# What is a RACI?

Strategic supplier relationship management (SRM) is a cross-functional and cross-business activity which needs a high level of stakeholder engagement and support from both the customer (your government agency) and the supplier/provider.

Having clearly defined roles and responsibilities across all supplier activities and interactions is fundamental to effective SRM. Typically, this involves listing all activities and interactions with a given supplier and allocating activities to various members of the supplier relationship management team. The roles cover who is responsible, accountable, consulted, and informed (RACI). The output should be a single RACI table for each supplier relationship.

This template helps your agency identify stakeholders and assign appropriate roles and responsibilities (from both the customer and supplier side). Doing this helps to build capability and provide clarity for everyone involved. Once a supplier has been engaged via a kick-off meeting and the preliminary RACI chart has been introduced to them, it is advised that they establish an SRM working group on their side to make sure they can commit to the resources and activities discussed, before agreeing on a final RACI draft.

### How to use this template

Your internal SRM working group should complete a preliminary RACI table whilst being aware that supplier-side roles and responsibilities are subject to discussion/amendments as part of the kick-off meeting. The preliminary RACI chart is a valuable tool in obtaining the buy-in of a supplier as it shows that you’re committed to collaboration and open to suggestions.

Align each supplier activity or interaction to the appropriate role and define if that role is *responsible*, *accountable*, needs to be *consulted* or just needs to be *informed*.

Create the high-level RACI and then review it regularly to make sure it’s still relevant and considers any personnel or organisational changes.

### RACI definitions

**Responsible** The person responsible for completing the task or activity (ideally should be one person only).

**Accountable** The person that makes the final decision and ultimately has the ownership (should always be one person only).

**Consulted** The person or people that should be consulted before a decision, or before a task or activity takes place. These people will normally provide information that supports conducting the activity or task.

**Informed** The person or people that should be informed once the decision has been made or once the activity or task is finished. They can also be kept updated on progress.

# RACI template

|  |  |
| --- | --- |
| Supplier/provider name |  |

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|  |  |  |
| --- | --- | --- |
| SRM role | Assigned to (customer/agency side) | Assigned to (supplier side) |
| Account Executive |  |  |
| Key Account Manager |  |  |
| Supplier Relationship Manager |  |  |
| Workstream lead |  |  |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ACTIVITY | SUPPLIER/PROVIDER | | AGENCY/CUSTOMER | | | | | | |
| Key Account Manager | Account Executive | Supplier Relationship Manager | Supplier Account Executive | Workstream Lead | Department Account Executive | Department SRM Lead | Functional stakeholders | Other stakeholders |
| Complete supplier segmentation |  |  |  |  |  | A | R | C | C |
| Define department SRM value |  |  |  |  |  | A | R | C | C |
| Set up SRM team externally & internally (RACI) | R | I | I | I | I | A | R | C/I | C/I |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ACTIVITY | SUPPLIER/PROVIDER | | AGENCY/CUSTOMER | | | | | | |
| Key Account Manager | Account Executive | Supplier Relationship Manager | Supplier Account Executive | Workstream Lead | Department Account Executive | Department SRM Lead | Functional stakeholders | Other stakeholders |
| Complete contract landscape map and deep dive |  |  | R | A |  |  |  |  |  |
| Complete supplier SRM value proposition template (available on the NZGP website) | R |  | R | A |  |  |  |  |  |
| Complete department stakeholder map & communication strategy |  |  | R |  |  |  |  |  |  |
| Hold internal kick-off meeting (there is a template to help you plan this on the NZGP website) | R |  | R |  |  |  |  |  |  |
| Hold supplier kick-off meeting | R | A | R |  |  |  |  |  |  |
| Conduct a 360 review | R |  | R | A | C/I |  |  | C/I | C/I |
| Establish performance reporting | C |  | R | A | C/I |  |  | C/I | C/I |
| Define governance model | C |  | R |  | C/I |  |  | C/I | C/I |
| Identify issues and ongoing performance from metrics |  |  | A |  | R |  |  | C | C |
| Establish service improvement plan (SIP) for recurring issues (there is a template for this on the NZGP website) | R |  | A |  | R |  |  |  |  |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ACTIVITY | SUPPLIER/PROVIDER | | AGENCY/CUSTOMER | | | | | | |
| Key Account Manager | Account Executive | Supplier Relationship Manager | Supplier Account Executive | Workstream Lead | Department Account Executive | Department SRM Lead | Functional stakeholders | Other stakeholders |
| Establish service improvement plan for continuous improvement | R |  | A |  | R |  |  | C/I | C/I |
| Hold operational performance meetings | R |  | R |  | C |  |  | C/I | C/I |
| Review relationship progress, including initiatives and workstreams | I | A | R | I | C |  |  | C | C |
| Review and resolve escalated operational/risk issues | I | A | R | A | C/I |  |  | I | I |
| Hold relationship review meetings | R | A | R | A | C/I |  |  | C/I | C/I |
| Hold strategic relationship meetings | I | R | C | R | C/I |  |  | C/I | C/I |