are involved during this project phase? <ul style="list-style-type: none"> <li>▪ <i>Purchase managers of both partners</i></li> <li>▪ <i>Project managers cost savings both partners</i></li> <li>▪ <i>Other specialists both partners from departments like quality/business development etc.</i></li> </ul>			
4	<b>Where</b> will this project take place? <ul style="list-style-type: none"> <li>▪ <i>Once a week project team meets at HQ X or HQ partner.</i></li> </ul>			
5	<b>When</b> has this study to be ready and presented towards steering committee <ul style="list-style-type: none"> <li>▪ <i>Total project approach ready on x-x-2004</i></li> <li>▪ <i>Deadline project: x-x-2004</i></li> </ul>			

Table 6: project set up

## Appendix G. Worksheet implementation

**Name company** : .....

**Date** : ... - .. - ....

<b>No</b>	<b>Implementation</b>	<i>Agreed</i>	<i>Agreed</i>	<i>Shared decision</i>
		<i>Organization</i> <b>1</b>	<i>Organization</i> <b>2</b>	
1	<b>Step 1</b> <ul style="list-style-type: none"> <li>▪ Appoint project team for implementation           <ul style="list-style-type: none"> <li>- Purchase managers both partners</li> <li>- Other specialists both partners from departments like quality/business development etc.</li> </ul> </li> </ul>			
2	<b>Step 2</b> <ul style="list-style-type: none"> <li>▪ Inform all relevant people in company about upcoming implementation.</li> </ul>			
3	<b>Step 3</b> <ul style="list-style-type: none"> <li>▪ Make a detailed implementation action plan</li> </ul>			
4	<b>Step 4</b> <ul style="list-style-type: none"> <li>▪ Start up joined and agreed RFQ process</li> </ul>			
5	<b>Step 5</b> <ul style="list-style-type: none"> <li>▪ Filter out final supplier</li> </ul>			
5	<b>Step 6</b> <ul style="list-style-type: none"> <li>▪ Present final supplier to steering committee</li> </ul>			
5	<b>Step 7</b> <ul style="list-style-type: none"> <li>▪ Agree and formalise partnership with both partners and supplier and start implantation (purchasing procedures, guidelines and instructions etc)</li> </ul>			
5	<b>Step 8</b> <ul style="list-style-type: none"> <li>▪ Monitor and evaluate together new supplier on a regular basis</li> </ul>			

Table 7: Possible plan for action