

Now you have to provide further assurance and guarantees.

If you were buying double glazing for your home you would wish to deal with a reputable company. Double glazing companies' brochures invariably go to great lengths to convince potential purchasers that their products are reliable: for example, by inviting you to inspect their product in home settings within their showrooms; by offering a 10-year guarantee; by having the process covered by quality procedures; by emphasising the quality of the materials used; or by providing endorsements of their products from past clients.

You must do the same.

Provide guarantees, backed by an insurance policy if necessary, and make sure that every time you complete a job the client signs a 'Satisfaction Certificate'. Ask past clients to provide further written acclamations. When first expressing an interest in a contract, forward two or three Satisfaction Certificates to the potential client from past clients of a similar nature. Demonstrate the product in an environment within which it would be used. Provide samples if possible. Provide copies of any articles that have appeared in the trade press regarding your products or information on test results where your products have been evaluated against those of your rivals.

GAINING ENTRY TO THE MARKET

If you are a small company and have yet to win any substantial contracts from the public sector, you should try to build up a track record of small supplies to the public sector. First, target local government offices within your immediate area. Check Yellow Pages. You will be surprised how many local and central government offices there are within a reasonable radius of your company, eg benefits offices, tax offices, prisons, MoD establishments, libraries, theatres and museums, hospitals, nursing homes, etc. Virtually all will have an authority to purchase low-value commodities up to several thousand pounds, and in many instances without any complex tendering process.

LOCAL PUBLIC SECTOR SALES OPPORTUNITIES

The Ministry of Defence alone has some 200 low-value purchase offices throughout the UK, each one empowered to deal directly with suppliers. The value of most of their requirements will be in the region of several hundred pounds to a few thousand pounds. These supply requirements provide small businesses with many opportunities and with such low-value contracts there is minimal formality, such contracts often being awarded on the basis of oral or faxed bids.

A list of all local MoD purchasing establishments with contact names, addresses and details on their principal requirements is available by telephoning Freephone 0800 282 324.

Once you are a supplier to these bodies you can promote that fact when tendering for other public sector contracts of a larger nature. The public sector likes nothing better than a supplier already working with other public sector entities.

DELIVERY

As stated above, you must only seek to supply those whom you know you can supply effectively. You should seek to provide evidence of your past supply record and assurances on how you ensure your suppliers deliver efficiently to you.

Prior to tender identify the client's needs regarding delivery – just in time, stockholder, etc. Seek information on how and when and where deliveries could be made to best serve the client's requirements – seek information from their stores personnel through a personal visit, if possible. The more you understand about and can satisfy your potential client's needs the better.

FUNCTION

It goes without saying that the product you provide must be fit for its purpose. Your product/service has to satisfy the actual need of your potential customer, not the need that you perceive your customer to have. It is vital, therefore, to have a thorough appreciation of your potential client's requirements.

EXPERTISE

It is vital that you express at all times knowledge not only of your company's product, but also of the market in which it operates; new developments, concerns, etc. Show the expertise of your company through promoting its knowledge. Issue reports and guidances and provide articles and comment to trade press and newspapers. Enter debates, even start them; all will help express the expertise of your company and reflect positively on your company and its products.

Public sector purchasers are keenly aware that the supply of a product or service does not end on the date of delivery. Therefore, issues such as technical support, after-sales service, maintenance and re-supply are essential considerations.

Tell the customer how you will ensure the highest standards and most comprehensive service. Again, the after-sales aspect should be addressed in your promotional literature, letters of acclamation and, where appropriate, Satisfaction Certificates.

INNOVATION

It is very likely the product/service you offer can be offered by others. So, in order to achieve competitive advantage, you must provide added value, such as innovation.

Government wants innovation, but is, for obvious reasons, scared of the risks it may

involve. You have to overcome this concern by addressing it in your tender proposal and supportive product literature. Your client should also be made aware of your product development programme and how you will continue to monitor products to ensure they develop in line with client requirements.

Provide them with a view of the future, and the positive impact you envisage your product and its future developments will have for the benefit of the client.

You should also be proactive in identifying and promoting practices and processes which clients could use to increase performance and value.

Emphasise how your proposal addresses environmental issues/concerns.

AWARENESS

When you meet friends, you do so to speak of their news, not just your own. Clients are exactly the same. It is important to become aware of their needs, concerns, developments and pressures. Within the public sector there are many such pressures coming from various directions such as legislation, government initiatives, finance and personnel.

