

Introduction to CRAFT

CRAFT is a unique strategic approach that has been developed in association with the ICW Executive Network as the framework to support successful relationship building and the application of collaborative business models approaches. The **CRAFT** methodology was the foundation of the British standards Institution (BSI) BS 11000, Collaborative Business Relationship Framework Specification, the world's first relationship management standard published in 2010.

CRAFT stands for **C**ollaborative **R**elationship, **A**ssessment, **F**ulfilment and **T**ransformation comprising multiple practical guides, tools and workshop applications. **CRAFT** brings together in a holistic manner the tried and tested approaches to building business relationships. It operates on the simple principle that the management of each business relationship is a process that can be applied to all types of collaborative relationships to improve their effectiveness.

The starting point in managing a **Collaborative business Relationship** is to analyse the current situation as to its quality, effectiveness and underlying strength. This is the Assessment stage. Here **CRAFT** has a range of tools and methodologies to help organisations assess their relationships in a logical, constructive manner and address any potential obstacles to progress, including barriers arising from traditional contracting relationships.

Once the relationship has been assessed, the next stage of the process is to focus on the individual and joint objectives of the participants to formulate a vision of what they expect to get out of the relationship. This stage we call **Fulfilment** where objectives / expectations are agreed and measurement processes put in place to help deliver the agreed objectives.

The **Transformation** stage of the process is designed to take the relationship forward to provide a productive and constructive approach to improve the profitability and competitiveness of all parties.

The experience has clearly shown that whilst each business relationship is unique, there are many common issues in the process. Developing a productive collaborative relationship must address these issues and will benefit greatly from the knowledge of those who have trodden this path before both in the effective implementation, management and a structured exit strategy.

CRAFT is not a one size fits all approach and client projects will certainly require tailoring to suit specific and varied situations. It should also be appreciated that whilst the overriding profile assumes an end to end application this is seldom the case and many client's requirements will be positioned at different entry points. This may at times result in starting the immediate process midway but it is worth understanding and working with clients to take a step back at

some point to address earlier stages as this will eventually provide a more solid foundation for moving forward.

The individual tools and workshop approaches have also been positioned at the appropriate stage of the eight steps but as has been found in practice they can be applied in isolation for specific projects as appropriate. Appreciating the full **CRAFT** programme will help to identify these multiple applications and provide entry points for intervention into client processes and localised challenges.



The overall aim is to help organisations to recognise opportunities where **CRAFT** can support their needs and provide the foundation for collaborative programmes. Particularly those who are considering the adoption and implementation of BS 11000 Understanding the big picture should build confidence to expand the degree of interaction with partners and create a longer term relationship that is mutually beneficial.

The challenge for any organisations in developing collaborative programmes is to establish a route map against which to create sustainable business relationships. The **CRAFT** eight stage model provides framework that supports development through the life cycle of a relationship from concept to closure.

1. **AWARENESS.** Changing the way we relate to our customers & suppliers is not easy and executive support is required to overcome internal constraints where collaboration may be viewed as soft and fluffy. It is equally crucial to ensure that efforts are focused on those relationships where collaboration will deliver real value.
2. **KNOWLEDGE.** Creating effective collaboration needs strategies focused on the business objectives. The strategy must recognise the risks associated with greater integration together with aspects of knowledge management and business continuity. It is particularly useful to consider at this stage your exit strategy as this will help identify key concerns.
3. **INTERNAL ASSESSMENT.** Understanding the strength and weaknesses of our own organisations is critical if collaboration is to be successful. We frequently focus on what we want from others rather than ensuring we can meet our side of the arrangement.
4. **PARTNER SELECTION.** Finding the right partner is critical and frequently we assume that long standing traditional supplier relationships can simply migrate. Often this is not the case so it is important to understand the profile you are looking for and how you will evaluate their capability to collaborate. Equally how to negotiate the WIN/WIN.
5. **WORKING TOGETHER.** Establishing Joint governance for collaborative programmes and integrating these into effective contracting arrangements requires careful attention. There must be consideration for both the joint objectives and those of the individual partners, together with ensuring the incentives and measurement will support collaborative behaviours.
6. **VALUE CREATION.** The key to maintaining a sound relationship is to ensure that it remains current and drives innovation to bring additional value to the relationship through joint continual improvement programmes.
7. **STAYING TOGETHER.** Relationships need nurturing changes in people and the business environment must be monitored along with performance and behaviours. Issues and disputes will be inevitable but can strengthen relationships if handled effectively.
8. **EXIT STRATEGY.** Nothing last forever and business relationship will likely reach their end. Maintaining a joint exit strategy is important to keep the partners focused. At the same time having clear rules for disengagement will frequently improve engagement throughout the life of the relationship.

As we see greater reliance on external parties to deliver solutions and an increase on contracting for out comes the emphasis on collaborative working will grow. Whilst the BSI standard creates the ground rules it also provides a robust basis for developing the skills to manage collaborative relationships.

*Creating the future is better than predicting it .
The CRAFT methodology and portfolio of
guides, tools and workshops was the
foundation of BSI – BS 11000*