

Unit 7:

Develop and Manage Collaborative Relationships with other Organisations

Unit reference number: T/506/2059

QCF level: 5

Credit value: 5

Guided learning hours: 28

Unit summary

Businesses interact with other businesses in their supply chains to operate successfully. Few large businesses have autonomous operations and they rely on a network of businesses operating collaboratively.

Learners will gain understanding of the need for, and the benefits of, collaborative working and how it is managed to ensure uninterrupted supply chains that operate sustainably.

Learners will identify external collaborative relationships that can be developed to offer synergies and improve the operations of the partners in the collaboration. They will agree and implement a collaborative partnership arrangement that supports business strategy and objectives, before considering the extent to which such a relationship provides measurable benefits for the business.

Learning outcomes and assessment criteria

To pass this unit, the learner needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria outline the requirements the learner is expected to meet to achieve the unit.

Learning outcomes	Assessment criteria
<p>1 Understand the principles of effective collaboration with other organisations</p>	<p>1.1 Assess the nature of potential stakeholders' interest and needs</p> <p>1.2 Evaluate the strengths and weaknesses of stakeholder mapping techniques</p> <p>1.3 Assess the value of a range of analytical techniques and alliance modelling</p> <p>1.4 Evaluate the implications of collaborative relationships for risk and knowledge management</p> <p>1.5 Evaluate the implications of collaborative relationships for the supply chain and sustainability of future working arrangements</p> <p>1.6 Evaluate the components, use and likely effects of invoking an exit strategy</p>
<p>2 Be able to identify external collaborative relationships to be developed</p>	<p>2.1 Identify potential organisations that are likely to complement or enhance the work or reputation of the organisations involved</p> <p>2.2 Analyse the potential synergies and scope for collaboration likely to benefit the organisations involved</p> <p>2.3 Balance the benefits of collaboration against the cost requirements and any potentially adverse aspects</p> <p>2.4 Justify decisions and recommendations with evidence</p>

Learning outcomes	Assessment criteria
<p>3 Be able to collaborate with other organisations</p>	<p>3.1 Agree mutually acceptable terms of reference</p> <p>3.2 Develop a viable stakeholder engagement plan that is consistent with organisational strategy, objectives and values</p> <p>3.3 Develop arrangements to manage relationships that will realise the benefits of collaboration</p> <p>3.4 Collaborate within agreed terms of reference in a way that enhances the reputation of the organisation and fosters productive working relationships</p> <p>3.5 Evaluate the effectiveness of on-going collaborative relationships</p>

Unit amplification

AC1.1: Assess the nature of potential stakeholders' interest and needs

- *Stakeholders:*
 - o internal, e.g. departments, managers, employees
 - o external, e.g. competitors, suppliers; customers; lenders, government agencies, owners, communities
 - o primary, secondary
- *Stakeholders' interests and needs:* financial, e.g. profits; stability, e.g. capital base; economic, e.g. market share; environmental, e.g. carbon emission reduction; social and community, e.g. charitable contributions; communications, e.g. channel, media; trading arrangements

AC1.2: Evaluate the strengths and weaknesses of stakeholder mapping techniques

- *Stakeholder mapping:*
 - o techniques – grids, e.g. power versus interest; RACI (responsible, accountable, consulted, informed) matrix; purposes, dimensions of impact to include identification, interest, claim, power, influence, priority
 - o strengths – analysis of relationships; identification of interests; relative importance of stakeholders; guide to reconciling conflicting interests
 - o weaknesses – redundancy of information; subjectivity in analysis of interests; limited guide to action

AC1.3: Assess the value of a range of analytical techniques and alliance modelling

- *Analytical techniques:* economic analysis; strategic analysis; component analysis
- *Alliance modelling:* reasons; benefits; business pipes (linear models); business platforms (network models); complementarity of business models; model components, e.g. value proposition, core capabilities; supply/distribution chains, costs; revenues; sustainability

AC1.4: Evaluate the implications of collaborative relationships for risk and knowledge management

- *Collaborative relationships:* joint ventures; partnerships; licensing; sub-contracting; approved suppliers; approved retailers; formal agreements; informal agreements; exit arrangements
- *Implications:*
 - o risk management, e.g. operational, financial, economic, legal, political, reputational
 - o knowledge management – access; use/misuse; disclosure; modification; loss/theft; commercial confidentiality; competitive advantage; sensitivity

AC1.5: Evaluate the implications of collaborative relationships for the supply chain and sustainability of future working arrangements

- *Implications of collaborative relationships:*
 - o supply chain – co-operation between supply chain components; integration; just-in-time supply systems; synergy for supply chain components; value creation; logistics; procurement; synchronisation; use of information technology; failure of a link in the chain
 - o sustainability – duration; viability; responsiveness to change (internal, external); resistance to threats

AC1.6: Evaluate the components, use and likely effects of invoking an exit strategy

- *Exit strategy:*
 - o components – legal; financial; regulatory
 - o use – cessation of collaborative venture including consensual and non-consensual
 - o likely effects – interruption to trading; changes to competitive position; financial; legal; reputational