Your understanding of these will enable you to appear a much more responsive contractor: Read the publications they read; follow press items regarding policy and processes; show understanding, care and consideration; and formally audit your relationships at all times throughout the contract period. Winning the next contract starts with carrying out the current contract effectively and efficiently and, just as importantly, being seen to do so.

Ensure your clients are consulted whenever you seek to change the product/service being offered. If you do not, the likelihood is that they will perceive change as potential risk.

COOPERATION

The partnership approach rather than the 'them and us' scenario is very much flavour of the month. The Government has recognised that the public sector working with the private sector is the only way to achieve Best Value. There may be many instances where you could provide a service which would complement or enhance those provided by a public body.

Do not hesitate to make an approach to those bodies, with a suggestion for partnership.

Promote an atmosphere of partnering within your tender proposal. Offer to share savings identified during the operation of the contract. Offer to share any IPR developed through the contract. Support the client in other areas wherever possible. There are always ways of doing so.

VALUE FOR MONEY

Value for Money does not mean lowest price. This is increasingly being recognised by public sector purchasers. The lowest initial price may in the end be the highest. You must demonstrate to clients why your product offers best value over its lifetime. Promote your understanding that Price does not equal Cost and ensure you clearly identify cost issues, not price issues.

Emphasise how using your product/service can save on whole-life costs. Show how you can, through understanding a client's practices and processes, increase their internal efficiencies, driving down their costs, by facilitating better practices in areas such as receipt of goods, invoice process, disposal, etc.

ENERGY

It may seem an odd title, but there is no doubt that companies who express energy in their relationships succeed. This involves always actively generating new ideas and developing processes and actively seeking a better understanding of your client's changing needs. Keeping close to clients throughout the tender. Keeping them informed of all developments, good or bad. The sooner problems are identified and addressed by both parties the better. It is in the client's interest to help you overcome problems, so share them and settle them quickly.

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GUIDANCE 9

2005

WORKING IN PARTNERSHIP



SUPPLIER & CLIENT REQUIREMENTS

FORM A RELATIONSHIP

In every relationship between supplier and client there will be a list of requirements that each party is looking to meet. These requirements can generally be met, or an acceptable compromise reached, if good relationships are maintained. Such relationships, given mutual respect and understanding of each party's abilities, needs and aims, can develop into a partnership.

A partnership is the key to long-term relationships. It requires some fundamental elements.

A GOOD CONTRACT

- sets out in clear and precise terms the scope of the work to which it applies
- defines clearly the roles, responsibilities, liabilities and expectations of the parties governed by the contract
- defines the procedures to be followed if a dispute arises, or any party fails to perform, and the remedies available to the parties
- is workable and acceptable to all parties
- allows the customer to achieve value for money, whilst allowing the supplier to make a reasonable profit
- contains agreed and reasonable targets and performance measures
- has clearly defined change control applied
- is not unnecessarily arduous (any supplier who feels tied to an over-rigorous contract may well be tempted to cover the risk financially, possibly by reducing support costs or increasing the margin on goods or services being provided)
- is written in plain language
- clearly sets out the payment terms and conditions
- is not a stick with which to beat the other party

APPRECIATION OF SUPPLIER NEEDS

THE SUPPLIER NEEDS

- to make a profit and be paid on time
- clear definition of the goods and services to be provided under the contract
- a clear definition of supplier responsibilities
- reasonable payment terms without large retentions
- a clear understanding of who the buyer is
- access to people who can help them understand more fully what is needed rather than what has been specified
- a clear escalation route for resolving difficulties and, as a last resort, a clear disputes procedure
- to be seen to deliver value for money and hence increase their chances of winning further business
- to be able to understand, manage and therefore meet the customer's expectations
- to create opportunities for future sales
- reasonable timeframes for delivery
- to incur minimal overheads in supplying the goods or services
- no surprises and issues raised early
- minimum exposure to risk
- constructive feedback at all levels on their performance
- an open and honest approach from the customer
- respect for their industry and business acumen

APPRECIATION OF CLIENT NEEDS

THE CLIENT NEEDS

- the required goods and/or services of the right quality, delivered on time and at a reasonable price
- value for money, rather than simply the best price

