

Developing and Implementing Partnerships in the Supply Chain

Overview

Successful implementation of supply chain management requires the formation of mutually beneficial, collaborative relationships between key members of the supply chain.

Successful implementation of supply chain management requires the formation of mutually beneficial, collaborative relationships between key members of the supply chain.¹ While practitioners and academics have championed the value of partnerships, the challenge is to find effective methods for developing the appropriate type of relationship. In this chapter, we describe the Partnership Model which provides management with a repeatable method to identify appropriate candidates for these critical relationships as well as determine how to appropriately resource and structure them. Implementation issues are documented, and direction is provided for managers interested in using this tool for tailoring key relationships in the supply chain.

After reading this chapter, you should be able to:

- Understand the importance of developing partnerships with key members of the supply chain.
- Explain why so many relationships that are called partnerships end up not meeting the expectations of one or both parties.
- Describe the four parts of the Partnership Model: Drivers, Facilitators, Components, and Outcomes.
- Determine who in each company should participate in a partnership meeting and explain why involving the right people is critical for success.
- Describe how the driver portion of the Partnership Meeting is conducted and why it is important to get this part of the meeting right.
- Demonstrate how to conduct the facilitator portion of the meeting.
- Understand how the appropriate partnership type is determined.
- Describe how to conduct the components session and recognize the importance of leaving the partnership meeting with a plan.

¹ This chapter is based on Douglas M. Lambert, Margaret A. Emmelhainz and John T. Gardner, "Developing and Implementing Supply Chain Partnerships," *The International Journal of Logistics Management*, Vol. 7, No. 2 (1996), pp. 1-17; and Douglas M. Lambert, A. Michael Knemeyer and John T. Gardner, "Supply Chain Partnerships: Model Validation and Implementation," *Journal of Business Logistics*, Vol. 25, No. 2 (2004), pp. 21-42.