# Supplier relationship management (SRM) value proposition

## Identifying SRM value opportunities improves efficiency and supports buy-in from stakeholders like internal managers and key supplier contacts.

Using this template, explore as many aspects of value as possible. These can be *internal* service or capability uplift benefits, or *external* opportunity benefits. It might not be immediately apparent how some value opportunities would apply to current services and interactions. You could unpack and explore these through a workshop with your team.

**Instructions: Value proposition template – Customer/agency uplift**

**Step 1** – Identify the strategic objectives of your agency (the customer). Enter these in the first column of the below table (i.e. *Provide clean water to customer’s homes).*

**Step 2** –Think about how the agency will deliver these strategic objectives. Identify the services and products that align to those objectives (i.e. *water purification facilities*).

**Step 3** – What SRM activities could create value against these objectives and their correlating service or product? (i.e. *Quarterly meetings with the supplier-side Account Executive to check on risk and general business.)*

**Step 4** – What is the anticipated benefit/value of these activities? Value can be financial or non-financial (i.e. *Helps your organisation develop an informed view of any risk(s) to the service, so that you can build a mitigation plan.*)

**Instructions: Value proposition template – Supplier/provider opportunity**

**Step 1** – Identify the supplier’s strategic objective (i.e. P*rovide hygienic water supplies*).

**Step 2** – Note the supplier’s services/products (i.e. *Purified water*).

**Step 3** – Identify any problems or opportunities relating to the specific strategic objective (i.e. S*upplier previously hasn’t communicated progress of disruption resolution, which meant you couldn’t accurately advise your customers either*).

**Step 4** – How will SRM address this problem or opportunity? (i.e. *A stronger relationship will build respect and trust, which means disruptions to service will be communicated better in future.*)

**Step 5** – Identify the anticipated benefits. These can be financial or non-financial (i.e. *Improved communication from us to our customers in the event of service disruption).*

Once completed, these templates will connect the strategic objectives of your organisation (the customer) to the value provided by good SRM. Use these templates to portray this value to senior leadership stakeholders internally, as well as external supplier/provider stakeholders during initial SRM-related engagements with them.

### Value proposition template - customer/agency UPLIFT

|  |  |  |  |
| --- | --- | --- | --- |
| Agency strategic objectives | Supplier services and products that correspond to this strategic objective | SRM ambition (activities to create value) | SRM benefits (type of benefit or value anticipated) |
| 1. Improve the…
 |  |  |  |
| 1. Optimise the…
 |  |  |  |
| 1. Grow the…
 |  |  |  |
| 1. Establish the…
 |  |  |  |
| 1. Transform the…
 |  |  |  |
| 1. Reduce the…
 |  |  |  |

This provides clarity between value opportunities and the customer/agency’s strategic objectives.

**VALUE PROPOSITION TEMPLATE - SUPPLIER/PROVIDER OPPORTUNITY**

|  |  |
| --- | --- |
| 1. Supplier’s strategic objective
 |  |
| 1. Supplier’s services/products
 |  |
| 1. Opportunity statement (mention a challenge which you hope to overcome by using SRM)
 |  |
| 1. What is the SRM-specific ambition? (How will the SRM programme address the problem?)
 |  |
| 1. What are the anticipated benefits?
 |  |