- smooth delivery of the services or goods
- a clear supplier contact point with the required level of authority to be able to commit to delivery of the goods and services
- no surprises
- issues raised early
- any problem raised to be accompanied by one or more potential solutions wherever possible
- a clear escalation route for resolving difficulties and, as a last resort, a clear disputes procedure
- to keep their options open
- reasonable payment terms, with most monies payable after delivery and acceptance of the goods and services
- suppliers to be keen to succeed for the good of the customer and not just for their own profit motives
- suppliers that understand the customer's business and needs
- an open and honest approach from the supplier
- respect for their business knowledge and acumen

SATISFYING COMMON DESIRES

GOOD RELATIONS ARE BUILT UPON

- an honest and open approach
- mutual trust and respect for the capabilities of the other organisation and a desire on both sides to work together for the benefit of each other
- a mutual understanding of the goals and objectives of each other's organisation
- assertiveness, not aggression, during contract negotiation (an aggressive negotiator will almost certainly win short-term gains to the detriment of the long-term relationship)
- enthusiasm and attention to detail
- having customers and suppliers with a sound business knowledge of what can and cannot be compromised
- the ability of individuals to express themselves clearly and unambiguously
- good interpersonal skills
- close involvement of the decision makers within each organisation
- no surprises
- issues raised early
- easy access to people who can make things happen
- a clear process for resolving difficulties

CONTRACT RELATIONSHIP HEALTH CHECK

These questions should be answered through the forum of a group discussion with all those involved in client-supplier relationships.

Any negative responses identified must be discussed and rectified through a formal change mechanism.

Key parts of this process should be repeated at regular intervals.

CONTRACTOR SIDE

1. Do you have a nominated Client Manager for each contract?

 YES NO
2. Does your Client Manager have the authority to make decisions and commit resources on behalf of your company?

 YES NO
3. Does your Client Manager have direct access to people who have this authority within your company?

 YES NO
4. Is the Client Manager's role clearly defined and their authority and functions stated in written procedures?

 YES NO
5. Do they, and their colleagues, understand the remit they have and do you audit to verify this understanding?

 YES NO
6. Do your Client Managers receive training?

 YES NO
7. Is such training a recognised in-house programme?

 YES NO
- 8a. Is the background of your Client Officers complementary to the role you require them to play?

 YES NO
- 8b. Given their background, can they perform their role effectively?

 YES NO

- 8c. Do you seek the views of your customers as to their perception of the Client Manager's performance?

 YES NO
- 9a. Do your Client Managers have recognised nominated deputies?

 YES NO
- 9b. Are nominated deputies trained in accordance with a recognised training programme?

 YES NO
- 9c. Are your clients familiar with your Client Manager's nominated deputy?

 YES NO

CLIENT SIDE

1. Do your clients have an identified representative appointed to conduct relationships with your company on their behalf?

 YES NO
2. Do these client personnel have the authority to make decisions and commit resources on the client's behalf?

 YES NO
3. Do they have access to people who have authority within their organisation?

 YES NO
- 4a. Do they have access to people within your company, other than your Client Manager, who are capable of making decisions and exercising authority?

 YES NO
- 4b. If so, are you sure they are aware of this access and how it may operate and how to identify those whom they require to contact?

 YES NO
5. Does your client understand your organisation and how it functions?

 YES NO
- 6a. Do you feel that at this moment in time each of your client/contractor relationships is working to the benefit of your company?

 YES NO
- 6b. If not, have you identified what action requires to be taken?

 YES NO
- 7a. Do you KNOW how your client honestly feels about the relationship?

 YES NO
- 7b. Is the client happy with the relationship?

 YES NO
- 7c. Are you sure; have they stated so?

 YES NO
8. Does your Client Manager have a detailed understanding of the structure and organisation of the client's organisation?

 YES NO

COOPERATION

1. Does your Client Manager hold regular meetings with the client?

 YES NO
2. Do these meetings have specific objectives which are clearly stated and understood by both parties?

 YES NO
3. Is there a mechanism in place to ensure that issues of potential difficulty will be raised early enough to ensure that they are speedily addressed and resolved?

 YES NO
4. Are you happy with the number of issues that arise?

 YES NO
5. Does your Client Manager enjoy informal opportunities to meet the client?

 YES NO

Issue all your clients with a chart showing the organisational structure of your company. Such a chart should not only identify the various personnel titles, but their full names and contact numbers. This information should be updated and circulated on a regular basis: suggest every four months.

- 6a. Has your Client Manager correctly ascertained from the client organisation details as to what are and what are not acceptable public relations gestures, in accordance with the organisation's standing rules and regulations on acceptance of hospitality?

 YES NO
- 6b. Is this confirmed in writing?

 YES NO

Every authority operates to different criteria.

It is important you understand what is permissible to each public sector body before offering such hospitality.

7. Do you invoice promptly?

 YES NO
8. Are you happy with the number of invoices returned because of errors?

 YES NO
9. Does the client know how and when invoices are presented and is this an agreed procedure?

 YES NO
10. Do you consistently deliver what the client wants, when they want it?

 YES NO

CONTROLLING RELATIONSHIPS

1. Are issues raised and resolved without you or the client having to refer to the contract documents?

 YES NO
2. When a problem arises do you propose a solution?

 YES NO
3. When your client raises a problem do they propose a solution?

 YES NO
4. Is your client aware of your new and future products?

 YES NO
5. Are you aware of your client's future procurement needs?

 YES NO
6. Do you feel in control of the relationship?

 YES NO
7. Do you believe your company has all the contracts with the client that it should have?

 YES NO
8. If not, are you seeking to rectify this?

 YES NO
- 9a. Is your client resisting your advances?

 YES NO
- 9b. Can you identify why?

 YES NO
- 9c. What action is to be instigated?

 YES NO
10. Are changes to the contract performance specifications handled using a formalised and agreed change control system?

 YES NO
- 11a. Are there clearly defined and stated procedures to manage escalating problems on both sides?

 YES NO
- 11b. Do they work to the satisfaction of:
 - a) your company?

 YES NO
 - b) the client?

 YES NO
12. Do you audit personal relationships between your company's employees and client personnel?

 YES NO

- 13a. Do you reduce contacts or change personnel where problems of personality are apparent that may be potentially damaging to the contract or future relationships?

 YES NO
- 13b. Do you have a standard procedure for identifying such potential problems?

 YES NO

ASSESSING WORTH

1. Do you know how many contracts you have with each client?

 YES NO
2. Have you carried out an investigation as to the potential future business available to your company from each client?

 YES NO
3. With regards to the contracts you have been awarded, have you identified those contracts and their values where you considered at the time of tendering that:
 - i) the outcome mattered more to your company than any long-term relationship?

 YES NO
 - ii) the outcome did not matter on tendering and nor does the relationship?

 YES NO
 - iii) you placed the long-term relationship above the potential return on the contract?

 YES NO
 - iv) both the relationship and the return would be mutually satisfied?

 YES NO
4. Does the above outcome show:
 - i) contracts are profitable to your company and satisfy the client's needs?

 YES NO
 - ii) many contracts are profitable for your company and are likely to result in long-term association with the client?

 YES NO
 - iii) current contracts satisfy your profit requirement and the client's needs?

 YES NO
- 5a. Is the outcome of the above acceptable to your company and does it satisfy your company's long-term aims and objectives?

 YES NO
- 5b. If not, have you identified the action you propose to instigate to rectify your contracting strategy?

 YES NO

PROMOTING YOUR IMAGE

QUALITY

It almost goes without saying that quality counts. However, many companies still do not consider BS EN ISO 9000 to be a necessity. It is!

One of the first criteria in evaluation is reassurance on quality.

BS EN ISO gives that assurance. Although contract documents may state that if you do not possess quality certification you may provide other information which supports your offering of a quality process, when it comes to comparing those with certification against those operating an unrecognised system, the unrecognised system will be at a disadvantage every time.

The achievement of BS EN ISO 9000 does not need to be expensive. Any costs will be repaid many times over through efficiency savings, if not through tender successes. Regardless of the size of your company, quality certification is beneficial.

All government departments are dedicated to achieving Investors in People. They recognise the importance of training to ensure their operations are carried out at the optimum level. In hotels it can be observed within moments whether the establishment has IIP or not, and the impact of IIP on any company working directly with the public can similarly be appreciated.

Your dedication to achieving IIP will not only help your company directly, but also be seen by others as the sign of a dynamic, forward-looking company.

Similarly, consider working towards achieving the Business Excellence Model. It will help you measure performance and build continuous improvement into all your company products, whether service or supply.

RELIABILITY

How can you convince your client that your product or service is reliable?

You have, by achieving BS EN ISO 9000 and IIP, demonstrated that you are offering a quality product produced by quality people.